

OUR SPACE 2018-2048

GREATER CHRISTCHURCH SETTLEMENT PATTERN

Whakahāngai O Te Hōrapa Nohoanga

A strategy prepared under the Local Government Act 2002 to give effect to the requirements of the National Policy Statement on Urban Development Capacity 2016

Draft report and recommendations of the Hearing Panel prepared for the purposes of further deliberations on 29 April 2019

Hearing Panel:

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Gail Gordon

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Executive Summary

- [1] This is a recommendation report on Our Space 2018-2048: *Greater Christchurch Settlement Pattern Update (Whakahāngai O Te Hōrapa Nohoanga)*. The Strategy', or 'Our Space' is a strategy prepared under the Local Government Act 2002. The Strategy has been prepared by the local authorities of Greater Christchurch in conjunction with the Greater Christchurch Partnership.
- [2] The purpose of Our Space is to fulfil the requirements of the National Policy Statement on Urban Development Capacity ('NPS-UDC') by developing a future development strategy for Greater Christchurch in accordance with Policies PC12-14 of the NPS-UDC. Our Space builds on, and is in addition to, the existing Urban Development Strategy for Greater Christchurch 2007 and the 2016 update ('UDS').
- [3] The settlement pattern and actions identified in Our Space provide sufficient, feasible capacity for the *minimum area* required to provide for short (0-3 years), medium (0-10 years) and long term (10-30 years) projections for growth.
- [4] The key findings on the evidence presented to us are: :
- a. The methodology for undertaking the capacity assessment to determine sufficient, feasible capacity for housing and business is adequate for the present purpose. Future changes to the methodology (including a common agreed methodology between local authorities) can be undertaken for future capacity assessments.
 - b. Monitoring, future capacity assessments, and analysis of population projections provide for a responsive planning framework.
 - c. A targeted change to the Canterbury Regional Policy Statement to be notified in 2019 will be limited to those areas identified in Our Space for future residential development. This will enable Selwyn and Waimakariri District Councils to provide for short to medium term capacity in their district plans.
 - d. No additional development areas are proposed to be added to those identified in the areas notified. The merits of any further additional areas will be considered as part of the full review of the Canterbury Regional Policy Statement scheduled for 2022. This will include consideration of the vision and principles of the UDS.
 - e. New development in Selwyn and Waimakariri Districts is expected to achieve a minimum net density of 12 households per hectare. Further work on minimum densities will be undertaken as part of the full review of the Canterbury Regional Policy Statement in 2022.
 - f. Further emphasis is required to recognise sustainability in Our Space, including recognition of the effects of climate change and sea-level rise, and the contribution of a compact urban form to transport efficiency and public transport.
- [5] We are satisfied that Our Space appropriately implements the provisions of the NPS-UDC.

INTRODUCTION

- [6] The Greater Christchurch Partnership has produced a draft Our Space for consultation under Part 6 of the Local Government Act 2002 ('LGA').
- [7] As part of this consultation, the Greater Christchurch Partnership Committee established a Future Development Strategy Hearings Panel Subcommittee ('the Hearings Panel') comprising the following representatives:
- a. Bill Wasley, Greater Christchurch Partnership Committee Independent Chair (Chair)
 - b. Councillor Peter Skelton, Canterbury Regional Council
 - c. Councillor Sara Templeton, Christchurch City Council
 - d. Deputy Mayor Malcolm Lyall, Selwyn District Council
 - e. Councillor Neville Atkinson, Waimakariri District Council
 - f. Gail Gordon, Te Rūnanga o Ngāi Tahu
 - g. Tā Ma Solomon, Canterbury District Health Board¹
 - h. Jim Harland, New Zealand Transport Agency (non-voting representative)
- [8] In accordance with our Terms of Reference, our role is to consider the content of all submissions, allowing an opportunity for submitters wishing to be heard to present submission points to us and receive an Officers' Report in response to the matters raised through submissions. Following the consideration of submissions, hearing from submitters and receiving of an Officers' Report, our role is to hold deliberations and make recommendations to the Greater Christchurch Partnership Committee on any changes considered necessary to the draft Our Space document.
- [9] This is the recommendations report of the Hearings Panel on any changes considered necessary to Our Space.

What is Our Space?

- [10] Our Space is a non-statutory document prepared under Part 6 of the Local Government Act 2002 ('LGA') to meet the requirements of the National Policy Statement on Urban Development Capacity NPS-UDC for local authorities in high growth areas to produce a future development strategy.
- [11] A future development strategy is required to demonstrate that there will be sufficient, feasible development capacity in the medium and long term and set out how the

¹ Tā Mark Solomon was appointed to hear submissions on behalf of the Christchurch District Health Board but was unable to attend and was excused

minimum targets for sufficient, feasible development capacity for housing will be met.² It is informed by the Housing and Business Development Capacity Assessment ('Capacity Assessment') and shall identify future urban environments and intensification opportunities and balance the certainty regarding the provision of future urban development with the need to be responsive to demand for such development. Local authorities are encouraged to amend, refresh and build on existing strategies to meet the NPS-UDC requirements rather than developing an entirely new strategy.³

- [12] The Greater Christchurch Partnership (previously the Greater Christchurch Urban Development Strategy Committee) has worked collaboratively over more than a decade on planning and managing urban growth and development in Greater Christchurch to support the long term needs of people and communities, including through the development of the Urban Development Strategy ('UDS') and subsequent updates. Given the work that has already been done, the Partnership has been able to address the requirements of the NPS-UDC in the context of a review of the strategic land use framework provided by the UDS ('Settlement Pattern Review Update').
- [13] The Settlement Pattern Review Update has focussed on the key strategic planning directions that need to be undertaken collaboratively through the Greater Christchurch Partnership to address the land use and infrastructure issues identified in the Capacity Assessment. It recognises that providing development capacity is not just about land supply and therefore also considers other more detailed planning and policy actions that will need to be implemented to realise the broader growth aspirations for Greater Christchurch.
- [14] In summary, Our Space:
- a. Focuses on how urban areas accommodate growth and how efficient infrastructure planning can support and guide development decisions;
 - b. Builds on existing plans that show that Greater Christchurch is already well-placed for future development over the next 30 years;
 - c. Balances the projected future demands of housing and business markets with the urban form that will best enable sustainable growth whilst acknowledging the effects that the Canterbury earthquakes have had on the demand for, and distribution of, housing and businesses in Greater Christchurch; and

² NPS-UDC, Policy PC12.

³ MfE and MBIE Guidance on producing a Future Development Strategy for high growth urban areas at [2.2].

- d. Recognises that how we live today will be quite different 30 years from now, so we need to be responsive to change.

[15] Specifically, Our Space:

- a. Sets out how Greater Christchurch and territorial authority targets for housing for the next 30 years will be met, accommodating an additional 150,000 people in 75,000 households;
- b. Identifies preferred locations for housing growth through to 2048, encouraging central city and suburban centre living while providing for township growth in Rolleston, Rangiora and Kaiapoi;
- c. Reinforces the role of key centres in providing additional retail and office floorspace, in particular the central city and the potential for surrounding industrial zones to transition to commercial uses over time, if needed;
- d. Recognises the existing industrial land provision as sufficient to cater for anticipated industrial growth; and
- e. Outlines a series of implementation actions and further work required by partners, recognising that although the long term is addressed in Our Space, additional work is required to ensure that planning directions for the longer term are appropriately investigated and implemented, and effectively respond to emerging drivers of change for Greater Christchurch.

[16] The Strategy is set out in six parts which can be summarised as follows:

- a. The place and context of Greater Christchurch and explanation of the NPS-UDC
- b. Business and residential growth needs for Greater Christchurch
- c. The key challenges facing Greater Christchurch when providing for growth
- d. The plan for growth, including locations, how sequencing is to be provided for, and transport and infrastructure
- e. Future actions and monitoring

[17] The Strategy is part of a policy cycle of ongoing monitoring and a frequently updated evidence base. The NPS-UDC requires local authorities to carry out a housing and business development capacity assessment on a three-yearly basis and monitor a range of indicators on a quarterly basis. When this evidence or monitoring indicates that development capacity is not sufficient in any of the short, medium or long term, local authorities are required to respond by providing further development capacity and enabling development. We set out the legal framework for the Strategy and its development under the NPS-UDC below.

[18] As indicated in the Ministry for the Environment Guidance material, as a future development strategy, Our Space will guide and inform future planning and decision-making about future urban growth, potential constraints to urban growth and opportunities and solutions to respond to growth over the next 30 years. Our Space

will be a relevant strategy for decision-makers to have regard to on any change to, or review of, the Canterbury Regional Policy Statement ('CRPS') and district plans.

Preparation of Our Space – Background and context

- [19] When the NPS-UDC was introduced in 2016, the Greater Christchurch Partnership was well placed to respond to the requirement to produce a future development strategy given the work it had undertaken for more than a decade on planning and managing urban growth and development in Greater Christchurch to support the long term needs of people and communities. As set out in the Harrison Grierson Report, a collaborative approach to spatial planning underpinned by a robust-evidence base as required by the NPS-UDC is not a new concept for the Greater Christchurch Partnership.⁴
- [20] The vision, principles and strategic goals of the UDS recognise the importance of leadership, partnership and collaboration and integrating environmental, land use, infrastructure, social, cultural, economic and governance goals, working with the environment, and using the best available information and evidence in decision making, policies, plans and activities.
- [21] The UDS was developed with significant community consultation and set out an approach to managing growth and providing for community wellbeing in Greater Christchurch to 2041. The UDS and the Greater Christchurch Partnership played a crucial role in coordinating and facilitating rebuild and recovery activities after the earthquakes. This included implementation of a land use framework inserted into the CRPS by the Land Use Recovery Plan ('LURP').
- [22] Prior to the NPS-UDC taking effect in 2016, the Greater Christchurch Partnership had endorsed an update to the UDS to respond to the significant events and changes that had occurred in Greater Christchurch, particularly in relation to the Canterbury earthquakes. This did not attempt to revise the land use framework outlined for Greater Christchurch in the LURP and in Chapter 6 of the CRPS. Instead it contained a priority action relating to a comprehensive review of the UDS.
- [23] Following the NPS-UDC taking effect, the Greater Christchurch Partnership Committee endorsed a review of the UDS to focus on the settlement pattern aspects needed to meet the requirements of the NPS-UDC. The main objective of the Settlement Pattern Review Update was to enable the local authorities across Greater

⁴ Harrison Grierson, Review of Draft Future Development Strategy, section 2.2.

Christchurch to collaboratively review the existing settlement pattern arrangements and ensure they fulfil their statutory obligations under the NPS-UDC.

[24] A further objective seeks to ensure appropriate alignment with other planning and strategy processes, including:

- a. The District Plan Review underway in the Selwyn District
- b. The District Development Strategy and District Plan review underway in the Waimakariri District
- c. The Christchurch District Plan
- d. The Greater Christchurch Transport Statement, Canterbury Regional Land Transport Plan and Canterbury Regional Public Transport Plan
- e. The development by councils of 2018-2028 Long Term Plans and 30 Year Infrastructure Strategies.

[25] In May 2018, the Greater Christchurch Partnership Committee endorsed a scoping paper that outlined how a future development strategy for Greater Christchurch would be produced. It stated that it would be guided by the vision, principles and strategic goals of the UDS, and would represent the integrated land use and infrastructure planning response to the findings of the capacity assessment.

