

10 October 2019

National Policy Statement on Urban Development Consultation
Ministry for the Environment
PO Box 10362
Wellington 6143

Via email: nzbs@doc.govt.nz

To whom it may concern:

Proposed National Policy Statement on Urban Development

Thank you for the opportunity to submit on the discussion document for the proposed National Policy Statement on Urban Development (NPS-UD).

Tourism Industry Aotearoa (TIA) is the peak industry body representing the tourism industry. Our purpose is to shape tourism for the ongoing benefit of Aotearoa and our people. Our vision is 'Leading the world's most sustainable tourism industry / *Kokiritia nga mahi tapoitanga ki te ao*'.

Tourism is New Zealand's largest export sector, earning \$16.2 billion in foreign expenditure, contributing 20.6% of New Zealand's total export of goods and services (YE March 2018). Tourism in New Zealand is a \$107 million per day industry, and despite being New Zealand's number one export earner, the visitor economy is in fact dominated by domestic tourism (59% total expenditure). New Zealanders recreating away from their home areas, whether under their own steam or using the support of commercial operators, are a critical part of the tourism industry.

The importance of the well-managed urban development to tourism

We support the direction of travel that the draft NPS-UD is taking. TIA has spent considerable time and resources in addressing the pressures on visitor-related infrastructure that have arisen from rapid tourism growth. In April 2017, TIA released a National Tourism Infrastructure Assessment, commissioned from Deloitte. The Assessment identified the areas for investment in visitor-related infrastructure and prioritised these based on the level of co-ordination required and the impact on addressing that infrastructure gap. Visitor accommodation, airports, telecommunications, car parking, public toilets, water and sewerage systems, and road transport were the areas of need requiring greatest intervention. Refer to Appendix 1 for more information.

In 2018, TIA convened a Tourism Infrastructure Panel with representatives from Local Government NZ, Infrastructure NZ, Treasury and tourism operators. The Panel was asked to identify the barriers and solutions to tourism infrastructure. The resulting feedback highlighted that getting the right infrastructure is a challenge for most industries in New Zealand. The issues are wide and include a complex regulatory area, political risk, the number of parties involved and funding.

A city that locals enjoy living in is also a city that visitors and workers are attracted to. We are pleased that government is proposing solutions that will prioritise urban development within local government planning and therefore improve the attractiveness of urban areas to live, work and visit.

Our specific responses to the proposals

1. Area One - Future Development Strategy

The Future Development Strategy (FDS) forms the basis for integrated, strategic, long-term planning. It is proposed the FDS is prepared/updated every three years.

The FDS pushes the current system towards better spatial planning. The FDS is a requirement only for the six identified major urban areas, with other local authorities in urban areas encouraged to include an FDS in their planning framework. We think this mix is probably right at this early stage of the NPS. The proposed six centres (Auckland, Hamilton, Tauranga, Wellington, Christchurch, Queenstown) are also the six most significant centres in New Zealand for visitor activity. Between them they generate 60% of total tourism spend in New Zealand. Refer to Appendix 2 for more information. Once FDS's have been implemented in these centres then other urban areas will follow if there are benefits to be had.

We were encouraged to see that local authorities must engage with neighbouring local authorities when developing their FDS. There is a programme currently being implemented within the tourism industry, with government support, to build destination management plans. We have an open mind on what constitutes a destination or region, though are of the view that its coverage should include multiple councils. Therefore this requirement for wider engagement is a positive move.

While the NPS has a strong focus on urban transport planning there is no requirement in the proposals for councils to specifically consider the impact of visitor flows and travel patterns in the FDS. The terms Visitors, Tourism, or Tourists are not mentioned in the proposed NPS. Yet a place is used by those who live there and those who visit – e.g. friends, relatives, business and government, event attendees and holidaymakers. We recommend that within the proposed objectives and policy for the FDS that councils are required to give specific consideration to projected visitor flows, visitor nights and the impact on this on long term planning for the region.

2. Area Two - Making Room for Growth

Within this area is the proposal to remove minimum parking requirements for a development. The rationale for this makes sense in that many carparks in developments are currently empty at any given time. We take this opportunity to highlight an industry issue of a lack of overnight bus parking in some urban areas. In Auckland, Wellington and Queenstown councils have either reduced or are proposing to reduce overnight parking for coaches. This is leading to frustration and increased costs for operators as they seek other parking spots, often a considerable distance from where the visitor accommodation is. In a worst-case planning scenario buses may be unable to disembark visitors outside their accommodation, requiring them to walk a distance (with baggage) to their lodgings. This impacts negatively on the visitor experience and may lead to tour operators taking that city off the itinerary, leading to loss of visitor spend in the city.

