

Before an Independent Hearings Panel at Ashburton

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*under:* the Resource Management Act 1991

*in the matter of:* Proposed Plan Change 4 to the Ashburton District Plan

Section 42A Report of Matt Bonis  
On behalf of Ashburton District Council  
Commercial Activity Distribution

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Dated: 23 April 2021

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## STATEMENT OF EVIDENCE OF MATTHEW BONIS

### INTRODUCTION

- 1 My full name is Matthew William Bonis. I am an Associate at Planz Consultants Ltd in Christchurch. I have held this position since 2009.
- 2 I hold a Bachelor of Regional Planning degree, and have been employed in the practise of Planning and Resource Management for over 20 years.
- 3 I am a full member of the New Zealand Planning Institute.
- 4 I am providing planning evidence on behalf of Ashburton District Council (**ADC**).
- 5 I am the author of the notified Plan Change 4 (**PC4**) and the accompanying Section 32 report (**The Planning Section 32 Report**).
- 6 I am familiar with Ashburton District's commercial centre(s) and wider business zones.
- 7 In preparing this evidence I have read and had regard to:
  - 7.1 the plan change document, section 32 assessment, and accompanying technical report (Property Economics Ltd (2019);
  - 7.2 the submissions and further submissions received on the plan change.
- 8 In my evidence, except where otherwise stated, I have relied on the evidence of Mr Tim Heath (economics).

### Code of Conduct

- 9 Although this is a Council hearing, I note that in preparing my evidence I have reviewed the code of conduct for expert witnesses contained in part 7 of the Environment Court Practice Note 2014 (the Practice Note). I have complied with it in preparing my evidence. I confirm that the issues addressed in this statement of evidence are 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.
- 10 Clause 1.2 of the Practice Note identifies a duty on all parties, "*at all stages of a proceeding, to work constructively to find solutions and narrow issues (whether of process or of substance)...*". Subject to that duty, discussions and correspondence has been undertaken with representatives of **Foodstuffs South Island Ltd (Sub 3)** to frame and potentially resolve their relief in a manner that achieves the purpose of the Act. This matter is addressed in Section C of this Report.
- 11 Planz Consultants Ltd has, and is undertaking work for Woolworths New Zealand Ltd, albeit not in Ashburton. Woolworths New Zealand have not submitted on PC4, and subsequent correspondence with Woolworths New Zealand in terms of the recommended resolution for the Foodstuffs South Island submission has been undertaken by Mr Ian Hyde, District Planning Manager.

### SCOPE OF EVIDENCE

- 12 My evidence will deal with the following:
  - 12.1 Part A - Background
    - (a) Statutory and non-statutory documents

- (b) Issues and analysis
- (c) Overview of issues raised by submitters
- 12.2 Part B - Scope of PC4;
- 12.3 Part C - Analysis of submissions
  - (a) General relief - Support
  - (b) Foodstuffs South Island Ltd - Supermarkets
  - (c) P Bean – Office Agglomeration
- 12.4 Part D - Conclusion

### EXECUTIVE SUMMARY

- 13 Plan Change 4 (**the Plan Change or PC4**) was notified by the Ashburton District Council on 4 November 2020.
- 14 The stated purpose of PC4 is to strengthen the role and function of the Town Centre (Business A zone) as the primary commercial, retail, recreation, cultural and entertainment centre for the district. The associated provisions restrict and manage the distribution of commercial activities and retail activities within the Business B, C, D and E zones of the District.
- 15 The Plan Change was promulgated as a response to a number of large scale resource consents being granted for core retail outside of the Town Centre, including the recent KMART resource consent; and concerns raised by the Council (and community) as to a continued lack of private sector investment and loss of amenity within the Town Centre - as identified in the commissioned Property Economics Ltd Report (2019<sup>1</sup>).
- 16 The notification of PC4 received five (5) submissions and two (2) further submissions.
- 17 These submissions and the implications of the associated relief sought have been considered, as well the economic implications of that relief as assessed by the Council's economic witness – Mr Tim Heath.
- 18 My overall recommendation is that the framework and structure of the provisions be largely retained as notified. The support for the provisions is outlined in the section 32 assessment (s32 report) dated 28 August 2020.
- 19 However, in considering the relief from Foodstuff South Island Limited (Sub 3) additional provisions have been recommended to manage the supply and effects associated with Supermarkets. The recommended provisions include an 'overlay' notating both the existing Ashburton Supermarkets and the Foodstuffs owned property at 407 West Street, in conjunction with changes to Policy and a Restricted Discretionary Activity Status ('RDA'). A brief s32AA is provided. These amended provisions in the context of the notified provisions are attached as **Attachment A**.
- 20 I consider that the recommended addition of a 'Supermarket overlay' and corresponding provisions: better achieve the purpose of the Act; 'give effect' to the respective higher order statutory documents; and are more effective and efficient in

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<sup>1</sup> Property Economics. Ashburton Town Centre Zoning Economic Assessment (2019)

achieving the objectives in the Plan. In all other respects, the provisions were not materially challenged by submissions.

- 21 **Attachment B** sets out my recommendations for individual submissions, and whether these be **accepted, accepted in part, or rejected**.

## **PART A - BACKGROUND – STATUTORY AND NON-STATUTORY DOCUMENTS**

- 22 The PC4 Planning Report and Section 32<sup>2</sup> provides a consideration of the higher order statutory and planning documents assessed in the preparation of PC4.

- 23 In essence, the legal framework is set by sections 32 and 75(3) of the RMA.

- 24 It involves a comparison between the status quo (the Operative Plan provisions for Business distribution) and what is advanced by Plan Change 4 (including potential modifications sought in submissions).

- 25 That comparison is to consider whether the proposed provisions will achieve and/or better meet the purpose of the RMA<sup>3</sup> (in terms of changes to Objective 5.1) and subsequently whether the changes to provisions introduced by PC4 (including changes to Policies 5.1A to 5.1E and associated rules (and assessment matters) are the 'most appropriate' to achieve the Objective<sup>4</sup> (as well as any relevant settled operative Objectives in the Plan).

- 26 Section 75(3) sets out a mandatory directive that the District Plan must give effect to: any national policy statement and any regional policy statement.

- 27 A brief summary of the relevant legislation and documents is provided below.

### ***The Resource Management Act 1991***

- 28 Section 2.1 of the PC4 Report outlines the statutory requirements for consideration of proposed plan changes from *Colonial Vineyard vs Marlborough District Council*<sup>5</sup>.

- 29 In summary,

- (a) Provisions in the District Plan are to assist the Ashburton District Council in undertaking its functions under the Act<sup>6</sup>, including the function of seeking to achieve the integrated management of the use, development and protection of land and associated natural and physical resources of the (Ashburton) District<sup>7</sup>.

An important physical resource is the buildings and supporting infrastructure that represents the Town Centre (Business A zone).

That function is to be fulfilled by objectives, policies and methods within the District Plan that control any actual or potential effects of the use, development and protection of land<sup>8</sup>.

