APPENDIX C - Revised PC72 Assessment Against National Policy Statement – Urban Development 2020 (NPS-UD 2020)

Appendix 12: Revised Assessment of National Policy Statement for Urban Development 2020 Objectives and Policies

Acronyms

CIAL: Christchurch International Airport Limited

FDS: Future Development Strategy

NPS-UD: National Policy Statement-Urban Development 2020

PSDP: Proposed Selwyn District Plan

CRPS: Canterbury Regional Policy Statement

NPS-UD 2020 Objectives	Assessment
Objective 1: New Zealand has well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future.	The proposed development will further enable Prebbleton to sustain itself as a well-functioning urban environment, and at the same time contribute to well functioning urban environments at the district and sub-regional level, for all the reasons outlined under Policy 1 below. The enablement of delivery of around 295+/330+ new households in a township with an acute housing shortage and with ready accessibility by multiple transport modes to various Key Activity Centres in Christchurch City and Selwyn will enable people and communities to provide for their social, economic and cultural wellbeing and health and safety now and into the future.
Objective 2: Planning decisions improve housing affordability by supporting competitive land and development markets.	The proposal provides for more supply and choice within the Prebbleton housing market, and in doing so, helps support housing affordability. Housing in the District has become increasingly unaffordable with significant recent price increases in the order of 30% over the 2021 year, and much higher increases at Prebbleton with sections doubling in price. The median house price is now 7.3 times the median income, compared with the affordability benchmark ratio of 3.1 Mr Colgrave and Mr Sellar's analysis is that currently the housing market at Prebbleton is 'skewed' towards larger higher priced properties, with very limited smaller medium housing development (other than two retirement villages). Only 5.9% of existing properties are medium density – under 500m² size properties². The

¹ Fraser Colgrave evidence paras 76-77; Gary Sellars evidence para 6.30

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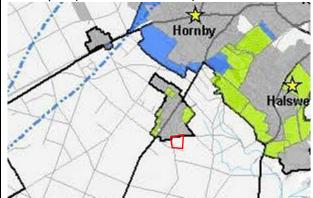
² Gary Sellar evidence para 6.4

proposal is for a minimum housing density of 12 households per ha, and will include more affordable, medium density housing options. This is a higher density than the existing development density (which is 10 households per ha or less). The landowners have no other proposals in and around Prebbleton. Currently, the land and development market in Prebbleton is dominated by one major developer. This Site is in multiple ownership and will provide the opportunity for other developers to enter the local market (some of the landowners intend to develop themselves and some will sell once the land is rezoned). Mr Colgrave's analysis is that the current land market in Prebbleton exhibits a dysfunctional market where there is virtually no current supply or choice with uncompetitive market practices being adopted by vendors and extreme price escalation (in the order of 100% in the last year). PC72 will assist in addressing the current land supply constraints.

Objective 3: Regional policy statements and district plans enable more people to live in, and more businesses and community services to be located in, areas of an urban environment in which one or more of the following apply: the area is in or near a centre zone or other area with many employment opportunities the area is well-serviced by existing or planned public transport there is high demand for housing or for business land in the area, relative to other areas within the urban environment.

The CRPS is due for review in 2024. Change 1 to the CRPS does not achieve consistency with the NPS-UD. It does not update the housing capacity targets (replaced with bottomlines in the NPS-UD) and incorrectly treats them as maximums not minimums. It does not address Policy 8 of the NPS-UD and does not provide for growth in locations meeting the relevant NPS-UD criteria, including at Prebbleton.

