SUBMISSION ON A NOTIFIED PROPOSAL FOR POLICY STATEMENT OR PLAN, CHANGE OR VARIATION

CLAUSE 6 OF SCHEDULE 1, RESOURCE MANAGEMENT ACT 1991

To: Waimakariri District Council

Private Bag 1005 Rangiora 7440

developmentplanning@wmk.govt.nz

Name of submitter: Woolworths New Zealand Limited ("Woolworths")

Introduction

- 1. This is a submission on the Waimakariri District Council's Proposed District Plan ("PDP").
- 2. Woolworths could not gain an advantage in trade competition through this submission.
- 3. The specific matters of the PDP that Woolworths' submission relates to are:
 - a) The PDP's "centres" approach to commercial activity and its support of growing (and well-functioning) urban environments needs to be adaptive and responsive to evolving retailing, to achieve the best outcomes for the District and its communities, as outlined in this submission. Woolworths supports a "centres plus" approach that adopts a more flexible planning regime in comparison to the PDP's direct and control model of setting commercial land supply and its use.
 - b) To support the "centres plus" approach, Woolworths considers the appropriate activity status for supermarkets, as essential services and catalysts for well-functioning urban environments, is permitted in all Commercial and Mixed Use zones ("CMUZ") except restricted discretionary in the Large Format Retail zone, and discretionary in the General and Light Industry zones. This approach acknowledges the operational and functional need for supermarkets to co-locate with the catchments they serve, which itself is a sustainable urban form outcome. Currently, the PDP as notified does not enable supermarkets in any zone without resource consent (be it for the activity itself or the building in terms of urban design and built form). This is wholly at odds with both the higher order enabling framework set out in the PDP and the National Policy Statement on Urban Development 2020 ("NPSUD") as elaborated upon in this submission.

- c) Where standard infringements arise in respect of built form and site layout, Woolworths supports a restricted discretionary activity consent process as sufficient to undertake the assessment required to address effects of those infringements, without needing a broader fully discretionary approach. This again supports a more efficient consenting process to focus assessment where needed without detracting from an enabling planning framework for appropriate activities in appropriate locations. This is particularly relevant in terms of frontage controls in the centre zones.
- d) Likewise, signage is an important component of commercial activity, to raise brand awareness, consistency and legibility in an urban environment. Signage should be considered acceptable in commercial zones in principle, with some limitation on size and location where it may adversely affect sensitive areas, including heritage, character or residential areas. Woolworths therefore seeks appropriate activity status and associated amendments to the permitted area and scale threshold for signage in certain commercial zones, as elaborated upon in this submission.
- e) Finally, Woolworths seeks site-specific re-zoning relief in relation to its two Countdown sites within the District addressed in detail in the following specific reasons for this submission.
- 4. Woolworths **opposes** the relevant provisions in the PDP as notified and as referred to above and seeks amendments as set out in this submission.
- 5. Woolworths' reasons for opposing the above provisions are set out below.

Scope and Reasons for Submission

- Woolworths is one of New Zealand's leading supermarket operators. Woolworths
 currently operates over 180 Countdown stores nationwide, together with a portfolio
 of over 70 franchisee stores operating under the Super Value and Fresh Choice
 brands.
- 7. In the Waimakariri District, Woolworths operates Countdown supermarkets in Rangiora East and Kaiapoi and is the franchisor for Fresh Choice and SuperValue supermarkets in Oxford and Mandeville, respectively.
- 8. Woolworths continues to explore new opportunities in response to demand caused by population growth and is currently working on development proposals in the Waimakariri District to address gaps in its network or to upgrade existing operations, not least in response to the above-average growth experienced and forecast for the

- District (as part of the Greater Christchurch region) and also changes in customer shopping requirements. For example, Woolworths is pursuing opportunities at Waimakariri Junction for a new Countdown supermarket.
- 9. Woolworths supports the "centres" approach adopted by the higher order provisions of the PDP, insofar as it recognises that town centres can and should be the primary focal point for business activity in the District, noting the importance of supermarkets in helping to achieve prosperous centres.
- 10. However, Woolworths prefers and recommends the "centres plus" approach to retail provision within planning documents and has invested significant resources into plan review and plan change process across New Zealand in support of this approach.
- 11. This approach recognises the primacy of town centres but also that business activity ought to be properly enabled in other zones, where appropriate. In particular, this approach recognises that functional need and catchment drivers may dictate the location of supermarket operations, on the fringe, or in some cases, outside of identified centres. It also enables the PDP to make efficient use of all of the CMUZ relative to the centres hierarchy. In other words, the Large Format Retail zone and the Mixed Use zone have their own parts to play in delivering a healthy economy for the District, complementary to and cognisant of the centres they support.
- 12. Put simply, the District Plan must be adaptive and responsive to evolving retailing to achieve the best outcomes for the district and its communities.
- 13. Woolworths considers that the PDP as notified:
 - a) Goes beyond the stated intent of the PDP in respect of its Strategic Directions, in that rather than providing opportunities for business activities to establish and prosper within a network of business and industrial areas zoned appropriate to their type and scale of activity to support district selfsufficiency (SD-O2), the approach taken in the PDP continues to direct, limit and control commercial land use and supply;
 - b) Does not give effect to the relevant provisions of the Canterbury Regional Policy Statement (2020) ("CRPS"), particularly Policy 6.3.6(4), which seeks to implement a more responsive "centres plus" approach to commercial activity in Greater Christchurch;
 - c) Does not give effect to the NPSUD, which seeks well-functioning urban environments (Objective 1) through enabling urban environments to

- develop and change in a responsive manner (Objective 4), and requires provisions that have particular regard to providing choice (Policy 1);
- d) Is not appropriate in terms of sections 32, 74 and 75 of the Resource Management Act 1991 ("the Act"); and
- e) Does not achieve Part 2 of the Act.
- 14. Specifically, Woolworths is concerned with the following, without derogating from the generality of the above.

