

Before the Queenstown Lakes District
Council

In the matter of The Resource Management Act 1991 (RMA)

And The Queenstown Lakes Proposed District Plan Stage 3; Stream
18; Settlement Zone

**NPS-UD Supplementary Evidence of Timothy Turley Williams for Universal
Developments (Hāwea) Limited #3248**

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Introduction

- 1 My name is Timothy Turley Williams. I am a planning and urban design consultant. I have previously provided a written brief of evidence in relation to the relief sought by Universal Developments Hawea Limited.
- 2 In this supplementary brief of evidence I respond to the Stage 3 Hearing Panel's Minute 28, dated 27 July, 2020 seeking comments on the differences between the National Policy Statement on Urban Development 2020 (NPS-UD) to come into effect on 20 August, 2020 and its predecessor (the National Policy Statement for Urban Development Capacity 2016 (NPS-UDC)).

NPS-UD

- 3 In my opinion the NPS-UD further emphasises and supports the matters discussed in my primary statement of evidence in relation to the NPS-UDC and underscores the support for the re-zoning as proposed.
- 4 The intent of the NPS-UD is described within the Ministry for the Environment Introductory Guide for the policy statement as (in part):

The NPS UD is designed to improve the responsiveness and competitiveness of land and development markets. In particular, it requires local authorities to open up more development capacity, so more homes can be built in response to demand¹.

- 5 I have focused on the Objectives and Policies in Part 2 of the NPS as those are the provisions of the NPS-UD that I understand must, at this point in time, be given effect to by Council, The provisions in Part 3 directing implementation of certain actions over time are additional future obligations on Council.
- 6 I identify that the NPS-UD recognises the problems inherent in the existing methods generally used by local authorities to assess and make conclusions on development capacity. I have outlined in my primary brief the disconnect that has resulted, this is unquestionably evidenced in the actual housing market in QLDC and housing (un)affordability. I consider that in recognition of this problem, the NPS-UD has taken the step of further directives and required methods by which to attempt to push local authorities to more accurately measure and monitor development capacity on which planning decisions are based.

¹ Ministry for the Environment 2020 *Introductory guide to the National Policy Statement on Urban Development 2020*. Wellington: Ministry for the Environment www.mfe.govt.nz p6

- 7 This is most clear in terms of the change introduced by the NPS-UD that sufficient development capacity is required to be (in addition to other matters) feasible and *reasonably expected to be realised*. This can be described as a ‘real world’ type of check. Guidance on the methods used to determine the amount of development capacity that is both feasible and reasonably expected to be realised is provided in the NPS-UD (Clause 3.26), including analysis of actual building consents, development trends and seeking advice from the development sector.
- 8 This supports the analysis found in my primary evidence at paragraphs [26] – [36] and my critiques at paragraphs [43] and [44] that the disconnect between theoretical supply and housing reaching the market are not being fully identified or appropriately responded to. I consider that the NPS-UD provides further policy support for my conclusions that the re-zoning of the Site will have significant benefit in this respect.
- 9 The further differences that I identify between the NPS-UD and its predecessor are:
 - a) a further emphasis on **competitiveness** in the land and development markets
 - b) the introduction of a new required **responsiveness** by local authorities, specifically to open up more development capacity (so more homes can be built in response to demand)
 - c) increased recognition of the importance of what I have described as a ‘**live work play**’ environment, expressed in the NPS-UD as aspects of a well-functioning urban environment.

Competitiveness

- 10 I consider that the NPS-UD builds upon the requirements of the NPS-UDC in terms of considering urban development capacity however provides stronger direction as to the importance (in planning decisions) of ensuring competitiveness in the market to improve housing affordability. A new objective of the NPS-UD (**Objective 2**) is introduced in this respect as follows:

Planning decisions improve housing affordability by supporting competitive land and development markets
- 11 This focus, to support the *competitive operation of land and development markets* is also found in **Policy 1** of the NPS-UD, which establishes the factors for a well-functioning urban environment.
- 12 These changes are considered to support my position outlined in evidence that a contributory reason for existing housing unaffordability can be identified as a result of the lack of competition in the development market and give direction as to the importance of supporting a competitive development market.

- 13 As traversed in paragraphs [40] – [46] of my primary evidence I consider that planning decisions to date have not given sufficient attention to competition in the land and development market.
- 14 The NPS-UD provides further support for my position in emphasising that a competitive land market is important for housing affordability. I consider that rezoning the Site will increase competition in the market as directed by the NPS-UD. The NPS-UD looks to *create conditions for the market to respond to growth through plenty of opportunities for development in Council plans*². The rezoning of the Site will create these conditions.
- 15 Further, the NPS-UD continues to emphasise the increase of supply to address housing affordability rather than any other method. This is clearly reflected in the new **Objective 2** where the support of *competitive land and development markets* (as opposed to alternative mechanisms) is identified as the method by which to improve housing affordability. This is reinforced by a number of other provisions of the NPS-UD including **Objective 6(c)** in seeking responsiveness to proposals that would contribute significantly to supply. The implications of this are that taking guidance from the NPS-UD I consider the affordability measures as proposed in the evidence of Mr Barr do not give effect to this overarching direction and are inappropriate.

