



10 October 2019

Via email: [nps-udconsultation@mfe.govt.nz](mailto:nps-udconsultation@mfe.govt.nz)

Dear Madam / Sir,

**SUBMISSION FROM THE QUEENSTOWN LAKES DISTRICT COUNCIL ON THE PROPOSED NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT**

Thank you for the opportunity to present our submission on the proposed National Policy Statement on Urban Development (NPS-UD).

The Queenstown Lakes District Council strongly supports the intent to improve urban planning outcomes, and commends the development of this draft NPS and intention to provide guidance on strategic issues in urban areas. However, there are a number of concerns with how aspects of the proposals will affect this district and the Council that I wish to raise.

High level comments have been provided in this covering letter and detailed responses to the discussion document’s specific questions are attached.

Key points include:

- The policies around out-of-sequence greenfield development are contrary to the plan-led approach of the rest of the NPS-UD; in particular the requirements to integrate a Future Development Strategy with plans for future infrastructure. Out-of-sequence greenfield developments are unlikely to align with our long term and asset management plans, and there is currently no certainty that alternative funding proposals will manage the resulting problems adequately.
- New policy directives promoting greenfield developments need a clearer policy framework that articulates circumstances where new greenfield developments can and should be avoided.
- Descriptions of what constitutes a quality urban environment need better articulation to integrate it into plan making and decision making in the Resource Management Act. The opportunity to integrate and promote urban design principles to achieve better urban planning outcomes should be embraced if increased intensification is going to be beneficial.
- The NPS-UD is likely to promote litigation seeking greater intensification than what the QLDC Proposed District Plan enables, notwithstanding the lack of need for this additional capacity according to current analysis and growth projections. As a result, there is strong potential for misalignment with local priorities and planning for investment in public transport, community facilities, and other infrastructure.
- The requirements to align LTP processes with a future development strategy that includes large buffers of additional capacity over and above predicted demand is problematic for the strict constraints that govern an LTCCP audit.
- The process and timing of the consultation, including reduced timeframes and consultation occurring directly prior to local body elections and an 18-month implementation timeframe, are very difficult.

- The proposals to reframe how district plans address amenity may significantly reduce communities' ability to define and protect the values that are important to them. Unless the NPS-UD addresses this specifically, there is a risk that local planners and Councils could be pitted against their own communities.
- The specific policies promoting intensification close to centres and removing minimum parking standards from plans need to be very carefully managed and are supported in principal but are not clear enough to be supported at present.
- Crown Law advice should be provided on a series of key issues across these documents to ensure consistent interpretation, and to avoid unconstructive Court decisions and unnecessary litigation.

The submission proposes that greater integration and consideration of the other NPS documents under development is needed (Highly Production Land and Freshwater Management). The relationship between the directive provisions of these documents is unclear, and may increase the risk of litigation

Council staff ask to be invited to present this submission at any hearings that result from this consultation process.

Thank you again for the opportunity to comment.

Yours faithfully,

Jim Boulton  
Mayor, Queenstown Lakes District Council

## **1.0 Do you support a National Policy Statement on Urban Development that aims to deliver quality urban environments and make room for growth? Why/Why not?**

- 1.1 Yes. The NPS-UD has the ability to provide much needed guidance and focus which integrates urban planning issues with the management of effects under the RMA. However, it is submitted that 'quality urban environments' should be better articulated through the objectives and policies with specific and directive explanations if the NPS-UD is to be effective in improving the planning system.
- 1.2 Objective 2 describes a 'quality urban environment' in a non-exhaustive list. It addresses aspects of the built environment, such as community building and connectivity as well as types of houses, but it omits urban design principles and ways to address all four well-beings. The preamble lists other considerations, such as using ecologically-sensitive design and promoting resilience to natural hazards, but the preamble has no legal weight. The policies that inform decisions on urban development are intended to achieve this objective. In order to do so there should be a reference to other documents/national directions that describe other aspects of a quality urban environment.
- 1.3 There is limited connection to the interaction with other national directions. The new requirement for district councils to address the cumulative effects of land use on waterbodies (from the proposed NPS-FM), for instance, needs to be supported in this NPS.

