

BEFORE THE HEARINGS PANEL +

IN THE MATTER of the Resource Management Act 1991.

AND

IN THE MATTER of Submission S58 by CTS Investment Ltd, Woodgate Ltd, and Terra Civil Ltd to Proposed Plan Change G, a Council led Proposed Plan Change to the Palmerston North District Plan under Schedule 1 of the Resource Management Act

SECTION 32AA EVALUATION: INTERSECTION UPGRADE RULES

PAUL NORMAN THOMAS

Dated 15th December 2023

INTRODUCTION

1. At the hearing session on 7th December the Chair requested that I provide some additional evidence on the evaluation of provision options relating to the growth effects of Aokautere on the performance of existing road intersections outside of the Aokautere Residential Area.
2. The legal context of this is Section 32AA which requires further evaluation of any changes proposed since the evaluation report for the proposal was completed. This is to be undertaken in accordance with section 32(1) to (4) and at a level of detail that corresponds to the scale and significance of the changes.
3. This matter relates solely to the provisions relating to transport network upgrades which have now been agreed between Ms Coplestone for the Council and Ms

Jenkins for Waka Kotahi. This evidence does not alter my overall position on the merits of PC G as set out in my evidence and my highlight summary of evidence.

THE COUNCIL EXPERTS LATEST PROPOSED PROVISIONS

4. Ms Copplestone's Evidence In Reply addresses this issue and sets out amended provisions that have been agreed between Ms Copplestone and Ms Jenkins in Annexure 1 to that evidence. In addition, Ms Copplestone provides a "preliminary" Section 32AA evaluation in support of those changes to assist the hearing panel in undertaking its own evaluation.
5. The key matters addressed in Ms Copplestone's Evidence in Reply at paragraphs 24 – 29 are as follows:
 - 5.1 The traffic expert witnesses have agreed in conferencing that the existing safety issues on SH 57 are likely to be resolved by a speed limit review and subsequent speed reduction on SH 57, along with separated cycle lane facilities.
 - 5.2 The traffic experts have agreed that once the immediate safety concerns have been addressed there is likely to be some remaining capacity in the network.
 - 5.3 Consequently, the traffic experts have identified level of service thresholds that, in their assessment, identify when capacity is being fully utilised and upgrades should be implemented.
6. The consequential changes to provisions triggered by this are summarised in para 26 of Ms Copplestone's Reply as follows:
 - 6.1 Amendment to Table 7.1 to incorporate the thresholds for intersection upgrades.
 - 6.2 Splitting of the table into two parts. Part 1 relating to off Residential Area matters being SH 57 intersections and the Summerhill Drive / Ruapehu Drive

Intersection and Part 2 applying to the roading network within the Aokautere Greenfield Residential Area.

- 6.3 Deletion of the pedestrian crossing and cycle lane upgrades along Aokautere Drive as these are in hand.
- 6.4 Amended rules enabling development as a restricted discretionary activity up to the threshold levels in Table 7A.1 unless the upgrades are operational. Non compliance triggers a non complying activity.
- 6.5 For the within the PC G road network the exceedance of the capacity is a matter of discretion with assessment criteria and the class of consent remaining as a restricted discretionary activity.

THE SCOPE OF INTERSECTIONS

- 7. For clarity the specific SH 57 intersections that this matter relates to are:
 - (a) Old West Road / Aokautere Drive / Summerhill Drive
 - (b) Pacific Drive
 - (c) Ruapehu Drive
 - (d) Johnstone Drive.
- 7.2 the Notice of Hearing dated 14 November it was requested that expert witnesses provide a brief highlights package of the evidence with an emphasis on any unresolved matters.
 - (a) Given
- 8. The other intersection outside of the PC G area is the local road intersection of Summerhill Drive / Ruapehu Drive / Mountain View Road.
- 9. The intersections within PC G do not relate to any State Highway assets and are
 - 9.1 Pacific Drive / Abby Road

- 9.2 Pacific Drive / Johnstone Drive
 - 9.3 Pacific Drive/ Activity Street A
 - 9.4 Pacific Drive / Urban Connector F.
10. I understand from the Reply Evidence of Ms Fraser that Urban Road Connector F be deleted and replaced with Urban Road Connector B.
11. Notwithstanding this, Activity Street A and Urban Connector B are yet to be constructed roads and intersections and, therefore, given the directive nature of the master plan, can clearly be designed for the full development of the Residential Area.
12. Further, Abby Road is currently a cul-de-sac with a Council designation to extend the road across the gully to connect with Johnstone Drive. Consequently, any level of service issue with the performance of the Abby Road intersection with Pacific Drive will be a direct consequence of traffic generated by the designated connection to Johnstone Drive which is being implemented by PNCC.