The existing Prebbleton priority greenfield areas shown on Map A (green) are now largely developed (Site outlined in red).³



This proposal occupies a block of rural land that will square up the town in its urban form, and will connect the existing built up area of Prebbleton

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³ See Gary Sellars evidence Section 6 Prebbleton Land Market for an analysis of the existing land supply at Prebbleton.

with the proposed Birchs Road reserve to the south of the development area. The proposed LZ zoned land can be developed into approximately 290/330+ lots to assist in meeting the high demand for housing in Prebbleton. The Site meets all of the Objective 3 location criteria (only one is required to be met under Objective 3): - It is near and readily accessible to major employment areas at Lincoln, Rolleston and the south west Christchurch business and industrial hub; It is well serviced by existing public transport, with an existing bus stop along the Birchs Road frontage, and a regular bus service to Lincoln and various destinations in Christchurch City; there is a very high demand for housing at Prebbleton, relative to other areas, as outlined in the evidence of Mr Colgrave and Mr Sellars. Objective 4: New Zealand's urban The proposal provides for LZ (26 ha) and a small environments, including their amenity area of L3 zoning (2.8 ha) or 27.8 ha of LZ land, values, develop and change over time in within which provision is made for medium response to the diverse and changing needs density housing with local amenity reserves to of people, communities, and future cater for the diverse and changing needs of people generations. and the Prebbleton community. The Site has the Birchs Road Reserve on its southern boundary, providing important potential amenity and quality of environment benefits. This change in urban setting, with the reserve now forming a logical urban/rural edge, combined with the current acute shortage of land for housing in the face of very high demand and rapidly escalating land and house prices is a change in circumstances which means that the earlier 2014 Rural Residential Strategy intention for rural residential development of the land is no longer appropriate. Simply put, it would be an inefficient use of the land and required supporting infrastructure. Objective 5: Planning decisions relating to Matter for statutory decision-makers. urban environments, and FDSs, take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). Objective 6: Local authority decisions on The infrastructure and transport evidence for the urban development that affect urban applicant and Council confirm that the proposal environments are: integrated with can be properly serviced and is within the capacity infrastructure planning and funding of existing and planned public infrastructure. The land comprises Preferred Rural Residential decisions; and strategic over the medium Area 8 in the Selwyn Rural Residential Strategy term and long term; and responsive, (adopted in 2014). However, given the high particularly in relation to proposals that demand for further urban housing at Prebbleton

would supply significant development and the more recent Council acquisition and proposal for the Birchs Rd reserve adjoining to the capacity. Site, a more efficient use of the land is for urban residential purposes. See Policy 8 below for commentary on proposals which supply significant development capacity Objective 7: Local authorities have robust Matter for statutory decision-makers. Council's and frequently updated information about are required to complete a detailed housing and their urban environments and use it to business development capacity assessment (HBA) inform planning decisions. every three years. Mr Colgrave has assessed the Greater Christchurch latest HBA (July 2021) and considers that it substantially underestimates demand for additional dwellings, while its estimates of likely capacity to meet that demand are overstated. The HBA cannot be relied upon to inform planning decisions, including on PC72. Mr Colgrave and Mr Sellar's assessment of supply and demand is ground truthed, based on more realistic assumptions (whilst still being conservative) and is preferred. Both Prebbleton and the wider district district faces significant supply shortfalls under the short, medium, and longer terms. Accordingly, additional land needs to be identified and rezoned as soon as possible to meet NPSUD obligations, and to enable the efficient operation of the local land market. Objective 8: New Zealand's urban The proposal adjoins the existing built up environments: support reductions in Prebbleton township, is close to public transport greenhouse gas emissions; and are resilient links, and adjoins the proposed Birchs Road to the current and future effects of climate Reserve. Its location and ODP design, which change. incorporates excellent internal and external connectivity by active transport modes, will help foster a walkable community, reducing the need for local car travel. The Site's excellent accessibility to both Rolleston and Christchurch City, has been substantially enhanced with the new Southern Motorway extensions, and means it is now highly accessible to these nearby major employment areas, and also Lincoln. Travel distances are short, minimising vehicle miles and the potential for greenhouse gas emissions. There is a cycleway link from Prebbleton into Christchurch City, and regular bus services to Christchurch and Lincoln, including an express route. New emissions will arise from the construction and operation of dwellings, and from travel undertaken by residents.. However, these

emissions would likely occur elsewhere in the District or New Zealand if this proposal does not

proceed, due to the need to build more houses to accommodate a growing population. As noted by Mr Clease, relative to other Selwyn growth areas, Prebbleton's proximity to Christchurch City and Key Activity Centres at Rolleston and Lincoln reduces the potential for greenhouse gas emissions. Mr Sellars notes that there is market evidence that the shortage of available residential sections in Prebbleton, Lincoln and Rolleston coupled with the increased prices is resulting in buyers looking further afield where there is both availability and cheaper section prices in the likes of Darfield, Kirwee and Leeston. These more remote locations require longer travel distances to work and higher order urban services, and have a proportionally greater potential impact in terms of generating

greenhouse emissions.