3. Area 3 – Good Decision Making / Area 4 Engagement in planning

We are supportive of the direction of these two areas as outlined in the discussion document. Credible and current data is essential to good decision making. We support the focus of engagement in planning and that concerns of iwi and hapu are taken into account in urban planning.

Next steps

TIA wishes to participate further in the development of the NPS on Urban Development. Please do not hesitate to contact us if you have any queries about our feedback.

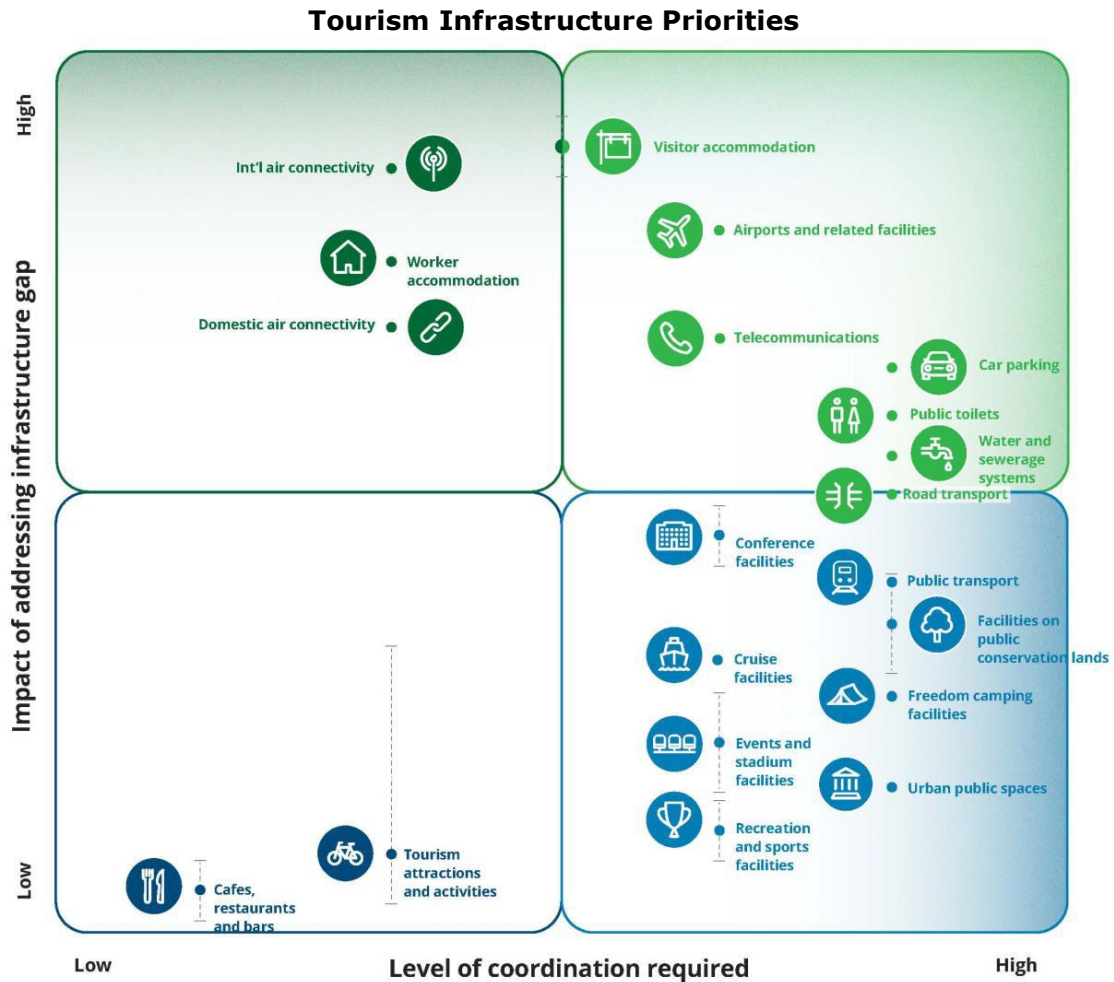
Ngā mihi nui,

A handwritten signature in black ink, appearing to read 'C. Roberts', written in a cursive style.

Chris Roberts
Chief Executive
Tourism Industry Aotearoa

Appendix 1

TIA National Tourism Infrastructure Assessment - Tourism Infrastructure Priorities



Source: TIA National Tourism Infrastructure Assessment (2017)

Appendix 2

Annual Tourism Spend (International and Domestic) – top 6 Regions in New Zealand

Auckland City	\$8,565m
Queenstown-Lakes District	\$2,974m
Christchurch City	\$2,587m
Wellington City	\$1,965m
Hamilton City	\$897m
Tauranga City	\$852m

Source: MBIE's Monthly Regional Tourism Estimates, year ended August 2019.