Planning for Growth

- 15. The Council has recognised that Waimakariri District is one of the fastest growing districts in New Zealand. It has adopted projections that approximately 16,000 new households may be required to be accommodated within the district by 2048. The main centres of Rangiora, Kaiapoi, Oxford and Woodend are anticipated to serve as the primary focus for this anticipated growth.
- 16. Notwithstanding, Objective UFD-O1 identifies feasible development capacity to be met by the PDP as 13,400 new residential units over the 30-year timeframe (or long-term, in accordance with the NPSUD. This would not appear to meet the anticipated demand or growth rate for the district.
- 17. The Greater Christchurch Business Capacity Assessment (March 2018) ("**BCA**") has identified the significant contribution that Waimakariri District plays in the Christchurch economy. Alongside Selwyn, it contributes approximately 21,000 daily commuters to Christchurch for work.
- 18. The BCA estimates a significant uplift in retail expenditure in the district to approximately \$450 million per annum, a figure capable of supporting approximately 74,000m² of retail floor space.
- 19. In brief, the district is forecast to fall short in commercial land supply by 17ha over the long term, with potential shortfalls in the short term and medium term of 5ha and 9ha respectively.
- 20. The BCA confirms therefore that there is significant growth in commercial expenditure and a corresponding increase in land supply is needed for these activities, to support the growing population within the district and to continue its supporting economic role within the Greater Christchurch region. Further, there are

-

¹ Waimakariri 2048 District Development Strategy, Greater Christchurch Business Capacity Assessment 2018.

- currently very low vacancy rates on existing commercial zoned land (approximately 5%), identifying that such land is being well-utilised.
- 21. To address these growth constraints, the PDP needs to be forward thinking and ambitious. It needs to zone appropriately to accommodate anticipated commercial growth in the district and to achieve its own goal of district self-sufficiency.
- 22. Yet, Objective UFD-O2 is simply stated as "feasible development capacity for commercial activities and industrial activities", without setting any minimum targets or without truly articulating the strategic direction for commercial growth.
- 23. Woolworths notes that the NPSUD anticipates a medium to long term (10-30 years) horizon for decisions on urban development (Objective 6) and that local authorities are required to provide at least sufficient development capacity to meet expected demand over the short, medium and long term at all times (Policy 2).
- 24. In these ways, Woolworths considers that the PDP currently falls short of its Strategic Directions towards self-sufficiency and further, does not clearly articulate or establish its NPSUD obligations within the PDP in respect to either housing or business growth.
- 25. Further, across the board, the PDP has significantly limited the opportunity for business activity that should be enabled to deliver necessary services for growing communities and to continue to develop "well-functioning urban environments" in accordance with the NPSUD. Specific to the "Commercial and Mixed Use Zones" ("CMUZ"), Woolworths considers proposed Policies CMUZ-P1, P2 and P5 together undermine the ability for the PDP to deliver well-functioning urban environments and at scale and intensity to satisfy future demand. To this end, Woolworths seeks to amend these policies to better respond to the Strategic Directions and Urban Form and Development provisions. See Appendix 1.
- 26. In addition, specific centre zone provisions further restrict activities, namely supermarkets, which ought to be recognised as appropriate centre activities which facilitate and enable self-sufficient centres, including at all levels of the centre hierarchy. Yet, Objective LCZ-O1 limits activities within Local Centre zones to those that "do not adversely affect the role and function of Town Centres". This is a simple statement that does not leave room for considering the extent and nature of those effects, and effectively discounts the role the Local Centre zone plays in the overall proposed centre hierarchy. See **Appendix 1** for proposed amendments to this and other associated provisions, which Woolworths considers will better achieve the intended strategic outcomes of the PDP and align with the NPSUD.

- 27. As stated, the CMUZ provide a broad framework of interrelated commercially focused areas that can each contribute to the growth of the District's business activity, in defined and complementary ways. As it stands, the PDP does not effectively utilise this broad toolkit, whereas it should enable each of the zones to deliver on different aspects of business development.
- 28. Put simply, the Large Format Retail zone should be recognised as supporting identified Centres zones to deliver a broader economic strategy larger format activities cannot easily locate within town centre environments but a District wide strategy that accommodates areas for both mainstreet and larger format retailing is robust and appropriately diverse.
- 29. The CMUZ can respond and adapt to developing market drivers in commercial and mixed use development in the District, again playing a supportive role to a potentially more commercial or civic focus of the identified Centres zones.
- 30. Woolworths considers that the Council's approach in the PDP does not enable business activity to flexibly adapt to the anticipated growth of the District and in summary, Woolworths seeks consideration of more aspirational zoning provisions for growth in the PDP, utilising the strategic process of a plan review to comprehensively and sustainably plan for and enable growth. The specific amendments are addressed below.