[26] It set out the principles that would shape the approach of the future development strategy as being that it:

- a. Helps deliver and aligns with the vision for Greater Christchurch
- b. Demonstrates a collaborative approach through leadership and partnership
- c. Integrates, supports and builds on existing strategies and initiatives through an efficient, fit-for-purpose and holistic process
- d. Enables a responsive approach that can address any changes to Government policy, changes arising from the drivers and disruptions that may influence urban development, and further long term spatial planning following the adoption of the future development strategy
- e. Achieves the NPS-UDC requirements
- f. Is informed by a robust evidence base and feedback from stakeholder and community engagement.

CONSULTATION AND THE HEARING PROCESS

[27] The Greater Christchurch Partnership prepared a draft Our Space document for consultation under Part 6 of the Local Government Act 2002. The Officers' Report⁵ sets out the comprehensive consultation process undertaken as part of the

⁵ At Section 3, pages 9-12.

development strategy. This included formal public consultation from 1 to 30 November 2018, stakeholder mailouts, public notices and press releases, targeted engagement and workshops, presentations and seminars and public drop in sessions.

- [28] A total of 92 submissions were received on Our Space. The public hearings occupied 5 days commencing 25 February 2019. The hearings were held at the offices of the Canterbury Regional Council ('CRC'), and Christchurch City Council ('CCC') in Christchurch City, as well as the Waimakariri District Council ('WDC') in Rangiora and the Selwyn District Council ('SDC') in Rolleston. The hearing process enabled submitters to present their submissions to us in a public forum. Where we had questions of submitters, we asked these, and also provided opportunities for clarification from the submitters.
- [29] As part of our proceedings, we issued three Minutes. The first Minute⁷ issued on 8 February 2019 discussed potential for conflicts of interest and disclosure relating to those, with provision for any party to raise issues. No issues were raised in relation to those matters by submitters.
- [30] We issued a second Minute⁸ on 7 March 2019 outlining matters which we considered relevant to our consideration of the Strategy, and arising from the content of the submissions and evidence presented to us. We provided Officers the opportunity to respond to those questions, and commenced our deliberations on 11 March 2019.
- [31] In a third Minute issued on 11 March 2019,⁹ we invited the Chief Executives of the Partner Councils to address us in relation to outstanding matters between the Partner Councils, which they did on Wednesday 13 March 2019. Our deliberations were held in public.
- [32] We are grateful for the assistance of both the Officers and submitters in the hearing process for providing thoughtful, informed and useful information to us. We address what we consider to be the key issues raised in submissions later in this report.
- [33] We are satisfied that no party has raised with us any procedural matters in relation to the process and hearings that are not addressed in this report.

⁷ Minute 1 of the Hearing Panel dated 8 February 2019.

⁸ Minute 2 of the Hearing Panel dated 7 March 2019.

⁹ Minute 3 of the Hearing Panel dated 11 March 2019.

[34] This report encompasses our recommendations to the Greater Christchurch Partnership Committee on Our Space. **Appendix 1** sets out our recommendations and reasons in response to each submission lodged on Our Space. A copy of Our Space 2018-2048 incorporating our recommendations is attached as **Appendix 2**. Copies of the Minutes issued by the Hearings Panel are included in **Appendix 3**.

LEGAL FRAMEWORK

[35] The legal framework for Our Space is summarised in the Officers' Report, and we adopt that as set out below. We have slightly re-ordered these to recognise up front the NPS requirements to prepare a future development strategy.

[36] The NPS-UDC came into effect in 2016. It directs local authorities to provide sufficient development capacity in their resource management plans, supported by infrastructure, to meet demand for housing and business land. This capacity can be provided outwards (on greenfield sites) and/or upwards (by intensifying existing urban environments).

[37] Policies PC12 to PC14 of the NPS-UDC relate to the production of a future development strategy, as set out in the following table. A key requirement of a future development strategy is that it demonstrates there will be sufficient, feasible development capacity for housing and business in the medium and long term. Our Space is the future development strategy for Greater Christchurch.

Policy	Requirement
PC12	Local authorities shall produce a future development strategy which demonstrates that there will be sufficient, feasible development capacity in the medium and long term. This strategy will also set out how the minimum targets set in accordance with policies PC5 and PC9 will be met.
PC13	The future development strategy shall: <ul style="list-style-type: none"> a) identify the broad location, timing and sequencing of future development capacity over the long term in future urban environments and intensification opportunities within existing urban environments; b) balance the certainty regarding the provision of future urban development with the need to be responsive to demand for such development; and c) be informed by the relevant Long Term Plans and Infrastructure Strategies required under the Local Government Act 2002, and any other relevant strategies, plans and documents.
PC14	The future development strategy can be incorporated into a non-statutory document that is not prepared under the Act, including documents and strategies prepared under other legislation. In developing this strategy, local authorities shall: <ul style="list-style-type: none"> a) Undertake a consultation process that complies with:

	<ul style="list-style-type: none"> ○ Part 6 of the Local Government Act; or ○ Schedule 1 of the Act; <p>b) be informed by the assessment under policy PB1; and</p> <p>c) have particular regard to policy PA1.</p>
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[38] Policy PA1 is a central policy of the NPS-UDC, stating that local authorities shall ensure that at any one time there is sufficient, feasible development capacity, according to the table below, in the short (three years), medium (ten years) and long term (thirty years).

Period	Policy PA1 Requirement
Short Term (0-3 years)	Development capacity must be feasible, zoned and serviced with development infrastructure.
Medium Term (3-10 years)	Development capacity must be feasible, zoned and either: <ul style="list-style-type: none"> ▪ serviced with development infrastructure, or ▪ the funding for the development infrastructure required to service that development capacity must be identified in a Long Term Plan required under the Local Government Act 2002.
Long Term (10-30 years)	Development capacity must be feasible, identified in relevant plans and strategies, and the development infrastructure required to service it must be identified in the relevant Infrastructure Strategy required under the Local Government Act 2002.

[39] We received legal advice from Wynn Williams¹⁰ as part of the Officers' Reply Report on the requirements of the NPS-UDC for assessing sufficiency and feasibility. Development capacity, sufficient, feasible and demand are all separately defined in the NPS-UDC.

[40] Policies PA2, PA3 and PA4 also direct local authority decision making. These policies recognise the importance of infrastructure to support urban development and that in providing development capacity, local authorities need to provide for the wellbeing of people, communities and future generations, but not without considering the effects of development.

Policy	Requirement
PA2	Local authorities shall satisfy themselves that other infrastructure required to support urban

¹⁰ Memorandum from Wynn Williams, Legal advice to accompany any Officers' Response to Panel questions in relation to sufficiency and feasibility dated 8 March 2019.

	development are likely to be available.
PA3	<p>When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:</p> <ul style="list-style-type: none"> a) providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate businesses; b) promoting the efficient use of urban land and development infrastructure and other infrastructure; and c) limiting as much as possible adverse impacts on the competitive operation of land and development markets.
PA4	<p>When considering the effects of urban development, decision-makers shall take into account:</p> <ul style="list-style-type: none"> a) the benefits that urban development will provide with respect to the ability for people and communities and future generations to provide for their social, economic, cultural and environmental wellbeing; and b) the benefits and costs of urban development at a national, inter-regional, regional and district scale, as well as the local effects.

- [41] Policies PA3 and PA4 impose obligations on a decision-maker, which is defined in the NPS-UDC as any person exercising functions and powers under the Resource Management Act 1991 ('RMA').
- [42] While the objectives and high level policies of the NPS-UDC apply to all local authorities, some policies apply only to local authorities that have part, or all, of either a medium growth urban area or high growth urban area within their district or region.
- [43] In 2016, the Christchurch urban area (which includes the towns of Prebbleton in Selwyn District and Kaiapoi in Waimakariri District) was defined by Statistics NZ as a high growth urban area.
- [44] Given the strategic planning arrangements that already exist between Greater Christchurch councils through the Greater Christchurch Partnership, it was agreed that the urban area covered by the UDS would be the more appropriate geographic focus for the purposes of meeting the NPS-UDC requirements.
- [45] The key additional NPS-UDC requirements for local authorities with high growth urban areas are:
- a. commence quarterly monitoring of market indicators (PB6)
 - b. complete a housing and business development capacity assessment (PB1 to PB5)
 - c. produce a future development strategy (PC12 to PC14)

- d. set minimum housing targets in regional policy statements and district plans (PC5 to PC11).

[46] Recognising the importance of coordinated planning and decision making, policies PD1 and PD3 strongly encourage local authorities that share jurisdiction over an urban area to collaborate and cooperate to reach agreement on the content of a capacity assessment, the specification of the minimum targets and the production of a joint future development strategy.

[47] Policies PB1 to PB7 of the NPS-UDC relate to the preparation of a comprehensive evidence base to support planning decisions. Key requirements of these policies include monitoring market indicators and completing a housing and business development capacity assessment ('Capacity Assessment'). The Greater Christchurch Partnership has met these two requirements, with links to the relevant outputs provided in the following table.¹¹

NPS-UDC Output	Link
Urban Development Indicators - Quarterly Monitoring Reports	http://greaterchristchurch.org.nz/ourspace/urban-development-indicators/
Summary Housing and Business Development Capacity Assessment	http://greaterchristchurch.org.nz/assets/Documents/greaterchristchurch/Capacity-Assessment-reports/Housing-and-Business-Development-Capacity-Assessment-Summary.pdf
Technical Housing Development Capacity Assessment	http://greaterchristchurch.org.nz/assets/Documents/greaterchristchurch/Our-Space-consultation/Greater-Christchurch-Housing-Capacity-Assessment-reports-1-4.pdf
Technical Business Development Capacity Assessment	http://greaterchristchurch.org.nz/assets/Documents/greaterchristchurch/Capacity-Assessment-reports/Report-5-Business-Development-Capacity.pdf

[48] The NPS-UDC requires high growth local authorities to prepare a capacity assessment every three years and monitor market indicators on a quarterly basis. This ensures that local authorities have a robust and up-to-date base of information on which to make decisions that impact development capacity and, ultimately, the supply and price of housing and business space. When the evidence base or monitoring indicates that development capacity is not sufficient in any of the short, medium or long term, local authorities shall respond by providing further development

¹¹ The Greater Christchurch Partnership's housing and business development capacity assessment has been held in draft form at this stage so that it may be informed by additional information provided through consultation on the draft future development strategy (*Our Space 2018-2048: Greater Christchurch Settlement Pattern Update*).

capacity and enabling development in accordance with policies PA1, PC1 or PC2, and PC4.

- [49] Policies PC5 to PC11 relate to the setting of minimum targets for sufficient, feasible development capacity for housing. The targets should reflect the overall quantity of demand for housing identified in the capacity assessment and include the additional margins required under policies PC1 or PC2. Minimum targets must be set for the medium and long term, and be reviewed every three years.
- [50] The NPS-UDC directs regional councils to incorporate minimum targets into their regional policy statements and territorial authorities to incorporate minimum targets, as a proportion of the regional minimum target, into a relevant resource management plan.

RECOMMENDATION AND REASONS

- [51] In the sections below we address the key issues raised in submissions on Our Space. In making our recommendations we have considered all material provided to us and presented during the course of the hearing. In setting out our reasons for our recommendations in this report we have not discussed all individual comments in detail, but have grouped these according to the issues raised. We have in some cases referred to individual comments made, where doing so assists in explaining our reasoning and recommendations.
- [52] In Appendix 1 of this report we have set out our recommendations in response to the individual submissions lodged on Our Space. Again, in setting out our reasons for the recommendations we have not discussed all individual comments in detail.
- [53] The Panel adopts the recommendations in the Officers' Report unless otherwise stated.

