



**Greater Christchurch
Partnership**

Te Tira Tū Tahi
One Group, Standing Together

Draft Our Space 2018-2048: Greater Christchurch Settlement Pattern Update

Whakahāngai O Te Hōrapa Nohoanga

Reporting Officers' Reply Report

8 March 2019

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1. Introduction

A draft *Our Space 2018-2048: Greater Christchurch Settlement Pattern Update - Whakahāngai O Te Hōrapa Nohoanga*, herein referred to as *Our Space*, was released for public consultation in November 2018 by the Greater Christchurch Partnership. A total of 92 submissions were received through the consultation.

An Officers' Report (dated 8 February 2019) that considered and responded to submissions, and provided recommended changes to *Our Space*, was provided to the Hearings Panel. A tracked change version of *Our Space* incorporating the reporting officers' recommended changes was also provided to the Panel at the commencement of the hearings.

The comments and recommendations outlined in the Officers' Report were based upon the content of the submissions and not having heard from submitters wishing to be heard as part of the hearings process.

The hearings of submitters were held on the following dates:

- 25 February: Environment Canterbury offices
- 26 February: Christchurch City Council offices
- 27 February (morning): Waimakariri District Council offices
- 27 February (afternoon): Christchurch City Council offices
- 28 February: Selwyn District Council offices
- 1 March: Christchurch City Council offices

At the conclusion of the hearings, the Hearings Panel identified a number of questions in which they sought a response from reporting officers' ahead of deliberations (commencing 11 March 2019 at the Christchurch City Council offices). The Minute that details this request is included in **Appendix A** to this report.

This report has been prepared by the reporting officers to respond to the Hearings Panel's questions, and where relevant, outline any additional recommended changes to *Our Space*.

2. Summary of additional recommended changes to *Our Space*

In light of the additional information and presentations provided by submitters as part of the hearings, and consideration of the questions from the Hearings Panel, the reporting officers' recommend the additional changes to *Our Space* outlined in the following table. These recommended changes are in addition to those already outlined in the Officers' Report.

	Additional recommended change to <i>Our Space</i>	Response to
1	Amended wording for Section 5.6, paragraph 7, p. 27 to make it clear that <i>Our Space</i> recognises that other processes are underway that will address specific transport-related matters, such as potential impacts arising from anticipated future growth in Greater Christchurch.	Question 7
2	Amended wording for Section 5.6, paragraph 9, p. 27 that acknowledges the need to protect strategic infrastructure and networks in Greater Christchurch.	Question 7
3	Amend Figure 18, p. 29 to better identify strategic infrastructure and networks in Greater Christchurch.	Question 7
4	Amend Section 5 with additional wording and a footnote to Figure 16 to clarify that whilst it is intended that <i>Our Space</i> provide some direction to inform such processes, Figure 16 would not be determinative.	Question 12
5	Amended wording in Section 1 of <i>Our Space</i> to make it clear that <i>Our Space</i> has principally been prepared to satisfy NPS-UDC requirements.	Question 14
6	Amended wording for the infographic in Section 3.2, p. 11 regarding housing affordability	Question 15

This report also outlines some possible additional changes that the Panel may wish to make to *Our Space* but are considered to be less necessary by reporting officers.

	Possible additional change to <i>Our Space</i>	Response to
7	Amended wording for Section 6.4, p. 35 to include additional reference to the relevance of monitoring undertaken through other processes.	Question 4
8	Amended wording to Section 6.2 Further work and implementation, Item 2 p. 33 with regard to developing a social and affordable housing action plan.	Question 8
9	Amended wording to Section 6.2 Further work and implementation, Item 11 p.34 to provide greater clarity within <i>Our Space</i> as to the key process steps in the review of Chapter 6 as part of the CRPS full review.	Question 13

3. Reporting officers' response to questions from the Hearings Panel

1. The approach to sequencing in *Our Space*, including whether to show, if required, any future development area land as being greenfield priority area land on Figures 15 and 16.

Theme 5 of the Officers' Report relates to sequencing (p. 18-19). Officers confirm that having heard from submitters the Officers' recommendations remain appropriate and no further changes are recommended. However, there appears to be some confusion amongst submitters and a view that Future Development Area (FDA) land in *Our Space* is only identified for the long term period (2028-2048). Reporting officers therefore wish to provide additional explanation herein.

Chapter 6 of the CRPS, including Map A, identifies Greenfield Priority Areas (GPAs) for residential and business. These were notated as 'priority areas' due to the recovery timeframes associated with the Land Use Recovery Plan (LURP), which inserted this chapter into the CRPS, as distinct from the broader identification of greenfield areas located within the Projected Infrastructure Boundary (PIB) through to 2041 as outlined in Proposed Change 1.

At a territorial authority level, and once zoned for urban use in a district plan, the GPA term becomes largely redundant as such land has a more detailed zoning description and rules package (e.g. Residential 2). It is noted that nearly all GPA land on Map A has already been zoned in district plans. Unless there are infrastructure constraints the development of urban zoned GPA land is primarily determined by the landowner/developer in response to market conditions.

Our Space and Figures 15 and 16 identify FDAs considered necessary to ensure sufficient, feasible development capacity for the period 2018-2048.

The Officers' Report recommends additional wording in Section 5.5 of *Our Space* to clarify the intended policy provisions that relate to FDAs and which would be included in a Change to the CRPS in 2019. These policy provisions would enable councils to zone and otherwise enable a portion of FDA land necessary to meet any sufficiency shortfall for the relevant medium term period identified through periodic collaboratively prepared capacity assessments.

With such an approach, FDA land is brought forward for development in a staged manner that remains responsive to demonstrated demand for a ten year period. Accordingly, FDA land is therefore not necessarily just for the long term, noting the recommended changes to Table 3 still identify a medium term sufficiency shortfall in Waimakariri. When parts of identified FDAs are zoned to address sufficiency shortfalls the potential development timeframe of such land is indistinguishable from zoned land identified as a GPA on Map A.

Officers' reconfirm that territorial authorities are best placed to undertake work, such as structure planning, in collaboration with relevant landowners, developers and communities to identify the most appropriate parts of FDAs that are necessary to meet medium term sufficiency shortfalls in their districts. It is understood that in Selwyn and Waimakariri such processes are already planned for and will inform respective District Plan Reviews.

Recommendation:

No further change to *Our Space*.

2. The assessment of commercial and industrial land underpinning *Our Space*, and any subsequent changes resulting, including in relation to the anticipated demand at the inland ports at Rolleston. In addition, advice on the appropriateness or otherwise regarding the methodology used for determining industrial and commercial land requirements, given concerns raised by submitters.

This response links to the officers' response to question 16 regarding the opportunity for stakeholders to provide information held by their organisation as part of preparing the Capacity Assessment.

Our Space and the associated Capacity Assessment fully outline the methodology used to assess commercial and industrial land needs in Greater Christchurch through to 2048.