Appropriate Activity Status for Supermarkets

- 31. Woolworths supports the proposed Strategic Objectives promoting and supporting a hierarchy of centres as the primary focus for retail, office and other commercial activity and the focus around where residential development and intensification can occur (Objective SD-O2). That objective further supports urban development that is "consolidated and integrated with the urban environment" and Policy UFD-P7 sets out a clear framework of assessment for when plan changes propose new CMUZ. In this way, the higher order provisions present a centres first approach to urban development generally, and commercial activities more specifically.
- 32. These provisions are then reflected at the zone level (CMUZ-O1 and O2), where those provisions reinforce the centres hierarchy set out in the PDP. Each of the CMUZ then incorporate one single objective that identifies each centre's role in the hierarchy and "provides for" the scale and nature of commercial activities that are compatible with that role. Woolworths again supports that approach in principle.
- 33. However, the following concerns are raised.

- 34. Policy CMUZ-P1 reinforces Objective SD-O2 and Objective CMUZ-O1 regarding the centre function, role and hierarchy. Given the flexibility introduced by Policy SD-P7 and the requirement for the PDP to provide for anticipated growth, Woolworths considers Policy CMUZ-P1 could be amended to incorporate the potential for out-of-centre activity, namely supermarkets, where appropriately managed in respect of that centres hierarchy. This approach would implement the flexibility in Policy SD-P7 and recognises the currently constrained extent of CMUZ land in and around the main centres.
- 35. Policy CMUZ-P2 is unnecessarily restrictive in much the same way. Essentially, this limits commercial activities in Large Format Retail or Mixed Use zones despite being part of the CMUZ, to only being provided "where these do not adversely affect the role and function of Town Centres". Again, this position needs qualification and flexibility to enable appropriate commercial activities to occur within these CMUZ.
- 36. A supermarket-specific issue arises in proposed Policy CMUZ-P5 which directs the largest scale of development to the Town Centre first, and anticipates smaller scale development and urban form traveling down the centre hierarchy (excluding the Large Format Retail ("LFRZ") zone). However, a supermarket by its form and function, is required to be of a sufficient scale to serve its catchment, and whilst that scale also varies, this policy does not comfortably provide for the necessarily larger scale of supermarket activity, even at a neighbourhood centre level. Rather it overlooks the functional and operational requirements of supermarkets, and that approach is carried through into the rules in respect of permitted floor areas and activity status within the CMUZ.
- 37. Woolworths does acknowledge that Policy CMUZ-P6 assists in respect of design and layout of supermarkets by "recognising any operational requirements of the proposed activities" relative to widespread urban design outcomes. Woolworths supports this policy and its intent.
- 38. Turning to the centre-specific objectives and policies, the following is noted:
 - a) Policy LCZ-P1 provides for a very limited scale of commercial development, particularly noting its second-tier status to the Town Centre zone. Maximum gross floor area ("GFA") thresholds per tenancy and per centre are restrictive and unnecessary in Woolworths' view.
 - b) Objective NCZ-O1 is similarly restrictive as LCZ-O1 and NCZ-P1 again is as restrictive as LCZ-P1. Woolworths considers these limitations are unnecessary

particularly at the policy level and do not represent any aspirational commercial growth agenda.

- 39. Woolworths is of the view that the PDP does not identify a clear or comfortable relationship between the LFRZ and the Town Centre zone. The suggestion that the LFRZ be set aside simply for those activities "that are difficult to accommodate within commercial centres due to their scale or functional requirements" is contradictory to Policy CMUZ-P5 and unnecessarily limiting in respect of how the LFRZ can contribute to the urban design outcomes and overall centre hierarchy approach for the district.
- 40. Moreover, Woolworths does not consider that the Strategic Direction level objectives are effectively implemented by the PDP rules for each zone as notified, in respect of activity status for supermarkets.
- 41. Supermarkets are permitted in the Town Centre zone and the Mixed Use zone, albeit resource consent is still required for any building exceeding a GFA of 450m², which would capture all Woolworths' developments. In all other CMUZ, supermarkets require consent either for their certain infringement of very limited permitted GFA thresholds or for the building. In other words, there is nowhere in the PDP's CMUZ provisions that would provide for a supermarket as a permitted activity.² This approach is wholly at odds with the widely accepted role that supermarkets play as anchor tenants, and as catalysts for investment in centres of all scales, as well as in respect of the importance of convenient and efficient access to supermarkets as critical infrastructure or an essential service.
- 42. Buildings over 450m² require resource consent even in the LFRZ, which would appear at odds with the zone's intent. The supermarket activity (separate from any building) requires discretionary activity consent in this zone, as notified.
- 43. Supermarkets (and all retail) are proposed to be non-complying activities in the Light Industrial, General Industrial and residential zones.
- 44. To this end, there is no "feasibly zoned land" for supermarket development to support the PDP's growth agenda for its centres. Consenting for supermarkets can be protracted, complex and uncertain. To suggest that supermarkets cannot be accommodated anywhere in the district without that onerous consenting process, at least in principle, is overly restrictive and in Woolworths' view, counter-productive to the Strategic Directions of the PDP.

_

² Woolworths acknowledges the provision for larger scale retail activities within Mandeville's Local Centre, albeit that site is already occupied by a SuperValue supermarket and ancillary retail activities.

