



## **Submission of Civic Trust Auckland**

### **National Policy Statement on Urban Development Capacity**

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#### **Civic Trust Auckland**

Civic Trust Auckland (CTA) is a non-profit public interest group, incorporated in 1968, with activities and interests throughout the greater Auckland region.

The aims of the Trust include:

- Protection of natural landforms
- Preservation of heritage, in all its aspects
- Encouragement of good planning for the city and region.

1. CTA supports in principle the provision of national policy statements to guide effective planning for urban growth within New Zealand. However, the proposed National Policy Statement on Urban Development Capacity (NPSUDC) simplifies the economic influence of the overall price of dwelling and business land just to land zoning.

2. It does not seem that the proposed NPSUDC will influence the price of land and overall land supply for housing and business purposes in New Zealand's urban areas and, in fact, may actually increase prices of greenfield land prior to subdivision.

3. There are non-RMA factors that affect land supply and land prices, including land banking, restrictive private property land covenants, high building costs, low interest rates and tax free gains on investment. These important issues are not addressed in the proposed NPS.

4. The proposed NPS may, in fact, have no effect on the demand for houses. Currently there are many houses bought by investors, both within New Zealand as well as overseas. The lack of affordable dwellings for people living in New Zealand relates to the type of homes being built and the demand that investors are putting on the availability of homes. Young people, elderly people and those with low incomes are not able to compete either in the property market or for rental accommodation. Increasing the supply of dwellings has not had the effect of slowing the continuing rise in the price of houses.

5. To be effective, planning for future housing or business development needs to be an integrated process that address the many elements that combine to create a successful, liveable urban area. Monitoring, gathering evidence and analysis is important when issues are complex. However, as stated earlier, the issues and contributing factors are perhaps

broader than those covered in the NPS. In proceeding with this NPS it is most important that the policy responses draw in evidence from an appropriately broad sphere of influencing factors.

**6.** Of particular concern to CTA is that objectives and policies in this proposed NPS UDC do not address the quality of the built environment, an issue that is of particular importance to Auckland and is reflected in the Auckland Design Manual. Good quality urban design is an essential element in a successful city or town and needs to be an integral part of land capacity decision making. Urban design has a significant impact on how people live in cities, as well as on the economic performance of cities. Poor quality urban planning can result in isolated communities, underperforming and underused transport networks, and low-quality public spaces that are later upgraded (in some cases repeatedly) at a high cost.

**7.** CTA supports the use of strategic urban design and spatial planning for the successful development of New Zealand's urban environment. However good quality strategic urban design and spatial planning is not just limited to addressing the provisions of land capacity for housing and business use. Further analysis in the proposed NPSUDC is required in this area.

**8.** In achieving this increase in density, it is important that the quality of the existing built environment is properly recognised and taken into account. This is relevant from a number of perspectives. It may be more sustainable to adaptively reuse existing buildings than demolish and build anew.

**9.** CTA considers that the potential of existing historic/special character areas to provide the required density has not been properly considered. The cost of councils processing resource consents is considered a disincentive. However, CTA notes that notwithstanding such charges, private property values have not been impaired by prudent council oversight.

**10.** Adaptive reuse of existing building stock may be more sustainable from the perspective of building resources. Adaptive reuse of housing stock preserves existing neighbourhood character, which has a value which has not been considered in the NPS. The character and quality of the environment may have both social and economic benefit.

**11.** The cost benefit analysis of policy options for the NPS (prepared by MR Cagney Pty Ltd Covec Ltd and Beca, 10 May 2016) apparently takes no account of the costs to private property owners in terms of the impact of housing expansion.