The greenhouse gas emission impact of commuting and other car based trips is also expected to reduce over time as uptake of electric vehicles increases. Evidence by Mr Paul Farrell for PC73⁴ was that "the uptake of electric vehicles is likely to be much faster in "commuter-belt" areas such as Rolleston (and Prebbleton), where the daily commute distance is such that there is a strong economic incentive, via fuel cost savings, to choose an EV instead of a traditional internal combustion engine (ICE) vehicle, and the round trip distance is not so long that range anxiety becomes an issue. Furthermore, the uptake of EVs is likely to be much greater in properties with a garage (as opposed to residences located in a denser urban area, where vehicles may be parked on the street)."

The Site is inland and the enabled residential development will not subject to natural hazard risks associated with sea level rise or more frequent and severe storm events arising from climate change. The ODP roading layout follows secondary flow paths associated with SDC modelled 200 year Average Recurrence Interval (ARI) flood hazard event flood events which take account of the effects of climate change. All dwellings will be required to have a minimum building finished floor level 300mm above the 200 year return flood event.

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⁴ See https://www.selwyn.govt.nz/ data/assets/pdf file/0004/506146/Evidence-of-Paul-Farrelly-GHG-emissions.pdf

NPS-UD 2020 Policies

Policy 1: Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:

- (a) have or enable a variety of homes that:
 - meet the needs, in terms of type, price, and location, of different households; and
 - (ii) enable Māori to express their cultural traditions and norms;
- (b) have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and
- (c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and
- (d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and
- (e) support reductions in greenhouse gas emissions; and
- (f) are resilient to the likely current and future effects of climate change.

Assessment

The proposal will contribute to well functioning urban environments at the local, district and regional scale. It will, as a minimum

- enable a variety of homes (from a density, price bracket, and size perspective) that will help meet the needs of different households, including medium and low density residential living options as enabled under the Living Z rules. This will add to the range of living options at Prebbleton where the existing housing market is 'skewed' towards larger homes and larger sections - Mr Colgrave's evidence is that in the Proposed Selwyn District Plan General Residential Zone (equivalent of the Operative Plan LZ zone) the average house size is 240m², average section size 1040m², average market price \$725 000, and that 90% of houses are relatively new (built post 2000). The evidence of both Mr Colgrave and Mr Sellars is that there is an acute shortage of housing at Prebbleton in particular, but also across the Selwyn District, which has resulted in recent extreme price escalation and a dysfunctional housing market. PC72 will assist in helping address these issues. No high rise, high density housing is proposed as this is more appropriate at larger Key Activity Centres or in support of City Centre rejuvenation. The proposal will enable Maori to express their cultural traditions and norms to the extent relevant to the site context
- b) Given the relatively small scale of the enabled development and location with ready accessibility to the town centre but at the township edge, a local commercial centre within the Site is not proposed.
- c) The Site has excellent accessibility by multi transport modes at the local, district, and subregional (Greater Christchurch) scale.

 Prebbleton adjoins the Southern Motorway Extension which links to Christchurch City and Rolleston. There is a bus stop immediately to the north of the Birchs/Trices Rd intersection (adjoining the Site), with regular (half hourly) bus services to Christchurch City and Lincoln (the regular service to Christchurch CBD takes 37 minutes and the express service 30 minutes). The Site is on the Rail Trail cycle and walking route which links Lincoln, Prebbleton, Hornby and the Christchurch CBD. The Site is readily accessible to

major employment areas within Christchurch City (including the SW Christchurch industrial areas, CBD, Hornbly and the Airport) and at Lincoln and Rolleston.

