

**BEFORE THE HEARINGS PANEL**

**IN THE MATTER** of the Proposed Kapiti  
Coast District Council Plan  
Review 2012

**AND** Submissions by **Coastlands  
Shoppingtown Limited**

**Submitter No. 218 and  
Further Submitter No. 55**

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**BRIEF OF EVIDENCE OF MICHAEL CAMPBELL COPELAND  
(ECONOMICS – CHAPTER 2, OBJECTIVES)  
ON BEHALF OF COASTLANDS SHOPPINGTOWN LIMITED**

**29 March 2016**

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**BRIEF OF EVIDENCE OF MICHAEL CAMPBELL COPELAND ON BEHALF OF  
COASTLANDS SHOPPINGTOWN LIMITED**

**1. INTRODUCTION**

**Qualifications and Experience**

- 1.1. My name is Michael Campbell Copeland.
- 1.2. I have the qualifications and experience set out in paragraphs 2 to 4 of my evidence prepared for Coastlands Shoppingtown Limited (Coastlands) in relation to general/plan-wide provisions of the proposed Kapiti Coast District Plan 2012 (PDP) and dated 17 March 2016.

**Background**

- 1.3. In addition to preparing evidence for Coastlands in relation to general/plan-wide provisions of the PDP, I have attended a workshop with other experts engaged by Coastlands to discuss the submissions made by Coastlands on the PDP and the Kapiti Coast District Council (Council) Officers' Section 42A Report Part A - Background and Process.
- 1.4. I have now had the opportunity to read the Council Officer's Section 42A Report Part B – Objectives, which responds to submissions made on the objectives contained in Chapter 2 of the PDP.
- 1.5. In this evidence, I discuss the relief sought by Coastlands in relation to the Chapter 2 objectives and the responses to these submissions in the Council Officer's Section 42A report.

**2. CODE OF CONDUCT**

- 2.1. Although not necessary in respect of Council hearings, I confirm I have read the Expert Witness Code of Conduct set out in the Environment Court's Practice Note 2014. I have complied with the Code of Conduct in preparing this evidence and I agree to comply

with it while giving oral evidence before the hearing committee. Except where I state that I am relying on the evidence of another person, this written evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed in this evidence.

### **3. SCOPE AND STRUCTURE OF EVIDENCE**

3.1. In this evidence, I address the following objectives of the PDP:

- (a) Objective 2.3 Development Management;
- (b) Objective 2.13 Infrastructure and Services;
- (c) Objective 2.14 Access and Transport;
- (d) Objective 2.15 Incentives;
- (e) Objective 2.16 Economic Vitality; and
- (f) Objective 2.17 Centres.

### **4. OBJECTIVE 2.3 DEVELOPMENT MANAGEMENT**

4.1. Coastlands in its submission expressed support for consolidated urban form reinforcing the function and vitality of existing centres and that this was vital for future retail and commercial growth within the District. It therefore sought the retention of Objective 2.3 as it was written in the PDP.

4.2. In my 17 March 2016 evidence on the general plan-wide provisions of the PDP, I set out at paragraphs 15 to 22, the economic benefits from consolidating future commercial and retail development within the Paraparaumu Town Centre (PTC) and restricting such activities in other areas. These economic benefits were agglomeration benefits, amenity benefits, lower cost provision of public infrastructure and lower transport costs.

- 4.3. I note that the Council Officer's Section 42A report agrees with Coastland's submission (and others) on Objective 2.3 Development Management. Whilst the Officer's report recommends some changes to parts of Objective 2.3 Development Management, none of these recommended changes impact on or dilute the intent of the objective to consolidate commercial and retail development within existing centres.

**5. OBJECTIVE 2.13 INFRASTRUCTURE AND SERVICES**

- 5.1. In its submission, Coastlands sought that Objective 2.13 Infrastructure and Services be amended to incorporate a clear statement of intent that Council would play a lead role in the provision and management of infrastructure and related services.
- 5.2. At paragraphs 28 and 29 of my 17 March 2016 evidence on the general plan-wide provisions of the PDP, I set out why I believed it was not appropriate for the costs of all new infrastructure to be internalised within the cost structure of land developers. This could result in inefficient cross-subsidisation and the loss or delay of the economic and social benefits from new development.
- 5.3 The Council Officer's report (at paragraph 556)<sup>1</sup> does not agree with Coastlands' submission on the grounds that while Council does have a role to play in infrastructure development and operation, there are other infrastructural services that are owned and operated by private sector companies. In my view, it would be possible for the commentary to Objective 2.13 Infrastructure and Services to be amended in a manner that makes Council's lead role clear in the provision and management of infrastructure services in relation to those services for which it is responsible – e.g., roading, water supply, wastewater disposal, stormwater management and disposal, infrastructure, provision of public spaces and street furniture, etc.