- 45. Further, this restrictive approach is considerably more onerous than the approach taken to resource management for supermarkets in many districts around the country, including Central Otago, Timaru, Christchurch, Dunedin, Hamilton City and Auckland.
- 46. At the very least, Woolworths seeks that supermarkets are permitted activities in most CMUZ, with recognition that a smaller permitted threshold for GFA might be appropriate in the Neighbourhood Centre zone, to reflect its form and function. That said, any increase beyond that identified permitted threshold (potentially 450m² given the identified rule for new buildings) can easily be assessed as a restricted discretionary activity in that zone. The key effects to assess relate to character and amenity of the centre, the anticipated outcomes of the zone and the potential for adverse effects on centres higher up the hierarchy than the subject neighbourhood centre; these matters can be appropriately dealt with via matters of discretion and assessment criteria. There is no requirement to pursue a more onerous activity status to broaden Council's scope beyond these concise effects in the Neighbourhood Centre zone.
- 47. Woolworths notes that supermarket developments would appear entirely consistent with the intent of the LFRZ in terms of seeking to provide locations where retail activities with large footprints can co-locate, ostensibly near but not within established town centres, which might not be able to easily accommodate a large format building required by supermarket operators, for character and amenity reasons.
- 48. Woolworths suggests a supermarket can be appropriately accommodated within the LFRZ as a restricted discretionary activity, subject to assessment of effects on potentially affected centres, and that generally, the LFRZ ought to be more broadly applied throughout the District, again to futureproof demand for large-format commercial activities. Additional LFRZ land would be appropriate around the Key Activity Centres in this regard. This further reinforces the view that a centres plus approach is required to enable business growth in a range of CMUZ and can recognise and provide for the role that LFRZ plays within and supporting that centres hierarchy.
- 49. Likewise, Woolworths considers a non-complying activity status for supermarkets within the Light Industrial and General Industrial zones is unnecessary. Rather, Woolworths considers a discretionary activity consent may be appropriate for supermarkets in the industrial zones. Woolworths is not aware of any economic evidence prepared by the Council that identifies industrial land supply as being so

significantly scarce relative to demand that non-industrial activities cannot be countenanced. Indeed, the BCA identifies a surplus of land for the long-term. Supermarkets by their nature are large in format and utilitarian in nature. Nor are they sensitive to effects arising from industrial activities. It is accepted that a wider discretion is appropriate given the primary industrial thrust of the zones, and in recognition of the centres hierarchy.

- 50. Woolworths supports the non-complying activity status that arises for supermarkets in the Residential zones insofar as the appropriateness of supermarkets in residential areas needs to be assessed on a case-by-case basis. The non-complying activity status does not preclude an appropriate application from being made for a supermarket within this zone, but it will be suitably assessed against the non-complying activity framework, and under section 104D of the Act, including the policy framework of the District Plan. This approach is generally consistent with other plans in the region.
- 51. In summary, Woolworths is of the view that the PDP needs to be far more enabling of supermarket development within the District, and to take a far more flexible approach to consenting of supermarket activities. A sustainable and widely accepted approach is to recognise the importance of supermarkets to assist in delivering well-functioning urban environments, where such activities are conveniently located relative to the catchments they serve.

Standard Infringements

- 52. Woolworths agrees with the PDP in that where activities infringe identified standards, a restricted discretionary activity status remains appropriate. This is particularly appropriate in the CMUZ since all activities should be enabled and encouraged, to achieve Strategic Directions PDP. Woolworths also supports the proposed non-notified status of standard infringements.
- 53. Woolworths does propose additional wording for assessment criteria relating to standard infringement assessments, to further reinforce the balance between urban design outcomes and operational and functional requirements. See **Appendix 1**.

Signage

54. Woolworths considers that the proposed permitted limits for signage are too prescriptive and unrealistic in the PDP, as they relate to the CMUZ generally but in particular for the industrial zones and LFRZ, which by virtue of their purposes and intents, can accommodate an increased scale of signage and still remain in keeping with the zone's overall character.

- 55. Woolworths therefore suggests an increase in respect of the permitted area per sign face for free-standing signs in these zones.
- 56. Woolworths supports the restricted discretionary activity status where signage is proposed that infringes the limits in any zone, so long as the assessment criteria that apply are relevant and truly restricted in nature, and again take into account the operational and functional requirements of the activity.
- 57. To that end, assessment of signage in commercial zones needs to consider the importance of corporate branding for consistency and coherence and ensure that consideration sits alongside the urban design aspirations of the PDP. It is critical for their success that businesses are able to be instantly recognisable for customers and not "watered down" to achieve an identified centre character or palette.
- 58. Effects on centre amenity arising from signage, including in terms of size, location, dominance and illuminance can be appropriately assessed via a restricted discretionary activity assessment.

Transport

59. Currently, the provisions in the transport chapter (TRAN) require basic or full integrated transport assessments and corresponding resource consents for restricted discretionary activities for any activity that exceeds 250vmpd as an average daily traffic generation. This is quite a low threshold that in Woolworths' opinion should be increased commensurate with other district plans. For example, the Auckland Unitary plan adopts a GFA threshold of 1,667m² of new retail GFA before a traffic generation consent matter arises. This approach is considered appropriate and still enables an assessment of effects commensurate with the scale and character of the proposed activity.