A benefit of growth is that the township is become more self sufficient as it reaches a critical mass to support a greater range of community and commercial facilities, services and amenities. As noted by Mr Cosgrave, a Fresh Choice supermarket opened last year, and a new shopping centre is under construction. The Site will contribute to and consolidate the compact and readily accessible urban form of Prebbleton, which has developed in depth with a centrally located and currently expanding commercial core. It is within walking distance from the town centre. The ODP makes generous provision for cycling and walking opportunities, and connects with nearby reserves, including Birchs Reserve adjoining to the south, which will provide a link to the Prebbleton Domain in Tosswill Road via the primary north-south road cycle lane and existing cycleways.

d) The proponents are the collective landowners at the Site. They are not land developers, and therefore, have no other projects in the locality: this will provide choice and competition to the local housing market. See assessment above under Objective 2.

e)&f) See assessment above under Objective 8.

Policy 2: Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.

There are four remaining greenfield areas at Prebbleton (ODP Areas 1-4) which are now fully or largely developed; and an estimated capacity of appx 44 potential 'infill' residential sections within the existing zoned area.⁵ The Trices Road proposal provides additional capacity in the context of very limited remaining existing greenfield or infill capacity and, in the face of very high demand and a housing market exhibiting dysfunction with extreme price escalation. The proposal will assist in providing sufficient development capacity for a town that is growing apace. The housing needs for Prebbleton and the wider District have been assessed by Mr Fraser. His assessment is that the Council is currently not meeting its obligations to provide at least

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⁵ See Gary Sellars evidence Section 7 Prebbleton Supply; Fraser Colgrave's evidence paras 60-69

sufficient capacity to meet the demand for new dwellings, as required by the NPS-UD, at either the district or sub-district level. This is both because the Council's estimates of demand for additional dwellings are too low, while its estimates of likely capacity to meet that demand are overstated. When the various issues he identifies are addressed to provide more reliable estimates of dwelling supply/demand, the District clearly faces significant supply shortfalls under the short, medium, and longer terms. Accordingly, additional land needs to be identified and rezoned as soon as possible to meet NPSUD obligations, and to enable the efficient operation of the local land market. The proposal adopts Zones and zone development Policy 3: In relation to tier 1 urban environments, regional policy statements and activity standards set in the OSDP i.e the and district plans enable: Living Z zone standards. Prebbleton currently provides for suburban-type (a) N/A in city centre zones,; and (b) N/A in metropolitan centre zones, and housing typologies with limited medium density (c) N/A building heights of least 6 storeys housing options. The proposed ODP adopts the within at least a walkable catchment... approach of the Proposed Selwyn District Plan, (d) in all other locations in the tier 1 urban which is to identify criteria for suitable locations environment, building heights and for medium density housing in the ODP narrative, density of urban form commensurate rather than confining this housing typology to with the greater of: specific locations shown on the ODP. This method (i) the level of accessibility by existing or is more flexible and better enables the market to planned active or public transport to a respond appropriately to housing needs. range of commercial activities and In this case, dii) i.e. demand for housing, is the key driver of the proposed density enabled by PC72. community services; or (ii) relative demand for housing and business use in that location. Policy 4: Regional policy statements and The proposal adopts Zones and zone development and activity standards set in the OSDP. district plans applying to tier 1 urban environments modify the relevant building height or density requirements under Policy 3 only to the extent necessary (as specified in subpart 6) to accommodate a qualifying matter in that area. Policy 5: N/A Regional policy statements and N/A Prebbleton is within Greater Christchurch and is district plans applying to tier 2 and 3 urban environments defined as part of a Tier 1 urban area. Policy 6: When making planning decisions a) The only RMA planning document relevant to that affect urban environments, decisionthe proposal which has been amended to give makers have particular regard to the effect (in part) to the NPS-UD is Change 1 to the following matters: (a) the planned urban CRPS. However, it is based on the findings of Our built form anticipated by those RMA Space 219, which was prepared in response to the planning documents that have given effect former NPS-UD Capacity 2016, and does not to this National Policy Statement address all relevant NPS-UD matters). It identifies a Future Development Area at South Rolleston, (b) that the planned urban built form in those RMA planning documents may involve but does not amend the minimum greenfield density standards stated in Policy 6.3.7, which