## **2.0 Do you support the approach of targeting the most directive policies to our largest and fastest growing urban environments? Why/why not?**

- 2.1 Yes and no. The significance of the challenges that Queenstown Lakes District experiences with growth and housing and the commonality of these challenges with other major centres are acknowledged. It is agreed that QLDC should have a similar level of national policy direction to assist with its urban planning challenges. However, it also needs to be submitted that this district has less flexibility than other urban centres to manage the issues due to its small ratepayer base, limited transport network, high demands from visitors, and a high proportion of land (97%) protected from urban development as an outstanding natural landscape or feature. For this reason, QLDC would prefer to see descriptive over prescriptive approaches apply here. Not all the suggestions in this document (for example, car parking and amenity) appear suited to the Queenstown Lakes context.
- 2.2 Our district has a unique set of circumstances which may limit our ability to give effect to some of the proposed policies, including those under:
  - 'providing for intensification' – Queenstown Lakes District does not have a housing capacity issue with its district plan although this Council has been and continues to be highly proactive in providing for intensification and additional capacity through its district plan and special housing areas programmes. A need to reappraise the checks and balances in the current district plan on the back of this NPS is potentially disruptive and problematic at this time. The NPS-UD should specify that it does not envisage existing district plans being less valid or requiring substantial reappraisal in these circumstances;
  - 'providing for greenfield development' – there are broad community development implications associated with outward growth that the document does not appear to have considered. Lower density greenfield developments can be expensive and difficult to manage in order to create quality urban environments. The NPS-UD should promote minimum requirements for well-known urban design principles such walkability, minimum densities to support public and active transport and accessibility to services, employment, and open space for such developments as bottom lines. It could also be clearer about the

fact that many of these principles may not be necessary in enabling growth in smaller settlements. This greenfield development policy is contrary to the overall aims of the NPS – UD and the framework of assessing plan-enabled capacity and responding to shortfalls through a regularly revisited FDS. A better way to address this could be more specific requirements in the FDS process to call for and assess additional greenfield development areas;

- ‘removing minimum car parking requirements’ – discouraging single-occupant car dependence and developments that perpetuate dependence on this transport mode are useful in the land-scarce and transport-constrained Queenstown Lakes environment. We have to be mindful that many areas of the district have little prospect of being cost efficient for public transport and that the adventure-oriented visitor industry currently relies on high numbers of self-drive vehicles that need to be parked. Queenstown Lakes District already has no minimum parking requirements in its two main town centres, and has significantly reduced its parking requirements in its higher density residential zones.

2.3 The QLDC would welcome further discussion regarding these matters and considers that there needs to be a degree of flexibility to implement them in a way that best addresses our circumstances.

### **3.0 Do you support the proposed changes to future development strategies (FDSs) overall? If not, what would you suggest doing differently?**

3.1 Overall the greater emphasis on FDS and spatial planning is supported. The requirement that we add 20/15% buffers on top of growth projections to provide sufficient housing and infrastructure capacity is problematic if this is required to be implemented in RMA plans and the Long Term Council Community Plans. The LTCCP needs to be based on a financial strategy that is realistic (i.e. the amount of rates from the growth projected without the buffers). Advice from Audit NZ on using different projections for rates growth and the infrastructure strategy is that there would be issues with using inconsistent assumptions across the plan, because the plan is based on the best information available. The Council needs to reach its own view on what that is and to provide evidence for its choice in the information supporting the LTP. This means that Council cannot use the buffers in the FDS in its LTCCP or Infrastructure Strategy, as per the NPS-UDC/UD, and is highly concerned about how to meet conflicting the requirements.

3.2 It is suggested that if other local authorities (regardless of being a MUC) share boundaries and urban areas, it would be helpful for these neighbouring local authorities to be part of the discussion and development of future development strategies.

3.3 In addition, timing should be aligned with the Housing Business Capacity Assessment (HBCA), as well as the Long Term Plan and other short, medium and long term planning documents and strategies.

### **4.0 Do you support the proposed approach of the NPS-UD providing national level direction about the features of a quality urban environment? Why/why not?**

4.1 Yes, but it could go further. For instance, it could also reference social infrastructure and affordable housing/living. If so, this could strengthen the ability of Councils to seek to get Affordable Housing Objectives and Policies into the district plan.

### **5.0 Do you support the features of a quality urban environment stated in draft objective O2? Why/why not?**

5.1 Including future generations and responding to changing needs and conditions is important. Employment opportunities are also important in establishing a quality urban environment. We would

like to see Business included, otherwise P2B could be difficult to achieve. A number of the matters set out in the preamble should also be incorporated into this statutory provisions of the NPS.