A key tool in determining future demand for business land has been an Economic Future Model (EFM), developed by Market Economics, a recognised expert in this field and a consultancy used by many high growth urban areas to assist in meeting NPS-UDC requirements.

The EFM provides a comprehensive evaluation, including assessment of direct, indirect (i.e. through supply chains) and induced (i.e. brought about through consumer spending) impacts in its analysis to generate employment projections. These employment projections have been conservatively translated into the demand for business land and floorspace specific to different industry sectors. While projected population growth is a key input to the model, the EFM considers trends and interrelationships across 48 different sectors of the economy. A technical report is available which explains the methodology and assumptions used in the model should that be required.

In this context, Officers' consider this 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 (logistics, warehousing, export-driven industry, etc) and incorporates appropriate consideration of their larger land requirements per employee. It is noted that the Business Capacity Assessment was also peer reviewed by an independent expert economist and found to be robust and appropriate in informing the evidence base that is integral to *Our Space*.

Officers' would however support undertaking a collaborative and transparent piece of work (involving Lyttelton Port Company (LPC), KiwiRail and Christchurch International Airport Limited (CIAL)) to ensure future freight needs are refined and further integrated within growth and transport models operating in Greater Christchurch. This proposal, outlined in the evidence of Ms Groundwater for LPC (#67), is already captured in Section 6.2 of *Our Space* through items 3 and 4 of the schedule of future work.

Existing industrial development capacity at Rolleston

The evidence provided by Rolleston Industrial Holdings Limited (RIHL #73) does not provide any details on development uptake to counter that provided through the Capacity Assessment, instead relying on evidence from Cockburn Family Trust (#53). In response to questions from the Panel, Mr Carter stated 65ha of industrial land at I-Port remained.

Evidence from Mr Beresford for the Cockburn Family Trust provides an assessment of land "sold" across the Rolleston industrial area, and that considered "developable" and "purchasable". This methodology differs from the Capacity Assessment which assesses actual development on the site. Land sales provide a signal of development but can be sold multiple times before development actually occurs and land becomes utilised for industrial purposes. Mr Beresford also suggests that potential industries who might locate to Rolleston may have a preference for owning land, rather than leasing land. This aspect of the industrial land market is understood by officers but no evidence has been provided to support, detail or quantify the impact this may have on the sufficiency of development capacity.

Mr Beresford concludes that average land sales at Rolleston over the last ten years has been approximately 19ha per annum. In the time available to review the spreadsheet that supports this

conclusion it remains unclear if the approximately 42ha of land associated with the two inland ports is included in this calculation. These major new facilities represent large areas of land recently developed that would unlikely be replicated to the same extent in the short to medium term (noting the potential for the expansion of rail sidings at I-Port). Reported average land sales could therefore be somewhat inflated.

Existing industrial development capacity at the Airport

The evidence provided by CIAL (#39) suggests there will be a long term shortfall of industrial land within the Special Purpose (Airport) Zone appropriate for logistics, distribution and freight activities that rely on proximity to the airport. The evidence of Mr Akehurst states there is currently approximately 120ha of vacant land immediately surrounding the airport. More detailed analysis of demand, take-up, related locational preferences and reported capacity constraints was not provided. Nevertheless, CIAL has sought additional land be identified for industrial purposes by *Our Space* outside the current SPAZ adjacent to the SPAZ and Ryans Road.

It is noted that in recent years some airport land has been used for non-airport industrial uses, albeit permitted within the zone rules, such as commercial activities and development for trade-based activities (i.e. Bunnings). While this may be considered necessary and appropriate to ensure the airport has a reliable revenue stream and runs as a profitable business it reduces the capacity for industrial use on existing SPAZ land.

It is also noted that CIAL has a power of designation for airport purposes and could seek to use this mechanism at any time should it have a sufficiently robust evidence base to support such a course of action.

Commercial land requirements

Our Space retains the centres-based approach to providing for commercial land and floorspace, considering this to be the most appropriate to achieve NPS-UDC requirements and achieve the UDS vision and strategic goals.

CIAL (#39) proposes that *Our Space* identify the airport as a Key Transport and Economic Node (KTEN), a concept originally proposed as part of submissions on Proposed Change 1. Officers' understand the SPAZ already allows for some commercial development at the airport and *Our Space* does not seek to change the purposes or rules package associated with this zone. A KTEN annotation and supporting policy framework is not considered necessary for the purposes of *Our Space*.

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 CRPS Chapter 6, discussed in more detail in response to Panel question 13.

Officers therefore confirm that having heard from submitters the officers' recommendations remain appropriate and no further changes are recommended. Should the Panel wish to ask detailed questions underpinning the findings of the Business Capacity Assessment this is best directed to relevant council staff and/or the consultants previously contracted on specific aspects of this evidence base.

Recommendation:

No further change to *Our Space*.

3. The assessment of feasible development underpinning *Our Space*, and any subsequent changes resulting, especially in relation to land in greenfield priority areas and future development areas which might be TC2/3 land and the possibility that this might not be developed.

The Officers' Report outlines recommended changes to *Our Space* with regard to feasibility and sufficiency matters (p. 27). Officers confirm that having heard from submitters the officers' recommendations remain appropriate and no further changes are recommended.

Submitters raised two main points on this matter and these are addressed below.

Feasibility of developing TC2/TC3 land:

Feasibility analysis of development capacity was undertaken as part of the Capacity Assessment. As 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 GPA. These 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.
- 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.

Geotechnical considerations were also factored into the feasibility modelling for redevelopment capacity in existing urban areas of Christchurch City. This assessment was undertaken by Quantity surveyors WT Partnership (having extensive experience of advising on property redevelopment costs in the Christchurch market).

Feasibility analyses undertaken by Submitters

Rhodes and Larson (#60) and Suburban Estates, Doncaster Developments and Sovereign Palms (#51) engaged a consultant to undertake feasibility and sufficiency assessments for Selwyn and Waimakariri, and particularly for the towns of Prebbleton, Rangiora and Kaiapoi.

While the findings from this 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 reporting officers to investigate the veracity of these findings. 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 Partnership's Capacity Assessment and has considered the work robust and appropriate in informing the evidence base that is integral to *Our Space*. We have weighed

the evidence provided by submitters against the Capacity Assessment and findings of the peer review, and remain satisfied that no further changes are required to *Our Space*.

Associated legal advice is provided to the Panel as **Appendix B**. This clarifies for the Panel the NPS-UDC requirements relating to assessing feasibility, the weight to be afforded to this assessment, and how this is part of a broader range of matters to be considered in estimating sufficiency under Policy PB3.

An important additional point is that *Our Space* has considered the location of development capacity sufficient to meet demand and housing choice more strategically than the township level conclusions outlined in Mr Thompson's evidence and other submissions. This approach is considered more appropriate to meet the suite of NPS-UDC objectives, better aligns with Chapter 6 of the CRPS, and more closely correlates with the vision, principles and strategic goals of the UDS.

Officers confirm that having heard from submitters the officers' recommendations remain appropriate and no further changes are recommended.

Recommendation:

No further change to *Our Space*.

