



Attachment A

14 February 2020

Committee Secretariat
Environment Committee
Parliament Buildings
Wellington

Email: en@parliament.govt.nz

To the Environment Committee

SUBMISSION ON THE URBAN DEVELOPMENT BILL

This submission is from Queenstown Lakes District Council, 10 Gorge Road, Queenstown, 9300.

QLDC wishes to appear before the committee to speak to its submission. It should be noted that this submission reflects the position of officers and has not yet been ratified by full council.

I can be contacted on 03 441 0471 or mike.theelen@qldc.govt.nz.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Mike Theelen', with a long horizontal flourish extending to the right.

Mike Theelen
Chief Executive

SUBMISSION ON THE URBAN DEVELOPMENT BILL

In principle, Queenstown Lakes District Council (QLDC) supports the intent of this Bill to provide a delivery tool in Kāinga Ora for urban design projects with consolidated infrastructure and funding mechanisms. The move towards placemaking, liveability and integrated communities is to be encouraged, rather than solely increasing the volume of housing without a view towards the amenities required.

QLDC does however have a number of concerns regarding the implementation of the wide suite of powers that have been afforded to Kāinga Ora in the Bill. This includes the potential for local authorities to be all but removed from the process in certain circumstances, which could lead to a host of unintended strategic and financial consequences for the communities involved.

1.0 LOCAL AUTHORITY PARTNERSHIP

1.1 QLDC requests that the Bill require Kāinga Ora to firstly seek a partnership with the relevant local authorities (i.e. relevant territorial *and* regional councils, more specifically QLDC and ORC) well in advance of project announcements and throughout the lifecycle of all projects planned and executed by Kāinga Ora.

- 1.1.1 No development is ever isolated from its surrounding community and will have both positive and negative impacts on service levels and demand on established network investment and commitments. Having councils and communities as partners in developments that generate these effects is essential to understand the true benefits and costs.
- 1.1.2 Clauses 43-45 describe how Territorial Authorities are 'invited' to support a specified development project (SDP). Only positively-framed endorsement is accepted, and only then is a local authority nominee eligible to be appointed to the project governance body. QLDC believes a local authority nominee must be appointed in all cases.
- 1.1.3 Local councils are best placed to understand their communities and their needs and aspirations. This should be taken into account at the genesis of any development to ensure community cohesion and amenity.

2.0 TRANSPARENCY AND COMMUNITY INCLUSION

2.1 QLDC strongly advocates for transparency throughout the design and development process of projects tabled by Kāinga Ora. This needs to be done in full partnership with the local council and community voices need to be heard during this process and beyond.

- 2.1.1 Reasonable time must be given for local authorities to consider and respond effectively within the process, including time for consideration via normal (or extraordinary) governance cycles. The reasons for this are outlined for stakeholders (other than councils), in Clause 35(6), and this should be extended to local authorities. The proposed 10 working day consultation period is inadequate and does not align with council decision making processes. This would not allow elected members to form a view or debate any proposed support. QLDC considers that the minimum consultation period be extended (SOLGM recommends 20 working days in line with Local Government Act and Resource

- Management Act) and Kāinga Ora should increase timeframes based on the complexity of projects.
- 2.1.2 The Queenstown Lakes District has a highly engaged community that rightly insists that full consideration be given to the local area and the history of development in the region when making development decisions. Without clear engagement and consultation, the community may not be supportive of highspeed models of development.
 - 2.1.3 QLDC understands that specific in-confidence protections may be appropriate to maintain commercial sensitivity in some instances.

3.0 INTEGRATED STRATEGIC AND STRUCTURAL PLANS

3.1 QLDC strongly believes that any structural development plans put forward by Kāinga Ora must be aligned with council long term plans, wider local authority strategies and community outcomes.

- 3.1.1 The effects and implications of infrastructure planned and built through Kāinga Ora in discrete development projects should be required to fully consider the wider community, not only those directly within that development site.
- 3.1.2 QLDC is concerned that financial planning and budgetary processes may be impacted by projects that reside outside of the council's long term plan. Infrastructure development by Kāinga Ora could lead to the requirement of upgrades and investment in existing council infrastructure that sit outside of the SDP site. The requirement for these additional upgrades may not have been forecast in the LTP, thereby leaving a funding deficit.
- 3.1.3 These discrete developments under SDPs could lead to undesirable outcomes and conflicts with other council strategies and policies given the powers available for Kāinga Ora to overrule district plan provisions.

4.0 RATING IMPLICATIONS

4.1 QLDC shares the concerns articulated in SOLGM's submission over the administrative and financial burdens that will be placed on Local Authorities through Kāinga Ora's proposed rating system.

- 4.1.1 QLDC requests clarification as to how Kāinga Ora will facilitate the collection of additional rates by local authorities on its behalf and what resources will be available to local authorities to administer this collection.
- 4.1.2 Project areas and targeted rates should be made clear to ratepayers in advance of the rating period so that there is no doubt where and when targeted rates will be implemented.

5.0 DEVELOPMENT CONTRIBUTIONS (DC)

5.1 QLDC requests clarification of the proposed development contribution calculation and collection mechanisms to be administered by Kāinga Ora. This will be important for projects where Kāinga Ora is acting as developer and also for projects where Kāinga Ora is acting as consenting authority under SDP.

- 5.1.1 QLDC supports the clause that ensures Kāinga Ora will pay territorial authorities' development contribution levies on urban development projects when acting as the developer.
- 5.1.2 Clarity and further discussion is required on the relationship between Kāinga Ora and the council's Infrastructure and Development Contributions teams when Kāinga Ora is preparing its own DC policy. This is to avoid potential policy misalignment or conflicting policies and will ensure review cycles are aligned and coordinated accordingly.
- 5.1.3 QLDC recommends the removal of s223(1)(d) from the Bill. The Local Government (Community Well-being) Amendment Bill repealed this restriction, therefore this clause may cause misalignment with existing DC policies administered by councils.

6.0 SCALABLE AND AGILE MODEL

6.1 QLDC believes that the Kāinga Ora model should be agile and scalable to better fit smaller-scale housing markets and brownfield developments. This will enable the approach to potentially be used in the district.

- 6.1.1 It is currently unclear as to whether smaller housing and community developments would be catered for within the context of the Urban Development Bill. There needs to be a nimble (yet robust) mechanism that is suitable for developments of 100-600 homes, facilitating infrastructure and engaging communities effectively.
- 6.1.2 The Kāinga Ora model seems suited only to new greenfield development. While this is an important part of delivering new homes, urban renewal and intensification also needs to become a key urban delivery strategy. It is recognised this is far more complex to deliver and cost than greenfields, however QLDC would like to see the Bill and the Agency look to provisions that also support comprehensive urban renewal and intensification.