

PROPERTY COUNCIL NEW ZEALAND

2008 POLICY FRAMEWORK

URBAN STRATEGY

VISION

To consider strategic urban strategy and infrastructure issues affecting the whole country, debate and form policy views, which can then be passed on and debated amongst the members.

To work with local and central government to advance important infrastructure projects and facilitate the positive transformation of New Zealand Cities.

BACKGROUND

Property Council New Zealand has operated the Urban Strategy Policy Framework for the past three years. The National Office, in conjunction with the Committee, has now reviewed the Framework, and assessed the importance, priority and progress of each policy outcome. The Framework is a living document, which is subject to amendment from time to time.

Property Council New Zealand is committed to working with like-minded stakeholder organisations to advance the policy outcomes identified in the 2008 Policy Framework. Property Council New Zealand continues to lobby all levels of Government and other relevant organisations to promote the creation of well designed, functional, economically sound built environments in New Zealand that will encourage and retain investment in commercial property.

1. Leadership

1.1.	We need strong leaders at the political level who are prepared to make hard decisions and get on with investing in infrastructure rather than continually debating the issues. Authorities with the statutorily delegated power are one option for achieving this commitment c.f. the Australian State Government's role in ensuring required infrastructure is established.
1.2.	Members of Property Council New Zealand can significantly influence change to the built environment and should work closely with local government to effect better outcomes.
1.3.	We should invite carefully selected leaders from overseas whose experience is proven in relevant disciplines and in the success of projects similar in nature to those identified as required in New Zealand, who can help by consultation, analysis, the articulation of a vision relevant to the specific needs for New Zealand cities and by acting as a catalyst and promoter for change over a predetermined time frame, e.g. 5, 10 and 20 years.
1.4.	Property Council needs to see partnerships with like-minded individuals and organisations who share and are committed to advancing policy outcomes consistent with the Committee's priorities. This includes seeking partners with central and local government leaders, government departments, private enterprise, academia, tangata whenua, and other non-government organisations (NGOs).

2. Central Government

2.1.	A suitable portion of the current operating surplus for 2008-09 and such amounts as are available in future should be allocated to, and progressively spent on, developing relevant infrastructure – It is recognised that such a commitment to infrastructure can only be sustained on the basis of the establishment of, and commitment to infrastructure visions and action plans, in many cases, yet to be developed and, taking a balanced view of other priorities before Central Government. An investment in infrastructure is an investment in the economy.
------	--

3. Regional Government

3.1.	The Regional Growth Strategies for Auckland, Wellington and Christchurch need to be closely looked at. We need to ensure that these strategies are not overly focused on public transport provision that has not yet been effectively delivered.
3.2.	Some control on urban limits is essential to refine demand for more infrastructure and to allow vitality to return to all parts of the city. However we need to be very careful that these strategies are not detrimental to the competitiveness of that city in attracting new businesses or expansion of existing businesses.

4. Local Government

4.1.	The apparent conflict between an effects based Resource Management Act 1991 and the desire for a quality urban environment through prescriptive planning needs to be addressed.
4.2.	Territorial authorities should be more proactive in encouraging development in areas or localities requiring rejuvenation. This could be achieved by rezoning “run-down” areas and providing incentives in District Plans and the territorial authority investing in local infrastructure.
4.3.	Sustainable infrastructure needs to be planned over a long term so that future expansion can progressively take place accordingly.
4.4.	District Plans should adopt concepts of sustainability for the built environment including greater provision for flexibility.
4.5.	Property Council will be an active contributor to the review of District Plans and Regional Policy Statements (growth strategies pertaining to urban communities). These reviews shall be in accordance with the timetable for the review as set out in the Resource Management Act 1991.
4.6.	Business zones need to be sufficiently flexible to accommodate economically and environmentally sustainable changes and reverse sensitivity issues.
4.7.	Productive consultation should be carried out with affected parties – including lwi – to ensure that essential infrastructure and other development projects are not held up by indiscriminate or vexatious objections.
4.8.	Consideration should be given to increasing flexibility to raise height levels in order to (a)meet consumer demand, and (b) reduce the building site coverage.

5. Local Government – Debt Funding

5.1.	Encourage the local government sector to enter into the public debt securities market, in order to raise cheaper debt finance, specifically to enable a greater investment in capital expenditure.
5.2.	Advocate for a treasury and asset management program within the local government sector, which is based on a high-debt and low depreciation model, in order to provide for intergenerational funding of public goods and infrastructure.
5.3.	Support the elimination of compliance cost barriers, which prevent the local government sector from issuing public debt security bonds (this outcome requires an amendment to the Securities Act 1977).