Role and scope of Our Space considering the requirements of the NPS-UDC

- [54] We asked Officers about the role and scope of Our Space considering the requirements of the NPS-UDC.
- [55] They told us that the principal objective of Our Space is that the councils in Greater Christchurch meet their obligations under policies PC12 to PC14 of the NPS-UDC to produce a future development strategy, and that this is achieved through a

collaborative approach guided by the comprehensive strategic planning framework that already exists for Greater Christchurch.

- [56] In this context, they said, Section 1 of Our Space outlines the purpose and scope of the document. This includes “to address the need for housing and business development capacity in Greater Christchurch”, and in doing so, that “it will satisfy the requirement of the National Policy Statement on Urban Development Capacity for high growth councils to produce a ‘future development strategy’”.
- [57] Officers recommend strengthening the wording in Section 1 to make it clear that Our Space has principally been prepared to satisfy the requirements to produce a future development strategy.
- [58] During discussion between the Hearings Panel and Mr Mathew Bonis, appearing planning consultant and an expert witness for the Lyttelton Port Company, Mr Bonis mentioned that perhaps a good way of bringing clarity to the purpose of the Our Space document, which he considered was lacking, might be to strip back the content of it so that it just responded to the capacity requirements under policies PC12 to PC14 of the NPS-UDC.
- [59] Officers told us that they acknowledge that there are elements in Our Space that do not directly contribute to meeting the statutory requirements under policies PC12 to PC14 of the NPS-UDC to produce a future development strategy. Such sections mostly cover context and trends, cultural values and aspirations, strategic and policy background, growth challenges, and integrated land use and transport planning.
- [60] They said that while the main objective of Our Space is to ensure that the councils in Greater Christchurch meet their obligations under the NPS-UDC, sections covering wider considerations, beyond those required by the NPS-UDC, are still important for providing the bigger picture for how Our Space proposes to accommodate future housing and business needs across Greater Christchurch. These matters are considered to be complementary to, and not conflicting with, the NPS-UDC objectives and requirements. Such elements have also been included in recognition of Our Space’s broader audience, which includes a mix of stakeholders, businesses, community groups and residents that are likely to expect some consideration of such elements as part of this growth planning exercise for Greater Christchurch.
- [61] We are satisfied that the overall content and specificity of Our Space is appropriate and accept the Officers’ recommendation as set out in their reply.

Accuracy and uncertainties of projected future demand

- [62] Our Space adopts population projections that reflect recent growth trends in Greater Christchurch. The rationale for the adopted projections is set out in the Capacity Assessment. However, in short, the Capacity Assessment is based on the adoption of medium population projections for Christchurch City and medium-high projections for both Selwyn and Waimakariri Districts. This approach in the Capacity Assessment sought to “balance a desire to be ‘ahead of the curve’ when planning for growth, with ensuring that the financing and provision of new infrastructure is timely to support future growth needs.”¹² A report published by the Ministry for the Environment and the Ministry for Innovation Business and Enterprise in July 2018¹³ considered the demand assessment for Greater Christchurch to be best practice amongst high growth areas.
- [63] As summarised in the Officers’ Report, submitters have questioned the ability to accurately determine projected demand, particularly over a thirty year period, and how this might alter with changes in migration, working practices, uptake of new technologies and the impacts of affordability constraints. Submitters also questioned the veracity of the data used given Greater Christchurch’s unique circumstances following the earthquakes.
- [64] Submitters disagreed with the projected demand for specific needs and/or locations, for example projected demand for industrial land in Rolleston and household growth in Waimakariri were considered to be under projected by some submitters. Submitters also questioned the appropriateness of the approach taken to set housing targets.
- [65] During the course of the hearings, we heard from a number of submitters who were critical of the Capacity Assessment methodology. Officers have accepted that there are significant uncertainties in determining future demand. This is reflected in the NPS-UDC requirements for ongoing monitoring and review of projections and targets as part of the periodic capacity assessments. Officers set out that subsequent capacity assessments will benefit from new data and information, for example, the results of the 2018 Census and the anticipated release of new sub-regional and territorial authority household projections by Statistics NZ in 2020.

¹² Our Space, Section 3.1, p 20.

[66] Officers have not recommended any changes to the adopted projections and targets set out in Section 3 of Our Space.

[67] We address some of the specific issues raised further below. However, in general we are satisfied that the uncertainties of projecting future demand can be appropriately dealt with through the ongoing monitoring and review requirements of the NPS-UDC and the Schedule of Further Work identified in Section 6.2 of Our Space to improve the tools and evidence base underpinning Our Space. As the Capacity Assessment is updated, assumptions and projections can be amended should monitoring indicate that this is appropriate. In our view this is consistent with the requirements of the NPS-UDC which anticipates a frequently updated evidence base.

Appropriateness of methodology for determining commercial and industrial land capacity

[68] Policy PC12 of the NPS-UDC requires that the NPS-UDC demonstrate that there will be sufficient, feasible development capacity in the medium and long term.

[69] We heard from a number of submitters challenging the appropriateness of the Capacity Assessment in relation to commercial and industrial land and whether Our Space provides sufficient feasible development capacity for business.¹⁴

[70] In accordance with Policy PB1 of the NPS-UDC, the Capacity Assessment, in so far as it relates to business, is required to:

(b) *Estimate[s] the demand for the different types and locations of business land and floor area for business, and the supply of development capacity to meet that demand, in the short, medium and long-terms.*

(c) *Assess[es] interactions between housing and business activities, and their impacts on each other.*

[71] When carrying out the Capacity Assessment, local authorities are required to seek and use the input of iwi authorities, the property development sector, significant land

¹³ Ministry for the Environment. 2018. *National Policy Statement on Urban development Capacity: Summary evaluation report of Housing and Business Development Capacity Assessments for high-growth urban areas*. Wellington: Ministry for the Environment.

¹⁴ **[Insert submissions]**

owners, social housing providers, requiring authorities, and the provisions of development infrastructure and other infrastructure.¹⁵

- [72] We understand from the Officers' Reply that engagement and consultation was clearly undertaken with stakeholders, and evidence was provided of this, including specifically, approaches to Christchurch International Airport Limited (CIAL) and Lyttelton Port Company (LPC). Not only does this appear to be adequate, we consider it was comprehensive. We do note that it is unfortunate that opportunities to provide input were not fully taken up by some stakeholders.
- [73] The Capacity Assessment shows a large surplus of industrial land in the Greater Christchurch area, both in the medium and long term and small localised shortfalls in commercial land that are not forecast to occur until near the end of the longer term planning horizon (2044).
- [74] In the course of the hearings, while we heard from a number of submitters who were critical of the Capacity Assessment methodology, we were not given any specific changes to improve it. We did not receive any assessment as to the relationship of existing business with those ports and freight hubs, or information as to how land is allocated in those areas by developers, based on need. No suggestions were made for specific changes to the Capacity Assessment methodology or how that should be undertaken.
- [75] Some of the concerns raised with the Capacity Assessment related to having industrial land in the right place, particularly as it related to the ability to move freight to other freight hubs such as the Christchurch Airport, Lyttelton Port, City depot (Lyttelton Port) and the inland ports located at Rolleston.
- [76] Rolleston Industrial Holdings Limited asserted that the Capacity Assessment and recommendations flowing from it are fundamentally flawed as they do not allow for potential growth at and around the inland port. Ms Semple, counsel for this company, submitted to us at the hearing that the Officers' Report did not adequately address the submitter's concerns as it showed a fundamental misunderstanding of the drivers of demand. By utilising employee to floorspace/land area ratios, the demand for industrial land is underestimated as it relates to activities at i-Zone and i-Port. Mr Michael Copeland's expert economic evidence was that the inland port at Rolleston means that industrial land demand will be driven by freight volume growth

¹⁵ NPS-UDC, Policy PB5.

and trends in freight handling logistics rather than population or employment growth.¹⁶

- [77] In Minute 2, we asked Officers to address us further on this matter as part of their reply. They referred to the Economic Future Model (EFM) used to determine future demand for business land, that has been peer reviewed and found to be robust and appropriate in informing the evidence base that is integral to Our Space. Officers consider that the EFM approach does include a broad assessment of the anticipated drivers of growth for industry sectors relating to the inland ports at Rolleston and the airport and incorporates appropriate consideration of their larger land requirements per employee. Officers also addressed existing industrial development capacity at Rolleston and the Christchurch International Airport in their Reply Report.
- [78] We are satisfied with this response and note the Officers' support for undertaking a collaborative and transparent piece of work (involving LPC, KiwiRail and CIAL) to ensure future freight needs are refined and further integrated with growth and transport models operating in Greater Christchurch. This is provided for in Section 6.2 of Our Space in items 3 and 4 of the schedule of future work.
- [79] We are reassured by the assessment outlined in the Ministry for the Environment's report, which we requested from Officers and was provided to us, that it considered that the business land capacity and feasibility work done by the Greater Christchurch Partnership to be an example of 'best practice'.¹⁷
- [80] We accept that the Capacity Assessment is adequate for the present purpose and has been appropriately consulted on. However, as there will be improvements with any assessment model over time, we do consider it appropriate to recommend that as part of future Capacity Assessments, regard is given to demand and location of industrial and business land in close proximity to freight hubs. This will contribute to the consideration of overall capacity and sufficiency of industrial and business zoned land and may identify opportunities for consideration of specific areas feeding into the review of the CRPS in 2022.

¹⁶ Statement of Evidence of Mr Michael Copeland at [14].

¹⁷ Ministry for the Environment. 2018. *National Policy Statement on Urban development Capacity: Summary evaluation report of Housing and Business Development Capacity Assessments for high-growth urban areas*. Wellington: Ministry for the Environment at page 18.

Requests for additional land to be included for future commercial and industrial development

- [81] A number of requests were received for additional land to be provided for commercial and industrial use.¹⁸ The consideration of greenfield business and industrial land is slightly different to that of residential land, as it does not have the same potential impact on intensification targets. Submitters placed emphasis on the supply of additional land keeping land prices low, and the addition of more sellers in the industrial land market increasing competition in a market that is dominated by a relatively small number of existing industrial land owners. Submitters also noted the existence of locational constraints (close to strategic freight networks) as well as the impact of ownership and development models, resulting in a lack of bare zoned land of different sizes.
- [82] We received a number of submissions that opposed general greenfield expansion, however none with a particular focus on the expansion of industrial or business land. Notwithstanding that, there are effects that are created by the expansion of greenfield land for business purposes that are similar to those identified for greenfield residential land. That includes the contribution of it to urban sprawl, impacts on versatile and high quality soils, impacts on existing zoned industrial land, contribution of trip distances and private vehicle use on contribution to climate change, and impacts on the amenity of the rural land resource.
- [83] The capacity assessment shows a large surplus of industrial land in the Greater Christchurch Area, in both the medium and medium to long term. There are potential shortfalls in commercial space over the longer term. Officers advised that shortfalls in the long term will be met by transitioning industrial land over time and that future monitoring will identify the extent of any shortfalls. Mr Chrystal, planning expert for Woolworths NZ Ltd expressed his concerns with the Officers' approach, noting that other methods are not available to locate a supermarket and that a supermarket would not have distributional effects on surrounding key activity centres or the central city. We agree with the Officers that changes to the urban area need to be supported by wider analysis of business development in the north. We accept the Officers' position that opportunity needs to be provided for development of the Key Activity Centre at Northwood/Belfast, and that the proper opportunity to address this further is as part of the review of the CRPS.