## **6.0 What impacts do you think the draft objectives O2–O3 and policies P2A–P2B will have on your decision-making?**

- 6.1 We foresee that developers could use P2A in reverse to suggest that Councils, in trying to address planning issues (other than those associated with making room for growth) such as providing community services or protecting the environment, are impacting on the landowner's ability to sell sections.

## **7.0 Do you support the inclusion of proposals to clarify that amenity values are diverse and change over time? Why/why not?**

### **7.1 Do you think these proposals will help to address the use of amenity to protect the *status quo*?**

- 7.1.1 Protecting amenity and character can be valuable in preserving important local identities and character and is not necessarily equivalent to just preserving the status quo. Places like Arrowtown and Glenorchy have strong local identities, which are important part of the district's tourism offerings. It is greatly beneficial for these communities if district plans and community plans acknowledge these identities and manage change in ways that preserve and enhance their local character and identity.
- 7.1.2 While these proposals are designed to empower planners, some members of the community will take the view that the Council is reducing the weight given to public participation and turning the submission process into tokenism. This may prove unhelpful, given the level of discontent with growth expressed by a number of people in the Queenstown Lakes district.

### **7.2 Can you suggest alternative ways to address urban amenity through a national policy statement?**

- 7.2.1 The wider challenge is to create more democratic public participation to address the issue of disproportionate influence.

## **8.0 Do you support the addition of direction to provide development capacity that is both feasible and *likely to be taken up*? Will this result in development opportunities that more accurately reflect demand? Why/why not?**

- 8.1 Yes. For Queenstown Lakes this is very important since the district appears to have adequate capacity but in many cases land is held by a small number of landowners who either land bank or drip feed sections onto the market. The proposed direction could force the Council to continue to zone more land to potentially provide more competition in a never-ending loop due to unwaveringly high land prices, but this would not alter the strong disincentive to landowners to provide sections in high numbers so as to lower the land price.

## **9.0 Do you support proposals requiring objectives, policies, rules, and assessment criteria to enable the development anticipated by the zone description? Why/why not?**

- 9.1 Yes, if it helps planners assess cumulative impacts. However, further consideration needs to be given to how this will effect existing requirements under section 32 of the RMA to consider the efficiency and effectiveness of methods of achieving relevant objectives.

**10.0 Do you support policies to enable intensification in the locations where its benefits can best be achieved? Why/why not?**

10.1 Yes. These policies make sense but greater clarity is needed on how proximity is defined. These objectives and policies can be met by any development in the Wakatipu as most are a 20 minute drive from Frankton or Queenstown. Intensification directives such as this should not be wholly blind to situations where a transport constraint might be unresolvable, a natural hazard should prevent an increase of risk, or key infrastructure (such as an airport) needs to be protected from reverse sensitivity effects. While it is helpful for the NPS to articulate situations where intensification is likely to be desirable it should also describe situations where it is better to avoid.

10.2 Queenstown has areas where intensification within walking distance of the town centre is desirable. This is provided for through the district plan and areas where a mixture of styles of residential development from several hundred years of settlement is considered by some people to be an important contributor to identity. Local Council's should retain some flexibility to navigate through these circumstances as they see fit.

**11.0 What option/s do you prefer for prescribing locations for intensification in major urban centres? Why?**

11.1 It is preferable for these location policies to be descriptive (as opposed to prescriptive), and this is what QLDC are already working towards with active travel and modal shift strategies.

11.2 A wide range of factors need to be considered in identifying areas suitable for intensification, which are difficult to anticipate and describe. However, it would be helpful for an NPS to support the idea of minimum floor area per hectare requirements where sites are highly suitable for intensification.

**11.3 If a prescriptive requirement is used, how should the density requirements be stated?**

11.3.1 Minimum floor area per hectare requirements are supported to encourage different housing typologies, and to discourage a cookie cutter approach to creating sections. Floor area requirements would encourage comprehensive development, which leads to better outcomes and potentially more affordable housing through economies of scale.

**12.0 What impact will directly inserting the policy to support intensification in particular locations through consenting decisions have?**

12.1.1 Skipping out the plan change step is likely to run counter to the overall intent of the NPS-UD to promote a plan-led approach to better urban development, and is contrary to the principles in the RMA promoting public participation in the process.