4. The extent of monitoring and review outlined in *Our Space* and how this might relate to other related monitoring undertaken through other processes, including how this might inform a future understanding of whether *Our Space* outcomes are being achieved.

Section 6 of *Our Space* identifies the preparation of a new housing and business development capacity assessment and regular monitoring of urban development indicators in the future work of the Partnership. These are specific obligations on local authorities set out in the objectives and policies of the NPS-UDC.

Importantly, there are other existing monitoring processes already committed to and undertaken by the Partnership and partner agencies that will complement the specific NPS-UDC requirements. For example, a comprehensive outcomes monitoring framework already exists for the UDS. This reports progress towards strategic goals and outcomes tracked using a series of urban, environmental, community and economic indicators. Further examples are 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*.

In the light of matters raised during the hearing, the Panel may wish to consider including an additional reference to the relevance of monitoring undertaken through other processes. For example, a further sentence could be added to the last paragraph in 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.

Recommendation:

Possible change to Section 6.4 Research and Monitoring, p. 35 to include additional reference to the relevance of monitoring undertaken through other processes.

5. The approach taken to assess rural residential and large lot demand and sufficiency and the rationale for the approach adopted.

Rural Residential

As outlined in the Capacity Assessment, rural residential living was considered as part of the urban development capacity calculations outlined in *Our Space*.

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.” 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”. This requirement suggests a close link to the urban area and its associated urban infrastructure. Rural activities are defined in the CRPS as including residential activity on lots of 4 ha or more.

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. This is reflected in officers’ recommendations seeking to correct the capacity and sufficiency in the urban area (including rural residential zones) in Table 3 (p. 13) with the whole of Greater Christchurch projected housing demand (Table 1, p. 10).

Both Selwyn and Waimakariri have scheduled reviews of their respective rural residential development strategies. These reviews will inform District Plan Reviews scheduled for notification in 2020.

Enabling large lot sections

Some submitters outlined perceived constraints to the provision of large lot sections, particularly within GPAs and in the hill suburbs of Christchurch.

In Waimakariri, minimum lot sizes for GPAs are 600sqm (under Residential 2 zone rules). To create multiple lots above 2000sqm in these areas (without obtaining consent for a non-complying activity) could be challenging when these minimum lot sizes are combined with the 10hh/ha minimum net density provisions of CRPS Chapter 6 Policy 6.3.7 (3).

In Selwyn, greenfield areas (under Living Z zone rules) can include comprehensive development areas with a minimum lot size of 300sqm, suggesting the matter raised by submitters is less constrained (noting the reported market reluctance for this housing option outlined by some submitters).

In the hill suburbs of Christchurch, the Capacity Assessment identifies over 2150 remaining sections within Residential Hills (585sqm min. with overlays of 765sqm) and Residential Large lot (1350sqm min. with overlays of up to 2700sqm min.) zones.

Our Space signals the anticipated trend towards smaller households and the affordability constraints likely to be faced by these new households. This suggests that larger lot housing demand will not be a significant component of future demand. It is important to note that housing choice relates to both new and existing housing stock opportunities. In this context, officers do not recommend any changes to *Our Space*, but recommend that as part of District Plan Reviews, Selwyn and Waimakariri consider the appropriateness of large lot options within zoning rules for existing and new greenfield areas. This could also be considered as part of the scheduled review of CRPS Chapter 6.

Recommendation:

No further change to *Our Space*.

6. The approach to determining appropriate densities for greenfield priority area and future development area land in *Our Space* and any subsequent processes.

In addition to the original submissions on which the Officers' Report recommendations are based, at the hearings a number of submitters discussed appropriate densities, predominantly relating to existing and proposed new greenfield areas.

Evidence and verbal presentations from submitters continued to express divergent opinion on appropriate densities and the benefits and costs of higher (and lower) minimum net densities in Chapter 6 of the CRPS.

Officers' reconfirm a 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. The Officers' Report recommendations already propose additional wording to address this point.

It is noted that CRPS Chapter 6 Policy 6.3.7 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. This approach is encouraged by officers in the interim ahead of resolution of this matter.

In this context, reporting officers confirm that having heard from submitters the officers' recommendations remain appropriate and no further changes are recommended.

Recommendation:

No further change to *Our Space*.

7. The extent to which *Our Space* covers and addresses freight needs, including appropriate identification and protection of the strategic transport network and mitigation of potential increased congestion on this network arising from the proposals outlined in *Our Space*.

LPC (#67) and CIAL (#39) sought greater recognition and protection of the strategic transport network, particularly with regard to the efficient and effective operation of this network for the distribution of freight.

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.

A priority for *Our Space* is therefore 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 an ambitious vision for Greater Christchurch's public transport system.

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". It is 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.

Reporting officers' recommend amending wording in Section 5.6 to make it clear that *Our Space* recognises that other processes are underway that will address specific transport-related matters, such as potential impacts arising from anticipated future growth in Greater Christchurch (such as those noted above). Some proposed wording changes to Section 5.6, paragraph 7 is provided below.

Transport business cases underway will consider the multi-modal transport programme that will address such matters. These include specific investigations to determine the appropriate investment required to support an enhanced public transport system and improvements along key transport corridors, including those that are part of the strategic transport network and support freight movements. ~~The development of a business case for how the vision for an enhanced public transport system could be achieved is a key element of a wider multi-modal transport programme being considered for Greater Christchurch.~~

Reporting officers' recommend additional wording also be included in Section 5.6 to acknowledge the need to protect strategic infrastructure and transport networks. Some proposed wording changes to Section 5.6, paragraph 9 is provided below.

Greater Christchurch is also a major freight hub for Canterbury and the South Island, with two inland ports, the Port of Lyttelton and Christchurch International Airport, acting as major gateways for produce and people. The strategic road and rail networks in Greater Christchurch also play a significant role in the distribution of freight within the sub-region, as well as to neighbouring regions and the rest of New Zealand.

An important part of managing the transport network is to ensure that freight can be moved efficiently to and through Greater Christchurch ~~and this~~, which will require effective management of congestion on the main freight routes. It is crucial that the strategic infrastructure and networks across Greater Christchurch are able to meet future demand and are protected from any adverse effects of growth.

Reporting officers' recommend that Figure 18 (p. 29) of *Our Space* is amended to better identify the strategic infrastructure and transport networks across Greater Christchurch.

In assessing the potential impact on the transport network, the Capacity Assessment did not adopt the housing targets now contained in *Our Space* given this assessment was undertaken prior to *Our Space* being produced. Instead, the assessment was based on the base population projections for each local authority area. This means that the transport impacts associated with the proposed planning directions in *Our Space* will almost certainly be different to that outlined in the Capacity Assessment.

In this context, *Our Space* identifies in Section 6.2 that further work will be undertaken to review and recalibrate relevant transport models to ensure they are based on the adopted growth allocations for Greater Christchurch.