<sup>2</sup> [https://www.ashburtondc.govt.nz/\\_data/assets/pdf\\_file/0019/26065/s32-Report-Plan-Change-4.pdf](https://www.ashburtondc.govt.nz/_data/assets/pdf_file/0019/26065/s32-Report-Plan-Change-4.pdf)

<sup>3</sup> Section 32(1)(a)

<sup>4</sup> Section 32(1)(b)

<sup>5</sup> [204] NZEnvC, 55, at paragraph [17]

<sup>6</sup> Section 74(1)(a)

<sup>7</sup> Section 31(1)(a)

<sup>8</sup> Section 31(c)

In establishing, implementing and reviewing the objectives, policies and methods (of the Plan), ensure sufficient development capacity<sup>9</sup> in respect of ... business land to meet the expected demands of the district<sup>10</sup>.

- (b) The preparation of the District Plan is to be undertaken in accordance with the provisions of Part 2, and any applicable regulations.
  - (c) The approach needs to align with the Council's functions under the Act and other relevant instruments.
    - a. That processes (and provisions that drive processes) are timely, efficient and cost effective and proportionate to the functions being performed, and that plan drafting is clear and concise (Section 18A); and
    - b. When reaching a conclusion as to which provision is the 'most appropriate' the requirements of s32, having regard to the efficiency and effectiveness of the provision is to be considered.
- 30 In terms of land use intervention, the District Plan seeks to manage the distribution of activities on the basis that managing the location of these activities can ensure:
- a. that they are efficiently serviced by necessary infrastructure (sewer, water and roads)<sup>11</sup>;
  - b. incompatible activities are kept apart, or buffered by less sensitive activities<sup>12</sup>;
  - c. a compatible and coherent amenity is developed over time<sup>13</sup>;
  - d. investment in existing built form (buildings, the transport network and services) is maintained and strengthened<sup>14</sup>.
- 31 The rationale for good urban planning is not based solely on the basis that 'appropriate' urban forms exist to help secure the outcomes identified above, or manage direct environmental effects from one activity onto another. The converse is also important, that where the Council does not manage the distribution of activities, the resulting land use patterns are likely to produce a wide range of adverse environmental effects<sup>15</sup>.
- 32 In terms of the **purpose** of the District Plan, **s72** of the RMA1991 states:
- "the purpose of the preparation, implementation and administration of district plans is to assist territorial authorities to achieve the purpose of this Act."*
- The relevant questions in terms of the Council's functions in relation to the form, spatial distribution and amenity associated with retail activities and commercial activities in the District are therefore:
- a. Are controls necessary and appropriate to achieve integrated management of the use, development and protection of land and associated natural and physical resources of the district; and

<sup>9</sup> Section 2 Interpretation, s30(5)

<sup>10</sup> Section 31(b)

<sup>11</sup> Issue 5.2.1 Operative District Plan 'Location, Growth and Consolidation of Business Areas'

<sup>12</sup> Issue 5.2.1 Operative District Plan 'Location, Growth and Consolidation of Business Areas'

<sup>13</sup> Issue 5.2.2 Operative District Plan 'Amenity'

<sup>14</sup> Issue 5.2.1 Operative District Plan 'Location, Growth and Consolidation of Business Areas'

<sup>15</sup> Canterbury Regional Policy Statement. Policy 5.3.1, Explanation.

- b. Are resultant provisions (objectives, policies and rules (including zones)) appropriate to manage any actual or potential effects of the use, development or protection of land.

### ***The National Policy Statement – Urban Development***

- 33 **National Policy Statements** are the RMA legislative tool whereby central government can prescribe objectives and policies to address matters of national significance. The Council must prepare and change its plan in accordance with a NPS (**s74(1)**) and must *give effect* to any relevant NPS (**s75(3)**).
- 34 The only relevant NPS in this instance is the National Policy Statement on Urban Development (**NPS-UD**).
- 35 The NPS-UD (2020) seeks to regulate those processes already undertaken by Ashburton District Council; in that it prescribes:
- (a) obligations for better analysis as to providing for residential and business growth;
  - (b) obligations for land supply for residential and business land to meet future demand (30 years).
- 36 Application of the NPS-UD is not uniform for all local authorities. Local authorities are categorised as Tier 1, Tier 2 or Tier 3 authorities, with the former being considered urban areas of high growth and medium growth respectively. Ashburton district is deemed a Tier 3 authority.
- 37 In terms of the outcomes associated with PC4, the Business provisions in the District Plan are to contribute to:
- Achieving a well-functioning urban environment that enables people and communities to provide for their social, economic and cultural well-being, now and into the future (**Objective 1**).
  - District Plan's enabling more... business and community services to be located in, areas of an urban environment: (a) in or near a centre zone; (b) where an area is well serviced by public transport (**Objective 3**).
  - Local authority decisions on urban development that affect urban environments are: (a) integrated with infrastructure planning and funding; and (b) strategic over the long to medium term (**Objective 6**).
  - Local authorities are to have robust and frequently updated information about their urban environments and use it to inform planning decisions (**Objective 7**).
- 38 Well-functioning urban environments are defined in Policy 1. In relation to PC4 the relevant elements are:
- Policy 1: Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:..*
- (b) *have or enable a variety of sites that are suitable for different business sectors in terms of location and site size; and*
  - (c) *have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*

- (d) *support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; and*
  - (e) *support reductions in greenhouse gas emissions; and...*
- 39 Of relevance to the Submission from **Mr Price (Sub 5)** is **Policy 11** of the NPS-UD. Policy 11, and its implementation requires that territorial authorities do not set minimum car parking rate requirements, other than for accessible car parks. Local authorities are instead 'encouraged' to manage effects associated with car parking supply and demand through comprehensive car parking management plans. Part 4 – Timeframes, identifies that local authorities are to remove car parking requirements either 'as soon as practicable' or by February 2022.
- 40 The implications for PC4 of the NPS-UD are that the Ashburton District Council is to provide at any one-time sufficient business development capacity<sup>16</sup> for different business sectors, in the short (3 years), medium (10 years) and long terms (30 years). PC4 is narrowed solely to commercial activity and retail development capacity. Of relevance, 'Business Land' is defined in the NPS-UD<sup>17</sup> as including:
- (b) *the commercial zone;*
  - (c) *the large format retail zone;*
  - (d) *any centre zone, to the extent it allows business uses...*
- 41 In terms of the District Plan provisions, the short and medium-term capacity requirements are relevant, with the Plan to ensure that 'development capacity' must be feasible, zoned and either infrastructure ready or funding for such identified in the Long-Term Plan.
- 42 The term 'feasible', which is relevant to the Foodstuffs South Island Submission (Sub #3) is defined in the Interpretation (Section 1.4) as:
- feasible means:*
- (a) *for the short term or medium term, commercially viable to a developer based on the current relationship between costs and revenue.*
  - (b) *for the long term, commercially viable to a developer based on the current relationship between costs and revenue, or on any reasonable adjustment to that relationship.*
- 43 Unlike the requirements on Tier 1 and Tier 2 authorities, there is no mandatory requirement<sup>18</sup> for Ashburton District to ensure a contingency or competitive buffer above that of predicted supply over the short term (20%), medium term (20%) or long term (15%).
- 44 In *giving effect* to the requirements of the NPS-UD, the provisions of the District Plan must ensure that sufficient development capacity, being both feasible and zoned, for business activities is able to be realised and supported by an associated policy framework.
- 45 The Evidence in Chief (EiC) of Mr Heath (**Attachment C**) identifies that future retail and commercial growth can be accommodated within the existing Town Centre Business A zone. This is predicated on a sustainable land demand of approximately 18ha by 2038, assuming an ambitious 80% of the retail growth is captured within

<sup>16</sup> As defined NPS-UD. Section 1.4 and includes: the zoning, objectives, policies, rules, and overlays that apply in the relevant proposed and operative RMA planning documents.

