



The Sustainable Urban Development Unit would like your input and advice on ways to encourage sustainable urban development in New Zealand. The *Building Sustainable Urban Communities* discussion document outlines a range of issues, options for tools and powers to support sustainable urban development, and a possible approach to bring these elements together.

We want to know what you think. You can use this submission form to answer the questions highlighted in the document. Other comments are also welcome.

We encourage feedback — it improves our analysis and decision-making process to get ideas and a range of views from people and organisations with interests and experience in sustainability and urban development.

Please call us on (04) 495 9361 if you have any questions.

### How to submit

This submission form is in a Word format. You will need to download this submission form and save it to your hard drive before you fill it in. Use the 'Tab' key to move to the next fill-in field (Shift+Tab to move back to the previous field). Then, you can email the submission form to <u>sudu@dia.govt.nz</u>, or print it out and post it to:

Sustainable Urban Development Unit The Department of Internal Affairs PO Box 805 Wellington 6011 You can also order a hard copy of the *Building Sustainable Urban Communities* discussion document by emailing <u>sudu@dia.govt.nz</u>

# Please send us your comments by Friday 28 November 2008.

Please note that all correspondence and comments on this matter may be the subject of a request under the Official Information Act 1982. If there is any part of your correspondence that you consider could properly be withheld under the Act, please let us know, along with any reasons you would want it withheld.

Thank you for sharing your comments and ideas with us.

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Are you submitting this as:	On behalf of a group or organisation?

### **General questions**

### ? Which options or ideas do you think would be effective in encouraging sustainable urban development?

A continuum of small scale (household, development site and neighbourhood) local initiatives supported by infrastructure inprovements to support the large scale development projects described in this discussion document is required. The effectiveness of the proposed large scale initiatives alone in delivering a sustainable New Zealand should be interrogated. For example, should ten large projects, each accommodating ten thousand people be implemented over the next decade, 100,000 people, or only 2.5% of the population would be installed into 'sustainable communities'. The effects would be relatively insignificant, whereas this initiative in tandem with a focus on existing neighbourhoods and buildings could achieve nationwide benefits.

Attention to the local, with incremental retrofitting and refurbishment would also require attention to coordinated planning, district plan formulation and so on.

Change to the RMA to move beyond the biophysical and recognise the importance of urban and social sustainability. This may be partly via the mechanism of a National Policy Statement on Urban Design. It must support coordinated planning and high quality design for sustainability and enhanced quality of life for New Zealanders.

Change to the RMA to require greater attention to achieving positive effects and benefitting from coordinated

planning and innovative design rather than simply avoiding adverse effects.

Review and modification of district plans across New Zealand that have a presumption against mixed use to the point where it is difficult to establish local service facilities within existing neighbourhoods. The difficulty is componded by the RMA effects based legislation which allows even positive change to be readily opposed.

Comprehensive and coordinated regional planning for sustainability. This is essential to ensure a level-playing field within each region.

Nation-wide regulation to encourage sustainability and promote place-based and consistently high quality planning, infrastructure and urban design solutions.

User-pays pricing of development, including for roading and services, to ensure the appropriate market signals are sent to developers and the consumers of development and to align market value with the true cost (including externalities) of various development forms.

Facilitation of local and micro level sustainability initiatives. Significant gains are possible with the retrofitting and intensification of neighbourhoods and the existing building stock.

Multi-sector collaboration in the formulation of direction and initiatives, utilising the professions and academia as well as private sector developers.

Ensure sustainability is a core factor in all government decisions. For example, centralising school and recreational facilities may lead to increased vehicle dependence at the same time as removing a centre for social interaction from local communities. That is, local community and envoronmental effects should be considered along with efficiency of service delivery.

**?** What are the impacts of the options? What changes or additions would make these options or ideas work more effectively?

All of the above are predicated on action from central government, including legislative change, and committing significantly increased funding to sustainability.

There needs to be qualitative assessment of the costs and benefits of various options, from the flagship 'sustainable communities' proposed in this discussion document to small scale micro initiatives, and various combinations of project types. Only after such a cost benefit analysis should directions be confirmed and resources allocated.