Reporting officers also wish to confirm that *Our Space* will not supersede or override existing transport plans or strategies for Greater Christchurch, but seeks to align with and inform such documents to ensure land use and transport planning for Greater Christchurch are integrated. Subsequent capacity assessments and any future revisions of the future development strategy will need to reflect changes to transport plans and strategies.

Recommendation:

Amended wording for Section 5.6, paragraph 7, p. 27 to make it clear that *Our Space* recognises that other processes are underway that will address specific transport-related matters, such as potential impacts arising from anticipated future growth in Greater Christchurch.

Amended wording for Section 5.6, paragraph 9, p. 27 that acknowledges the need to protect strategic infrastructure and networks in Greater Christchurch.

Amend Figure 18, p. 29 to better identify strategic infrastructure and networks in Greater Christchurch.

8. The extent to which the proposed social and affordable housing action plan is outlined in *Our Space*, including the timeframe for its development.

Te Waipounamu Community Housing Network (#16) sought greater detail with regard to the proposed social and affordable housing action plan outlined in *Our Space*, including a timeframe for its development.

This action relates to Item 2 in the schedule of further work outlined in Section 6.2 of *Our Space*. This already states that the timeframe for developing the action plan as being 2019-2020.

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 GCP and 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

It is noted that the development of this plan is not currently and specifically 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. 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.

Recommendation:

Possible amended wording to Section 6.2 Further work and implementation, Item 2. p. 33 with regard to developing a social and affordable housing action plan.

9. The coverage of the 10-minute neighbourhood concept and how this is explained in *Our Space* and implemented through subsequent actions, including its relation to the “8-80” concept promoted at the hearings.

Officers have already recommended the inclusion of additional wording to clarify the policy intent behind key activity centres and the connection with the 10-minute neighbourhood conceptual diagram, Figure 19 in *Our Space* (see Officers' Report, theme 8, p. 9 and officers' tracked changes version of *Our Space*).

The 10-minute neighbourhood concept refers to a persons' ability to meet most of their daily needs locally, within 10 minutes by active or public transport. The centres-based approach of the CRPS, the UDS and *Our Space* supports this principle, by directing commercial activity (office and retail), as well as other public and community facilities, and new housing, to the central city and key activity centres, which are well-connected by public transport services and cycle networks.

Mr Hawke (#10) referenced the '8-80' cities concept. The 8-80 concept is based on the premise that cities should create neighbourhoods that work well for all generations. For more information see: <https://www.880cities.org/>

Many aspects of the 10-minute neighbourhood are consistent with the 8-80 concept, including walkability, safe streets and places, safe cycling networks. However, 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. 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.

Recommendation:

No further change to *Our Space*.

¹ <http://www.mfe.govt.nz/publications/towns-and-cities/new-zealand-urban-design-protocol>

10. To simplify *Our Space* to 'strip out' any content not specifically relating to meeting the National Policy Statement on Urban Development Capacity objectives.

Reporting officers 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.

While the main objective of *Our Space* is to ensure that the councils in Greater Christchurch meet their obligations from the NPS-UDC, reporting officers suggest that 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, 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.

Further discussion about the principal focus of *Our Space* being to meet the requirements of the NPS-UDC is provided in the response to question 14.

Recommendation:

No further change to *Our Space*.

11. The extent to which natural hazards information is covered in *Our Space* and included as part of assessing the proposed directions outlined.

Our Space recognises in Section 4.1 (under the 'Valuing the relationship between our urban areas and the environment' sub-section) that there are constraints to where new greenfield development can and should occur. 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 this figure.

In this context, the FDAs proposed in *Our Space* have been subject to spatial planning exercises by Selwyn and Waimakariri District Councils as part of considering future development within the PIB. The appropriateness of these greenfield areas for development will be further assessed as part of any change to the CRPS, including that any hazard risks are sufficiently addressed.

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. This methodology is fully documented in the Housing Capacity Assessment methodology technical document provided as part of the *Our Space* consultation.

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."

Subsequent capacity assessments and any future revisions to the future development strategy for Greater Christchurch will need to reflect any changes to policy directions related to managing and adapting to the natural hazard risks facing coastal communities.

Recommendation:

No further change to *Our Space*.

12. The manner in which Figure 16 identifies proposed future growth areas and the potential for confusion of this figure with Map A in the Canterbury Regional Policy Statement.

Figure 16, on page 25 of *Our Space*, was created based on Map A in Chapter 6 of the CRPS. The rationale for this included:

- It was appropriate for Figure 16 to cover the same geographic area and present the same spatial information.
- Potential changes to the CRPS and Map A referred to in Section 5.3 of *Our Space* could be clearly shown as additions to this 'base map'.
- The degree of alignment with the settlement pattern for Greater Christchurch as set out in the CRPS could be illustrated.

Officers heard the concerns raised by submitters regarding the potential for confusion and misinterpretation due to similarities between Figure 16 and Map A.

Figure 16 was intended to show the location of the FDAs identified in *Our Space* to help address projected housing capacity shortfalls for Selwyn and Waimakariri, for the purposes of meeting the 'broad location' requirements of the NPS-UDC.

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) respectively). Whilst it is intended that *Our Space* provide some direction to inform such processes, Figure 16 would not be determinative. In the light of concerns raised by submitters, officers' recommend inserting additional wording to clarify this (see also Q13).

Recommendation:

Amend Section 5 with additional wording and a footnote to Figure 16 to clarify that whilst it is intended that *Our Space* provide some direction to inform such processes, Figure 16 would not be determinative.

13. How matters not addressed in the proposed *Our Space* approach might be identified and further detailed in relation to further investigation and resolution ahead of the planned Canterbury Regional Policy Statement full review in 2022.

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 notification in 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.

To assist in responding to Q13, a potential list of steps and indicative timescales for the scheduled review of the CRPS is set out below. The review process will 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.

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.

Some submitters raised concern 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 set out in the response to Q12, 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. As set out in response to question 12, additional wording is recommended to make this clear to subsequent decision makers considering *Our Space*.

Review of Chapter 6 as part of the scheduled CRPS full review – process steps

Year 1 2019/2020	Project Plan and agreed scope for review
Year 2 2020/2021	<p>Completion of efficiency and effectiveness (RMA s35) review</p> <p>Collation of existing evidence base and identification of information gaps (based on District Plan reviews and structure planning completed)</p> <p>Additional technical evidence completed (if required) – for chapter 6 specifically</p> <ul style="list-style-type: none"> - Density - Transport and 3 waters infrastructure - Natural Hazards – including climate change and additional land areas required from Southshore project - Settlement pattern <p>Initial engagement with strategic partners</p> <p>Agreed partner and stakeholder engagement plan – pre-notification engagement</p>
Year 3 2021/2022	<p>Draft Chapter 6 prepared for clause 3 Schedule 1 RMA consultation</p> <p>Section 32 Report completed</p> <p>Notification of Proposed Chapter 6 as part of full RPS review June 2022</p>
Year 4 2022/2023	<p>Submissions and Further Submission</p> <p>Preparation of Officers' Report</p> <p>Hearing</p> <p>Decision expected in June 2023</p>

Recommendation:

Possible amended wording to Section 6.2, p.34 to provide greater clarity within *Our Space* as to the key process steps in the review of Chapter 6 as part of the CRPS full review.