Noise

- 60. The NOISE chapter sets out noise standards for activities relative to zones and proposes a restricted discretionary activity status where noise standards may be infringed (Rule NOISE-R19). Woolworths supports this approach.
- 61. Woolworths considers the noise limits for the LFRZ and GIZ are unnecessarily onerous noting that the LIZ noise limits are less stringent, which given the nature of all three zones is not consistent or appropriate. Woolworths suggests that the noise limits for LFRZ and GIZ in Table 2 be amended to mirror those set out for LIZ. A daytime limit of 65dBA and night-time limit of 55dBA is considered appropriate and commensurate with the activities anticipated in the zone, including servicing,

- and is also well-represented in other district plans. As currently proposed, it is possible the more stringent limits will curtail lawfully established activities in the affected zones.
- 62. Finally, Woolworths notes that noise measurement for noise received by sites in Rural zones is proposed to be measured "at or within the boundary of any site", as for all other zones. The operative plan (and many other district plans) utilised a notional boundary (defined as a line 20m from any side of a residential unit or other building used for a noise sensitive activity, or the legal boundary where this is closer to such a building) in measuring noise received within rural zones. It is considered this approach should continue to be used in the PDP so as to avoid measurements being taken at a site boundary in the rural zone, where the nearest noise sensitive activity may be a considerable distance away.

Site-specific / Area-specific Relief

- 63. Woolworths supports the LFRZ as proposed for the area known as Waimakariri Junction, centred around Hakarau Road, and subject to the proposed changes to the LFRZ provisions addressed above and in **Appendix 1**. Woolworths considers Waimakariri Junction and its proposed LFRZ plays an important role in the provision for business activity in Kaiapoi as a whole, and considers its complementary function should not be downplayed relative to the Kaiapoi town centre and its offering.
- 64. Woolworths considers that the proposed General Industrial zoning of its existing Countdown site at 87 Hilton Street, Kaiapoi is inappropriate. Woolworths notes the existing supermarket is a well-established commercial activity in its own right, in close proximity to both Town Centre and Mixed Use zones. The likelihood of the site being redeveloped in the near future (or indeed any timeframe) for industrial use is unrealistic, given the investment made by Woolworths into the site. Woolworths therefore consider an alternative, and appropriate zone for the site would be Large Format Retail zone. This is not considered to adversely affect the District's ability to provide for industrial land supply relative to demand, noting the existing nonindustrial use of the site. Rather, the proposed Large Format Retail zone facilitates efficient resource management of the existing and established supermarket on the site. The corollary of retaining the GIZ as notified is that any minor additions and alterations to the existing, established supermarket would necessitate noncomplying activity consents, which is not commensurate as an activity status with the scale of the effects arising from any such proposal in this circumstance, nor is it efficient and nor does it provide any certainty.

- 65. Woolworths considers that the proposed Medium Density Residential zoning of its existing Countdown site at 40 54 Ivory Street, Rangiora East is inappropriate. Woolworths acknowledges that the site is located within an established residential area. However, it is also located on a key transport route just south of the town centre and is a well-established commercial activity in its own right. The likelihood of the site being redeveloped in the near future (or indeed any timeframe) for residential use is unrealistic, given the investment made by Woolworths into the site.
- 66. Woolworths therefore considers an alternative, and appropriate zone for the site would be Mixed Use. Woolworths recognises that the Mixed Use zone application warrants an extension of the PDP's intended application of the zone solely around Kaiapoi town centre, according to the Mixed Use zone's introductory text. However, this is not considered to adversely affect the higher order provisions. Nor does it undermine the PDP's centres hierarchy or preclude future residential use, but it does facilitate efficient resource management of the existing and established supermarket on the site. Woolworths suggests the broader application of the Mixed Use zone throughout the district would be a sensible and efficient way to achieve the PDP's Strategic Directions.
- 67. Finally, Woolworths owns the property at 2 Main North Road, Woodend. Woolworths considers the proposed General Residential zoning as notified is not the most appropriate zone for the site, having regard to its location on a key intersection of strategic routes, it forms a gateway into the developing settlement of Woodend, and an initial gateway to link to Pegasus Bay. The adjacent property to the north is utilised as a motel or quasi-commercial activity and has been long established as such. Therefore, having regard to the site specific characterises of the area, the size of the site, its accessibility to major routes and gateway status, Woolworths considers a more appropriate zone would be Mixed Use.

Relief Sought

68. Woolworths seeks:

- a) Clarification and any necessary amendments to the PDP to address the matters outlined above; and
- b) One way to address Woolworths' relief sought is per the redline text in Appendix 1 to this submission; and
- c) Any necessary consequential relief to give effect to its submission.
- 69. Woolworths wishes to be heard in support of its submission.

70. If others make a similar submission, Woolworths would consider presenting a joint case with them at the hearing.

DATED at Auckland this 25th

day of November 2021

Signature:



Matthew Grainger
Director – Format, Network Development
& Property
Woolworths NZ Ltd

Address for Service: Forme Planning Limited PO Box 24463 Royal Oak Auckland 1345

Attention: Kay Panther Knight

Appendix 1

Redline Text

Objectives and Policies

Support the following objectives and policies

Objective SD-O2

Policy UFD-P4

Policy UFD-P7

Objective CMUZ-O1

Objective CMUZ-O2

Policy CMUZ-P6

Policy TCZ-P1

Amend the following objectives and policies

Policy CMUZ-P1 Centre function, role and hierarchy

Ensure commercial growth and activities are focused within a hierarchy of commercial centres to support a compact urban form, consistent with their role and function that supports and maintains:

- 1. town centres as the District's principal employment and commercially focused areas, and the primary focal point for community and other activities at the highest density of development;
- 2. local centres which provide for a range of activities to meet the daily/weekly shopping needs of residential or nearby rural areas, while protecting the role and function of the town centres;
- 3. neighbourhood centres which provide for a range of small scale activities to meet the mainly convenience needs of immediate residential neighbourhoods, while protecting the role and function of the town and local centres; and
- 4. the existing commercial centre within Belfast/Northwood in the Christchurch District.
- 5. the potential for other locations, including but not limited to the Mixed Use zone and Large Format Retail zone, to provide a complementary role in relation to the centres hierarchy, subject to assessment that confirms significant adverse effects on the centres hierarchy are avoided.