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<sup>1</sup> I note at paragraph 535 the Council Officer's report in summarising Coastland's submission on this objective appears to have wording omitted.

## **6. OBJECTIVE 2.14 ACCESS AND TRANSPORT**

- 6.1. Again in relation to Objective 2.14 Access and Transport, Coastlands sought that within this objective of the PDP would be a clear statement of commitment that Council would play a lead role in providing and managing the transport infrastructure needed for future development. As with general infrastructure, it is not appropriate that the specific costs imposed by particular new developments should be recovered from the land developer. However, as I have set out at paragraphs 23 to 25 of my 17 March 2016 evidence on the general plan-wide provisions of the PDP, it is inefficient if private land developers are required to meet wider network upgrade costs, which are more appropriately funded from general rates.
- 6.2 The Council Officer's report (at paragraph 591) rejects Coastlands' submission on the grounds that the relief sought by Coastlands in relation to this objective is outside the scope of the PDP. This is something for planners and lawyers to address rather than economists. However, I reiterate the concerns I expressed in my 17 March 2016 evidence on the general plan-wide provisions of the PDP. If road network improvements are completed on a piece-meal basis via individual resource consents and processing because there is no clear responsibility taken by the Council for strategic improvements to the wider road network, the economic and social benefits of development may be lost or delayed.

## **7. OBJECTIVE 2.15 INCENTIVES**

- 7.1 Coastlands in its submission noted that this objective included in its commentary an intention to provide development incentives (including development bonuses) where there is environmental mitigation for biodiversity or water quality outcomes. Coastland's sought that such incentives might be extended to instances where a developer provides or contributes to public facilities and amenity outcomes.

- 7.2 This may be an efficient way for Council to fund such facilities and outcomes, despite the Council officer's report suggesting this goes beyond the 'net-environmental' intent of the objective. I see no reason why a similar approach cannot be taken to funding public facilities and amenity outcomes where it is appropriate.

## **8. OBJECTIVE 2.16 ECONOMIC VITALITY**

- 8.1 Coastlands in its submission sought clarification of this objective and sought, in particular, that it did not lead to the imposition of additional costs on businesses. The Council officer's report rejects this submission on the grounds that the objective is consistent with the RMA and the objective clearly indicates the matters that need to be addressed in the plan's provision. My high-level view is that Councils need to be aware of their limitations in creating "economic vitality". There are certain aspects where Councils have a role to play but they should not seek to usurp the role of the private sector, especially where interventions by Councils impose additional costs on the private sector.

## **9. OBJECTIVE 2.17 CENTRES**

- 9.1 Consistent with other parts of its submission, Coastlands was in support of the general thrust of this objective, but expressed concerns about the use of the term "economically viable centres" as part of the objective. Coastlands considered 'economic viability' is a commercial and business matter for individual enterprises, and questioned whether it was the function of a District Council.
- 9.2 The Council officer's report felt that economic viability of centres was in part a Council responsibility – for example, to the extent that it related to encouragement of an appropriate hierarchy of centres.
- 9.3 My high level view is that the appropriate balance between Council initiatives to encourage economically viable centres will depend on whether measures add to or reduce overall costs for businesses, consumers and ratepayers.

## 10. CONCLUSIONS

- 10.1 The relief sought by Coastlands in relation to Objective 2.3 Development Management, Objective 2.13 Infrastructure and Services, Objective 2.14 Access and Transport, Objective 2.15 Incentives, Objective 2.16 Economic Vitality and Objective 2.17 Centres is consistent with enabling *“people and communities to provide for their social, (and) economic ... well-being”* and having *“regard to ... the efficient use and development of natural and physical resources”*.

A handwritten signature in black ink, appearing to read 'Michael Campbell Copeland', written in a cursive style.

**Michael Campbell Copeland**

**Date: 29 March, 2016**