14. The role and scope of *Our Space* having regard to the requirements of the National Policy Statement on Urban Development Capacity.

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.

In this context, 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’”.

Reporting 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. Some proposed wording changes to Section 1, paragraph 2 is provided below.

The Partnership is now reviewing the settlement pattern for Greater Christchurch. This review (referred to as the Settlement Pattern Update or the Update) has been undertaken to satisfy the requirements of the National Policy Statement on Urban Development Capacity (NPS-UDC) for high growth councils to produce a ‘future development strategy’ that shows there will be sufficient, feasible development capacity to support housing and business growth needs—seeks to address the need for housing and business development capacity in Greater Christchurch over the medium³ (next 10 years) and long term (10 to 30 years) periods (see Section 2.4 for further detail on the NPS-UDC).

A collaborative approach makes sense because the urban areas and ~~the~~ transport networks across Greater Christchurch function as one interconnected system. ~~In doing so, it will satisfy the requirement of the National Policy Statement on Urban Development Capacity (NPS-UDC) for high growth councils to produce a ‘future development strategy’ that shows there will be sufficient, feasible development capacity to support projected growth needs to 2048.~~ Rather than developing an entirely new strategy, the Update builds upon the existing UDS to meet the NPS-UDC requirements, ~~and this~~ which is encouraged in supporting guidance on implementing the NPS-UDC.

Section 2.4 also notes that *Our Space* “meets the requirements of Policies PC12 and PC13 of the NPS-UDC (related to producing a future development strategy)”. This section outlines the key requirements for meeting these policies.

Further discussion about the scope of *Our Space* having regard to the requirements of the NPS-UDC is provided in the response to question 10.

Recommendation:

Amended wording in Section 1 of *Our Space* to make it clear that *Our Space* has principally been prepared to satisfy NPS-UDC requirements.

15. Any other matters that officers wish to raise in relation to further amendments to *Our Space* or reasons why officers do not believe relief sought by submitters should be provided.

Broughton (#82)

Ms Broughton questioned the accuracy of the infographic in Section 3.2 of *Our Space* (p 11) with regard to the affordability constraints of new households.

On investigation the wording in this infographic should more accurately read:

62% of new households ~~housing~~ in the City, 35% in Selwyn and 58% in Waimakariri.

This information is derived from the expert analysis of Livingston Associates who prepared a Housing Demand Assessment as part of the Capacity Assessment. This work used Statistics NZ demographic data and extrapolated current trends in household size, income and other classifications through to 2048.

New households formed over the next 30 years are expected to experience increasing affordability pressures, even with a sufficient supply of new housing appropriate to the needs of a changing household composition. An important aspect of this infographic however is that it is the total housing stock available that would need to meet the financial thresholds identified (i.e. under \$350,000 to buy or \$200/week to rent) to be considered affordable.

Recommendation:

Amended wording for the infographic in Section 3.2, p. 11 regarding housing affordability.

16. The Panel would like further information with regard to the assertion by CIAL and LPC that they were not approached or consulted during the *Our Space* project.

The consultation and engagement process undertaken when preparing the draft future development strategy document is outlined in Section 3 of the Officers' Report and included a direct email to over 550 stakeholder organisations, including CIAL and LPC.

In addition, when preparing the earlier Capacity Assessment, NPS-UDC Policy PB5 requires that "local authorities seek and use the input of iwi authorities, the property development sector, significant land owners, social housing providers, requiring authorities, and the providers of development infrastructure and other infrastructure".

A stakeholder database comprising such organisations was established in October 2017. Many of the submitters (other than individuals) that have provided new information as part of these *Our Space* hearings are on this database, a copy of which is available should the Panel request this. This database was supplemented by hardcopy notices sent to an additional 2900 significant residential landowners and 750 significant business land owners, identified through council ratings databases.

An initial email communication was sent to stakeholder database organisations 11 October 2017 to raise awareness of the settlement pattern update and confirm which elements of the process stakeholders were most interested in. This is included as **Appendix C**.

In relation to CIAL and LPC, the following diagnostics are available for this first email communication:

CIAL	Senior Executive	Email opened 11/10/17 and a further 23 times (which is likely due to it being forwarded to other CIAL staff).
	Senior Manager	Engagement survey response provided.
LPC	Senior Executive	Email not opened. A subsequent business feasibility survey email on 19/11/17 was opened.
	Senior Manager	Email opened 11/10/17 and <i>Our Space</i> webpage accessed.

Officers' believe this communication clearly outlines the nature of the settlement pattern review, the implications for such stakeholders, and the opportunity to inform the development of the underlying evidence base. The engagement survey specifically asked stakeholders for relevant information held by their organisation or other information they were aware of that would assist a strong evidence base.

One-to-one meetings were offered as part of this engagement phase and partner staff met with Rhys Boswell (CIAL) on 7 November 2017. No written information or evidence was provided to staff at the meeting or subsequently and no mention was made of the need for additional land requirements.

It is also noted that SDC partner staff met with Tim Carter (RILH) (included in the stakeholder database and *Our Space* communications) on a number of occasions between October 2017 and March 2018 to brief on the capacity assessment work and seek relevant information in relation to the Rolleston industrial market. No written information or evidence was provided to staff.

Subsequent emails were sent to stakeholders in November (including CIAL, LPC, and RILH) seeking specific input into a business feasibility assessment of existing business land.

Recommendation:

No further change to *Our Space* and the reporting officers' position with regard to PB5 compliance is supported.

BEFORE THE HEARING PANEL

UNDER Part 6 of the Local Government Act 2002

AND

IN THE MATTER of hearings on Our Space: Greater Christchurch
Settlement Pattern Update 2018-2048

MINUTE 2 OF THE HEARING PANEL

Dated 7 March 2019

INTRODUCTION

- 1 The Hearing Panel would like to thank all those who have attended the hearing on Our Space 2018-2048 Greater Christchurch Settlement Pattern Update and acknowledge the work that has gone into the preparation of presentations.
- 2 Officers will be presenting their Reply Report on Monday, 11 March 2019. This will be held in public and submitters are welcome to attend and hear the presentation from the Officers.
- 3 This Minute seeks specific consideration in the Officers' Reply of a number of matters of particular interest to the Panel. It is not an exhaustive list and should not be taken to in any way limit the scope of the Officers' Reply, or any further questions that the Panel may wish to pose to the Officers. There may also be questions of any Partner Officers.

