

14 October 2019

To:

National Policy Statement on Urban Development Consultation,
Ministry for the Environment,
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Submission on National Policy Statement on Urban Development

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About the New Zealand Centre for Sustainable Cities

The New Zealand Centre for Sustainable Cities is an interdisciplinary research centre dedicated to providing the research base for innovative solutions to the economic, social, environmental and cultural challenges facing our urban centres. We undertake a range of research, published as journal articles, policy papers, working papers, and blogs, as well as making submissions from time to time to central government and councils on a range of issues relevant to cities, from climate change policy to compact urban development. See <http://sustainablecities.org.nz/> and <http://resilienturbanfutures.org.nz/>

Key points of this submission

- We agree with much of the intent and content of this discussion document on a proposed NPS on urban development (the 'NPS').
- In terms of broad direction, the NPS proposal is framed mainly around growth, particularly 'making room for urban growth'. We accept that most of our cities will grow – that is a reality. Nevertheless, in our view, the NPS should be more clearly framed around the high level goals we wish to achieve, i.e. **wellbeing and sustainability**, and in particular, environmental sustainability, which means giving high priority to mitigating and, secondarily, adapting to climate change. Climate change is mentioned but under-emphasised in the NPS.
- It is acknowledged that the RMA at present largely excludes mitigation from RMA decision making, other than considering the effects of climate change, following the 2004 amendment to the RMA; however, we also note that this could well change in

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the second round of RMA reforms that Minister Parker may introduce. The NPS should be written to provide maximum congruence with this expected change. Climate change mitigation should meanwhile be given more attention and prominence in this NPS, and not be seen just as a nice-to-have complement to liveability (p.13).

- A central goal of **maximising wellbeing** – consistent with the wellbeing approach set out in the 2019 Budget (Robertson, 2019) -- necessitates paying attention to the quality of the urban environment through means such as provision of sufficient and high quality green space, provision for sustainable transport, improving (or maintaining) air and water quality, limiting noise, and other factors which directly influence wellbeing, including health. Providing for economic prosperity through employment and growth, and providing for various social outcomes such as safe communities, should in our view sit alongside but **not** be considered more important than the environmental determinants of wellbeing. The NPS should in our view reflect this by being reworded to de-emphasise the priority it places on economic outcomes, especially growth. At present, wellbeing is seen as shaping the sort of growth we have (e.g. 'It [the NPS] aims to enable growth.... [and] will ensure growth is strategically planned and leads to well-functioning cities that contribute positively to people's well-being' (p.8)). We believe the framing should be reoriented, with a clear statement that the NPS primarily aims to enable wellbeing and sustainability, and that any growth must conform to these goals.

General

We agree with a great deal of this discussion document ('the document'). It is a big step forward from the NPS on urban development capacity, on which we also submitted (Chapman, 2016), and about which we had major reservations. We agree with the broader focus of the new NPS-UD.

We applaud many of the NPS's key points. An example is the proposed removal of minimum parking requirements. We welcome also the proposed requirements on major urban centres to develop future development strategies on a different timeframe from that applying to smaller cities, and targeting directive policies to the largest and fastest growing urban areas. We support spatial planning for all major urban areas, and the inclusion of iwi and hapu in resource management processes (but we note the absence of consideration for urban Maori authorities).

Up and out

Possibly because of its growth orientation, the document appears to place weight on going out *as well as* going up. This in our view is not justified. There is compelling international evidence that cities should primarily grow up and not out. The document provides no adequate basis for its assertion that the outward spread of New Zealand cities is needed. By contrast, the NZ Centre for Sustainable Cities has argued in various submissions that upward development is more efficient and sustainable than outward development, on the basis of international experience.

Just one good example of the international evidence is Lee and Lee (2014). For instance, they conclude:

*'Given that household travel and residential energy use account for 42% of total U.S. carbon dioxide emissions, our research findings corroborate that urban land use and transportation policies to build **more compact cities** should play a crucial part of any strategic efforts to mitigate GHG emissions and stabilize climate at all levels of government.'* (p. 548; emphasis added).(2014)

We are also very sceptical that it will be possible to set prices that truly reflect the costs of outward growth. The document talks of 'allowing people to build provided they can carry the true costs of growth, including infrastructure and transport' (p.14), but the building blocks for ensuring that they are charged these true costs, including the costs of negative externalities, are not described. We conclude that this aspiration is a remnant of a permissive market-based model of urban development in which prices are imagined to reflect full costs, an ideal which departs from the messy reality that it is rarely if ever possible to either assess such 'true costs' (because of their complexity and heterogeneity) or in practice embed those costs in relevant prices. Instead, we take a more pragmatic view that sound urban planning has to be relied upon to make the rounded and informed judgements about where and how urban development should occur, in ways that best *maximise overall wellbeing* and sustainability.