**12.** Of further concern is that the proposed NPS UDC will promote further sprawl in Auckland (as well as elsewhere in the country), which would not only increase the difficulties that a spread-out city suffers from, in particular, transport time, cost and congestion, but use up valuable agricultural, recreational and heritage landscapes. Housing far out from the centre results in unaffordable living for many people. The NPS needs to focus on appropriate infrastructure, particularly public transport, but also make provision for the active transport modes, e.g. walking and cycling. There have been good initiatives around walking and cycling and these need to be extended further. More than half the world's population now live in cities and planning for transport should, as a priority, incorporate planning for carbon neutral urban growth.

**13.** The proposed NPS does not make a clear link between creating "sufficient residential and business development capacity" to meet demand and providing affordable housing for unemployed or low-medium wage New Zealanders. The aims as stated in the preamble are to "*help reduce regulatory barriers to the supply of housing and reduce the cost of housing relative to income*". The links between the aims, objectives and policies are weak, as there are many other non-RMA barriers and costs related to the supply of dwellings.

**14.** The proposed NPS does not address the problems of infrastructure in stagnant and declining urban areas. Not all urban areas are undergoing rapid growth. There is an existing thread of infrastructure that connects New Zealand's regional centres and they need to be developed in an integrated way that minimises the per capita cost of infrastructure and maximises the collective benefit.

**15.** Where central or local government initiatives (including NPS or SHA legislation and council plans) lead to significant supply growth, government should be able to claw back a proportion of the windfall financial gain for the purpose of maintaining environmental amenity. In fact, the recent Auckland Plan refers to Vancouver City's levying by the policy of the Vancouver Council's Finance Committee. Under this policy such windfall gains are apportioned for various purposes, i.e. affordable housing 45%, heritage 28%.

**16.** All local councils need to plan for and respond to growth, or lack of growth, with regard to land use, social infrastructure and infrastructure, for both the short term and the long term. This requires co-ordination and investment. The timeframes in the proposed NPS do not take into account the considerable lead time required for major infrastructure. This makes it difficult for councils to respond as quickly as is proposed.

**17.** The proposed NPS UDC needs to address how infrastructure is to be funded, both initially and in terms of maintenance in the future.

**18.** The scope of the NPS should be extended to include "social infrastructure" and social infrastructure providers such as education providers. The transportation of children to and from schools has a big impact on transport infrastructure, and particular consideration needs to be given in this regard to catering for the active transport modes for school children, who often live within walking/cycling distance of their school and need to be able to get there safely, and to be encouraged to do so (obesity among children being an increasing problem in this country).

**19.** It is unclear to what extent the processes required under the proposed NPS will replicate similar processes that some councils already use. Such duplication could create inconsistencies, resulting in further challenges and delays in obtaining the monitoring information required.

**20.** In the proposed NPS there are no methods for ensuring that the timing of a development is released once the land is rezoned, nor are there tools provided for councils to require developers to provide housing at certain prices. As a result of the Special Housing Areas Act 2013, land owners have been seen to increase the value of their land through a zone change via the HASHA rezoning processes and then land bank it and sell at an inflated price. It has been reported that members of the public are struggling to find out anything about the affordable housing quota or element of special housing area developments.

**21.** The proposed NPS does not include incentives for developers to reach a capacity/density level in housing. There is nothing to prevent the building of less than the zone maximum (one storey in a zone with a ten storey limit). Indeed, development that results in a decrease in density, should be disincentivised.

**22.** Guidance in the form of a National Environmental Standard would be helpful, in order to provide a consistent methodology for assessing capacity to reduce the significant differences that could occur in calculating capacity across different councils. Furthermore, there is no definition of "business land" and it is difficult to forecast what will be required for business purposes.

**23.** CTA is concerned that the proposed NPSUDC is not comprehensive enough in terms of the factors that ultimately affect the provision of housing. As a result, the NPS in its current form it is unclear the NPS will meet its policy aims. To have a positive effect on the problems of housing affordability, the scope of this NPS needs to be broadened from its current focus of monitoring, collecting evidence and co-ordination of planning decisions, to incorporate a more comprehensive set of RMA and non-RMA tools.

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Signature: Audrey van Ryn