HEARING PANEL QUESTIONS

- 4 In light of the additional information and presentations from submitters and the discussion as part of the hearing of submitters, we would like

Council Officers to consider whether any changes are required to Our Space on the following matters:

- (a) The approach to sequencing in Our Space, including whether to show, if required, any FDA land as being GPA land on Figures 15 and 16.
- (b) The assessment of commercial and industrial land underpinning Our Space, and any subsequent changes resulting, including in relation to the anticipated demand at the inland ports at Rolleston. In addition, advice on the appropriateness or otherwise regarding the methodology used for determining industrial and commercial land requirements, given concerns raised by submitters.
- (c) The assessment of feasible development underpinning Our Space, and any subsequent changes resulting, especially in relation to land in GPAs and FDAs which might be TC2/3 land and the possibility that this might not be developed.
- (d) The extent of monitoring and review outlined in Our Space and how this might relate to other related monitoring undertaken through other processes, including how this might inform a future understanding of whether Our Space outcomes are being achieved.
- (e) The approach taken to assess rural residential and large lot demand and sufficiency and the rationale for the approach adopted.
- (f) The approach to determining appropriate densities for GPA and FDA land in Our Space and any subsequent processes.
- (g) The extent to which Our Space covers and addresses freight needs, including appropriate identification and protection of the strategic transport network and mitigation of potential increased congestion on this network arising from the proposals outlined in Our Space.
- (h) The extent to which the proposed social and affordable housing action plan is outlined in Our Space, including the timeframe for its development.

- (i) The coverage of the 10-minute neighbourhood concept and how this is explained in Our Space and implemented through subsequent actions, including its relation to the “8-80” concept promoted at the hearings.
 - (j) To simplify Our Space to ‘strip out’ any content not specifically relating to meeting NPS-UDC objectives.
 - (k) The extent to which natural hazards information is covered in Our Space and included as part of assessing the proposed directions outlined.
 - (l) The manner in which Figure 16 identifies proposed future growth areas and the potential for confusion of this Figure with Map A in the CRPS.
 - (m) How matters not addressed in the proposed Our Space approach might be identified and further detailed in relation to further investigation and resolution ahead of the planned CRPS full review in 2022.
 - (n) The role and scope of Our Space having regard to the requirements of the NPS-UDC.
- 5 The Panel would also like Officers to address any other matters that they wish to raise in relation to further amendments to Our Space or reasons why Officers do not believe relief sought by submitters should not be provided.
- 6 The Panel would also be assisted by further information with regard to the assertion by Christchurch International Airport and Lyttelton Port Company that they were not approached or consulted during the Our Space project.

OFFICER REPLY DAY

- 7 The presentation of the Officers’ Reply is scheduled for:

Time: 10am

Date: 11 March 2019

Location: Committee room 1, Civic Offices, 53 Hereford Street,
Christchurch

ISSUED by the Hearing Panel

DATED this 7th day of March 2019

A handwritten signature in black ink, appearing to read "Bill Wasley". The signature is written in a cursive style with a large initial "W".

Bill Wasley

Hearing Panel Chair

on behalf of the Hearing Panel

MEMORANDUM

Date: 8 March 2019

To: Keith Tallentire, Sam Bellamy, Tammy Phillips (*Our Space* Reporting Officers)

From: Michelle Mehlhopt

LEGAL ADVICE TO ACCOMPANY OFFICERS' REPONSES TO PANEL QUESTIONS IN RELATION TO SUFFICIENCY AND FEASIBILITY

1. PC12 of the National Policy Statement for Urban Development Capacity (**NPS-UDC**) provides that local authorities shall produce a future development strategy which demonstrates that there will be sufficient, feasible development capacity in the medium and long term.
2. You have asked us to provide advice on the requirements of the NPS-UDC for assessing sufficiency and feasibility. This advice is to accompany the Officers' response to questions from the Hearing Panel set out in Minute 2.

What is sufficient, feasible development capacity?

3. PC12 of the NPS-UDC provides that:

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.
4. Local authorities that share jurisdiction over an urban area are strongly encouraged to collaborate and cooperate to agree upon the development of a joint future development strategy.¹
5. 'Sufficient', 'feasible' and 'development capacity' are each defined in the NPS-UDC as follows:

Sufficient means the provision of enough development capacity to meet housing and business demand, and which reflects the demands for different types and locations of development capacity; and **sufficiency** has a corresponding meaning.

Feasible means that development is commercially viable, taking into account the current likely costs, revenue and yield of developing; and **feasibility** has a corresponding meaning.

Development capacity means in relation to housing and business land, the capacity of land intended for urban development based on:

 - a) The zoning, objectives, policies, rules and overlays that apply to the land, in the relevant proposed and operative regional policy statements, regional plans and district plans; and
 - b) The provision of adequate development infrastructure to support the development of the land.
6. 'Demand' is referred to in the definition of 'sufficient', and is defined as:

Demand means:

in relation to housing, the demand for dwellings in an urban environment in the short, medium and long-term, including:

¹ NPS-UDC, PD3.

- a) the total number of dwellings required to meet to meet projected household growth and projected visitor accommodation growth;
- b) demand for different types of dwellings;
- c) the demand for different locations within the urban environment; and
- d) the demand for different price points

recognising that people will trade off (b), (c) and (d) to meet their own needs and preferences.

In relation to business land, the demand for floor area and lot size in an urban environment in the short, medium and long-term, including:

- a) the quantum of floor area to meet forecast growth of different business activities;
- b) the demands of both land extensive and intensive activities; and
- c) the demands of different types of business activities for different locations within the urban environment.

7. The list of matters set out in the definition of demand is not exhaustive² and the NPS-UDC does not provide direction on the degree to which these matters must be addressed. Each of these matters must be addressed in assessing demand. However, the weight to be given to each matter is at the discretion of the local authority. This will depend on the particular context and what level of detail is appropriate for the relevant urban environment, i.e., Greater Christchurch.

How local authorities are to estimate sufficiency of development capacity

8. Under Policy PB1, local authorities that have part, or all, of either a medium growth urban area or high-growth urban area within their district or region are required to carry out a housing and business development capacity assessment (**Capacity Assessment**) on a three-yearly basis.
9. Local authorities that share jurisdiction over an urban area are strongly encouraged to work together to implement the NPS-UDC, having particular regard to co-operating and agreeing upon the preparation and content of a joint Capacity Assessment and the provision and location of sufficient, feasible development capacity.³
10. In carrying out the Capacity Assessment, Policy PB3 provides:

The assessment under policy PB1 shall estimate the sufficiency of development capacity provided by the relevant local authority plans and proposed and operative regional policy statements, and Long Term Plans and Infrastructure Strategies prepared under the Local Government Act 2002, including:

- a) The cumulative effect of all zoning, objectives, policies, rules and overlays and existing designations in plans, and the effect this will have on opportunities for development being taken up;
- b) The actual and likely availability of development infrastructure and other infrastructure in the short, medium and long term as set out under PA1;
- c) The current feasibility of development capacity;
- d) The rate of take up of development capacity, observed over the past 10 years and estimated for the future; and

² This is based on the well-established principle that “includes” creates a non-exhaustive list, *RI Carter Burrows and Carter Statute Law in New Zealand* (5th ed, Lexis Nexis, Wellington, 2015) at 434.

³ NPS-UDC, PD1.