Consideration of phasing in user-pays pricing of roads and other infrastructure (to an extent compatible with avoiding social dislocation and hardship) is essential to establish the financial incentives for sustainability, and avoid perpetuation of mono-functional, vehicle dependent suburban sprawl.

#### Are there any other options or ideas you have seen or thought of?

The UK Urban Renaissance has been successful in reorientating the focus of development away from greenfield towards infill development.

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## Specific questions

Barrier	s and implementation difficulties in sustainable urban development in New Zealand
1a	What is slowing down, preventing, or reducing the quality of sustainable urban development? Please give examples.
	The barriers identified in page 3 of the discussion document summarise the main causes of delay or failure.
	In addition, increased emphasis on character in and around existing town and city centres has the effect of precluding intensification in the very areas where it is most suitable. These inner areas are usually within wlaking distance of the town or city centre, and have proximity and easy access to a wide range of local, and often regional services. While the rationale for protection is character, interrogation often reveals underlying amenity protection and anti-change motivations.
	Continuing mandatory application in many parts of New Zealand of outdated and anti-sustainable engineering standards covering, for example, roads, accessway widths and parking. These unnecessarily compromise walkability and environmental quality, and lead to over-provision of roads and car parking. Furthermore, many engineers are not prepared to consider departure from such standards, even if it can be demonstrated that these are not consistent with best practice.
1b	What can be done to deal with these barriers?
	Establish national policies or standards supporting urban intensification, and requiring any zones for character control to be highly localised and pass a stringent test.
	Review roading, access and parking standards for effectiveness and justification.
	Review legislation or enact new legislation to require multi-criteria justification of engineering standards.
Strengt	thening existing tools and ways of working
2a	<ul> <li>What can be done within existing regulations and legislation to deal with these barriers? Please outline your ideas for:</li> <li>better ways of working</li> <li>new non-regulatory tools</li> <li>ways to use or change existing regulatory tools to make them more effective</li> </ul>
	The solutions will be derived from a cooperative multi-disciplinary process that should actively engage with and draw from all of the professional institutions and sector groups that are involved in urban development, and with academia.
2b	Are changes to existing regulation and legislation necessary to achieve sustainable urban development? Please describe any changes you think are necessary.
	Yes.
	Amendment to the resource management system to facilitate coordinated, planned and visionary approaches to sustainable development at all scales. Scales addressed should include regional planning, large scale comprehensive development and small scale retrofitting, refurbishment and local intensification.
	Removal of outdated and conservative building and development standards that actively preclude sustainable design at the level of detail. This includes recently adopted excessive conservatism within the New ZeaaInd Building Code that leads to unecessary design and construction costs, and therefore compromises affordability.

	Nationwide review of engineering standards for parking provision, road widths, corner raddii and gradients that can compromise the sustainability of new development by precluding sustainable stormwater systems, promoting excessive amounts of paved surface and site excavation. This is often to facilitate vehicle movement. It is instructive that many of the mixed use, dense inner city suburbs through New Zealand would not be permitted under current codes. But these are valued as places to live, are highly walkable and have many other characteristics of sustainable development. Examples include Bluff Hill in Napier, and many of Wellington's highly desirable inner city suburbs. The conventional sprawl promoted by current standards typically has few of the qualities of these places.	
2c	Are there any barriers to iwi Māori becoming involved in partnerships to deliver sustainable urban development projects? Please describe these barriers.	
	Any perceived and real barriers are best identified by Maori themselves.	
	However, viewed from an external perspective, iwi that have established professional organisations to develop their interests in a planned and coordinated way, and to represent the wider group in such partnerships tend to be effective in achieving positive outcomes.	
ldeas, c	options and issues: The role of government in sustainable urban development	
3a	How can central and local government support sustainable urban development?	
	Central government can fund research, construct demonstration projects, establish and operate monitoring, set a regulatory environment within which sustainability is an imperative, and support local government in implementing sustainable development.	
	While local government has an important role to play by overseeing the delivery of sustainable solutions at the local level, not all local authorities will have the expertise and/or resources to implement these. In order to achieve consistency of approach across new Zealand, central government should contribute to the resourcing required for this.	
	Goverenment at all levels must ensure that all proposed initiatives are justifiable and cost-effective, and that they allow for creativity in developing new solutions.	
	By funding development of robust mechanisms for measuring the sustainability of projects and initiatives. This is to ensure that sustainability, not just the perception of sustainability is delivered, and that resolurces are directed to the initiatives that are most effective in delivering sustainable urban environments.	
3b	<ul> <li>What role should the following players have in sustainable urban development projects?</li> <li>Local government</li> <li>Central government</li> </ul>	
	Central Government establishes the regulation and criteria that demands sustainability.	
	Must ensure that government initiatives to deliver sustainability, by definition a long term objective, is taken outside the three year electoral cycle, otherwise uncertainty and risk to developers may preclude implementation.	
Ideas, options and issues: Improving co-ordination and integration		
4a	How can co-ordination of investment and integration of planning be improved?	
	Add your comments here	
ldeas, c	Ideas, options and issues: Funding	