18

Include submissions

Land in close proximity to freight hubs

- [84] We are, however, cognisant of the request from a number of property owners at Rolleston requesting additional land that has the ability to access a rail siding, for access to the Port of Lyttelton or the wider rail network. As noted above, we recommend that further work is done in the next Capacity Assessment in relation to demand and location of industrial and business land in close proximity to freight hubs. The next Capacity Assessment will inform the review of the CRPS in 2022. In addition to this work, given the evidence that we have received from the Cockburn Family Trust (submission #53) and Rolleston Industrial Holdings Limited (submission #73) we consider it appropriate that Environment Canterbury engage with these parties prior to the notification of the review of the CRPS in relation to the appropriateness of including their land within Map A of Chapter 6, in light of the results of the next Capacity Assessment.
- [85] In light of the evaluation and reasons given above, and the responses provided to individual submissions, we are satisfied that Our Space appropriately implements the provisions of the NPS-UDC as it relates to business land capacity. We note that additional refinement of the methodology as part of the next Capacity Assessment may inform additional changes as part of the review of the CRPS in 2022.

Port of Lyttelton

- [86] Lyttelton Port Company ('LPC') was particularly concerned that it may have difficulty consenting development on future reclaimed land adjacent to the existing Port area, in Te Awaparahi Bay ('future reclamation site'). This is due to concerns that LPC's activities on its future reclamation site will be constrained by Objective 6.2.1 and Policy 6.3.1 of the operative CRPS if the future reclamation site is not identified in Our Space such that it can be identified in Map A when the CRPS is reviewed.
- [87] The geographic extent of Greater Christchurch, for the purposes of Chapter 6 of the CRPS and Our Space, is the area shown on Map A. As the future reclamation site in question is not yet 'land' it is not within the territorial authority boundaries shown on Map A. As such, the future reclamation site is located outside the area shown on Map A and therefore the provisions of Chapter 6 of the CRPS do not apply. Likewise, the future reclamation site sits outside the geographic area of focus for Our Space. On that basis, we do not consider Our Space or Chapter 6 of the CRPS to be

an impediment to activities on the future reclamation site and do not consider it necessary, or appropriate, to identify the future reclamation site in Our Space.

Focusing commercial activity in key centres and the 10 Minute neighbourhood and 8-80 concept

- [88] One of the key approaches in terms of developing Our Space is consideration of the strategic growth directions of the UDS and CRPS, which support development around Key Activity Centres, addressed in section 5.7 of Our Space. Consolidated growth enables towns and centres to more easily provide the local facilities and services that communities need and maximises the efficiency of key transport routes and other infrastructure services. Supporting the growth and vitality of Key Activity Centres is engrained in the UDS and Chapter 6 of the CRPS which provides direction that the Central City and Key Activity Centres are the focus for commercial activity (office and retail), not just shopping malls, but also other public and community facilities such as education, health and leisure services. These centres integrate high quality public realm spaces and are well-connected by public transport services and safe cycle networks. Medium density housing in and around such centres supports their vitality and viability.
- [89] Figure 19 of Our Space encapsulates this approach through use of a ‘10-minute neighbourhood’ conceptual diagram. The fundamental concept behind this is the ability for a resident to meet most of their everyday needs locally within a 10-minute journey from home, by either walking, cycling, or by public transport. The purpose behind it is to provide opportunities for modal shift away from private vehicle usage.
- [90] Officers recommended amended wording in Section 5 to provide a better explanation of Key Activity Centres and the connection with the 10-minute neighbourhood concept shown in Figure 19. We agree that the recommended amendments are appropriate.
- [91] In the course of the hearing, we heard from several submitters supporting the 10-minute neighbourhood concept,¹⁹ as well as comments from others seeking that priorities for centres should be revisited²⁰ or there should be identification of new

¹⁹ [Insert submissions]

²⁰ Woolworths NZ Limited (#52).

centres such as a Key Transport and Economic Node (KTEN) at the Christchurch International Airport.²¹

- [92] We explored with officers the concept of the 10 minute neighbourhood, as well as the 8-80 cities model, that is, making city's accessible for those between the ages of 8 and 80 as described in the submission of Mr Hawke.²²
- [93] Officers said that many aspects of the 10-minute neighbourhood are consistent with the 8-80 concept, including walkability, safe streets and places, safe cycling networks. However, they noted that whereas the 10-minute neighbourhood concept promotes accessibility as it relates to proximity, the 8-80 concept emphasises principles of accessibility as it relates to mobility and the need to provide inclusive, well-designed environments for all ages. It was the Officers' position that these more detailed urban design principles are supported and already captured by the NZ Urban Design Protocol 20051 referenced in CRPS Policy 6.3.2, so are more appropriately addressed in local design guides produced by territorial authorities.
- [94] We accept the Officers' response to this and that no further changes are required to Our Space.
- [95] We consider that the centres-based approach to providing for commercial land and floorspace remains the most appropriate to achieve NPS-UDC requirements and achieve the UDS vision and strategic goals. We note our discussion above that the refinement of data and methodologies relating to commercial and industrial land needs can be considered as part of subsequent capacity assessments and inform the monitoring and review aspects of the NPS-UDC requirements and the broader review of Chapter 6 of the CRPS.

Sufficient feasible development capacity for housing

- [96] PC12 of the NPS-UDC requires the future development strategy to demonstrate two key outcomes in relation to housing:
- a. That there will be sufficient feasible development capacity available to meet housing demands in the medium and long term.
 - b. Set out how the minimum targets for housing will be met.

²¹ CIAL (#39).

²² Submission (#10).

- [97] Our Space identifies the demand for housing and the associated minimum housing targets. The housing targets are being consulted on through Our Space and will be set by the Greater Christchurch local authorities and inserted into the CRPS and district plans in accordance with section 55(2A) of the RMA.
- [98] In relation to demand, a comprehensive report on the demand profile for housing in Greater Christchurch was commissioned as part of the Capacity Assessment.²³ The report projects demand for:
- a. Housing in different groups within the population (age, household composition, income);
 - b. Different household groups translates into demand for different housing typologies (stand-alone homes; multi-unit dwellings; and apartments);
 - c. Private owner occupier dwellings, private rented dwellings, and social housing (rented); and
 - d. Housing typologies as distributed across broad locations and price points.
- [99] The report revealed common trends likely for Christchurch City, Selwyn and Waimakariri over the next 30 years. Officers addressed these trends in the Officers' Report. They advised that while there is still strong demand for standalone, single storey dwellings in greenfield areas that must be supported, the Capacity Assessment clearly shows that there will be an increasing demand for smaller, more affordable dwellings that are more likely to be, although not exclusively, delivered through redevelopment and intensification of existing urban areas.
- [100] In response to these trends, Officers advised that Our Space seeks to provide a balanced approach that provides for current market demands and reflects the anticipated changes in these demands over the next thirty years. In doing so, it identifies a range of greenfield and redevelopment opportunities to support new housing, and adopts an approach to housing targets that allows for a greater share of new households to be supported through redevelopment in the City over the long term than would be anticipated based on the current projections.
- [101] We understand that the housing targets for Greater Christchurch over the medium and long term, together with the territorial authority apportionment of the targets over the medium term, are based on projected demands for housing identified in the Capacity Assessment. It is only the territorial apportionment of the targets over the medium term that represents a transitional approach.

²³ Housing Demand in Greater Christchurch (November 2017) prepared by Livingston Associates.

- [102] Officers advised that this approach to targets seeks to respond to projected changes over the long term, rather than constraining growth in the districts to benefit development prospects and outcomes in Christchurch City.
- [103] We also understand that in accordance with the requirements of PC1 of the NPS-UDC, margins of 20% in the short and medium term and 15% in the long term have been included to provide flexibility to allow for situations when developments are not brought to the market.
- [104] As a Panel we must be satisfied that Our Space demonstrates that there will be sufficient, feasible development capacity in Greater Christchurch to meet demand over the medium and long term.
- [105] Our Space identifies that the overall amount of feasible housing development capacity in Greater Christchurch is sufficient to meet demand over the medium term. However, there is insufficient development capacity in certain locations within Greater Christchurch in the medium term and overall when we consider the long term housing demand. At the territorial authority level, Our Space records that given the range of reported feasibility, capacity in Selwyn and Waimakariri Districts may not be sufficient to meet demand over the medium term, while the significant capacity in Christchurch City is expected to be sufficient over the next 30 years, even with a higher share of growth apportioned to the City over the long term period.
- [106] These projected shortfalls are proposed to be met though:
- a. Redevelopment of existing urban areas in Christchurch City;
 - b. Existing greenfield areas in Christchurch City, Selwyn and Waimakariri Districts; and
 - c. New greenfield and redevelopment areas in Selwyn and Waimakariri Districts.
- [107] A change to Chapter 6 of the CRPS is proposed to be progressed at the earliest opportunity to enable Selwyn and Waimakariri Districts the flexibility to respond to identified housing need. Details of this change are set out in the schedule of future work in Section 6.2 of Our Space.
- [108] Additional capacity is to be directed in the first instance to the key towns of Rolleston, Kaiapoi and Rangiora in support of the public enhancement opportunities mentioned in Our Space. This is proposed to occur in the future development areas identified in Figures 15 and 16 of Our Space. It is important to note that these areas are located within the projected infrastructure boundaries identified on Map A of Chapter 6 of the

and are totally consistent with the long term growth strategy in the UDS. We understand that these new areas will provide much of the capacity required over both the medium and long term. A 2019 change to the CRPS would ensure that land can be rezoned to meet medium term capacity needs, and the longer term will be further considered as part of a comprehensive review of the CRPS scheduled for 2022. We note for completeness that Policy PA1 does not require development capacity over the long term to be zoned, it need only be identified.

[109] A number of submitters do not consider that Our Space demonstrates that there is sufficient feasible development capacity to meet demand over the medium and long term. Key reasons include:

- a. Concerns in relation to the feasible development capacity underpinning Our Space, including the feasibility of developing geotechnically constrained land and more generally in relation to the feasibility analysis;
- b. Housing choices are not sufficiently provided for and more land should be provided to increase supply and improve affordability;
- c. The broad location, timing and sequencing of development is not sufficiently identified; and
- d. Our Space will preclude the consideration of future changes to Chapter 6 of the CRPS and the rezoning of land.

[110] We also had submitters concerned about urban sprawl and its associated effects.

Feasibility analysis

[111] Officers addressed feasibility in the Officers' Report and further in their Reply Report in response to questions from the Hearings Panel. They addressed the concerns raised by CCC in its submission that there was a misalignment in Our Space between the figures used for housing development capacity over the medium term and the need for intervention. This particularly relates to the figures included in Table 3 of Our Space for the Selwyn District.

[112] Officers noted that the text associated with Table 3 highlights that the feasibility assessments undertaken for Christchurch City, Selwyn and Waimakariri Districts produced a wide range of results, and that further work to improve modelling tools was underway. Updated feasibility assessments were completed for the Selwyn and Waimakariri Districts prior to the Our Space consultation, but too late to be incorporated into the Our Space document, so were included in the consultation as supporting material. Officers considered that to ensure alignment between the assessments of sufficient, feasible development capacity and any related proposals

in Our Space, it is necessary for a final Our Space document to be based on the best available information.