<sup>17</sup> NPS-UD. Section 1.4

<sup>18</sup> NPS-UD Section 3.21

the Business A zone, and an average of 2-story development for commercial office space. With 19.8ha of Business A zone (Ashburton Town Centre), there is a buffer of some 1.3ha, which increases should the 80% assumption of captured supply not be achieved.

- 46 Therefore, in terms of zoned supply, there is sufficient capacity in the Ashburton Town Centre Business A zone to accommodate both short and medium-term demand in retail activity and commercial activity as required by the NPS-UD.
- 47 However, the Section 32 report, and accompanying Property Economics Limited Report (2019) identified that redevelopment in the Town Centre can be hampered by the extent to which fragmented ownership and titles can inhibit redevelopment<sup>19</sup>. The Property Economics Ltd Report also identifies:

*"There are no supermarkets within the town centre provision at present, and in face a lack of retail stores in general, with only 3 small specialist food retailers accounted for. Modern supermarkets (often with a GFA footprint between 3,500 and 6,000m<sup>2</sup>) typically require large land holdings (around 1.5ha). These are difficult to find and / or group together in town centre locations, albeit often required to enable a large modern supermarket to be feasibly established economically within a town centre environment"*<sup>20</sup>.

- 48 In addition, I am also aware of the the *Billimag Holdings*<sup>21</sup> Environment Court Decision. The Hearing was based on an Appeal to Plan Change 53 to the Operative Waipa District Plan seeking to rezone a site to General Zone to provide for a large-scale Supermarket in Te Awamutu some 1.2km from the Te Awamutu Town Centre.
- 49 The Court concluded that it is important in terms of providing objectives that seek to reinforce a 'centres based' strategy for the containment and enablement of retail development, that this outcome is correspondingly aligned with the opportunity for such retail growth to be met in centre. Where development opportunity for in-centre retail development cannot be met in-centre, objectives seeking such cannot be easily justified, and some flexibility may be needed to accommodate changing forms of retailing whilst ensuring adequate mitigation of other potential effects on the Town Centre.
- 50 In terms of giving effect to the NPS-UD I am of the view that there is appropriate development capacity provided in the Business A zone for Ashburton Town Centre to meet short- and medium-term demand.
- 51 There is a residual issue as to whether such realisable capacity is 'feasible' as narrowed to the provision of an additional modern supermarket's ability to be developed in the Business A zone to meet demand. This matter is discussed further in terms of the submission relation to **Foodstuffs (Sub 3)**.

### ***The Canterbury Regional Policy Statement (2013) – Section 75(3)***

- 52 The respective Canterbury Regional Policy Statement provisions are set out in Section 2.5.1 of the Section 32 Report.
- 53 These provisions seek to ensure urban growth occurs in a form that concentrates existing urban areas and promotes coordinated patterns of development. Business

<sup>19</sup> The PC4 Report. [19, 139]

<sup>20</sup> Property Economics (2019) [Section 10]

<sup>21</sup> *Billimag Holdings Ltd vs Waipa District Council C072/2008* [86., 87] (refer Section 4.1 of the Assessment accompanying the Plan Change).



opportunities are to be of a character and form that supports urban consolidation (**Policy 5.3.1(2)**), encourage high quality urban design and enhancement of amenity values (**Policy 5.3.1(5)**), and avoid conflicts between incompatible activities (**Objective 5.2.1(2)(i)**).

- 54 There is misalignment between the provisions of the CRPS which seek a consolidated and co-ordinated approach to managing urban growth, and a dispersal of retail and commercial development outside of the Business A (town centre) zones.

#### ***Iwi Management Plans – Section 74(2)***

- 55 The Ashburton District is a significant area for the takata whenua, Ngāi Tahu, and Te Rūnanga o Arowhenua in particular.
- 56 It is understood that Te Rūnanga o Arowhenua hold manawhenua for the Ashburton District takiwa. The 'Iwi Management Plan' of Kati Huirapa for the Area Rakaia to Waitaki (1992) does not extend to specific matters in relation to business distribution; neither does the Mahaanui Iwi Management Plan (2013) which outlines the approach for ensuring that Ngāi Tahu cultural values into account in terms of RMA decision making.
- 57 There are however a number of broader principles within the Mahaanui Plan relating to settlement urban design, stormwater management, and waipuna (water quality).

## **PART A - BACKGROUND – ISSUES AND ANALYSIS**

### ***Discussion***

- 58 The Operative District Plan identifies that the inner commercial areas of Ashburton and Methven are *'the focal points for broad range of commercial, professional and administrative activities in these towns, particularly their comparison or "browsing" and retailing functions'* and that the function, integrity, convenience and viability of the inner commercial areas is to be maintained and enhanced.
- 59 However, recent developments and consents, including the proposed Kmart on South Street<sup>22</sup> demonstrate that achieving the District Plan's aim of consolidating the Town Centre is not occurring.
- 60 The EiC from Mr Heath identifies the systemic issues confronting the Ashburton Town Centre <sup>23</sup>. Fundamentally these include the extent to which retail developments in Ashburton have occurred in zones outside the Town Centre dispersing reinvestment and commercial employment, and resulting in the aging nature of buildings, a reduction in contemporary fit-out, and a narrowed format of retail offer in the Town Centre.
- 61 The Ashburton Town Centre Business A zone has some 3,600m<sup>2</sup> of vacant stores, and also contains a substantial proportion of 'Other Goods Retailing', the long term retention of which provides opportunity costs for retail, commercial services and office activities that would otherwise enhance Town Centre vitality and viability.

<sup>22</sup> Including River Crossing Limited LUC 19/0012 (the Kmart Decision)

<sup>23</sup> EiC Heath [46 - 49]

- 62 Over 56% of the scale of floor areas within the Ashburton Town Centre Business A zone exceeds 500m<sup>2</sup>, despite rules in the Operative District Plan seeking to preclude retail activities exceeding 500m<sup>2</sup> which signals to the market that the District Plan discourages large format retail and associated redevelopment within the Business A zone.
- 63 There are a substantial number of ‘trade supplier’ related activities in the Business A zone<sup>24</sup>. The ability to transfer these activities to more Industrial locations (the Business C and D zones) can free up substantial areas of land for more public orientated retail activities and commercial activities in the Town Centre.
- 64 The fundamentals of the existing Business A (Town Centre) are highly dependent on commercial (office) employees, with retail employees represented in the Town Centre decreasing year on year from its peak of 653 employees in 2007, decreasing by some 200 retail employees between 2007 to 2017 to only 453 retail employees. That decrease largely coincides with the formation of the Business B zone.
- 65 The Council itself recognises the importance of the Town Centre to its district and is investing some \$51.6million in a new Civic facility and library building on Havelock Street.
- 66 Fundamentally, the Business A zone is not achieving its purpose, nor providing for the social and economic benefits or wellbeing needs of the surrounding community.