5a	How could sustainable urban development be funded?
	By precisely the same means that fund all development.
	However, mechanisms might be considered to ensure that consumers pay the full cost of development, including any environmental and infrastructural costs arising from development form and location. This would have the effect of raising the artificially low cost of unsustainable development (which does not account for the costs imposed on the external environment, and which must be carried by others).
	A paradigm shift towards sustainable development as the first and best option is required. This would need to be supported by appropriate central and local government regulation promoting sustainability, penalising unsustainable practice, and avoiding process and financial disincentives for sustainable development.
5b	Who should fund infrastructure assets, services or amenities required in a sustainable urban development project?
	The developer (whether public or private), except that when the infrastructure or facilities provided will benefit the wider region, the region should contribute funding commensurate with the quantified benefit. Similarly, if the development relies on any infrastructure or facilities beyond its boundaries, it should contribute to the costs of these.
5c	To partly or fully fund sustainable urban development, do you support a value uplift levy to capture 'unearned' gain resulting from public actions to increase scope for development? Please explain your view.
	A technique such as a value uplift levy, if properly formulated to both encourage sustainable development, and fund the public infrastructure necessary for it to proceed has merit. This should be formulated as a means of facilitating and incentivising sustainable development, not as a financial disincentive or tax on good development. (An historical precedent of a flawed disincentive to good practice is the medieval window tax.) Financial contributions might be applied to poor development, calculated on the basis of the cost of externalities such as environmental degradation, energy use and emissions, and social impacts.
	As an alternative to, or possibly in combination with a value uplift levy, rather than 'gifting' increased development rights to lucky landowners, district plan conditions that incentivise good development might be established. A precedent is the district plan approach taken with the Wynyard Quarter on the Auckland waterfront. Here, low height, low intensity development is possible with a certain range of contraints. However much higher, more intensive development is possible with application of a much more stringent range of design controls. Provision of public good elements such as parks, local shops, workplaces and community facilities could be factored in to such an approach.
5d	What issues would need to be considered when designing and implementing a value uplift levy?
	Any value uplift levy should be pitched at a level that will not discourage the private development sector, and be tied to providing the infrastructural and public good items that will ensure the development is both sustainable and successful.
5e	What other funding mechanisms could be used in sustainable urban development?
	Financial penalties for unsustainable, poorly located, badly serviced and poorly designed development. The levy could relate to social, environmental and economic costs, including the degree of vehicle dependence, lack of access to local services and facilities, loss of productive land and so on.
5f	Are there funding mechanisms that would provide incentives for private involvement in sustainable urban