- significant changes to an area, and those changes:
- (i) may detract from amenity values appreciated by some people but improve amenity values appreciated by other people, communities, and future generations, including by providing increased and varied housing densities and types; and
- (ii) are not, of themselves, an adverse effect(c) the benefits of urban development that
- are consistent with well-functioning urban environments (as described in Policy 1)
 (d) any relevant contribution that will be made to meeting the requirements of this National Policy Statement to provide or realise development capacity
- (e) the likely current and future effects of climate change.
- predate the NPS-UD. In essence, no RMA planning documents have been amended as yet in a manner which guides the urban form or 'shape' of future urban growth, as opposed to its location. Only providing for further growth at Rolleston does not meet the NPS-UD Policy 8 requirements to be responsive to planning proposals, such as PC72, which contributes to well functioning urban environments and add significant additional development capacity. The only existing strategic planning documents specific to Prebbleton are the Prebbleton Structure Plan (2010) and the Selwyn Rural Residential Structure Plan (2014) which both substantially predate the NPS-UD and are overdue for review.
- b) The PC72 planned urban form adopts the OSDP Living Z standards so will deliver a form of housing consistent with that already available at Prebbleton, except that there will be a slightly greater proportion of medium density housing in order to meet the higher minimum density standard of 12 hh/ha (compared to 10 hh/ha for the existing Prebbleton LZ areas). The amenity values are set by the OSDP subdivision, development, and activity standards therefore, the Site will comfortably relate to, and form part of, the rest of Prebbleton as it develops. The Site values assessment also benefit for its co-location, adjoining Birchs Road Reserve. Some submitters would prefer the Site to be developed for very low density rural residential purposes, or retain its rural zoning. The urban design evidence is that
- c) The proposal will deliver the benefits of urban development which are consistent with well functioning urban environments see assessment under Policy 1 above.
- d) The proposal will assist in enabling the Council to meet its obligations under the NPS-UD to provide at least sufficient capacity to meet expected demand for housing over the short, medium or long term (Policy 2). Short and medium term capacity must be 'plan enabled' (zoned) and infrastructure ready. Mr Fraser's evidence is that the current District Plan provisions are woefully inadequate to meet these requirements. The Rolleston FDAs are not zoned so cannot be 'counted' as existing capacity. The exception is

the approved PC64 land, which has been zoned and subdivision consent granted under Covid 19 fast track legislation. It can deliver appx 969 sections but is held by one developer, who could choose to drip feed the market to maintain a limited supply and elevated prices. Excluding the Rolleston FDA, Mr Cosgrave estimates short, medium and long term shortages of land for 1432, 7496 and 25 25169 households respectively. Addition of the FDA at a higher density of 15 hh/ha does not change the short or medium term situation, and only reduces the long term shortage by appx 5000 households.

Mr Cosgrave has also assessed the situation at a sub-district level, and has grouped West Melton and Prebbleton as a smaller submarket (but acknowledging also that there are differences between the two townships in terms of the character of their housing market). There are medium and long term shortfalls in housing capacity of 1678 and 5349 households respectively.

Mr Sellars has specifically assessed the Prebbleton market and concluded "The situation is desperate in Prebbleton where there are only 4 sections available, and no further sections are planned in the short term until plan changes occur." e) The proposal inland location and design features ensure that the enabled development will be resilient to the effects of climate change – see discussion under Objective 8 above.

The servicing proposals factor in effects of climate change in its designs for stormwater management.

Policy 7: Tier 1 and 2 local authorities set housing bottom lines for the short-medium term and the long term in their regional policy statements and district plans.