- e) The market's response to planning decisions, obtained through monitoring under policies PB6 and PB7.
11. The Capacity Assessment shall estimate the additional development capacity needed if any of the factors in PB3 indicate that the supply of development capacity is not likely to meet demand in the short, medium or long term.⁴
 12. Local authorities are required to seek and use the input of those groups listed in PB5. Local authorities are also required to monitor a range of indicators on a quarterly basis⁵ and use information provided by indicators in their land and development market.⁶
 13. In essence, in carrying out its housing and business development capacity assessment, a local authority must estimate the sufficiency of development capacity that is provided by the existing planning framework, i.e., the relevant plans and proposed and operative regional policy statements, and Long Term Plans and Infrastructure Strategies prepared under the Local Government Act 2002.
 14. The structure of policy PB3 requires the consideration of the 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 in the sufficiency of development capacity assessment.
 15. This list is not exhaustive, and therefore 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”⁷ 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.
 16. As such, matters a) to e) may be given different weight, depending on the circumstances of the assessment under PB1, i.e., whether the PB1 assessment is estimating demand for housing and business development capacity in either the short term, medium term, or long term. For example, in estimating the long term supply of housing development capacity, a local authority may decide to place less weight on the current feasibility of development capacity (given that this essentially requires consideration of the current commercial viability and does not include any provision for consideration of future feasibility or future commercial viability predictions), but rather place more weight on the rate of take up of development capacity, observed over the past 10 years and estimated for the future, given that this factor provides for past and future considerations.
 17. As set out in the MfE guidance material:⁸

Differences in local markets may require some local authorities to put emphasis on particular issues. There is also scope for local authorities to choose between different methods for meeting the NPS-UDC requirements.

⁴ NPS-UDC, PB4.

⁵ NPS-UDC, PB6.

⁶ NPS-UDC, PB7.

⁷ *McGuire v New Zealand Law Society* [2018] NZHC 983 at [47], citing Brian A Garner *A Dictionary of Modern Legal Usage* (2nd ed, 1995) 431-432.

⁸ Ministry of Business, Innovation and Employment and the Ministry for the Environment “National Policy Statement on Urban Development Capacity: Guide on Evidence and Monitoring” (June 2017) at 18.

18. Accordingly, the decision as to the appropriate balance between the matters in PB3 rests with the local authority.
19. We note that the NPS-UDC anticipates that the evidence base used to inform planning decisions will be frequently updated, and Objective OB1 provides:

Objective Group B – Evidence and monitoring to support planning decisions

OB1: A robustly developed, comprehensive and frequently updated evidence base to inform planning decisions in urban environments.

20. As the evidence base is frequently updated, Policy PC1 also requires housing and business development capacity assessments to be carried out on at least a three-yearly basis, and in doing so local authorities may reassess the weight to be afforded to particular matters to reflect the realities of the time.

What is feasible development capacity?

21. Feasible development capacity is development capacity that is commercially viable, taking into account the current likely costs, revenue and yield of developing.
22. The definition of feasible requires that a development be commercially viable. However, in order to assess whether or not something is commercially viable, a decision-maker must take into account a list of factors, namely current likely⁹ costs, revenue, and yield of developing. In doing so, a decision-maker has the discretion to give each factor whatever weight it considers appropriate in the circumstances.
23. The requirement to take something into account is no more than an obligation to consider it, but having done so being free to discard it; and therefore under no obligation to act in accordance with it.¹⁰
24. That said, context plays an important role in ascertaining the meaning of the phrase “take into account”. In this instance we consider that the relevant context does not indicate an intention for “taking into account” to create a higher obligation than to consider each factor, weigh each factor up along with the other factors and give it considerable, moderate, little, or no weight at all.¹¹
25. Decision-makers must also have sufficient information before them to be in a position where that particular matter has been taken into account.¹²
26. Accordingly, local authorities must have sufficient information before them on each of the three listed factors to be satisfied that a development is commercially viable. However, in taking those matters into account, a local authority retains discretion as to the weight it considers appropriate to place on those factors.

Wynn Williams

⁹ The NPS-UDC does not define what is meant by the term “likely”. However, “likely” has been considered by the High Court in *Weir v Kapiti Coast District Council* [2013] NZHC 3522 at [50] in a resource management context as unquestionably referring to probability, specifically a state of facts that is more probable than not. This means for example that in assessing feasibility, a model can be used to assess the likely or probable cost, revenue and yield of development, as opposed to the actual cost, revenue and yield of development.

¹⁰ *Jackson v Te Rangi* [2014] NZHC 2918, [2015] 2 NZLR 351 at [79] citing *Bleakley v Environmental Risk Management Authority* [2001] 3 NZLR 213 (HC) at [72].

¹¹ *Jackson v Te Rangi* [2014] NZHC 2918, [2015] 2 NZLR 351 at [79] citing *Bleakley v Environmental Risk Management Authority* [2001] 3 NZLR 213 (HC) at [72].

¹² *Jackson v Te Rangi* [2014] NZHC 2918, [2015] 2 NZLR 351.



Our SPACE

Updating the settlement pattern for Greater Christchurch

Councils across Greater Christchurch are working together to review the planning framework that ensures there is the right provision for the growth of the City and surrounding towns over the next thirty years.

This project will culminate, towards the end of 2018, in an updated settlement pattern component to the existing [Greater Christchurch Urban Development Strategy](#) (UDS).

We value your knowledge and experience and so we want to hear from you. **Please can you take a moment to click the link below and respond to our initial two minute survey by 1 November 2017.**

Please forward this email to the appropriate person in your organisation.

Where we are at

The first phase, that is underway now, is to make sure we have a strong evidence base for wider engagement and decision-making in subsequent phases of the project.

As part of this 'Capacity Assessment' we are reviewing future projections for household and business growth and tracking market indicators.

We will also be testing the commercial feasibility of land currently zoned or planned for future housing or business activities but not yet developed, and determining how far each council's infrastructure planning will accommodate these areas. If your organisation can help to complete the picture of where we currently stand we would be keen to hear from you during 2017.