12.1.2 For intensification to have the broad range of net benefits, a strong emphasis on urban design and promoting quality of design through the planning system is recommended.

**13.0 Do you support inclusion of a policy providing for plan changes for out-of-sequence greenfield development and/or greenfield development in locations not currently identified for development?**

13.1 No, this approach is not supported. For the reasons set out in 2.2 above it would undermine the purposes of the NPS-UD and future development strategies if developments were permitted outside the 30-year development strategy.

**14.0 Do you support limiting the ability for local authorities in major urban centres to regulate the number of car parks required for development? Why/why not?**

14.1 This approach has potential to assist with some of the transport challenges in the Queenstown Lakes context. This change is supported in principle but further consideration of implementation is needed. There is no indication that Queenstown Lakes has an oversupply of carparks although there are regular instances of an oversupply of cars in a very car-centric environment.

14.2 Large numbers of residents live in locations that are not likely to be efficient to provide with local walk up and ride to services or public transport. We also need to consider that a significant proportion of local car users are tradespeople, and we need to be able to accommodate their needs in an area dominated by building and construction.

14.3 QLDC has significantly reduced car parking requirements in the proposed district plan but the Council's approach to this is to first focus on providing alternatives: better integration with transport systems and active travel networks, and more places of employment closer to where people live to reduce car dependency. QLDC has a number of strategies and projects underway to achieve this but 18 months is not long enough for these alternatives to be fully in place.

14.4 In addition, QLDC, like many other local authorities, is keen to retain its ability to negotiate a trade/offset for much-needed reserves instead of parking in some zones.

**15.0 Do you think that central government should consider more directive intervention in local authority plans?**

15.1 Rather than introducing blanket removals, the QLDC proposes an allowance for criteria to be met first, which in itself would encourage intensification or better greenfield developments (i.e. quality urban environments). The QLDC supports the removal of minimum floor areas as the market will have a strong influence on what is considered too small.

15.2 With regard to private covenants, Councils could remove the district plan requirements, but developers will still register their own requirements such as minimum sizes, no relocatable dwellings, no further subdivision, the use of expensive materials, etc. We suggest that further consideration is given to this issue.

15.3 It could be beneficial for the NPS-UD to offer guidance that relates to minimum living standards, such as those set out in the London Plan.<sup>1</sup> Such plans appear to enable higher density developments but they also achieve quality living environments for occupiers by imposing minimum room dimensions for example.

**16.0 Do you support requirements for all urban environments to assess demand and supply of development capacity, and monitor a range of market indicators? Why/why not?**

16.1 The QLDC supports the application of capacity reports for major urban centres and high growth centres like Queenstown Lakes. The bigger issue is the highly technocratic nature of the reports and the need to expend large amounts of resources on analysis and consultants.

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<sup>1</sup> <https://www.london.gov.uk/what-we-do/planning/london-plan>

16.2 The Council agrees with the proposed 'at least annually' for monitoring indicators. It is suggested that quarterly monitoring is excessive and that six-monthly monitoring would provide the most useful results.

**17.0 Do you support inclusion of policies to improve how local government works with iwi, hapū and whānau to reflect their values and interests in urban planning?**

17.1 This inclusion is supported. However, lack of capacity and resources will limit meaningful engagement and the ability of iwi, hapū and whānau to deliver on their urban planning aspirations. Engagement at the level of individual hapū and whānau may be inappropriate for many aspects of urban planning.

**18.0 Do you support amendments to existing NPS-UDC 2016 policies to include working with providers of development and other infrastructure, and local authorities cooperating to work with iwi/hapū? Why/why not?**

18.1 Yes. It is important to liaise early with telecommunications and energy providers, to have input into our respective planning processes.

**19.0 What impact will the proposed timing for implementation of policies have?**

19.1 Given the significant amount of national guidance documents and RMA reforms that are likely to require implementation at similar times, the 18 month timeframe is considered to be too short.

**20.0 What kind of guidance or support do you think would help with the successful implementation of the proposed NPS-UD?**

20.1 Ongoing guidance and support from the Ministry for the Environment will be critical to the successful implementation of the NPS-UD. We ask that Crown Law advice is provided to ensure consistent interpretation, and to avoid unhelpful Court decisions and unnecessary litigation.