	development?
	The increased market value of land and attractive, well-designed urban neighbourhoods, shops, offices, worksplaces and homes is a primary reward for private involvement. International research demonstrates the value premium for good design.
ldeas, c	ptions and issues: Land assembly
6a	Are there circumstances in which powers to compulsorily acquire land for urban development purposes would be warranted? Please describe these circumstances.
	Where this is in the national interest (as clearly defined and accepted), and demonstrated unequivocally to be necessary in the specific local context.
6b	Where the use of central government or Māori land is important to a sustainable urban development project, how could Māori interests in that land be protected?
	This is a matter best identified by Maori interests and land-owners themselves.
	However, in principle, Maori land-owners should be accorded the same rights and protections under the law as all other New Zealand citizens. There must be no presumption that Maori lands are somehow fair game for assembly and use for sustainable development, any more than any other privately owned land is.
	Involvement in any initiative should be solely at the discretion of Maori landowners. Irrespective of land ownership, the benefits of development might be demonstrated so that any landowner participates by choice in the assembly, development or use of land.
6c	What are the advantages and disadvantages of the options?
	The concept of returning to land assembly and urban renewal raises the spectre of the failed projects of the 1960s and 70s, the cataclysmic change that risks erasing local community as well as local sense of place, and that is often over-simplified and repetitive in design terms. However, it is possible to design and deliver richness and diversity in large scale new development. But this will require a sensitive vision and a sophisticated design response from all involved in the project.
	The established intensively occupied, mixed use city and neighbourhood centres that are the often taken as exemplars of sustainable development has typically arisen from incremental development over many years, benefitting from what Jane Jacobs in 1961 described as piecemeal change. This gives a richness and diversity that is rarely seen in urban renewal projects, even those that are sustainable.
6d	Are there other options? Please describe them.
	Avoid attempting to deliver sustainability exclusively with a single new-build comprehensive urban renewal model. Instread, apply this model where appropriate, and complement it with a myriad of small scale renovation, reuse and local intensification initiatives. Funding would be a lesser issue with such micro initiatives - the existing mechanisms of development funding or homeowner borrowing would be used.
6e	<ul> <li>Who should have the power to make compulsory land acquisitions?</li> <li>A minister</li> <li>A local authority</li> <li>A company</li> <li>An urban development organisation</li> </ul>

	Given the potential implications of such an approach in a liberal democracy, Parliament should establish criteria for acquisition, with decisions required at ministerial level.
6f	What is required to support land readjustment as a way to assemble land for sustainable urban development?
	A range of processes are possible, from compulsory acquisition to sufficient financial incentives (in terms of increased land value) to encourage change.
	Development may be concluded in the single projects anticipated by this discussion document. On the other hand, land assembly may be fragmented with sustainable developments implemented incrementally over years or decades. While this would not deliver the immediate benefits of a total renewal approach, it may help to maintain the interest and diversity that characterises city and town centres that have grown up over time, and in the long term may deliver the same outcome of sustainable urban form.
6g	Are there other options to assemble land for sustainable urban development?
	The base assumption seems to be that only new, large scale comprehensive development and redevelopment will effectively achieve sustainability. However, considering the relatively low proportion of the population that would benefit from such new initiatives, it may be more effective to concentrate on retrofitting the existing urban fabric, in combination with any new greenfield developments. The potential costs and benefits and effectiveness of these approaches - macro and micro- should be quantified.
ldeas, c	ptions and issues: Streamlining planning and development control processes
7a	Are changes required to planning and development control processes to support sustainable urban development?
	Ensure district plans are established to consistently integrate sustainability. This might be through the proposed National Policy Statement on Urban Design.
	Allow high quality development that meets defined environmental, social, cultural targets a simplified route through the consent process.
7b	To encourage sustainable urban development, how could planning processes be simplified or streamlined?
	Establish national standards or policies for sustainability. This would form a robust and commonly understood benchmark of excellence in sustainability.
	Potentially establish a nation-wide 'Reference Panel for Sustainablity" (in the manner of the CABE national design review panels in the UK) to mediate and give an informed and independent opinion on major projects and initiatives. This is essential where local expertise and local political imperatives may be implacably opposed to sustainable options. For example, carefully planned intensification with infill development in strategic areas in Wellington has been largely watered down in response to NIMBY-related, anti-development sentiment.
7c	To encourage sustainable urban development, how could consenting processes or requirements be simplified or streamlined?
	Process incentives for all development that reaches or exceeds a (defined and high) sustainability threshold might be established. Such incentives might include non-notification in circumstances where lesser-quality development would be publicly notified.
	To address recognised capacity issues within local authorities, it may be helpful to establish an independent national design review panel. This could provide both be a reference for advice and support on complex or controversial sustainable development projects, and provide a robust opinion in support of high quality projects.