### ***Operative Plan Approach***

- 67 The Section 32 Report provides a detailed overview of the Operative Plan provisions (Section 3) as these relate to commercial activity and retail distribution. In summary, that review concluded:
- 68 In terms of objectives and policies:
- 68.1 The framework was not prescriptive, and largely enabling.
  - 68.2 There was no strategic or clear intent as to the range of activities anticipated within respective zones, and the corollary which zones certain activities should be discouraged so as to achieve environmental outcomes.
  - 68.3 The framework is overly focused on managing effects, and correspondingly did not provide a more predictive approach to managing activities within the differing Business zones.
  - 68.4 There is an absence of clarity and connection between the objectives and policies, and subsequent rules to implement those provisions<sup>25</sup>.
  - 68.5 There is no distinction, and associated regulation, between the type, role and purpose of large format retail (retail with the prospect of distributional

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<sup>24</sup> As defined in PC4 as:

**Trade supplier**, Business engaged in sales to businesses, may include sales to general public, but wholly consists of sales in one or more of the following categories:

- Automotive and marine supplies;
- Building supplies;
- Garden and landscaping supplies;
- Farming and agricultural supplies;
- Hire services (excluding hire of books, DVD and video);
- Office furniture, equipment and systems supplies.

<sup>25</sup> Section 75(1)(c)

effects vs more trade supplier retail with little prospect for such), in terms of the locational and agglomeration benefits attributed to such larger scale retail activities.

69 In terms of rules:

- 69.1 A lack of clarity and conciseness in terms of a number of relevant definitions, including retail activity, commercial activity and office.
- 69.2 A zoning approach that did not link consistently to the objectives and policies.
- 69.3 The Business A zone confines the range and scale of retail activity contrary to its purpose of providing the primary retail and commercial focus for Ashburton.
- 69.4 The Business B zone, despite a stated purpose for enabling Large Format Retail, also provides for a wide range of commercial activities and retail. Equally, the Business C zone provides for a substantial range of commercial activity and retail activity.
- 69.5 The Business B, C, D and E zones provides for office activities as permitted activities, despite the agglomeration benefits of such associated with built form investment and ancillary spending where located within the Business A zone, and potential for reverse sensitivity effects within the Business D and E zones especially.

#### ***Notified Plan Change 4 Approach***

70 A key focus of PC4 was to introduce plan provisions narrowly tailored with respect to the distribution and distinction of retail activity and commercial activity. The notified provisions in relation to these activities seeks to ensure that the Plan objectives and policies are 'giving effect' to the respective higher order documents, and that the rules were the 'most appropriate' in implementing those provisions.

71 The principles of PC4 in terms of amendments to the rules are as follows, with further detail provided in **Attachment D**:

- 71.1 Improve clarity of definitions, and nesting between definitions. Provide a distinction between Retail and Trade Supplier, enabling the latter in the Business B, C and D zones.
- 71.2 Delete the 500m<sup>2</sup> GFA maximum limit threshold from the Business A zone for retail activities.
- 71.3 Alter the status and range of commercial activities and retail activities throughout the Business zones, including:
  - (a) Status of small-scale retail in the Business B zone changes from discretionary to non-complying.
  - (b) Restricting the provision of stand alone offices within the Business B to E zones (Discretionary), but allow ancillary office.
  - (c) Permit trade suppliers in the Business B, C and D zone, and restrict other forms of retail activity (non complying), including removal of the permitted maximum of 750m<sup>2</sup> GFA for retail activity in the Business C zone.

- (d) Restrict the range and scale of Food and Beverage outlets within the Business B, C, D and E zones.

72 Whilst the removal of the 500m<sup>2</sup> threshold<sup>26</sup> on retail activities seeking to establish in the Business A zone is inherently enabling, overall, a more restrictive regime has been notified under PC4 than the status quo in the operative District Plan.

#### **PART A- BACKGROUND – OVERVIEW OF ISSUES RAISED BY SUBMITTERS**

73 The relief sought by the submitters can be categorised as:

73.1 Submissions supporting the Plan Change in Full (**Eastfields Investments Sub 1, Redmond Sub 2**).

73.2 Submissions supporting the intent of the Plan Change, but:

- (a) Opposing restrictions as these relate to Supermarkets within the Business C zone (**Foodstuffs New Zealand Ltd Sub 3**).
- (b) Seeking greater restrictions for stand-alone offices (status to be amended to non-complying) in the Business B to F zones, where office activities are less than 500m<sup>2</sup> (Sub 4, P Bean) and not-ancillary to a primary activity.
- (c) Ease requirements, such as the requirement for off-street car parking for residential developments in the Business A zone (Sub 5, S Price).

73.3 There are no submissions opposing the intent or purpose of PC4 in managing the distribution of retail activity and commercial activity such that these are primarily focused in the Business A zone.

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<sup>26</sup> Rule 5.8.2(f).

## PART B - SCOPE OF THE PLAN CHANGE

- 74 The Plan Change does not:
- 74.1 introduce any new zones, or amend any existing zone boundaries.
  - 74.2 amend the function or purpose of any zone.
  - 74.3 amend the extent (or status) of retail activity or commercial activities already provided for in any zone other than Business zones (that is provisions in the Residential zone, Rural zone etc are not amended).
  - 74.4 amend any built form controls, urban design requirements, or transport requirements.
- 75 It is understood that the 'Scope' of a plan change is limited by the terms of the proposed change (including its breadth), and the content of the submissions filed.
- 76 There is a considerable body of case law in terms of scope associated with a Plan Change. The main principles as these relate to PC4 are:
- 76.1 A submission can only fairly be regarded as 'on' a variation if it is within the extent to which the variation changes the pre-existing status quo.
  - 76.2 If the effect of regarding a submission as 'on' a variation would be to permit a planning instrument to be appreciably amended without real opportunity for participation by those potentially affected, this is a powerful consideration against any argument that the submission is truly 'on' the variation.
  - 76.3 A submission should not open up for re-litigation aspects of the plan which had previously passed the point of challenge. *Clearwater Resort Limited v Christchurch City Council* High Court, Christchurch, AP 34/02.
  - 76.4 The "extent to which the variation changes the status quo" [is determinative of Scope] — the first step is to identify whether the variation changes little or much in the proposed plan. If the alterations are few or small, then the relevant part of the target is a simple bulls-eye. If the variation changes much of the plan, and at different levels (objectives, policies, methods), the figure on the target may be a complex multi-faceted and asymmetrical figure (like a windmill). In that case working out whether a submission is on the variation may be quite complex *Avon Hotel Ltd v Christchurch City Council*, [2007] NZRMA 373.
- 77 The relevant sections of the RMA are:
- Clause 6 of Schedule 1 to the RMA provides (**my emphasis**):
- (1) *Once a proposed policy statement or plan is publicly notified under clause 5, the persons described in subclauses (2) to (4) may make a submission on it to the relevant local authority.*
- Clause 29 of Schedule 1 to the RMA provides (my emphasis):
- (1) **Except as provided in subclauses (1A) to (9).** *Part 1, with all necessary modifications, shall apply to any plan or change requested under this Part and accepted under clause 25(2)(b).*

...

- (4) After considering a plan or change, **the local authority may decline, approve, or approve with modifications, the plan or change, and shall give reasons for its decision.**

...