MS COPPLESTONE’S SECTION 32AA

13. Ms Coplestone at Annex 4 of her Reply Evidence has provided a preliminary Section 32AA evaluation of the changes proposed that relate to this matter.
14. This considers three options as follows:
- 14.1 Retain the notified provisions.
 - 14.2 Amend as recommended in the s42A report.
 - 14.3 Amend as recommended in the Reply Evidence.
15. The Planning JWS recorded my opinion on this matter that a non regulatory method to achieving the policies should be examined.
16. It is, therefore, surprising that this option was not considered by Ms Coplestone, and this has led to the request from the panel for this further work.

SPECIFIC PROVISIONS PROPOSED

17. The relevant policies as now recommended are as follows.

Section 7: Subdivision

3.7 To enable subdivision within the Aokautere Rural-Residential area identified on the Aokautere Structure Plan where it is demonstrated that:

- a. It is in general accordance with the Aokautere Structure Plan;*
- b. The street hierarchy, street types and street cross sections, and upgrades identified on the Aokautere Structure Plan is are provided for;*
- c. There is connectivity with existing and future developments;*
- d. The transport network upgrades identified in Tables 7A.1 and 7A.2, including those outside of the Aokautere Structure Plan area, that are necessary to provide for a safe and efficient transport network have been completed and are operational unless it can be demonstrated that there is sufficient existing capacity in the transport network to accommodate the predicted traffic volumes³.*

18. Under the Methods in this chapter it is proposed to state:

Policy 3.7 will be implemented at the time that rural-residential subdivision applications for land within the Aokautere Rural-Residential Overlay Area are made. The Aokautere Master Plan is intended to inform application of the Aokautere Structure Plan to the subdivision applications by providing guidance on land development in the area. While the Masterplan has no statutory weight it can be taken into account by Council and other decision-makers when considering proposals under the District Plan and should inform applications within the Aokautere Structure Plan area.⁹

19. A Restricted Discretionary matter is “Available capacity in the intersections identified in Table 7A.1 and 7A.2.”

20. A restricted discretionary performance standard is:

The transport network upgrades listed in Table 7A.1:

(a) are operational before development commences within the Aokautere Structure Plan Area, or

(b) are not operational, but a transport assessment has been prepared by a suitably qualified person experienced in traffic engineering and transport planning that:

i. Assesses the current level of service for the intersections identified in Table 7A.1; and

ii. Predicts whether the traffic generated by the proposed development will exceed the capacity thresholds at one or more of the intersections identified in Column 1 of Table 7A.1 and determines that none of the capacity thresholds in Column 2 of Table 7A.1 are exceeded; and

iii. Describes any consultation undertaken with the relevant road controlling authority regarding the proposal and the outcomes of this consultation.

Explanation

Where the transport assessment predicts that any or all of the capacity thresholds in Table 7A.1 will be exceeded, the activity will be a non-complying activity under Rule R7.15.4.119

21. Proposed Assessment Criteria are:

iv. The extent to which the subdivision complies with the transport network requirements set out in R7A.5.2.2(i)

v. Whether the traffic generated by the proposed development will exceed the capacity thresholds in Column 2 of Table 7A.2 at the intersections identified in Column 1 of Table 7A.2

vi. The extent to which significant adverse effects on the transport network have been avoided.

22. The non complying rule is as follows:

Subdivision in the Rural-Residential Area identified on the Aokautere Structure Plan where the transport assessment required by R7.15.2.1 Performance Standard (f)(iii)(b) predicts that the capacity in one of more of the intersections identified in Table 7A.1 will be exceeded is a Non-Complying Activity.