[113] Officers noted that further and ongoing refinement of the feasibility tools for Greater Christchurch, as well as discussions with landowners and developers, is considered to be critical to supporting a sound understanding of feasible development capacity, and should be incorporated as part of the next capacity assessment due in 2020.

[114] The Officers also noted the timing of the next Capacity Assessment and the potential opportunity for it to inform any changes to district plans to address shortfalls in development capacity. It is recommended that the proposed change to the CRPS should proceed to provide the policy mechanism to respond to any identified needs in the District Plan reviews. The findings of the next Capacity Assessment will inform the Review of the and any subsequent changes to the district plans.

[115] In summary, Officers recommended the following changes:

- a. Amended wording for Section 3.2, paragraph 3, p. 13 to identify the range of feasible development capacity figures produced for Selwyn and Waimakariri, as well as for Christchurch City, and the rationale for adopting a specific feasible development capacity figure for each territorial authority as the basis for determining sufficiency.
- b. Retain the current proposal to change the CRPS to enable additional development capacity in Selwyn and Waimakariri to help address the identified capacity shortfalls over the medium term.
- c. Additional wording in Section 3.2 that highlights that further and ongoing refinement of the feasibility tools will be undertaken by constituent partner councils and incorporated as part of the next capacity assessment due in 2020, and that this next capacity assessment should be used as the basis for making any zoning changes to address capacity shortfalls as part of the District Plan Reviews for Selwyn and Waimakariri.

[116] We received evidence from a number of submitters in relation to feasibility. Mr Adam Thompson, an urban economist, undertook a feasibility analysis for GFR Rhodes Estate & Larson Group²⁴ and Suburban Estates, Doncaster Developments and Sovereign Palms.²⁵ Mr Thompson assessed the feasibility of capacity in Selwyn and

²⁴ GFR Rhodes Estate & Larson Group (Submitter #60).

²⁵ Submitter #51

Waimakariri Districts. He concluded that there is an immediate need for additional land in Prebbleton and Rolleston and that for the long term there is insufficient capacity to meet the housing targets within Prebbleton, Rolleston and Lincoln. He considered that there is an immediate need for additional land in Rangiora and Kaiapoi and for the long term, out to 2048, there is insufficient capacity to meet the housing targets.

- [117] Officers advised that while the findings from Mr Thompson's evidence differ from that reported in the Capacity Assessment and Our Space, the detailed methodology and assumptions included as part of Mr Thompson's assessment were not provided. This has limited the ability for the Officers, and the Panel, to test the veracity of the findings.
- [118] Conversely, an economic expert engaged by the NPS-UDC team in the Ministry for the Environment when developing the NPS-UDC and associated guidance, has extensively reviewed the methodology, costings and assumptions that form part of the Capacity Assessment and considered the work robust and appropriate in informing the evidence base that is integral to Our Space. [Reference]. Like the Officers, we have weighed the evidence provided by submitters against the Capacity Assessment and findings of the peer review, and are satisfied that no further changes are required to Our Space.
- [119] We also note the legal advice provided to the Hearings Panel on the requirements of the NPS-UDC for assessing sufficiency and feasibility. We note from that advice that whilst the NPS-UDC lists matters that must be addressed when assessing demand, the weight to be given to each matter is at the discretion of the local authority.
- [120] Likewise, when assessing what is feasible, in order to assess whether or not something is commercially viable, a decision maker has the discretion to give the factors listed whatever weight it considers appropriate in the circumstances.
- [121] When assessing sufficiency, Policy PB3 of the NPS-UDC requires the consideration of relevant plans and proposed and operative regional policy statements, and Long Term Plans and Infrastructure Strategies prepared under the Local Government Act 2002 as a minimum requirement, but goes on to list a number of other matters for consideration. Again, the list is not exhaustive and local authorities are able to determine whether other factors would assist in the estimate of sufficiency. The matters that are listed in PB3 are illustrative not exclusive and although those matters should be considered by the local authority, the weight to be attributed to those

matters is at the discretion of the local authority, as is the ability to consider other matters perceived to be relevant.

- [122] We agree that the decision as to the appropriate balance between the matters in **PB3** rests with the local authority. We also reiterate that the NPS-UDC anticipates that the evidence base used to inform planning decisions will be frequently updated.²⁶
- [123] We also note that Mr Thompson's assessments were narrow, based solely on supply within specific townships and did not consider a broader scale recognising the interconnected nature of the Greater Christchurch environment. We do not consider that the NPS-UDC anticipates such a narrow approach. We were encouraged and have chosen to take a broader, and more strategic view, and consider that it is appropriate to look wider across all of Greater Christchurch, noting that the policies in the NPS-UDC are not restricted to the boundaries of the Urban Area. It is only the Officers who have provided an analysis of the entire area.
- [124] We consider that it is appropriate to consider Greater Christchurch as a whole housing market, albeit that there might be higher demand in some areas than others that will lead to price differences whether they are within the bounds of Christchurch City, or within the townships of the Waimakariri and Selwyn Districts. This properly reflects the co-ordinated approach that is strongly encouraged by the NPS-UDC. We do not agree with Mr Adam Thompson's proposition that growth must be catered for in every location where there is demand, particularly when the demand for housing can be met by supply elsewhere. The NPS-UDC does not prescribe the level of detail at which 'different locations' is to be assessed. Nor does it direct where or how shortfalls of development capacity are to be met.
- [125] We are reassured by the assessment outlined in the Ministry for the Environment's report, which we requested from Officers and was provided to us, that it considered that the housing demand assessment undertaken by Greater Christchurch to be an example of 'best practice'.²⁷ The report recognises that more could be done regarding setting out assumptions around feasible development, but throughout the document, this appears as a recommendation for future capacity assessment reports.

²⁶ NPS-UDC, Objective OB1 seeks a robustly developed, comprehensive and frequently updated evidence base to inform planning decisions in urban environments.

²⁷ Ministry for the Environment. 2018. *National Policy Statement on Urban development Capacity: Summary evaluation report of Housing and Business Development Capacity Assessments for high-growth urban areas*. Wellington: Ministry for the Environment at page 8.

Geotechnical constraints

[126] A number of submitters raised the issue of feasible development not taking into account the geotechnical constraints on land.²⁸ Another submitter addressed a requirement to improve land that was currently considered TC3 following the Canterbury earthquakes as part of subdivision and the costs associated with it meaning that some development was not economically feasible.²⁹ Mr Lloyd Bathurst, a submitter on Our Space, further noted that matters relating to liquefaction had not been adequately identified on the hazard constraint maps.

[127] The Officers' position was that geotechnical constraints on land had already been taken into account as part of the Capacity Assessment. They noted that this was outlined in the technical appendices of that assessment, for housing development capacity, modelling incorporated high-level subdivision costs specific to Greater Christchurch and for each Greenfield Priority Area. The costs were provided by Harrison Grierson, an engineering company with significant local experience. The Harrison Grierson assessment included:

- Overall land preparation costs including excavation, filling and other ground preparation. The costs associated with site preparation recognised the variable nature of soils, the assumed TC rating, risk of contaminated soils and effects of (high) groundwater.
- The cost, per linear meter, for roads, waste water, local stormwater and water connections.
- The costs associated with any larger scale stormwater mitigation, such as retention basins and treatment reserves. Where appropriate this will be calculated as a Development Contribution discount (i.e. the cost will be captured).
- Costs and fees associated with connections to trunk infrastructure and the provision of other non-Council infrastructure and services (e.g. power and telecommunications).
- Costs and fees associated with consenting, including final sub-division consent, adjusted for the approach adopted by each Council to charging for such services.

²⁸ Submitters #1, #29 and #51

²⁹ Submitter #19

- An estimate of lot yield which will be used to calculate likely development contributions payable (less discounts for infrastructure works).
- Costs associated with marketing and advertising of new subdivisions.
- Other professional fees and costs not captured elsewhere.

[128] The Officers advised that geotechnical considerations were also factored into the feasibility modelling for redevelopment capacity in existing urban areas of Christchurch City. That assessment was undertaken by quantity surveyors WT Partnership who, Officers advised, have extensive experience of advising on property redevelopment costs in the Christchurch market.

[129] We accept that the question of feasible development is appropriately assessed in relation to geotechnical constraints, and what is determined as 'feasible', and that the Capacity Assessment is fit for our purpose. In addition, we note that the economics relating to the ability to remediate or rehabilitate land will change over time, and could well depend on land market fluctuations, remediation techniques, the original purchase price of bare land, and holding costs. Monitoring undertaken by the Greater Christchurch Partnership will be able to better flesh this out over time, which will inform future Capacity Assessments and provide historical information as to uptake.

[130] In relation to the impact of geotechnical constraints on yield, we observe that net density for Greater Christchurch, as defined in the CRPS, specifically excludes areas that are geotechnically constrained from the requirements of net density policies as follows:

Net density means the number of lots or household units per hectare (whichever is the greater). The area (ha) includes land for:

- *Residential purposes, including all open space and on-site parking associated with residential development;*
- *Local roads and roading corridors, including pedestrian and cycle ways, but excluding State Highways and major arterial roads;*
- *Local (neighbourhood) reserves.*

The area (ha) excludes land that is:

- *Stormwater retention and treatment areas;*
- *Geotechnically constrained (such as land subject to subsidence or inundation);*
[our emphasis]

- *Set aside to protect significant ecological, cultural, historic heritage or landscape values;*
- *Set aside for esplanade reserves or access strips that form part of a larger regional or sub-regional reserve network;*
- *For local community services and retail facilities, or for schools, hospitals or other district, regional or sub-regional facilities.*

[131] Given the requirements to meet certain densities, this information will be included with any future rezoning proposals and outline development plans, so it is easily monitored.

[132] We are satisfied that the issue of geotechnically constrained land is adequately addressed in the assumptions behind the capacity assessment and CRPS, and no changes are recommended to Our Space in relation to these matters. We are satisfied that continued monitoring will help to develop a better picture of the impact of residential yield in greenfields priority areas and future development areas.

Management of densities in greenfield priority and future development areas

[133] We had a range of submissions,³⁰ seeking higher densities, particularly in relation to the settlements of Rolleston, Kaiapoi and Rangiora while other submissions³¹ sought greater flexibility in the density requirements.

[134] Officers reconfirmed their view that the evidence base to support any change is not yet sufficient and that a specific and timely piece of work is required to establish a robust and agreed position on this matter. They noted that Policy 6.3.7 of Chapter 6 of the CRPS sets minimum net densities and does not foreclose the opportunity for higher densities in greenfield areas through collaborative discussions between councils and landowners/developers to reflect specific market conditions or other relevant circumstances. They told us that this approach is encouraged by Officers in the interim ahead of resolution of this matter.

[135] We have considered a wide range of submitter views and evidence on this matter, and carefully considered that in relation to Future Development Areas, there is the possibility of a policy 'gap' in terms of minimum densities. Christchurch City Council considered that a minimum of 15 households per hectare in Rolleston, Rangiora and

³⁰ TBC

³¹ TBC

Kaiapoi would be appropriate. We heard from a number of developers who, in response to questions from the Hearings Panel, considered that 12 households per hectare was reasonably achievable, while others considered 10 households per hectare provided flexibility. We heard from others again who considered that lower densities might be required because of the presence of TC3 land.