- (6) The person who made the request, and any person who made submissions **on** the plan or change, may appeal the decision of the local authority to the Environment Court...". [our emphasis]

Clause 10 of Schedule 1 ((unless, as a result of clause 29(1), the process under Part I of Schedule 1 of the RMA is modified) provides that:

- (1) A local authority must give a **decision** on the provisions and matters raised in submissions, whether or not a hearing is held on the proposed policy statement or plan concerned.
- (2) **The decision-**
- (a) **must include the reasons for accepting or rejecting the submissions** and, for that purpose, may address the submissions by grouping them according to-
- (i) the provisions of the proposed statement or plan to which they relate; or
- (ii) the matters to which they relate; and
- (b) **may include-**
- (i) **matters relating to any consequential alterations necessary to the proposed statement or plan arising from the submissions;** and
- (ii) **any other matter relevant to the proposed statement or plan arising from the submissions.**

78 Reconciling cl29(4) and cl10(2)(b)(i) requires that these provisions be read together. That is a modification provided for by cl29(4) is to be based on submissions.

79 Therefore, it is the breadth of the Plan Change, and the submissions lodged on the Plan Change that provide the basis for modification or alterations in terms of clauses 10 and 29 of Schedule 1.

80 Improvements in style and formatting are appropriate where these enhance its clarity, provided any changes are not substantive and do not alter its meaning or effect.

81 In terms of the matters outlined in 74.2- 74.4 above, there are no amendments to the *status quo* with regard to those provisions. Submissions therefore seeking amendments to these matters are outside the scope of the Plan Change.

82 Accordingly, the Submission from S Price which seeks:

*"The easing of requirements that do not impact the health and safety of anyone living in the core retail area, such as a requirement for each apartment to have off-street parking provision, in order to make it easier for residential developments to utilize otherwise unused above ground spaces".*

is considered to be outside the Scope. In addition as identified in [39], the Ashburton District Council has until February 2022 to remove car parking provisions (excluding accessible spaces) from the District Plan. Accordingly, the submission from **S Price (Sub 5)** is recommended to be **rejected**.

## PART C – ANALYSIS OF SUBMISSIONS

### **General relief - Support**

- 83 All of the submissions support the intent and purpose of PC4.
- 84 The submission from **Eastfield's (Sub 1)** supports in full, stating:
- "For the Town Centre to be vibrant, it needs people and the discontinuation of CBD like businesses being allowed to proceed in other areas.... outside the Business A (zone)".*
- 85 The submission from **CJ Redmond (Sub 2)** also supports in full. There is no further detail provided for that support.
- 86 Submissions from **Foodstuffs (Sub 3)** and **P Bean (Sub 4)** support the intent of the Plan Change to *"protect the vibrancy and vitality of the Ashburton Town Centre (or CBD) located within the central Business A zone"*<sup>27</sup>, with the former seeking a more flexible approach for Supermarkets in the Business C zone, and the latter a more restrictive approach to offices outside the Business A zone.
- 87 The basis of the Plan Change in amending provisions to better align a 'centres plus' approach to commercial activity and office distribution is comprehensively documented in the Plan Change 4 Section 32 Report.
- 88 These submissions are **accepted in part**, in that the approach as notified in PC4 is endorsed apart from amendments recommended in relation to the Foodstuffs submission.

### **Foodstuffs South Island Ltd (Sub 3) - Supermarkets**

- 89 The Foodstuffs South Island Ltd (**Foodstuffs**) submission is the most challenging to the integrity of PC4 as it seeks relief that would:
- 89.1 Provide for supermarket activity as a permitted activity at 407 West Street, Ashburton; or
- 89.2 Amend the provisions to create a discrete exception to allow for 'large format food and beverage retail activity' to locate in the Business C zone as a restricted discretionary activity, with accompanying policy relating to distributional effects, transport and reverse sensitivity effects; or
- 89.3 Retain the status quo in the Business C zone, in-so-far as supermarket activity is concerned; and
- 89.4 Other relief to address any of the options above.
- 90 The Foodstuffs submission raises matters addressed in Section 4.8 of the Plan Change 4 Section 32 Report – that is, how should the District Plan provisions recognise and provide for existing out-of-zone activities, where the effects of such represent effectively 'sunk costs'. It also seeks to provide for a Supermarket within the Business C zone, and especially at 407 West Street.
- 91 PC4 took a conservative approach in relation to commercial activity and retail distribution outside of the Business A zone (and Business B zone) as predicated on:

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<sup>27</sup> Foodstuffs South Island (Sub 3) [4]

- 91.1 the poor-quality state and absence of (re)investment in the Ashburton Business A zone<sup>28</sup>,
- 91.2 the quantum of development capacity available in the Business A zone to provide for demand to 2038<sup>29</sup>; and
- 91.3 in conjunction with the predicted low household growth rates<sup>30</sup> –
- that continued out-of-centre (re)investment would undermine the integrity of the Plan Change.
- 92 An issue is that the site at 407 West Street is neither existing nor consented for supermarket activity. The 1.1ha site is owned by Foodstuffs (South Island) Properties Ltd.
- 93 Mr Heath has considered the Foodstuffs relief<sup>31</sup>. He has identified challenges to the approach where there is limited opportunity for a supermarket operator to secure sufficient in-centre allotments to enable a large-scale modern supermarket offering, albeit that may not extend to a smaller order supermarket.
- 94 A demonstrable absence of capacity in accommodating a modern Supermarket in the Business A zone and otherwise precluding development would result in either a loss of wellbeing for the community, or the integrity of the PC4 tested and found deficient in terms of ensuring appropriate *feasible* supply. Alternatively, an approach that did not ensure adequate controls on development would not provide adequate mitigation on potential effects on the Town Centre to the detriment of improving vitality and amenity in Business A zone.
- 95 Against this backdrop is the real-world consideration that:
- 95.1 Supermarkets provide the biggest anchor role of retail activity within centres, greatly increasing cross shopping opportunities, pedestrian numbers and associated vitality and functional amenity (agglomeration benefits);
- 95.2 There are no supermarkets currently located within the Business A zone in Ashburton District:
- (a) New World is located within the Business B zone at 2 Tancred Street.
  - (b) Countdown is located on Smiths Street zoned Business D.
  - (c) Countdown is located on Peter / East Street zoned Business C.
  - (d) Tinwald Supervalu is located at 113 Archibald Street zoned Business C.
- 96 Both Mr Heath and I have met with representatives for Foodstuffs South Island Ltd to further discuss their submission and consider ‘without prejudice’ potential avenues for resolution. As identified in [9], the Environment Court Code of Practice promotes parties ‘*working constructively to narrow issues*’.
- 97 Based on the Foodstuffs relief, five (5) options have been considered, and correspondence provided to Foodstuffs<sup>32</sup> to respond to. The Options identified are:

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<sup>28</sup> EIC Heath [43, 9]

<sup>29</sup> EIC Heath [63]

<sup>30</sup> EIC Heath [15 - 19]

<sup>31</sup> EIC Heath [70 - 72]

<sup>32</sup> Letter to Foodstuffs South Island Ltd C/- Chris Fowler, dated 5 March 2021