Comment:

Policy CMUZ-P1 reinforces Objective SD-O2 and Objective CMUZ-O1 regarding the centre function, role and hierarchy. Given the flexibility introduced by Policy SD-P7 and the requirement for the PDP to provide for anticipated growth, Woolworths considers Policy CMUZ-P1 could be amended to incorporate the potential for out-of-centre activity, namely supermarkets, where appropriately managed in respect of that centres hierarchy.

This approach would implement the flexibility in Policy SD-P7 and recognises the currently constrained extent of CMUZ land in and around the main centres.

Policy CMUZ-P2 Other commercial zones function and role

Only provide for other commercial activities in other Commercial and Mixed Use Zones where <u>significant adverse effects arise on these do not adversely affect</u> the role and function of Town Centres, and the investment in public amenities and facilities in the Town and Local Centre Zones.

Comment:

Policy CMUZ-P2 is unnecessarily restrictive. Essentially, this limits commercial activities in LFRZ or MUZ despite being part of the CMUZ, to only being provided "where these do not adversely affect the role and function of Town Centres". This position needs qualification and flexibility to enable appropriate commercial activities to occur within these CMUZ.

Policy CMUZ-P5 Scale and form of development in all Commercial and Mixed Use Zones

Support the function, role and character of all Commercial and Mixed Use Zones by enabling:

- 1. the largest scale of built form including larger floor areas and building heights, and concentration of activities in the Town Centre Zone;
- 2. medium scale development in the Local Centre Zone and Mixed Use Zone;
- 3. small scale activities and a low rise-built form in the Neighbourhood Centre Zone that respects and integrates with the suburban residential context; and
- 4. larger floor areas in the Large Format Retail Zone.
- 5. <u>supermarkets to be conveniently located in relation to the catchments they serve.</u>

Comment:

A supermarket by its form and function, is required to be of a sufficient scale to serve its catchment, and whilst that scale also varies, this policy does not comfortably provide for the necessarily larger scale of supermarket activity, even at a neighbourhood centre level. Rather it overlooks the functional and operational requirements of supermarkets to co-locate with those catchments, as essential services, and that approach is carried through into the rules in respect of permitted floor areas and activity status within the CMUZ. The proposed amendment is simple, but allows lower order provisions to further develop an exclusion for supermarkets in this cascading urban form policy approach. This amendment also seeks to differentiate supermarkets from other large format retail given their functions are quite different – occasional, comparison shopping for (often)

bulky goods as compared to essential service, convenience shopping for supermarkets. Given their function, customers regularly visit supermarkets and therefore co-locating with new and existing catchments reduces vehicle kilometres travelled and encourages more sustainable transport modes such as walking and cycling.

Objective NCZ-O1 Neighbourhood Centre Zone activities

Neighbourhood Centres:

- 1. provide for a range of activities and scale that directly support the immediate or nearby residential neighbourhood;
- 2. do not <u>provide for development that results in significant adverse effects on</u> adversely affect the role and function of Town and Local Centres, nor undermine investment in their public amenities and facilities; and
- 3. amenity values are managed within the zone and at the interface with adjacent Residential Zones.

Comment:

Avoiding all adverse effects is too high a threshold for activities in lower order centres which should be encouraged to develop in accordance with their roles and functions. Some adverse effects may arise but can be assessed through expert analysis to be acceptable and therefore enable the proposed development to continue. As worded, the objective will stymie that development.

Policy NCZ-P1 Design and integration

Within Neighbourhood Centres:

- enable a limited range of convenience activities that provide for the immediate residential neighbourhood and do not <u>result in significant adverse effects on</u> adversely affect the role and function of Town and Local Centres;
- 2. enable a range of Centre sizes that generally comprise up to 450m² total floor space and up to five shops with a maximum retail tenancy of 350m² GFA;
- 3. ensure activities are accessible by walking and cycling from the area served; and
- 4. adverse amenity effects are managed within the zone and at the interface with neighbouring more sensitive zones.

Comment:

The scale of development should not be so prescriptive at the policy level. Lower order provisions can establish the intended character, albeit in Woolworths' view to a more flexible scale.

Objective LCZ-O1 Local Centre Zone activities

Local Centres:

- 1. are the focal point for a range of commercial, community and service activities at a smaller scale than Town Centres to provide for the daily/weekly shopping needs of the local residential or nearby rural area, including enabling a range of convenience activities:
- 2. activities do not provide for development that results in significant adverse effects on adversely affect the role and function of Town Centres; and
- 3. amenity values are managed within the zone and at the interface with adjacent residential zones.

Comment:

As above for NCZ-O1.