[136] Officers recommended amendments to the schedule of future work in Section 6.2 to signal a commitment to undertake an evaluation of minimum greenfield area densities and amendments in Section 5.3.

[137] In response to our request in Minute 3, the Chief Executives of the local authorities presented to us in relation to the density provisions that should apply to the future urban development areas in the Selwyn and Waimakariri Districts. The Chief Executives of Environment Canterbury, Selwyn District Council and Waimakariri Council recommended that Our Space direct an increase to the minimum density provisions in the Future Urban Development Areas in Selwyn and Waimakariri by 20 percent to 12 households per hectare as the basis for structure planning now being undertaken by those Councils and to be reflected in their respective District Plan Reviews due for notification in 2020. The Chief Executive for Christchurch City Council reiterated her Council's position.

[138] The Chief Executives recommended that the Greater Christchurch Partnership work collaboratively over the next year to review and agree appropriate future density settings across Greater Christchurch to inform not just the District Plan reviews, but to also provide guidance on how density matters should be progressed as part of the 2022 CRPS review comparable to transition paths to higher densities evident in other high growth council contexts. This would include the Greater Christchurch Partnership agreeing to a consistent methodology being used by all Greater Christchurch local authorities when completing required capacity assessments. The Chief Executives provided proposed replacement actions to achieve this in Our Space

[139] We also requested from Officers additional tables that would show scenarios should density be managed differently in the Selwyn and Waimakariri Districts. This is included below:

Selwyn: Long term shortfall: 5,475

	Density scenarios and anticipated yields from FDAs		
Additional capacity enabled in existing	Density 10 hh/ha	Density 12 hh/ha	Density 15 hh/ha

urban areas			
0	4,500	5,500	6,500
500	5,000	6,000	7,000
1,000	5,500	6,500	7,500
1,500	6,000	7,000	8,000
2,000	6,500	7,500	8,500

Waimakariri: Long term shortfall: 7,675

	Density scenarios and anticipated yields from FDAs		
Additional capacity enabled in existing urban areas	Density 10 hh/ha	Density 12 hh/ha	Density 15 hh/ha
0	4,500	5,600	6,700
500	5,000	6,100	7,200
1,000	5,500	6,600	7,700
1,500	6,000	7,100	8,200
2,000	6,500	7,600	8,700

[140] The figures are dependent on additional capacity being made available within existing urban areas via intensification. That might include up-zoning, provision of minor units, retirement village development, elderly persons housing, and subdivision.

[141] We are conscious that there is a potential for a policy gap for future development areas, as the current provisions of the CRPS only apply to greenfield priority areas, and that it is appropriate that we signal a **minimum** net density of 12 households per hectare for residentially zoned land in the Selwyn and Waimakariri Districts falling within the Greater Christchurch area. This is intended to be determinative until such time as further evaluation and evidence is prepared as part of the full review of the CRPS in 2022. We are comforted by the Chief Executives' commitment to addressing these issues and are satisfied that in the mix of evidence received during the hearing, such a statement in Our Space, together with amendments to actions in the future schedule of work are both necessary and appropriate.

[142] We also consider that the figures provided to us by Officers are useful, and that they are included in Our Space at the end of Section 5, with an additional note that it is expected that a minimum density of 12 households per hectare will be achieved for

new greenfield priority areas and future development areas as part of the district plan reviews, until such time as the CRPS is changed.

- [143] We recommend that along with the reference to minimum net densities in the areas indicated above, the definition of net density in the CRPS is also referenced in Our Space.

Monitoring and review and how this relates to feasibility and uptake

- [144] We asked Officers to address monitoring and review, and how this impacts on feasibility and uptake. They re-iterated that Section 6 of Our Space identifies the preparation of a new Capacity Assessment and regular monitoring of urban development indicators in the future work of the Greater Christchurch Partnership. They advised that this is a specific obligation on local authorities as set out in the objectives and policies of the NPS-UDC.

- [145] Importantly, they noted that there are other existing monitoring processes already committed to and undertaken by the Greater Christchurch Partnership and partner agencies that will complement the specific NPS-UDC requirements. For example, a comprehensive outcomes monitoring framework already exists for the UDS. That framework reports progress towards strategic goals and outcomes tracked using a series of urban, environmental, community and economic indicators. They noted further examples such as the Canterbury Wellbeing Index, which brings together information about community wellbeing in Christchurch, Selwyn and Waimakariri, and the monitoring and review requirements of the CRPS and District Plans relevant to aspects of Our Space.

- [146] Officers recommended an amendment to Our Space section 6.4 Research and monitoring, as follows:

The Partnership publishes quarterly monitoring reports to track a series of core urban development indicators for Greater Christchurch. To improve our understanding of local market trends, the scope of these monitoring reports will be reviewed and expanded where appropriate to incorporate additional indicators. Monitoring trends in Greater Christchurch's residential, commercial and industrial markets are particularly important given the disruptions caused by the earthquakes, and the new normal that is being established as the recovery and regeneration effort progresses. It is important that this monitoring integrates with other monitoring processes at local and regional levels that will collectively help assess the achievement of the strategic goals of the UDS.

[147] We consider that this is an important aspect of addressing a number of submitters' concerns regarding how feasibility and uptake is addressed through the implementation of Our Space. As time progresses, there will be continual improvement of Capacity Assessment methodology, which will increase the accuracy of forecasting and determining sufficiency of zoning/identification for future urban activities. We accept the Officers' recommendations in relation to this.

Housing choices - Location and type of housing

[148] A number of submitters have raised concerns that Our Space does not sufficiently provide for choices that will meet the needs of people and on that basis Our Space does not meet the requirements of Policy PA3 of the NPS-UDC.

[149] Submitters have provided evidence that demand is not being met in particular locations, particularly in Selwyn and Waimakariri Districts, and that large lot and rural residential choices are not being provided for. We have addressed the appropriateness of the Capacity Assessment methodology in relation to demand above and turn now to consider Policy PA3.

[150] It is necessary to consider Policy PA3 of the NPS-UDC as a whole. Policy PA3 provides:

When making planning decisions that affect the way and the rate at which development capacity is provided, decision-makers shall provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations, whilst having particular regard to:

- a) Providing for choices that will meet the needs of people and communities and future generations for a range of dwelling types and locations, working environments and places to locate business;*
- b) Promoting the efficient use of urban land and development infrastructure and other infrastructure; and*
- c) Limiting as much as possible adverse impacts on the competitive operation of land and development markets.*

[151] As a non-statutory document prepared under the LGA, Our Space will be a relevant consideration for decision makers on RMA documents including the CRPS and district plans and therefore will have some influence on the way and the rate at which development capacity is provided in those documents.

- [152] First and foremost, Policy PA3 requires decision-makers to provide for the social, economic, cultural and environmental wellbeing of people and communities and future generations. In doing so, decision-makers are required to have particular regard to the matters listed in clauses (a) to (c) of Policy PA3.
- [153] We consider that Our Space seeks to ensure that housing needs and preferences for current and future residents are met. This is clearly set out in the approach to housing demand and minimum housing targets in the Capacity Assessment, Our Space and the Officers' Report.
- [154] Our Space also recognises that there are other key growth issues for Greater Christchurch, including recognising post-earthquake trends and anticipating future drivers, integrating land use and transport planning and promoting a sustainable urban form that protects the natural environment, rural character and versatile soils. These contribute to the social, economic, cultural and environmental wellbeing of people and communities and future generations.
- [155] In addition to the number of submitters seeking the identification in Our Space of additional greenfield priority areas or future development areas, rural residential and large lot development, we also received a number of submissions opposing further greenfield development. The reasons for not wanting greenfield development included the contribution it can make to urban sprawl, impacts on versatile and high quality soils, impacts on intensification in the central city, contribution of trip distances and private vehicle use to climate change, and lower densities encouraging private vehicle usage rather than transport modal shifts to cycling.
- [156] We consider that the Our Space approach strikes an appropriate balance between the matters listed in clauses (a) to (c) of Policy PA3 in order to achieve the overall wellbeing outcomes.
- [157] Submitters have also referred us to the requirements of Policy PA4 which provides matters that decision-makers shall take into account when considering the effects of urban development. To the extent that this policy is relevant to our considerations as part of Our Space, we consider that the costs and benefits of urban development as set out in Policy PA4 have been taken into account.

Provision of social and affordable housing (Social and affordable housing action plan)

[158] Social and affordable housing was an issue for a number of submitters³² we heard, as well as other submitters³³ that were not heard. We address the individual submissions on these matters in Appendix 1, however we asked Officers about the social and affordable housing action plan, particularly in relation to the submission of Te Waipounamu Community Housing Network. We considered that more information and action around this matter would provide some relief to those submitters.

[159] Officers advised us that the action plan relates to Item 2 in the schedule of further work outlined in Section 6.2 of Our Space. This states that the timeframe for developing the action plan as being 2019-2020. Officers said the detail of the action plan would become clear by implementing this action. However, should the Panel wish to provide additional clarity on this matter the following process steps and timeframes could be included as bullet points in Item 2:

- an MOU with the Greater Christchurch Partnership and the Network - July 2019
- A project plan and project lead resource - August 2019
- A good practice and/or barriers research component - October 2019
- A forum and or consultation component - December 2019
- A draft action plan - February 2020
- Integration and alignment with District Plan Reviews - April 2020
- Integration and alignment with Annual Plans - June 2020

[160] They noted that the development of this plan is not currently included in the 2019/20 Annual Plans of Partner Councils so the necessary staff and financial resources to undertake this work would need to be confirmed as soon as possible. They said that given the subject matter Community Housing Aotearoa (CHA) could be approached to assist with resourcing and/or delivery of the development of the action plan.

[161] We agree that the wording submitted to us is appropriate for inclusion in Our Space.

Identification of broad location, timing and sequencing of development

³² Submitters #1, #5, #10, #16, #54, #58, #60, #61, #70,

³³ Submitters #7, #12, #13, #74, #90

- [162] Our Space is required to identify the broad location, timing and sequencing of future development capacity over the long term in future urban environments and intensification opportunities within existing urban environments.³⁴ It needs to balance certainty regarding the provisions of future urban development with the need to be responsive to demand for such development.³⁵
- [163] Some submitters considered that future development capacity is not sufficiently identified, suggesting that further areas should be mapped within Our Space.
- [164] Figure 12 of Our Space sets out that housing demand will be met through redevelopment and greenfield areas. Figure 16 in Our Space identifies the Existing Urban Area together with existing Greenfield Priority Areas and Special Housing Areas. It also identifies the proposed locations of future development areas in Greater Christchurch.
- [165] We asked Officers about the mapping notations under Figure 16 and for their opinion on the potential for confusion of this figure with Map A in CRPS. We heard from a number of submitters who were concerned that Figure 16 would become Map A, with no flexibility for due consideration of merits for additional land as part of future RMA processes such as the review of the CRPS in 2022.
- [166] Officers responded that they heard the concerns raised by submitters regarding the potential for confusion and misinterpretation due to similarities between Figure 16 and Map A.
- [167] They told us that Figure 16 was intended to show the location of the future development areas identified in Our Space to help address projected housing capacity shortfalls for the Selwyn and Waimakariri Districts, for the purposes of meeting the 'broad location' requirements of the NPS-UDC.
- [168] They said it was not intended that Figure 16 would 'set in stone' the extent of changes to Map A in the future or preclude the consideration of minor boundary adjustments and/or other changes to Map A through separate RMA processes. Our Space would be a relevant consideration for decision makers in subsequent RMA processes as a strategy prepared under other Acts (Sections 66(2)(c)(i) and 74(2)(b)(i) of the RMA respectively). Whilst it is intended that Our Space provides some direction to inform such processes, Figure 16 would not be determinative. In

³⁴ NPS-UDC, Policy PC13(a).