We do *not* support a goal of maximising growth: an example of where this can distort decisions is supplied by Figure 1 (p.18), where an 'orientation to growth' dominates. This, in our view, should be rephrased as an 'orientation to sustainable urban development.' It is not that we see no place for growth: rather, we support well planned development, as for example stated in the aim:

'...to encourage more effective growth, particularly close to frequent public transport, and walking and cycling facilities' (p.15)

We are concerned that the proviso around greenfield development, namely 'provided that it promotes quality environments' (Figure 1), is too weak. We see greenfield development, even if ostensibly 'quality' as in most cases simply creating further sprawl with compounding adverse effects – high cost infrastructure, car dependency with associated emissions, noise, congestion, and ongoing inbuilt expectations for further highway development. An example might be an eco-village 50 km or so from the CBD of a major urban centre: the location alone is likely to render such a development environmentally unsustainable despite any climate to urban 'quality'.

Many of the costs at issue cannot realistically be quantified, valued and internalised. There should in our view be a strong presumption that such greenfield development not occur, while there remain places in the metropolitan area where more intensive and more sustainable urban development can still occur.

The provisions around greenfield development (p.38 forward) go some way to finding a balance in this area – without creating a presumption in favour of development. We agree with some of the wording, e.g. 'developers [would] be required to meet the costs of

development, including the costs of infrastructure and wider impacts on network infrastructure, and environmental and social costs...’.

However, the proposed wording on p.39 may still not be strong enough to deter environmentally unsustainable and unnecessary development (and plan changes). We would like to see wording which strengthened the hand of councils to insist that developers pay **all** the long-term costs of such development, or be able to rule out such development.

Other specific issues

Quality of the urban environment

We support wording in the Preamble to the NPS which would include various desired aspects of the urban environment, at a fairly high level. We believe this should include, for example, providing a range of **environmentally sustainable** transport options.

Another aspect relates to the quality of buildings and energy efficiency of buildings – which is important in relation to mitigating carbon emissions. While this may be constrained by the scope of the RMA itself, words such as ‘providing a range of environmentally sustainable and energy efficient building options’ could be considered. We also support proposed Objective O2 [c], ‘using land, energy and infrastructure efficiently.’ (p.27).

The document mentions affordable housing but does not appear to mention public housing. It is not sufficient to talk about ‘diverse demand’; there needs to be explicit recognition of the importance of providing for public housing throughout the city and not just on the fringes, or more affordable periphery. Allied to this, the document also does not discuss the roles of Housing New Zealand or Kainga Ora. These are important public institutions, and it would be desirable to consider how their special roles can be recognised.

Amenity values

We strongly support the objectives relating to amenity, and considering how to meet the needs of the whole community rather than established small minorities or parts of a community. We also agree that ‘potential and future community members, as well as lower socio-economic groups, are under-represented or absent in planning processes’ and this has led to impasses over development that have forced the unnecessary expansion of already large cities. These proposed provisions are desirable to support urban intensification.

Providing for intensification

One of the most important and desirable aspects of the document is Objective 7. We strongly support P6C Option 1 (p.37), which is the more descriptive option, although we are also sympathetic to Option 2, the more prescriptive option.

Parking

We cannot see any merit in retaining the ability of district plans to regulate car parking, and therefore support P7A option 1.

More directive intervention to enable quality development

We agree that many rules or policies create unnecessary constraints on quality development and can add unnecessary costs. We support a review of development rules in district plans, and agree there could be merit in a nationally consistent approach, at least in major urban centres where the pressure for development is greatest. We would particularly support a national direction tool that would require plans to be clearer about the baseline level of development expected for an urban area or zone, such as allowing for buildings up to three or four storeys high, in particular zones (see p.45 of the discussion document).

Alignment with other national direction

It is highly desirable that there be optimal alignment between district plans and other provisions under the RMA, and the Building Code, which is long overdue for revision, and has an impact on the quality of housing and urban development. At present, the code acts to hinder the quality of building in New Zealand as well as to advance it, partly because of the section 18 provision of the Building Act. An in-depth discussion of this issue funded through National Science Challenge 11 is available (Chapman, Bennett, & Howden-Chapman, 2019).

References

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