This requires a change to the CRPS. The CRPS contains housing targets (Table 6.1) which were inserted to meet the requirements of the NPS-UDC. They are now out of date as the NPS-UD 2020 has replaced the NPS-UD. Revised housing capacity assessments and bottom lines were issued by the Greater Christchurch Partnership in July 2021. Mr Fraser's evidence is that the estimates of demand for additional dwellings are too low, while the estimates of likely capacity to meet that demand are overstated. As consequence they do no represent an accurate picture of housing demand and capacity. The district faces significant supply shortages in the

⁶ Gary Sellars evidence para 7.16

Policy 8: Local authority decisions affecting urban environments are responsive to plan changes that would add significantly to development capacity and contribute to well functioning urban environments, even if the development capacity is:

- (a) unanticipated by RMA planning documents; or
- (b) out-of-sequence with planned land release.

short, medium and long term at both the district level, and at Prebbleton specifically.

PC72 in its preferred form i.e. LZ zoning is unanticipated by the Operative or Proposed Selwyn District Plans and the CRPS. It is identified as within an Urban Growth Overlay in the PSDP but Policy UG-P13 limits its development to rural residential densities (1-2 hh/ha). The PC72 proposal will add 295+ lots to the housing supply for Prebbleton (333+ lots if all the land is zoned LZ). It will contribute to well functioning urban environments as discussed above under Policy 1 and will add significantly to development capacity at the district, sub-district (West Melton/Prebbleton) and local (Prebbleton) levels, as outlined in the evidence of Mr Colgrave and Mr Sellars. I agree with Mr Clease that it is not appropriate to assess significant capacity at the subregional (Greater Christchurch) scale⁷ as this would effectively preclude all but unrealistically extremely large proposals delivering in the order of several thousands of additional sections. It could very rarely if ever be applied so would make a nonsense of Policy 8.

Policy 9: Local authorities, in taking account of the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in relation to urban environments, must:

- (a) involve hapū and iwi in the preparation of RMA planning documents and any FDSs by undertaking effective consultation that is early, meaningful and, as far as practicable, in accordance with tikanga Māori; and
- (b) when preparing RMA planning documents and FDSs, take into account the values and aspirations of hapū and iwi for urban development; and
- (c) provide opportunities in appropriate circumstances for Māori involvement in decision-making on resource consents, designations, heritage orders, and water conservation orders, including in relation to sites of significance to Māori and issues of cultural significance; and
- (d) operate in a way that is consistent with iwi participation legislation.

Matter for statutory decision-makers.

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⁷ See s42A report para 163

Policy 10: Tier 1, 2, and 3 local authorities:

- (a) that share jurisdiction over urban environments work together when implementing this National Policy Statement; and
- (b) engage with providers of development infrastructure and additional infrastructure to achieve integrated land use and infrastructure planning; and
- (c) engage with the development sector to identify significant opportunities for urban development.
- a) There is a present planning hiatus in Greater Christchurch awaiting full review of the CRPS in 2024. It is understood that the member Councils are in the early stages of preparing the Greater Christchurch Spatial Plan 2050 which will consider the NPS-UD in a more comprehensive manner, and will be implemented through the CRPS full review.

This plan change application enables the Greater Christchurch Councils to engage in the proposal ahead of the CRPS 2024 review.

- b) The PC72 applicant and their advisors have consulted with the Council and other infrastructure providers given that this is a private rezoning request.
- c) The PC72 applicant and their advisors have consulted with the Council over an extended period in the process of preparing PC72. The Council has not initiated any engagement with the development sector to identify significant opportunities for urban development, even though the PSDP has been notified within the last year and is required to take a forward looking planning horizon of the next 10-15 years. This is understood to be due to its obligations as a member of the Greater Christchurch Partnership to adhere to the CRPS, which is now out of step with the NPS-. It is within the context of this urban growth management 'vacuum' that the Council has received numerous private plan change requests for rezoning (including PC72) to respond to the significant supply shortages in the face of very high demand.

Policy 11: In relation to car parking:

- (a) the district plans of tier 1, 2, and 3 territorial authorities do not set minimum car parking rate requirements, other than for accessible car parks; and
- (b) tier 1, 2, and 3 local authorities are strongly encouraged to manage effects associated with the supply and demand of car parking through comprehensive parking management plans.

The proposal adopts Zones and zone development and activity standards set in the Operative District Plan.