³⁵ NPS-UDC, Policy PC13(b).

the light of concerns raised by submitters, Officers recommended amending the title of Figure 16 and the wording in Section 5.3 to clarify this.³⁶ We agree with the intent of the Officers' recommendation and consider that Figure 16 should be identified as being 'indicative only' and that corresponding amendments are made in Section 5.3 to reflect this.

[169] As discussed above, the areas identified in Figure 16 are likely to address medium and long term shortfalls in capacity. The location of any additional areas required is to be considered as part of the full review of the CRPS in 2022 and through district plans and structure planning. This is provided for in the future schedule of work in Section 6.2.

[170] We also heard from a number of submitters concerned with staging and release of their land for development. Some submitters considered that Our Space does not sufficiently identify the timing and sequencing of development. In addition, several submitters sought that their land be released at the earliest opportunity or brought forward in time, including that land identified as proposed future development areas in Figures 15 and 16 of Our Space be included instead as Greenfield Priority Areas.

[171] Officers addressed the sequencing and staging of development in the Officers' Report. They set out that Our Space does provide some high-level sequencing for the quantum of development capacity over the medium and long term by stating that the housing targets represent the development capacity that each council will seek to enable over the medium and long term. Officers considered that district plan processes are best placed to consider appropriate sequencing and zoning of land for urban use if enabled to do so through a change to the CRPS. This is in part because detailed structure planning has yet to be fully completed or reviewed by territorial authorities in a collaborative manner with relevant landowners, developers and communities for future development areas.

[172] Officers recommended a number of amendments to Our Space to further clarify how sequencing is to be addressed:³⁷

Amended wording for Section 5.5, p26

Future growth areas identified in Figure 15 and 16 will require more detailed planning, technical assessments and consultation with landowners to determine more specific staging of development. Existing policies in Chapter 6 of the CRPS already provide

³⁶ Officer Reply Report, Question 12, p 17.

clear direction which these detailed planning processes must give effect to, particularly Policies 6.3.2 to 6.3.7. They ensure the staging of development considers how to support good urban design, align with infrastructure needs and integrate with existing urban areas.

Amended wording for Section 5.5, paragraph 3, p26

Associated policy wording is proposed to complement a change to the CRPS Map A. This will enable District Plan Reviews for Selwyn and Waimakariri Districts to, over the medium term, zone and otherwise enable development capacity in accordance with meeting the medium term housing targets incorporated in the CRPS. Reviews of targets and the sufficiency of development capacity are part of periodic capacity assessments and enable the CRPS and district plans to remain responsive to deomonstrated need.

We consider these amendments to be appropriate to meet the requirements of the NPS-UDC.

[173] Officers also provided further explanation to address what they considered to be come confusion amongst submitters and the view that future development areas in Our Space are only identified for the long term period. They confirmed that the term 'Greenfield Priority Area' is a product of the recovery timeframes associated with the Land Use Recovery Plan. Most Greenfield Priority Areas have already been zoned in district plans and it is intended that the change to the CRPS in 2019 will enable the Partner Councils to zone and otherwise enable a portion of future development area land necessary to address any sufficiency shortfall for the relevant medium term period identified through periodic collaboratively prepared Capacity Assessments.

[174] We are satisfied that this explanation appropriately addresses submitters concerns regarding the identification of their land as Greenfield Priority Areas.

Requests for additional land to be included for future residential development

[175] Many submissions sought to have additional areas identified for future residential development.³⁸ These must be balanced against a number of submissions requesting that we limit expanding into new or additional greenfield areas.³⁹

[176] The key reason for suggesting additional greenfield priority areas or future development areas was that the methodology for determining capacity through the

³⁷ Officers' Report dated 8 February 2019 at page 28.

³⁸ **Include submissions**

Capacity Assessment undertaken in 2018 was flawed and that it did not provide a suitable evidential base for our decisions. We have addressed the appropriateness of the Capacity Assessment earlier in this report.

- [177] In addition to that, submitters considered that their individual circumstances had merit, given that their developments were serviceable, proposed on suitable land, could be master-planned because their sites were under single ownership or owned by a few, were contiguous with existing urban areas, that the targets in the NPS-UDC should not be considered minimums, and that non-inclusion of their land was an error. In addition, they said that provision of their land would increase supply, and therefore improve affordability. Ms Broughton, a submitter on Our Space, also said that her preference was to provide greenfield development rather than intensification, as intensification would have an adverse impact on the character of her immediate area on the northern side of Riccarton Road.⁴⁰
- [178] As set out above, the reasons for not wanting greenfield development included the contribution it makes to urban sprawl, impacts on versatile and high quality soils, impacts on intensification in the central city, contribution of trip distances and private vehicle use on contribution to climate change, and lower densities encouraging private vehicle usage rather than transport modal shifts to cycling.
- [179] What we need to be satisfied about, is that in terms of the NPS-UDC, Our Space demonstrates that there will be sufficient, feasible development capacity in the medium and long term. This includes intensification opportunities, as well as greenfield development.
- [180] We agree with the Officers' recommendations that additional land proposed by submitters is not necessary to demonstrate sufficient, feasible development capacity in the medium and long term for Greater Christchurch.
- [181] In addition based on the evidence available to us we not consider that the additional land proposed by submitters is preferable to that identified in Our Space which has previously been considered by the Greater Christchurch Partnership and is consistent with the strategic directions of the UDS and CRPS to promote a

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Include submissions

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By way of note, the Independent Hearing Panel's full decision is made at para [128] of Decision 10. It noted that given all these factors, they did not consider it appropriate to revisit the election the Council has made against further intensification in this locality at this time. If, and when, this should occur ought to be left to the Council to determine and initiate.

consolidated urban form in Greater Christchurch, and aligns with infrastructure servicing arrangements outlined in Long Term Plans and infrastructure strategies.

[182] We agree with Officers that additional land is best considered as part of subsequent RMA planning processes, including changes to the CRPS and district plans, and relevant Local Government Act 2002 processes, including structure planning. As set out earlier in our report, we have recommended amendments to ensure that Our Space does not preclude the consideration of further land that may be appropriate for future housing and business. We also agree that the key process steps in the review of Chapter 6 of the should be added to the schedule of further work in Section 6.2.

[183] We also recognise that there are a number of proposals for extension to residential areas that may warrant closer inspection as part of the CRPS review in 2022. We consider this should be acknowledged by including a requirement in Section 6.2 that Environment Canterbury engage with those submitters on Our Space who have sought that their land be included, prior to the notification of the review of the CRPS in 2022, in relation to the appropriateness of including their land within Map A of Chapter 6, in light of the results of the next Capacity Assessment.

[184] We consider that these recommended amendments will ensure that the merits of the inclusion of additional land will be appropriately considered as part of the CRPS review.

[185] We consider that the approach in Our Space, including the actions identified in the further schedule of work, balances certainty regarding the provision of future urban development with the need to be responsive to demand.

[186] In the light of the evaluation and reasons given above, and the responses provided to individual submissions, we are satisfied that Our Space appropriately implements the provisions of the NPS-UDC as it relates to development capacity for housing.

Rural residential and large lot development

[187] We heard from a number of submitters who were interested in the matter of large lot development and rural residential development both inside and outside of the existing and proposed future urban areas.⁴¹ They presented evidence noting the demand for such lots, and that such opportunities provided for better living opportunities and wellbeing.

- [188] Officers told us that the CRPS Chapter 6 defines rural residential activities as “residential units outside the identified Greenfield Priority Areas at an average density of between 1 and 2 households per hectare.” They said Policy 6.3.9(3) requires that rural residential subdivision and development “must be located so that it can be economically provided with a reticulated sewer and water supply integrated with a publicly owned system, and appropriate stormwater treatment and disposal”. They said that this requirement suggests a close link to the urban area and its associated urban infrastructure. They referred to rural activities being defined in the CRPS as including residential activity on lots of 4 ha or more.
- [189] They said that irrespective of how Our Space incorporates rural residential living, the geographical area of focus and the relevant urban environment pertaining to Our Space are both considered to be the Greater Christchurch area as shown in Figure 1 of Our Space. This area includes a portion of rural land significantly influenced by its proximity to nearby urban areas and although Our Space focuses predominantly on the urban aspects of Greater Christchurch it has considered rural residential and to a lesser extent rural living in its analyses.
- [190] We agree with the Officers’ position that it is appropriate to take into account rural residential land in terms of calculations on capacity, and they contribute to Greater Christchurch’s ability to cater for residents, as does rural land. We note that existing CRPS direction in Policy 6.3.9 that in the case of Christchurch City, no further rural residential development is to be provided for. Any further rural residential development in Selwyn and Waimakariri will be considered as part of the Council’s scheduled reviews of their respective rural residential development strategies. These reviews will inform District Plan Reviews scheduled for notification in 2020.
- [191] In relation to large lot sections, we agree with the Officers’ response in their Reply Report and accept that no further changes are required to Our Space.

Provision and protection of key infrastructure and integration with development

- [192] We heard from a number of submitters on the sufficiency of commercial and industrial land in specific high demand areas, in particular as they related to the rail and freight network.⁴² As part of this, we heard evidence on the increase in travel times across the City from the west to the Port of Lyttelton, and the impacts of

⁴¹ Submitters #21, #25, #38, #72, #81

removing heavy vehicles from strategic freight routes. We heard about the importance of straight rail sidings at Rolleston and the potential for these, both within the existing urban and future development areas, as well as potential for extensions to those areas. We also heard about the future need for industrial land in appropriate locations adjacent to Christchurch International Airport.

[193] Officers told us that while the effective and efficient functioning of the transport network is not the main focus of Our Space, it does recognise in Section 5.6 that projected housing and business growth will result in more trips on the network, leading to more congestion and longer journey times if travel behaviours do not change.

[194] They said that a priority for Our Space is to ensure that future development is appropriately aligned to and informs long term transport planning and investment in Greater Christchurch, primarily considered as part of other processes, to ensure that more people can reside in areas accessible to a mix of transport modes. Of particular importance is alignment with the directions in the Canterbury Regional Public Transport Plan, which set out a vision for Greater Christchurch's public transport system.

[195] Our Space already recognises in Section 5.6 that an "important part of managing the transport network is to ensure that freight can be moved efficiently to and through Greater Christchurch and this will require effective management of congestion on the main freight routes". Officers noted that there are a number of other processes currently underway that will contribute to the effective and efficient operation of freight routes, including:

- future public transport business cases
- travel demand management business cases
- completion of the Christchurch Northern Corridor and Christchurch Southern Motorway
- business cases for the Brougham Street and Moorhouse Avenue area.

[196] In response to concerns from those submitters, Officers did make some suggestions for amendments by inclusion of additional wording as set out in the Officers' Reply⁴³

⁴² Submitters #39, #53, #67, #73, #79

⁴³ Reporting Officers' Reply Report dated 8 March 2019.

on pages 11 and 12. In addition to the text changes recommended, Officers also agreed with the submitters to better identify strategic infrastructure and networks in Greater Christchurch by way of amendments to Figure 18.