Policy LCZ-P1 Design and integration

Within Local Centres:

- enable commercial, community, convenience and service activities that provide for the daily/weekly shopping needs of the local residential or nearby rural catchment and do not <u>result in significant adverse effects on adversely affect</u> the role and function of Town Centres, nor undermine investment in their public amenities and facilities;
- 2. enable a range of Local Centres which, excluding the Woodend Local Centre, generally comprise 1,000m² to 4,000m² total floor space and up to 15 shops with a maximum retail tenancy of 350m² GFA;
- 3. ensure Local Centres are integrated into the transport system to promote efficient safe and accessible modal choice, and manage adverse effects on the operation of the transport system; and
- 4. adverse amenity effects are managed within the zone and at the interface with neighbouring more sensitive zones.

Comment:

As above for NCZ-P1.

Objective MUZ-O1 Kaiapoi regeneration support Design and Integration

Development within the Mixed Use Zone supports the regeneration of the area and supports the role, function and continued viability and vitality of the centres hierarchy Kaiapoi Town Centre.

Comment:

Proposed amendments expand the application of the MUZ and better articulate its complementary and supportive role for centre growth and development in accordance with the centres hierarchy.

Policy MUZ-P1 Integration with the town centre

Provide for a mixture of commercial and residential activities in the Mixed Use Zone where these:

- 1. support the Kaiapoi Town each Ccentre's identified function, role and amenity values;
- 2. are of a scale, configuration or duration that do not result in strategic or cumulative effects on the efficient use and continued viability of the Kaiapoi Town C relevant centre; and
- 3. support the ongoing regeneration of the Kaiapoi relevant township.

Comment:

As for the amendments to Objective MUZ-O1.

Objective TCZ-O1 Town Centre Zone activities and function

Town Centres:

- 1. are the District's principal focal point for a wide range of commercial and community activities, supported by recreation, residential and service activities;
- 2. provide the primary retail destination for comparison and convenience shopping in the district with the greatest mix and concentration of activities;
- 3. predominantly provide the greatest scale of built form of all zones; and
- 4. are accessible by a range of modes of transport including public transport.

Comment:

As for the amendments to Policy CMUZ-P5, to enable lower order provisions to facilitate large format development within both the Town Centre zone and LFRZ.

Policy TCZ-P2 Town Centre Zone activities and form

Within Town Centres:

- 1. enable the widest range of retail, commercial, community, recreation and service activities, with the greatest concentration and scale of built form;
- 2. encourage medium and high density residential activity where this does not foreclose the provision of active frontages, or compromise achieving a concentration of commercial activities;
- 3. provide for other activities only where these do not <u>significantly</u> adversely affect amenity and streetscape values, or compromise the function and capacity of the zone to provide for primarily commercial and community activities;
- 4. have well designed large buildings and active frontages to principal shopping streets;
- 5. provide for pedestrian priority within the retail core while ensuring accessibility by a range of modes of transport;

- 6. support patronage of public transport by encouraging a well located and connected transport interchange;
- 7. encourage the provision of shared parking and loading to the side or rear of primary building facades in order to avoid visually or physically dominating the streetscape;
- 8. manage the effects of buildings and activities at the interface with more sensitive zones; and
- 9. avoid, or where appropriate manage, activities that are incompatible with the zone.

Comment:

These amendments seek to create flexibility for development within the primary focal point of commercial activity in the district such that the threshold for avoiding adverse effects or specific activities does not wholly stymie such development, where consenting processes can enable acceptable urban form and centre design outcomes.

Objective INZ-O2 Role and function of Industrial Zones

Industrial zones that:

- 1. provide opportunities for light, general and heavy industrial activities in identified zoned areas to meet the diverse needs of a range of industrial activities; and
- avoid <u>commercial activities that do not demonstrate a functional need to locate</u> <u>within that zone and that result in significant</u> adverse effects on the role and function of Town Centres; and
- 3. do not undermine investment in public amenities in the Town and Local Centre Zones.

Comment:

The use of the word "avoid" is a difficult test to meet in policy terms particularly if interpreted as activities needing to show zero impact on the function of identified centres. The amendments above seek to introduce a reasonable threshold, tied to effects and identifying the potential for non-industrial activities to have a functional need to locate within the zone. Coupled with a proposed Discretionary Activity status for supermarkets, it is considered this policy still requires a comprehensive and robust assessment of effects on centres and the over-arching intent of the industrial zones.

Policy INZ-P2 Adverse effects on Town and Local Centres

Avoid retail activity, office, commercial services and other non-industrial activities that do not demonstrate a functional need to locate within that zone and that could individually or cumulatively result in significant adverse effects on adversely affect

the role and function of town centres, and undermine investment in public amenities and facilities in the Town and Local Centre Zones.

Comment:

As above for Objective INZ-O2.

Policy GIZ-P1 Activities

Recognise and provide for a range of general industrial and other compatible activities and avoid <u>non-industrial</u> activities which do not <u>demonstrate a functional need to locate within that zone or that otherwise do not</u> support the primary function of the zone.

Comment:

As above for Objective INZ-O2 and Policy INZ-P2.

Rules, Standards and Assessment Criteria

Support the following rules

Rule TCZ-R2 Retail activity

All Built Form Standards in TCZ, LCZ, NCZ, and MUZ including activity status when compliance not achieved

Rule MCZ-R2

Rule LFRZ-R2

Rule LIZ-R1

Rule SIGN-R6 where signs exceeding the standards require restricted discretionary activity consent

Amend the following rules

Amend Rule LCZ-R4 Retail activity to increase any maximum GFA limits or to exclude supermarkets from the maximum GFA limit.