- 97.1 **Option 1** – Do nothing, that is retain the notified PC4 Provisions (*the notified provisions*).
- 97.2 **Option 2** – Provide for a Supermarket as a permitted activity at 407 West Street (*Foodstuffs primary relief*).
- 97.3 **Option 3** - Discrete provision for Large Format Food and Beverage providers in the Business C zone as RDA (*Foodstuffs secondary relief*).
- 97.4 **Option 4** – Retain the Status Quo in the Operative District Plan that would require resource consents for retail activities in the Business C zone in excess of 750m<sup>2</sup> as non-complying activities (*Foodstuffs tertiary relief*).
- 97.5 **Option 5** – Supermarket Overlay (*Foodstuffs General Relief and ‘any alternative amendments’<sup>33</sup>*) Apply an overlay that provides for existing Supermarket activity (and the site at 407 West Street) within the Business C and D zones deeming re(development) to be RDA status re:
- ~ distributional effects;
  - ~ amenity;
  - ~ transport;
  - ~ reverse sensitivity.
- 98 **Attachment E** sets out in Table form a broad evaluation of the benefits and costs associated with each of the Options. The assessment concludes that Option 1 or Option 5 are considered appropriate in terms achieving Objective 5.1, with Option 5 being the more efficient.
- 99 Section 32AA of the RMA requires a further evaluation of any changes that are made to a proposal after the initial section 32 report has been completed. The further evaluation may be the subject of a separate report, or referred to in the decision-making record.<sup>34</sup> Clause 10 of Schedule 1 to the RMA directs that the Council’s decision on submissions on a plan is to include such further evaluation, to which it is to have particular regard when making its decision.<sup>35</sup> The Decision Report is not this Section 42A report, however to assist **Attachment E** also provides s32AA evaluation based on the information available; notwithstanding that parties evidence will also benefit a more fulsome s32AA evaluation of any finalised provisions.
- 100 Accordingly, it is recommended that the Submission from **Foodstuffs (Sub 3)** be **Accepted in Part**.
- 101 The mechanism consists of:
- 101.1 Within the Planning Maps notating the existing (Supermarkets not located in the Business B zone – there are none in the Business A zone) with a ‘Supermarket Overlay’, and the site at 407 West Street, Ashburton as owned by Foodstuffs South Island Ltd.
- 101.2 Amendments to Objective 5.1 and Policy 5.1B to not foreclose limited retail activities as associated with a Supermarket locating within the Supermarket Overlay.
- 101.3 Insertion of Policy 5.1C and associated renumbering, to incorporate matters for consideration for the (re)development of a Supermarket within the

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<sup>33</sup> Foodstuffs South Island Ltd (Sub 3) [41].

<sup>34</sup> RMA, s 32AA(1)(d) and (2).

<sup>35</sup> RMA, Schedule 1, cl 10(4)(aaa).

- overlay, including distributional effects, amenity and reverse sensitivity effects, and effects on the transport network.
- 101.4 Amendments to Rule 5.1.1 which provide for Supermarkets in the Supermarket overlay as a Restricted Discretionary Activity, with the Council's discretion limited to the matters above.
- 101.5 Insertion of Clause 5.11.17 'Assessment Matters for Supermarkets in the Supermarket Overlay' as related to: Transport; Amenity; Reverse Sensitivity and Distributional effects.
- 102 The recommended provisions are included as **Attachment E** within the context of PC4 and **bolded, underlined and in red.**
- 103 The basis of this recommendation is predicated on:
- 103.1 The evidence of Mr Heath that:
- (a) *These [sites] are difficult to find and / or group together in town centre locations, albeit often required to enable a large modern supermarket to be feasibly established economically within a town centre environment*<sup>36</sup>
  - (b) The principle enshrined in the *Billimag* decision, that in reinforcing a centres-based strategy for the compression of retail development is to be aligned with opportunity for in-centre development.
- 103.2 That whilst there is sufficient 'development capacity' for the Ashburton Business A zone to provide capacity for commercial activity and retail development until 2038, there is a question as to whether – for modern large-scale supermarkets only, that such development would be 'feasible' as those terms are defined in the NPS-UD, and as required under Policy 1(b), Policy 2 and Clause 3.3 of the NPS-UD.
- 103.3 There are no existing Supermarkets in the Business A zone (refer 95.2) and the environmental effects of such (distribution, transport and amenity) are considered by the RMA1991 to be sunk costs. The recognition of such, and their existing effects through the proposed overlay notation and associated provisions in the Plan is efficient in terms of s32(1)(b).
- 104 There is sufficient scope within the Foodstuffs submission for the insertion of an overlay for the existing and future Supermarkets located within the Business C zone, as this is explicitly and fairly raised within the Foodstuffs submission.
- 105 There is a residual question as to whether the mechanism can also be extended to the Smith Street Countdown – as zoned Business D.
- 106 My view is that there is scope available to the Decision Maker whereby to accept this recommendation. I have discussed the legal tests associated with questions of Scope available for Decision makers in relation to submissions being 'on' the Plan Change and available relief [refer 74 - 82] and consider that the relief is 'on' the Plan Change.
- 107 Whilst the central Foodstuffs relief is focused on the Business C zone in terms of supermarket provision, the submission more generally opposes the PC4 approach to supermarkets because there is "*[i]nsufficient development capacity for*

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<sup>36</sup> Property Economics (2019) [Section 10]

supermarkets in the Business A and Business B zones”<sup>37</sup>. Whilst the explicit relief focuses on the Bus C zone<sup>38</sup>, both the central objection in the submission, and the alternative relief ‘to make any alternative amendments .... to give effect to the intent of this submission’ equally extends to supermarket activity in the Business D zone.

108 The overlay approach has also been confirmed with Woolworths New Zealand Ltd (**Attachment F**) in terms of ensuring the spatial notation matches the physical resources to whose facilities as proposed to be subject to the recommended overlay approach.

109 The recommended provisions provide for the following:

109.1 The ‘Supermarket Overlay’. The overlay confines the spatial application of bespoke provisions as these relate to only Supermarkets as applied to a limited number of sites in the Ashburton Business C and D zone. These sites are occupied by existing Supermarkets and the Foodstuffs site at 407 West Street.

109.2 Associated changes to Objective 5.1 seek to insert the phrase ‘primarily’, in terms of commercial activities and retail activities being ‘primarily’ focused to support centres. In terms of s32(1)(a), I note the following:

*Primarily* is defined in the Oxford Dictionary as meaning ‘for the most part, chiefly’.

*Focused* is defined as directing a great deal of attention, interest or activity towards a particular aim.

Neither phrase provides an absolute preclusion for commercial activities and retail activities outside of centres, especially where such does not support vibrant and viable centres – and accordant provisions for Trade Suppliers in the Business C and D zones. The insertion of ‘primarily’ recognises and is implemented by recommended amendments to Policy 5.1B and Policy 5.1C which provides a pathway whereby additional supermarket supply can be provided to meet wellbeing needs<sup>39</sup>. Such a pathway is recommended on the basis of evidence from Mr Heath that otherwise feasible supply may be unreasonably constrained, whilst still retaining provisions that manage actual or potential adverse effects<sup>40</sup> on the social and functional amenity benefits provided by a consolidated Town Centre<sup>41</sup>.

109.3 In terms of s32(1)(b), the amendments to Policy 5.1B and the insertion of Policy 5.1C seek to consider and either manage or constrain the actual or potential adverse effects of supermarket (re)development as associated with the Supermarket overlay. The accordant RDA status, and associated matters of Council discretion, being transport<sup>42</sup>, amenity<sup>43</sup>, reverse sensitivity<sup>44</sup>, and distributional effects<sup>45</sup> are considered to be efficient and effective, in terms of achieving the recommended change to Objective 5.1.

<sup>37</sup> Foodstuffs South Island Submission [17].