6. Urban Sustainability

6.1.	Advocate for the implementation of Property Council New Zealand urban sustainability policy priorities and principles; including: urban design, landscape and form; sustainable building; social aspects; environmental quality; resource management; urban economics; transport; risk management; governance; measuring progress (see urban sustainability policy framework).
------	--

7. Urban Design

7.1.	The definition of Urban Design needs to be better understood. It requires a focus on design.
7.2.	Property Council should proactively encourage better urban design. As building owners, developers, consumers and residents, our members want to live and work in a built environment, which is economically viable, sustainable, vibrant and a desirable place to be. A vibrant and prosperous built environment, which evolves through better urban design, will attract more economic activity and investment (both domestic and foreign), which in turn improves financial returns.
7.3.	Property Council should continue to participate in and support the Auckland City Council's Urban Design Panel, and other panels that are formed throughout New Zealand.
7.4.	The Ministry for the Environment should develop an Urban Design protocol that is an overarching document with an emphasis on support of local government in the administration of its responsibilities, e.g. under RMA and for environmentally sensitive urban design/regional development. The TA's should be charged with implementation and must have the ability to apply different criteria to different regions.
7.5.	Sustainability of urban design needs to be taken into account when assessing urban design criteria. For example, a retail interface must be self sufficient and generate an acceptable return to an investor.
7.6.	Sustainable design needs to be cost effective – from both an economic and an environmental standpoint.
7.7.	Building owners should be accountable for restructuring, redeveloping or removing buildings once they have reached the end of their economic life. For example, has the recent judgements established a non-useful precedent in that the long lease which predate formal urban design considerations exempt lessee from making good to original condition?

8. Population and Skills Policy

8.1.	Advocate for the development of a national population and skills policy, which sets targets for net population growth (achieved through natural increases and immigration), which will meet the future demands of the labour market.
8.2.	Support a skills policy, which links the natural population increase to the future demands of the labour market. This policy correlation should provide for appropriate changes to New Zealand's Immigration and Settlement policy to ensure that the barriers to entry will be relaxed from time to time in order to guarantee a suitable pool of skilled workers, who can add value to New Zealand's economy.

9. Public Transport

9.1.	The role of public transport should be reviewed and options for the future investigated.
9.2.	There is a need to critically evaluate the impact of rail on total transport journeys. For example, in Auckland, rail currently accounts for 2 million passengers per year and is expected to climb to 20 million by 2013. In contrast, there are approximately 960 million vehicle movements per year and this is increasing at a rate of 6% per annum. A substantial investment in rail is not going to address the problem of increasing congestion on roads.
9.3.	There should be one organisation responsible for implementing an integrated public transport system for Auckland and other major cities. A regional Transport Authority needs to be established in the major urban centres.
9.4.	Funding of public transport is a central government responsibility and not a local rating issue. There should be an independent cost – benefit analysis of all forms of public transport considering timeframes out to 2050.

10. Roads

10.1.	The Auckland Motorway network needs to be completed and increased in capacity.
10.2.	An alternative to funding construction of new roads in urban areas needs to be developed e.g. toll roads.

10.3.	The present system of allocating funds using Transits benefit/cost ratio disadvantages investment in roading in major urban areas due to the high cost of land acquisition – particularly Auckland.
10.4.	The existing roading network in major urban centres is overstretched and investment in new roads is essential if New Zealand's economic performance (and standard of living) is to be improved.

11. Water Supply, Storm water and Wastewater Management

11.1.	More investment is required to develop satisfactory water supply and treatment systems, storm water control systems and waste water management systems to meet demand and to comply with international environmental standards.
11.2.	Water conservation measures need to be put in place.
11.3.	The cost of replacing run-down infrastructure should be fairly borne by those parties that are going to reap the benefit.
11.4.	Greater investment is required to maximise the use of existing capacity and future development of water supply and treatment systems.

12. Broadband

12.1.	Support the development of a national broadband strategy, which enables New Zealanders to enjoy the benefits of a modern, reliable and affordable internet communication tool.
12.2.	Support initiatives to provide for a competitive and appropriately regulated telecommunications sector in New Zealand.

13. Education

13.1.	Property Council should hold frequent seminars and forums (with overseas speakers) to assist in educating politicians and the public of the need for investment in quality infrastructure.
13.2.	We need to look elsewhere (including overseas) for good examples of vibrant cities and use them for illustrating the benefits of investment in infrastructure.

14. Energy

14.1.	New Zealand's energy supply demands are increasing and the future wellbeing of New Zealand is dependant on maintaining adequate generating capacity to meet the future needs of industry (and residential households).
14.2.	It is recognised that various energy options (hydro, gas, geothermal, coal, wind, etc) need to be considered for the future. However, the Property Council believes that demand could outstrip supply within the next 10 to 15 years and New Zealand could be faced with power shortages unless immediate action is taken (at a national level) to identify the appropriate options and to implement acceptable strategies to ensure there is an adequate and continuity of supply for the future.
14.3.	The transmission network in parts of the country has reached or is nearing capacity. Immediate investment in the transmission network is essential if the adequacy of supply is to be maintained.
14.4.	The Property Council supports changes to the Resource Management Act that will allow Councils to 'fast track' major energy projects or refer applications to a national committee or board for ensuring that the necessary Resource Consents can be obtained in an efficient and timely manner.
14.5.	Property Council supports those initiatives that encourage greater energy efficiency in the design and construction of new buildings.