23. In Section 7A the relevant policies are:

5.7 To ensure the capacity, efficiency, and performance, of the wider transport network is not compromised.

5.9 To avoid subdivision and development occurring in advance of the completion of the transport network upgrades identified in Table 7A.1 and 7A.2, that are necessary to provide for a safe and efficient transport network, unless it can be demonstrated that there is sufficient existing capacity in the transport network to accommodate the predicted traffic volumes.³⁰

5.11 To avoid subdivision where significant adverse effects on the transport network are likely to occur.

24. A Restricted Discretionary matter is “available capacity in the intersections identified in Table 7A.1 and 7A.2.”

25. The RD performance standard is

i) The transport network upgrades listed in Table 7A.1:

(a) are operational before development commences within the Aokautere Structure Plan Area, or

(b) are not operational, but a transport assessment has been prepared by a suitably qualified person experienced in traffic engineering and transport planning that:

(i) Assesses the current level of service for the intersections identified in Table 7A.1; and

(ii) Predicts whether the traffic generated by the proposed development will exceed the capacity thresholds at one or more of the intersections identified in Column 1 of Table 7A.1 and determines that none of the capacity thresholds in Column 2 of Table 7A.1 are exceeded; and

(iii) Describes any consultation undertaken with the relevant road controlling authority regarding the proposal and the outcomes of this consultation

26. The Assessment criteria is:

(iv) The extent to which significant adverse effects on the transport network have been avoided.

*(vi) **The extent of compliances** with the transport network requirements for the Aokautere Structure Plan set out in R7A 5.2.2(hi) and **how any** development or use of lots will be restricted until the necessary transport network upgrades have been completed, including through the use of consent notices.*

(vii) Whether the traffic generated by the proposed development will exceed the capacity thresholds in Column 2 of Table 7A.2 at the intersections identified in Column 1 of Table 7A.2.

27. The non complying rule is:

(ii) Any subdivision where the transport assessment required by R7A.5.2.2 (i)(b)(ii) predicts that one or more of the capacity thresholds in Table 7A.1 will be exceeded.

THE NON REGULATORY METHOD OPTION

28. The option I have suggested effectively aims to achieve the same outcome, but with non regulatory methods.
29. Before expanding on the provisions that would be necessary for this option is important to be clear on the Objective that is to be achieved.
30. In Section 7A the objective that relates to the policies proposed is Objective 5 which is:

OBJECTIVE 5

Subdivision in the Aokautere Greenfield Residential Area provides for comprehensively designed development incorporating a range of residential areas with high-quality and diverse living environments, which are integrated with surrounding communities, landscape and natural gully systems, and supported by a local centre capable of meeting the day to day needs of the immediate neighbourhood.

31. While I note that Objective 5 makes no specific reference to transport network outcomes, I do consider that a policy relating to the management of both the wider and local transport network is required.
32. Proposed Policy 5.7 in my opinion addresses the key outcome required namely:

5.7 To ensure the capacity, efficiency, and performance, of the wider transport network is not compromised.
33. This can be tweaked to address both the local and wider network by either deleting “wider{“ or adding “and local”. Given the work that has been done on determining the thresholds for wider network improvements, it is appropriate that attention is drawn to this by including specific reference. Hence the wording I propose for this option is:

5.7 To ensure the capacity, efficiency, and performance, of the local and wider transport network is not compromised.

34. Alongside this policy would be text added to the Methods Section 7A.4 as follows.
35. *Development of the Aokautere Residential Area is expected to contribute over time to the declining performance of key traffic intersections within the Area and the wider roading network. This includes four State Highway 57 intersections between Mountain View Road and Johnstone Drive. Waka Kotahi and the Council have agreed the level of service thresholds for the implementation of intersection upgrades. Provisions has been made in the 2024 Long Term Plan for Council's financial share of this work. Council and Waka Kotahi will monitor the performance of these intersections and implement the required upgrades when required. The financial contribution to these works from future developments in Aokautere will be included in the 2024 Development Contributions Policy and subsequent policies.*
36. I consider the above to be a reasonably practicable option in terms of Section 32(b)(i) because the thresholds have been agreed, funding provision by the Council is being made and the works lie at the core of planning for and managing existing infrastructure assets under the control of Waka Kotahi and PNCC.

EFFICIENCY AND EFFECTIVENESS

37. Section 32(b) requires assessment of the effectiveness and efficiency of the provisions in achieving the objectives. In undertaking this is it required to identify the benefits and costs of the effects of implementing the provisions.
38. This is arguably somewhat challenging because the relevant Objective does not refer to managing effects on the transport network. At best this issue could be seen as part of "providing for comprehensively designed development".
39. This is a further shortcoming of PC G, however, I have agreed above that Policy 5.7 encapsulates the environmental outcome that is sought.
40. The regime proposed by the Councils experts places full responsibility on an applicant to undertake a transportation assessment of the effects on the level of service at a total of 9 intersections. This requirement remains in force until all of the Table 7A.1 upgrades are operational.