<sup>38</sup> Foodstuffs South Island Submission [35 – 40]

<sup>39</sup> Section 5(2)

<sup>40</sup> Section 5(2)(c)

<sup>41</sup> Section 5(2)(a)

<sup>42</sup> CRPS Objective 5.2.3

<sup>43</sup> CRPS Policy 5.3.1(5)

<sup>44</sup> CRPS Objective 5.2.1(2)(i)

<sup>45</sup> CRPS Objective 5.2.1(2)(c) Policy 5.3.1(2), (3) and (5)

As referenced, the origin of these matters gives effect to the relevant provisions of the CRPS and issues identified in the operative DP.

- 110 Lastly, I understand from discussions with representatives for Foodstuffs that the necessity for assessment matters extending to distributional effects may be disputed. My view, and that of Mr Heath<sup>46</sup> is that there remains an important need to consider the distributional effects associated with the provision of a Supermarket within the recommended Supermarket Overlay at 407 West Street, or for that matter the substantial redevelopment of an existing out-of-centre notated Supermarket. The basis of the requirement of that assessment is at the core of the purpose of PC4, to ensure that further non-centre retail development is considered in terms of its impacts on the vibrancy and investment in the Town Centre, and on the wellbeing of the community at large, including – in this instance, access to Supermarket goods to meet demand.
- 111 In my view, the need to consider distributional effects remains appropriate as the scale, type and configuration of any supermarket development within the Overlay remains unknown, as does the future state and condition of the Town Centre when any application is made.
- 112 The scale and extent of any associated Retail Impact Assessment (**RIA**) can be managed in terms Clause 3(c) of Schedule 4 given that ‘the scale and significance of the effects’ should be commensurate to the extent of the RIA provided.

#### ***P Bean (Submission 5) - Office Agglomeration***

- 113 The Submission from P Bean supports PC4 in full.
- 114 However, the submission also provides in an explanation that ‘stand alone’ offices should be in the Business A zone only’, recommending that stand alone offices should be non-complying in the Business B to F zones, or otherwise limited to being ancillary. From an abundance of caution, that explanation has been considered as a submission point.
- 115 PC4 as notified, amended the status of stand alone office activities from being permitted in the Business A to E zones within the operative plan<sup>47</sup>, to being deemed a discretionary activity – unless ancillary to a primary activity on the site<sup>48</sup>. Stand alone offices in the Business F zone remain as non-complying activities.
- 116 Section 4.3 of the Planning Section 32 Report for PC4 outlines the benefits and costs associated with Office Decentralisation. In summary, these are:
- 116.1 Loss of agglomeration benefits, associated with the dispersal of office activities outside the Business A zone, and associated loss of support and multiplier benefits in terms of supporting activities (cafes, accountants, professional services).
- 116.2 Support for commercial viability in investment in multi-level (re) development of Central City sites.

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<sup>46</sup> EiC Heath [71, 72]

<sup>47</sup> Refer Figure 8 Planning Section 32 Report PC4.

<sup>48</sup> Refer Table 5 Planning Section 32 Report PC4.

- 116.3 Sufficient in-centre capacity to accommodate office employment sector (3ha till 2038)<sup>49</sup>.
- 116.4 A decline in centre amenity and social value potentially not achieved elsewhere, and the associated social values placed by the community on a successful and vibrant CBD; and in association:
- 116.5 With over \$51.6million spent through the LTP planned for the new Civic facility and library building, and associated street improvements represent considerable public funding in civic and amenity improvements associated with the Town Centre, the marginal cost of this infrastructure increases where the social values attributable to these improvements is reduced through dispersed office activity outside of the CBD.
- 117 There is no debate as to the benefits attributed to a consolidated approach to stand alone office developments in the CBD, nor the scale and exclusion provided for ancillary office activities.
- 118 The dispute is narrowed to simply the status, *Discretionary* vs *Non Complying* as associated to the application for new stand alone offices in the Business B, C, D and E zones.
- 119 First and foremost, under either status, the full range of adverse and positive effects associated with any prospective standalone office activity are able to be considered. Both a discretionary or non-complying activity provide a degree of certainty that the activity contemplated is not at a general level considered appropriate in the zone, with non-complying activities generally considered needing to be avoided.
- 120 The test ultimately is which 'status' is the most appropriate in terms of rules implementing the policy<sup>50</sup>, and the extent by which the provisions (rules and policy) are the most appropriate to achieve the objective<sup>51</sup>.
- 121 In favour of a discretionary status, the objective (Objective 5.1) and associated Policies (Policy 5.1A to Policy 5.1E) identify that commercial activities and (core) retail activities are to be (primarily<sup>52</sup>) focused within the Town Centre in recognition that such support vibrant and viable centres.
- 122 It is considered that stand alone offices, which do not generate distributional effects (but have agglomeration benefits), and also based on their specific type and activity can, in some limited instances, have legitimate locational reasons, and associated wellbeing benefits, to support a non-CBD location. Accordingly, a preceding s104D assessment would be less efficient and effective.
- 123 A more nuanced approach is able to be provided to (core) retail activities (Retail activities, Supermarkets, Trade Suppliers, Large Format Retail, and ancillary retail) that has allowed a more textured approach to the status associated with various types of retail activity within the Business zones.
- 124 The non-complying activity status provided to retail activities in the Business C to E zone, recognises that continued distribution of more publicly orientated (core) retail activities (small stores, supermarkets and large format retail) can have demonstrable adverse effects on amenity and social values attributed to the Town

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<sup>49</sup> Property Economics Ltd (2019) [page 44]

<sup>50</sup> Section 76(1)(b), section 75(1)(c).

<sup>51</sup> Section 32(1)(b)

<sup>52</sup> Refer Recommendation re Foodstuffs Submission 3 relief. **Attachment E.**

Centre. The corollary being that retail activities with no prospect of distributional effects such as Trade Suppliers are permitted in the Business D and E zone.

- 125 Overall, the recommendation is to retain the Discretionary Activity status for standalone offices in the Business B to E zones, and the submission from **Mr P Bean (Sub 5)** is recommended as being **accepted in part**, that is the thrust of the submission in support is accepted, the amendment to the status of stand-alone activities is not.

### CONCLUSIONS

- 126 On the basis of the analysis set out in this evidence, I recommend that the changes within the recommended provisions in **Attachment A** be accepted.
- 127 The changes will contribute towards achieving the objective of the PC4 in an effective and efficient manner and will give effect to the purpose and principles of the RMA, and the functions of the Council and a District Plan in relation to commercial activities and retail activities as set out in the accompanying s32AA evaluation.

Dated: 23 April 2021



Matthew William Bonis

## ATTACHMENT A: NOTIFIED PROVISIONS (INCLUDING RECOMMENDED CHANGES)

NOTIFIED PROVISIONS – BOLD, CAPS OR STRIKE THROUGH

RECOMMENDED CHANGES (FOODSTUFFS (SUB 3)) BOLD, CAPS OR STRIKE  
THROUGH RED

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## SECTION 5: BUSINESS ZONES

### 5.1 Introduction

The buildings, infrastructure and car-parking areas within business zones represent significant investment, and are part of the physical resource of the District. Business activities provide employment and generate economic activity which enables communities to provide for their economic and social well-being. The land and buildings of business areas provide the space and resources for these activities to take place. It is therefore necessary that they are recognised for the importance of their role in the District's economy. These buildings may also be used for undertaking social and cultural activities, also important to the community's wellbeing.