Responsiveness

- 16 A significant new addition to the NPS-UD particularly relevant to the Universal rezoning proposal is the key provision³ of responsive planning found in **Objective 6** and expressed directly in **Policy 8** as follows:

Local authority decisions affecting urban environments are responsive to plan changes that would add significantly to development capacity and contribute to well-functioning urban environments, even if the development capacity is:

- a) Unanticipated by RMA planning documents; or***
- b) Out-of-sequence with planned land release.***

- 17 As a new policy this introduces a change to the NPS-UD that is strongly directive and provides guidance that rezoning as proposed for the Site should be considered positively in the framework of the NPS given its ability to add significantly to

² Ministry for the Environment 2020 *Introductory guide to the National Policy Statement on Urban Development 2020*. Wellington: Ministry for the Environment www.mfe.govt.nz p11 Figure 1

³ Ministry for the Environment 2020 *Introductory guide to the National Policy Statement on Urban Development 2020*. Wellington: Ministry for the Environment www.mfe.govt.nz p6

development capacity and contribute to well-functioning urban environments. The NPS-UD also addresses the potential reluctance of local authorities to entertain large scale changes if they are 'unanticipated' in existing planning documents or 'out-of-sequence' with what may have been previously considered development constraints, such as rural-urban boundaries⁴. This is relevant in the context of the Site and provides a clear policy direction that rather than a conservative approach, local authority decisions are required to be responsive to such changes, *even if* they are not anticipated in existing frameworks.

- 18 The implications of this policy are that concerns about the current zoning, existing Urban Growth Boundary position or reference to previous Community Plans have less importance in the context of the relief sought for the Site, whereby the higher level NPS-UD directs decision makers to respond to the opportunities provided for significant additions to development capacity, despite these factors.
- 19 This is further underscored in the context of Hawea and its growth when considering **Objective 4** and **Policy 6**. In these provisions in particular there is an explicit recognition that urban areas will change over time to meet demand, and an implicit endorsement that that change is appropriate. There was no such provision in the NPS-UDC.

Objective 4: New Zealand's urban environments, including their amenity values, develop and change over time in response to the diverse and changing needs of people, communities, and future generations.

Policy 6: When making planning decisions that affect urban environments, decision-makers have particular regard to the following matters:

- a. ...
- b. ***(b) that the planned urban built form in those RMA planning documents may involve significant changes to an area, and those changes:***
- c. ***(i) may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing densities and types; and***

(ii) are not, of themselves, an adverse effect

- 20 Policy 6 recognises and provides direct guidance on the tension that can result from significant changes to an area in terms of amenity values appreciated by

⁴ Ministry for the Environment 2020 *Responsive Planning Fact Sheet*. Wellington: Ministry for the Environment p2

some. In this respect the policy requires decision makers to have regard to the point that while amenity values currently appreciated may be detracted from, values of other people, communities and future generations may be improved by providing increased and varied housing densities and type.

- 21 Further, and importantly, this policy continues to specify that significant changes to an area, *are not, of themselves, an adverse effect*. The implication for the Site is that any effects perceived with respect to the change that may occur to the Hawea area as a result of the relief should be disregarded, in that the impact of change in itself is not an adverse effect.
- 22 I also consider that inherent in this context of the need for responsiveness, is the expectation that local authorities will also be responsive in terms of solutions for infrastructure, given the overall thrust and intent of the NPS-UD to enable opportunities for development. This is reflected in **Policy 10**, where (c) requires that local authorities *engage with the development section to identify significant opportunities for urban development*.

Live Work Play

- 23 The concept of live work play environments is imbedded in the NPS-UD, expanded upon from the NPS-UDC. Relevant to the Site is the goal of providing employment opportunities in the rezoning area including by industrial zoning. **Objective 3** is a new provision of the NPS-UD as follows:

Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which one or more of the following apply:

- a) the area is in or near a centre zone or other area with many employment opportunities***
- b) the area is well-serviced by existing or planned public transport***
- c) there is high demand for housing or for business land in the area, relative to other areas within the urban environment.***

- 24 I consider this Objective provides further support for the industrial zoning and employment opportunities this would bring to Hawea as emphasised in my evidence. I consider that this provision is more directive than the NPS-UDC and therefore greater weight should be given to this benefit over a preference for purely consolidating industrial zoning to Wanaka.

Summary

- 25 Overall the NPS-UD provides a strong policy direction underscoring the reasons for, and benefits of the rezoning the Site. I consider that the relief sought finds significant support in the NPS-UD, even more so than the NPS-UDC which was also enabling in respect of seeking to increase urban development capacity. For

example, Policy 6(d) directs that decision makers must give particular regard to the contribution a proposal will make to meeting the requirements of the NPS to 'provide or realise development capacity'. This is stronger than the previous comparable direction in the NPS-UDC that decision makers 'take into account' the benefits of urban development (Policy PA4).

- 26 The important policy direction now provided by the NPS-UD includes requirements to clearly consider competitiveness, live, work play environments and for local authorities to be responsive in relation to proposals that would supply significant development capacity as the re-zoning of the Site does.