41. If the assessment finds that a threshold is triggered, that applicant is faced with taking responsibility for implementing the remaining upgrades or overcoming the tests for a non complying activity, one that is clearly not consistent with the plan policies now proposed.
42. The requirement applies to whatever scale of consent is sought, from a 2 lot subdivision to a major residential stage of development or relevantly a retirement village. This will tend to incentivise developers to pursue consent in small stages to minimise the risk of triggering the thresholds. This potentially works against the objective of achieving comprehensive and integrated development. The most recent consent that I was responsible for in the area was a 12 lot subdivision. It is common for stages of development in this area to be in the 10-20 lot which inherently makes it difficult for a transportation assessment to be confident about effects on the level of service at a remote intersection.
43. Furthermore, it places the full onus on the first application that triggers the threshold rather than a collective responsibility from traffic generated from development of this growth area compared with wider network growth.
44. Having said this, the transportation assessment approach is preferred over the notified provisions which effectively place a freeze on development for potentially the next ten years and was described by one expert at the Pre Hearing Meeting as “nuts”. It is not efficient or effective.
45. Notably, the policies proposed that are not carried forward to the non regulatory approach are “avoid” based policies leaving little room for discretion.
46. The above matters suggest a high level of inefficiency and ineffectiveness. Costs will apply to transportation assessment of all consents generating employment for traffic experts but adding costs to new residential housing. Costs may also potentially fall on one applicant when this is a cumulative traffic matter. I also consider that, even if shared within the growth area, costs are unfairly attributed to the development of this area when there is a wider network dynamic that changes over time with wider regional growth and changes. This part of SH 57 currently forms part of the most

efficient route from Wellington to Hawkes Bay via the Pahiatua Track. However, this route is not suitable for larger heavier vehicles which use the Saddle route to the north.

47. When Te Ahu a Turanga is completed the SH57 route is expected to take all traffic between Wellington and Hawkes Bay. This is likely to remain until the PNITI programme of works with a northern bypass is completed, which is many years in the future. In the medium term therefore this arterial traffic will be a major contributor to any decline in the level of service of those intersections.
48. I consequently consider this option scores poorly on efficiency and effectiveness as well as equity. Costs will fall heavily on the development interests in the area increasing the cost of housing and likely making development unfeasible for longer.
49. So how does this compare with the non regulatory options detailed above. The outcome is the same but the method of getting there is dramatically different. It places the responsibility with Waka Kotahi and PNCC to manage their transportation network instead of placing it with third parties. Waka Kotahi and PNCC core functions are managing their networks so it doesn't seem unreasonable that they should continue to do so.
50. This involves monitoring the performance of the network including levels of service at intersections. Traffic growth may be slower or faster than predicted, development may be slower or faster than predicted. The agencies can monitor traffic growth and the effects of Te Ahu a Turanga and determine when intersection upgrades should be triggered. I understand that NZTA has a range of funding mechanism that have potential to accommodate this work over time. Certainty of funding at this point in time is not necessary as these works are likely a number of years away. Having said that, local government funding law means it is important that PNCC make provision in their Long Term Plan and carry it forward as required so that the efficiency of the network is provided for.
51. PNCC currently has a Development Contributions Policy that includes a contribution from new development to transportation projects and upgrades. This is an efficient

mechanism for drawing on network modelling to determine what the contribution from growth in Aokautere should be to the identified works and is, if done well, a fair and equitable mechanism. Given that is established practice it is hard to fathom why such a dramatically different approach should be recommended for Aokautere.

CONCLUSION

52. I consequently, conclude that the non regulatory option is materially more efficient and effective than the provisions recommended by Council experts and that costs and benefits are able to be fairly attributed through the Development Contributions process.
53. I consequently recommend to the Panel that the Non regulatory option be adopted if the panel sees fit to recommend in favour of the Plan Change.
54. Finally, for clarity, I consider the same approach is applicable for the upgrades within the Aokautere Residential Area and is accommodated within the text wording that I have proposed.



Paul Thomas

15th December 2023