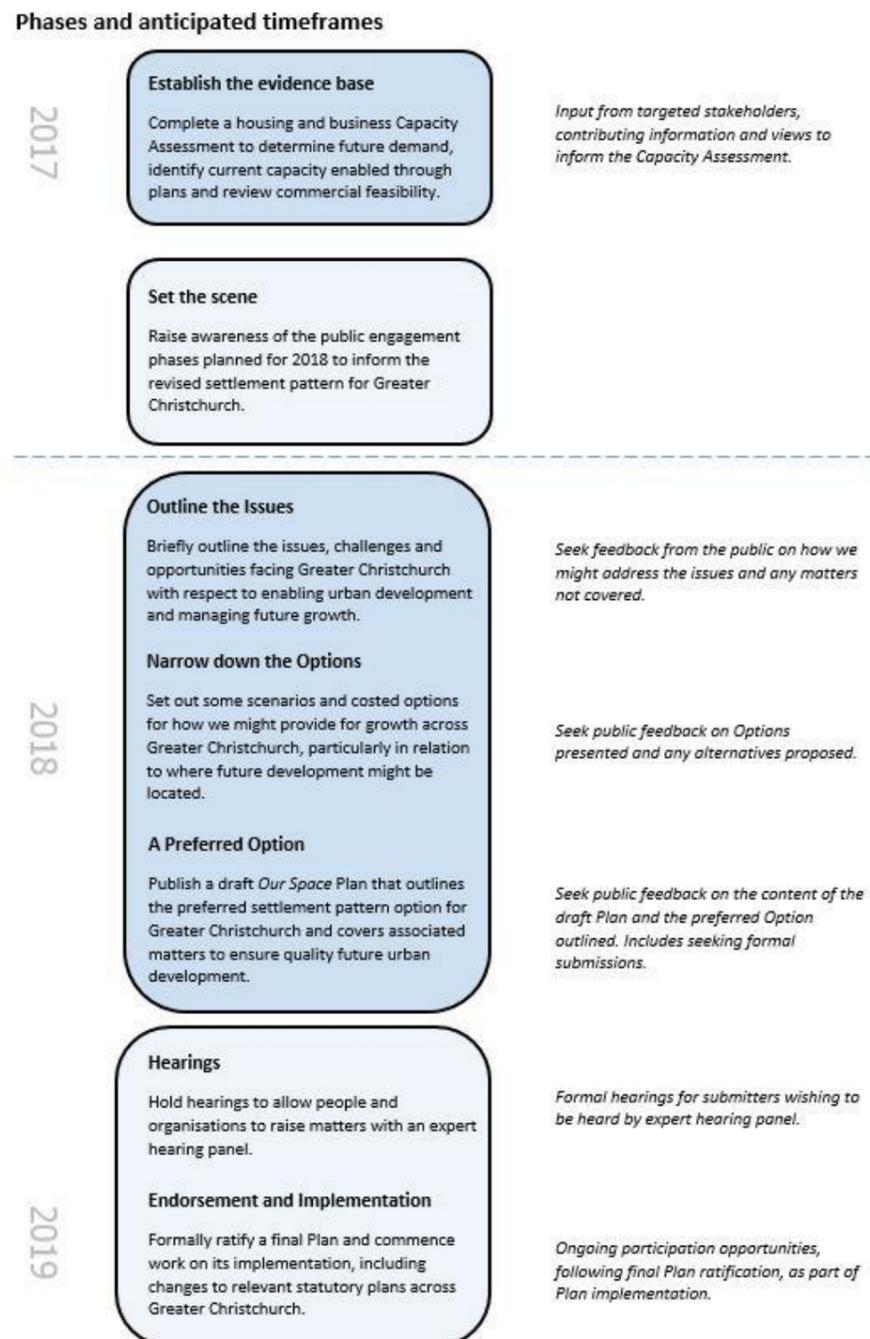
To that end, we may also follow up with some further more specific queries targeted to different sectors and seeking more input from you.

Further information on this project is outlined below and you can find out more about *Our SPACE* by visiting www.greaterchristchurch.org.nz/ourspace. If you wish to get in touch by email, including to send any relevant information from your organisation, please contact ourspace@greaterchristchurch.org.nz.

[Complete the survey](#)

More about *Our SPACE*

The [Greater Christchurch Partnership](#) (formally the Urban Development Strategy Partnership), which includes Christchurch City Council, Selwyn District Council, Waimakariri District Council, Environment Canterbury and other key public sector agencies is overseeing a settlement pattern review, a project known as *Our SPACE*.



A collaborative approach makes sense because the urban areas and the transport networks across Greater Christchurch function as one interconnected system. *Our SPACE* will incorporate the requirements of councils outlined in a new [National Policy Statement on Urban Development Capacity](#).

We are not starting from a blank sheet so *Our SPACE* will look at what is already outlined in key planning documents, like the Regional Policy Statement and District Plans, and update our knowledge of the anticipated housing, commercial and industrial needs for the next thirty years.

This evidence base will help us understand what more needs to be done to provide for these land uses through to 2048 and will inform a public consultation phase during 2018, as outlined in the diagram above. The *Our SPACE* project will also link to and integrate with the District Plan review processes planned for Selwyn and Waimakariri districts.

Our SPACE is a crucial next step towards achieving the Partnership's vision. This vision emerged from the extensive community engagement that helped shape the UDS some ten years ago. It was reconfirmed by the Partnership as part of a [UDS Update](#) document prepared in 2016 and has been reinforced through feedback expressed through Share an Idea and other recent engagement processes.



Councils across Greater Christchurch are working together to review the planning framework that ensures there is the right provision for the growth of the City and surrounding towns over the next thirty years. This project will culminate, towards the end of 2018, in an updated settlement pattern component to the existing Greater Christchurch Urban Development Strategy (UDS).

We value your knowledge and experience and so we want to hear from you.

* 1. Please provide your contact information

Name

Company

Email Address

2. How would you like to be involved in Our SPACE?

- Further email/survey requests seeking input specific to my organisation
- Periodic e-newsletter to keep updated on progress
- Group workshops to hear more about the project and provide input
- Not at all
- One to one meetings to provide input
- Other (please specify)

This will help us develop our engagement plan but will be matched against available resources.

3. Do you want to be involved in any of the following aspects and phases of the Our SPACE project with establishing the evidence base?

- Assessing future household demand against current supply
- Identifying core infrastructure needs and constraints for housing and business
- Testing the commercial feasibility of land for housing
- Identifying other infrastructure needs and constraints for housing and business
- Assessing future demand for office, retail and industrial land against current supply
- None of the above
- Testing the commercial feasibility of land for office, retail and industrial land

4. In 2018, do you want to be involved in any of the following aspects and phases of the Our SPACE project?

- Agreeing the Issues, challenges and opportunities for future urban development
- A draft Plan outlining the Preferred Option for updated settlement pattern for Greater Christchurch
- Identifying Options for additional development capacity and new growth areas for housing
- None of the above
- Identifying Options for additional development capacity and new growth areas for office, retail and industrial

Other (please specify)

5. Which geographical areas of Greater Christchurch do you wish to be involved in?

- Christchurch City
- Selwyn District
- Waimakariri District
- Greater Christchurch (i.e. all of the above)

Note: Greater Christchurch only includes the eastern parts of Selwyn and Waimakariri Districts and Christchurch City but not the Banks Peninsula.

6. Indicate if you can provide information produced by your organisation to help us better understand any of the following:

- Housing demand and supply across Greater Christchurch
- Development economics for new business premises
- Development economics for new housing (redevelopment and/or housing subdivisions)
- Infrastructure provision for housing or business (on or off site)
- Business demand and supply across Greater Christchurch

If you have ticked any of the above, please email this information to ourspace@greaterchristchurch.org.nz before 1 November 2017.

7. What other information sources in relation to establishing a strong evidence base do you know of that we should be investigating?

8. What other matters in relation to establishing a strong evidence base should we be addressing?

Thank you for completing the survey!

Done