[197] To that extent, we accept the submitters concerns, and accept the changes proposed by Officers. We are satisfied that those changes are appropriate and accord with appropriate recognition of infrastructure, including regionally significant infrastructure, in the Our Space document. In addition to the changes recommended by Officers, we also include changes to section 5.7 which provide context and recognise the need for significant investment for the funding of transport infrastructure.

Management of natural hazards

[198] We received a number of submissions generally in relation to Our Space on the potential for natural hazards to impact on land development. We asked Officers to provide a response in relation to the extent to which natural hazards information is covered in Our Space and included as part of assessing the proposed directions outlined within it.

[199] They responded that there are constraints on where new greenfield development can and should occur. Officers said that such constraints include coastal and flood hazard areas, groundwater aquifers, outstanding natural landscapes, versatile soils and airport noise contours. The extent of these constraints is shown in Figure 10 (p. 17) of Our Space, while wording proposed by Officers in the track changed version of Our Space seeks to further clarify the scope and purpose of that figure.

[200] In this context, they said that the future development areas proposed in Our Space have been subject to structure planning exercises by Selwyn and Waimakariri District Councils as part of considering future development within the projected infrastructure boundary. The appropriateness of these greenfield areas for development would be further assessed as part of any change to the CRPS, including that any hazard risks are sufficiently addressed.

[201] The possible impact of ground conditions on the feasibility of existing development capacity across Greater Christchurch was also considered as part of the Capacity Assessment, including the potentially higher costs of development within flood hazard areas where there is a requirement for higher finished floor levels and larger foundations. Where such costs resulted in development being deemed unfeasible, these areas were discounted from the equation of supply and demand. Officers said

that this methodology is fully documented in the Capacity Assessment methodology technical document provided as part of the Our Space consultation.

[202] Our Space also recognises in Section 6.1 the need to respond to key drivers of change at the local, national and global level as part of future planning processes, including the:

“Growing need to manage and adapt to the natural hazard risk facing our coastal communities given the anticipated sea level rise, and related coastal inundation and groundwater level effects, over the next 30 years and beyond.”

[203] Officers said that subsequent capacity assessments and any future revisions to Our Space will need to reflect any changes to policy directions related to managing and adapting to the natural hazard risks facing coastal communities. No changes to Our Space were recommended.

[204] We did not receive any additional closing response in relation to recognition of bird strike as a natural hazard as posed by CIAL. In relation to that matter, we are satisfied with the Officers’ recommendation in their report that bird strike hazard can be managed by appropriate location and design of some land uses and is not an absolute constraint to development. Officers consider that district plans are the appropriate planning document for managing bird strike hazard; noting that an appropriate set of rules is included in the Christchurch District Plan.

[205] We accept the Officers’ position on these matters, and in particular, do not consider that the matter of bird strike is such that it would limit future urban use and is relevant to decision-making in relation to Our Space.

Signalling matters needing to be addressed prior to full Canterbury Regional Policy Statement review in 2022

[206] We asked Officers how matters that have been addressed by us but not provided for specifically in Our Space will be approached and further detailed in any further investigation and resolution prior to the full review of the CRPS in 2022.

[207] They said that while the scope of the proposed change to the CRPS in 2019 detailed in the schedule of further work in Section 6.2 of Our Space is specific to giving effect to the NPS-UDC, the review of Chapter 6 as part of the full review of the CRPS scheduled for 2022 would provide an opportunity for the merits of any wider policy changes to Chapter 6 or additional amendments to Map A to be considered.

- [208] Officers provided a potential list of steps and indicative timescales for the scheduled review of the CRPS. The review process would be initiated by Environment Canterbury in 2019/20 with the development of a project plan and agreed scope. Pre-notification engagement with the public and stakeholders would provide an opportunity for relevant matters that fall outside the scope of Our Space to be identified and further detailed.
- [209] They noted that in order to provide greater clarity within Our Space, key process steps in the review of Chapter 6 as part of the CRPS full review could be added to the schedule of further work in Section 6.2.
- [210] Some submitters raised concerns that the proposals set out in Our Space would or could preclude the consideration of future changes to Chapter 6 Map A, in particular to provide for development in areas outside identified future development areas. As addressed above, while Our Space would provide some direction to inform future RMA processes, it is not intended to prevent the merits of such matters being considered through the full review of the CRPS in 2022 and amendments are recommended.
- [211] We accept the Officers' recommendation on this matter, and consider that while it will not address the concerns of some submitters seeking that their individual developments be brought forward or fast-tracked, it does provide some opportunity for consideration of the merits of particular proposals without being precluded by Our Space.

Addressing climate change and achieving sustainability and zero carbon goals

- [212] We heard from a number of submitters who considered that the effects of climate change, and the achievement of sustainability and zero carbon goals, were not sufficiently addressed by Our Space and that any proposed settlement pattern was integral to considering such matters.⁴⁴
- [213] Officers considered that the proposals in Our Space reflect the UDS principles of consolidating urban development and integrating land use and transport planning. This supports the development of a more sustainable urban form, especially in terms of providing a larger share of the population with good access to a range of transport modes and reducing the reliance on private vehicles.

⁴⁴ Mr Dirk de Lu on behalf of Spokes Canterbury (#41), Mr Chris Morahan (#69), Lr Lawrence McCallum and Mrs Cherry McCallum (#36), Dr Anna Stevenson on behalf of CDHB (#58), Mr Don Babe (#46) and Mr John Peet on behalf of Sustainable Otautahi (#37).

[214] They acknowledged that the coverage of climate change and sustainability and the implications of urban growth on these matters is limited in our Space and recommended that additional wording be included in Sections 4 and 5 to highlight these issues.

[215] We generally accept the Officers' response. However, we consider that a further response with regard to addressing climate change, achieving sustainability and zero carbon goals is required. We consider this issue merits its own new section under Section 4 in our Space, elevated to a higher priority, and amendments to section 5 of Our Space, with clearer and more aspirational wording.

CONCLUSION AND RECOMMENDATIONS

[216] We consider it appropriate to conclude with a response to the key questions posed to us by Officers in the Officers Report⁴⁵ in light of our recommendations above. In summary:

- a. We are satisfied that Our Space demonstrates that there will be sufficient feasible development capacity for housing in the medium and long term and that it sets out how the minimum targets will be met. The strategy sets out how the Partnership will respond to the shortfalls through future actions in Section 6, including through a change to the CRPS to enable the rezoning of future development areas identified in Figure 16 and the full review of the CRPS in 2022. We are satisfied that, based on the evidence received, that those areas identified in Figure 16 are in the correct locations, on the basis of the current planning framework. That includes a mixture of greenfield development and intensification.
- b. In relation to industrial and commercial land, we are satisfied that the Strategy demonstrates that there will be sufficient feasible development capacity for business activity, noting the surplus industrial land can potentially absorb some of the predicted shortfall of commercial land in the medium to long terms. Further work around supply and monitoring around freight networks will inform whether or not there might be some locations where additional industrial land may be required. This can be undertaken to inform the full review of the CRPS in 2022.

⁴⁵ Officers Report, Section 1, p 1.

- c. We are satisfied that the proposed areas to be identified for future urban activities are appropriately within the projected infrastructure boundaries, which are reflected in the relevant Council Infrastructure Strategies. Councils will be able to determine the timing and funding of that infrastructure in accordance with the sequencing to be determined as part of their District Plan review processes.
- d. We accept that under current planning frameworks, that the methodology around feasibility is fit for our purposes, and gives effect to the NPS-UDC. We note this in the context of the ability to review and get consistent agreed methodologies between the Partner Councils so that this is incorporated into the next capacity assessment, as well as gathering and monitoring data to determine uptake, both through intensification as well as greenfield development. All of this will assist with informing capacity for the full review of the CRPS in 2022.
- e. We are satisfied that the broad location, timing and sequencing of future development capacity is identified at an appropriate scale in Our Space and that it is appropriate that this is addressed further as part of district plan processes, and in accordance with the policies and methods prescribed by the CRPS. That includes through the development of Outline Development Plans and structure planning processes.
- f. We are satisfied that Our Space is appropriately informed by the relevant Long Term Plans and Infrastructure strategies, and other relevant strategies, plans and documents. Our space is consistent with and builds on the vision and principles of the UDS and the direction of the CRPS by planning for apportioned greenfield development and intensification, while maintaining a consolidated urban form, and integrating land use with infrastructure.
- g. We accept that the methodology and evidence base is sufficiently robust, recognising that monitoring of markets, yield and uptake will continuously improve the ability to respond to changing circumstances including higher or lower growth scenarios.
- h. In response to submitter concerns that Our Space will preclude the consideration of land for development in future RMA processes, we have made amendments to the strategy to note that Figure 16 is indicative only and that Environment Canterbury will engage with submitters requesting identification of additional land in Our Space prior to the notification of the

CRPS review, in relation to the appropriateness of including that land in Map A and in light of the results of the next Capacity Assessment. This will ensure that the merits of those individual proposals can be legitimately considered as part of the CRPS review.

- i. In addition, we have identified in response to individual submissions where we consider there is another appropriate avenue to address a submitter concerns, such as through transport plans or through annual plan and long term planning funding processes.

[217] We are satisfied that the Strategy as set out in Appendix 2 meets the requirements of the NPS-UDC. The Panel accepts that the Strategy as amended by the Panel is appropriate and:

- a. has been prepared in accordance with the requirements of the LGA2002; and
- b. implements those objectives and policies of the NPS-UDC that are relevant to the production of a future development strategy.

[218] We set out our further reasons and recommendations in response to individual submissions in Appendix 1.

[219] **We recommend that the GCP Committee adopt our recommendations report and recommend to the individual Partners that they endorse or adopt Our Space, being the joint future development strategy for Greater Christchurch.**

[220] In addition to our recommendations on the Strategy, we make the following suggestions to the Partner Councils for actions outside of the Strategy process:

- a. As part of future Capacity Assessments, consider the impact of different ownership and development models as part of industrial land sufficiency in future capacity assessments
- b. As part of future Capacity Assessments, consider freight trends and demand in specific locations where there is a need to integrate land use and infrastructure
- c. Explore options for funding the social and affordable housing action plan set out in Section 6.2 of Our Space
- d. Christchurch City Council consider whether there are any options or alternatives available to facilitate, fund or enable infrastructure development

at Cranford Basin, that was the subject of the Cranford Basin Regeneration Plan.

For the Hearing Panel:

.....

Bill Wasley
Chair

.....

Gail Gordon
Panel member

.....

Cr Sara Templeton
Panel member

.....

Deputy Mayor Malcom Lyall
Panel member

.....

Cr Peter Skelton
Panel member

.....

Cr Neville Atkinson
Panel member

.....

Jim Harland
Panel member (non-voting)

Jim Harland is a non-voting member of the Hearing panel. His signature acknowledges that he has participated in deliberations as a non-voting member of the Panel and supports the recommendations set out in this Report.

29 April 2019

APPENDICES

- [221] **Appendix 1:** Hearing Panel reasons for accepting or rejecting submissions
- [222] **Appendix 2:** Our Space document
- [223] **Appendix 3:** Hearing Panel Minutes 1, 2 and 3.

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**APPENDIX 1 - Hearing Panel recommendations on submissions
(attached as a separate document)**

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**APPENDIX 2 – Our Space document
(attached as a separate document)**

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APPENDIX 3 – Hearing Panel Minutes 1, 2 & 3
(attached as a separate document)

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