Comment:

The intent of the rule is to ensure each centre provides for a scale of retail activity commensurate with its role in the centres hierarchy. However, a blanket GFA rule unnecessarily restricts supermarkets that by virtue of their operational and functional requirements are larger than other retail activities. It is recognised however that supermarkets play an important role in anchoring centres, delivering vitality and amenity to those centres and being so located to best serve their growing residential catchments. The urban design components of a supermarket are addressed by the requirement for a

resource consent for any building GFA that exceeds 450m² and this is not proposed to be challenged.

Amend Rule NCZ-R4 Retail activity to increase any maximum GFA limits or to exclude supermarkets from the maximum GFA limit.

Amend Rule NCZ-R19 to exclude it from applying to supermarkets. Failing that, delete Rule NCZ-R19.

Comment:

The proposed non-complying activity status for supermarkets as large format retail in the NCZ does not clearly understand the difference between supermarkets as an essential service for growing and established residential communities as compared to comparison retailing at bulk scale. The NCZ could introduce the same 450m² building threshold as LCZ-R1 and TCZ-R1 to address matters in CMUZ-MD3 if required.

Clarify that Rule MUZ-R12 does not capture supermarkets.

Delete Rule LFRZ-R1.

Comment:

The Large Format Retail zone should not be limited in respect of building GFA. The intent of the zone is to enable activities larger than elsewhere yet the same GFA threshold is proposed. Therefore, in terms of land use planning, there is no incentive for a large format retailer to locate in this zone over any other business zone, and will not encourage an agglomeration of large format retailers in the desired locations. There is no corresponding requirement from an urban design perspective as there might be in centre zones to require consent from 450m² GFA and over.

Delete LFRZ-R18 and replace with a rule providing for supermarkets as restricted discretionary.

Comment:

Supermarkets should be restricted discretionary in the Large Format Retail zone. The status of supermarkets as activities elsewhere, i.e. centres in particular, shows that the PDP is not trying to use activity status in the LFRZ to encourage supermarkets to locate in centres first. Rather, the current approach renders supermarkets unable to locate anywhere in the CMUZ as a permitted activity. A supermarket wholly fits the stated intent of the LFRZ and Woolworths' "centres plus" approach to commercial development supports this policy intent, whereby the LFRZ plays a complementary not restricted role in commercial growth. Applying CMUZ-MD12 (and the new matter of discretion for

supermarkets outlined below) will address the extent to which adverse effects on the centres hierarchy arise.

Introduce new Matter of Discretion for supermarket activities in all CMUZ, as follows:

The extent to which the external appearance, scale and design of buildings (including material and colour), equipment and structures:

- a) provide for visual interest through a variety of styles and forms in terms of footprint, design and height
- b) maintain streetscape amenity and continuity of built form
- c) parking, loading and access is designed so as not to compromise pedestrian amenity and safety adjacent the site
- d) integrate with adjacent activities and development in terms of the provision of entrances, publicly accessible spaces, parking, loading areas, access to public transport and pedestrian linkages

For the purposes of assessing the above criteria, regard shall be had to the following operational and functional requirements:

- a) store visibility that is easily identifiable when viewed from the street and surrounding area
- b) where provided, customer car parking is clearly visible and accessible to motorists approaching the store from the local roading network and to customers on site
- c) where large format buildings are required, there is provision for some solid facades to facilitate internal shelving and fresh produce display
- d) <u>adequate and accessible servicing areas that are preferably separated from</u> customer vehicle traffic and pedestrian movements.

OR

Amend CMUZ-MD3 Urban design and CMUZ-MD7 Road boundary setback, glazing and verandah to include specific reference to balancing operational and functional requirements of supermarkets with the other matters of discretion, relying on the wording above.

Comment:

The above matters of discretion are taken from the Hamilton City Council's Operative District Plan, which actively recognises the operational and functional requirements for supermarkets over comparison and boutique retail. They present a balanced assessment of supermarkets against centre urban design ideals.

Insert new rule in LIZ and GIZ providing for supermarkets as a discretionary activity rather than non-complying.

Comment:

Enable supermarkets as discretionary activity in the LIZ and GIZ for the reasons noted in the submission.

Amend Table SIGN-S2 to increase the permitted maximum sign display area for supermarkets in all zones.

Specifically, amend Table SIGN-S2 to increase the permitted maximum sign display area for the LIZ, GIZ and LFRZ from 12m² to 27m² for free-standing signs.

Comment:

The LIZ, GIZ and LFRZ can accommodate greater signage without detriment and should be able to be commensurate with the scale of the building in these zones, acknowledging their anticipated lower-quality visual amenity and character. Supermarket activities in other CMUZ can also accommodate a greater increase in signage scale and dominance, given their anticipated commercial and intensive character.

Amend Table TRAN-1 to increase the permitted daily traffic volume thresholds for supermarkets so as to align with the Auckland Unitary Plan threshold of 1,667m² of new retail GFA, after which an Integrated Transport Assessment is required and a restricted discretionary activity consent.

Comment:

Increase the threshold above which assessment and consenting is required, recognising that the triggers as notified are too low and therefore onerous in respect of the potential effects to be managed.