7d	Are there other options to streamline or simplify planning and development control processes for sustainable urban development?
	Add your comments here
Ideas, o	options and issues: Housing supply, choice and affordability
8a	What options could be used to increase the supply of affordable housing, or improve housing affordability, in sustainable urban developments?
	Financial support and taxation options in parallel with 'pepper-potting' social housing within new development and existing urban neighbourhoods.
	Facilitating small scale secondary residential units on sites can contribute to the diversity of housing types, providing some smaller, and more affordable private rental options for a wider demographic within any neighbourhood. This may be achieved with district plan incentives, such as for example, site coverage bonuses for qualifying secondary dwellings.
A possi	ble sustainable urban development approach
9a	What other approaches to sustainable urban development could be used in New Zealand? Please describe them or provide examples and references.
	Faciltating significantly increased densities allied with a high level of design and amenity. Refer Wynyard Quarter example, and the related 2008 Auckland City and ARC district plan change.
	In conjunction with design controls first implemented in 1994, Wellington has maintained limited restriction on use throughout its Central Area, and established height controls in the Te Aro flat that encourage intensification. This area now supports a vibrant mix of activities including a significant residential population.
	Retrofitting the existing urban environment, with both infill, reconstruction of city infrastructure and adaptation of existing buildings should be addressed as a priority.
	There are successful examples of comprehensive greenfield development. The UK example of Poundbury has been remarkably successful in achieving a mixed use, high density and attractive urban environment, even if the very conservative architectural approach does not meet universal approval. However, the mechanisms of masterplan, architectural design requirement, establishing non-residential uses first and so on that were applied here also have relevance to New Zealand.
9b	What do you think about this place-based approach to sustainable urban development?
	All planning and design, whether at the macro or micro scale must be place-based. The issue here is not design in relation to context but the scale of development.
	The large scale urban renewal approach suggested in this discussion document carries risks. It is akin to the comprehensive development of the 1960s, which led to social dislocation and loss of place, and lacked the choice, diversity and richness that people tend to value in the urban environments. The idea of comprehensive urban renewal of the type practised then has been discredited.
	This approach suggested appears to be a workable means of achieving a limited amount of sustainable development. The point remains, that such initiatives will comprise a minor, and potentially minuscule, proportion of New Zealand's urban development. In parallel with such initiatives for greenfield development, research, public information and planning initiatives should encourage the sustainable retrofitting of the existing urban environment.

How the approach might work	
9c	What organisations should be allowed to use any new tools and powers?
	Such projects should be public-private partnerships, government coordinated, but with local government and full private sector development input.
9d	<ul> <li>Within a declared sustainable urban development area, what tools should be available to:</li> <li>Coordinate planning and investment?</li> <li>Fund development?</li> <li>Assemble land?</li> <li>Simplify or streamline planning processes and/or consenting requirements?</li> <li>Encourage the provision of affordable housing?</li> </ul>
	This question appears based on the assumption that declaring 'sustainable urban development areas' is the most effective way of advancing the sustainability of New Zealand towns and cities. That has yet to be demonstrated. The challenge may be to ensure that sustainable development is encouraged throughout all New Zealand towns and cities, rather than only in a few localised and relatively small zones. Sustainable urban development areas may be only one of a number of tools and methods that should be used. Affordable housing is addressed in many countries by requiring a percentage of affordable housing in all new development. As this can sometimes prove to be a funding and planning challenge, to avoid adding disincentives to sustainable development, such a requirement may be better applied to all development irrespective of location in or out of any sustainable development area.
Any further comments?	
10a	Do you have any other comments on the options and ideas within this discussion document?
	There is an apparent bias towards a comprehensive, 'big architecture' urban renewal solution. However, sustainability will also be delivered by the myriad and multiple decisions and actions of individuals. This relatively low key approach (supported by marketing, public information and regulations, and possibly householder incentives) should also be explored in depth.

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