#### 5.1.1 Ashburton

Ashburton (Kapuka) including Tinwald, is the District's largest business centre and offers a wide range of activities. These include retail shops, professional and administrative offices, civic facilities, personal and household services, entertainment, restaurants and industries. It represents the focus of business within the District and the activities reflect its role as a rural service centre. Many businesses provide services and equipment for farmers and are involved in the handling and processing of agricultural and horticultural produce.

The majority of retail and administrative and professional services are provided within an inner commercial area encompassed within East/Cass/Havelock and Moore Streets, and the sites fronting East Street between Moore Street and Kermode Street (**as zoned Business A**), while small suburban shopping centres providing local services are found throughout the town. A mix of retail, service and light industrial uses surround the inner commercial area and expand along East Street. Commercial and manufacturing activity is located to the west of the Ashburton (Kapuka) and Tinwald urban areas.

Ashburton's business areas represent the District's largest existing investment in buildings and car-parking. Buildings are generally one to two storeys high within the inner commercial area. In the town centre, the street frontage is mainly characterised by verandas and display windows, signifying areas of comparison and browsing shopping. There are also many commercial services available e.g. banks. Those parts of the inner commercial area with frontage to Moore, Cass, Havelock, parts of Tancred and Burnett Streets are characterised by a greater mix of activities where verandas and display windows are not a feature of the environment.

The Ashburton Business Estate (Business E Zone) is bounded by Northpark Road, Company Road, the Main South Railway Line and the Silver Fern Farms Meat Processing Plant, and provides 126 ha of business zoned land. The Estate provides for a broad range of service, commercial and industrial activities but limits the scale of retailing activities. This business estate is expected to provide sufficient industrial land to cater for Ashburton's needs for at least 10 years.

Additionally within Ashburton (Kapuka), there is the Riverside light industrial area which recognizes existing development but also provides for substantial future growth, dependent on achieving road access that avoids associated traffic passing through adjacent residential areas. Similar to the

Ashburton Business Estate, this area offers a significant growth opportunity, in this case for **limited types of commercial activity**, manufacturing and light industrial activity, including a relocation option that is still conveniently located for such activities that have historically located immediately surrounding Ashburton's town centre. A high standard of buffering to neighbouring river and residential areas, and achieving reasonable amenity levels internally will be important considerations in the development of the Riverside business area.

### 5.1.2 Methven

Methven is smaller than Ashburton and the range of business activities is not as broad. However, Methven's proximity to Mt Hutt ski field creates a seasonal variation to the provision of facilities and services with some businesses establishing for up to six months of the year to accommodate visitor needs.

Methven's shopping area is characterised by a concentration of commercial activities around The Mall (**Business A zone**). Activities within the industrial area to the northeast of the town centre are mainly associated with farming and forestry.

### 5.1.3 Rakaia

Rakaia's business activities are provided in three distinct areas. The area to the west of the railway line provides shops and services for the residents of Rakaia, while activities to the east of the railway line provide services for travellers passing through Rakaia, along the State Highway. In comparison with Ashburton and Methven, the number of commercial buildings is much smaller and the range of activities limited to those of a more essential nature. The industrial area located between State Highway 1 and the railway line, and State Highway 1 and Old Main South Road accommodates mainly rural service industries.

### 5.1.4 Other Business Areas

Small settlements such as Mt Somers, Hinds (Hekeao) and Mayfield (Te Puke Tai) also accommodate business activities. These are generally small businesses providing an essential service for surrounding residents or servicing visitors or travellers through the District. There are meat processing facilities established at Fairton, Seafeld and Bridge Street, Ashburton (Kapuka).

## 5.2 Issues

### 5.2.1 Location, Growth and Consolidation of Business Areas

Inappropriate location of business activities or the fragmentation of business areas can result in loss of vitality, convenience, accessibility and the identity of such areas.

Town centres (**as zoned Business A**) are a source of identity for their communities, as they represent a meeting place for many people, particularly associated with comparison shopping, professional and administrative services **and commercial employment**. It is not a coincidence that the commercial heart of towns very often is physically located in or near their geographic centre. Consolidating the area within which these activities take place will reinforce the communities' perception of the character and form of their towns and their identity, not only as a place of business, but also as a venue for social and cultural events.

Providing for retail activities in a central location also maximises the opportunity for access on foot from the surrounding residential areas. A compact town centre enables pedestrians to walk to areas without the need to drive from one area of retail to another. Likewise in the suburban centres or smaller settlements, the provision of local **convenience retail and service** facilities reduces the need for vehicle use as they can be accessed on foot. However the advent of ~~'big box'~~ **large format** retail has facilitated the need to use vehicles; the **limited provision for** ~~location of the~~ large scale retail in Ashburton (Kapuka) on the opposite side of State Highway 1 to the town centre (**Business B zone**) **allows additional capacity for such retail activities that would not otherwise be able to be incorporated in the Town Centre (Business A zone) and** ~~does inhibit~~ **limit** but not prevent pedestrian access **to the town centre**. **Similarly, a 'Supermarket Overlay' has been provided to recognise and provide for existing modern large scale supermarkets established outside the Business A zone and limited further Supermarket development, as necessary to meet the wellbeing needs of a growing Ashburton township.** It is not considered **either** efficient **or appropriate** to provide for retail activities throughout **all Business zones, or** the residential and rural areas of the District ~~and neither for such activities to be located in every business zone~~. Such development has the potential to create reverse sensitivity effects, **reduce consolidation of commercial activities in the Business A zone**, as well as the need to extend infrastructure into areas otherwise not currently serviced.

However, in recent years there has been a growth in the number of car yards and businesses selling large machinery such as agricultural equipment. It is not suitable to provide for these within the traditional retail areas of the District as the nature of such activities would undermine the finer grained retail areas and their character provided by verandas and large windows. As such, it is proposed to provide for such **Trade Suppliers** ~~activities~~ within the commercial area surrounding the main retail area of Ashburton (Kapuka) (**Business C zone**), and within the lighter industrial areas (**Business D zone**), where it is considered that they will not cause adverse effects on the functioning of the area or its character. The nature of such large scale retailing activities requires large, open yards with few buildings and little landscaping. This type of activity is therefore more appropriate in the commercial and lighter industrial areas of the District rather than within the finer-grained retail areas.

The same principles apply to commercial, service and industrial activities, which should be located in reasonably accessible areas that are or can be economically serviced. Industrial activities, in particular, may require locations away from residential and sensitive activities therefore the Council have zoned the Ashburton Business Estate for this purpose. It is also important to note that this area has connections to State Highway 1 and the railway, providing access to an existing transport network for the carriage of goods. It is essential that all existing and future business areas have access to good transport routes, preferably not being totally reliant on road networks.

In addition, retaining business activities within the settlements and distinct areas provides for the efficient use of rural land. It also allows efficient use of sites, as the requirement for setbacks from residential zones can make the development of some sites economically unviable. As such, Council has and will continue to provide business zoned land in suitable locations allowing for the growth of existing and new business areas. For example, the Plan provides for the extension of the Riverside Industrial area once a suitable option is found for access to the State Highway network without compromising the amenity of the adjoining residential areas.

Consolidation of business areas will prevent the general dispersal of activities into new locations, which may leave existing areas vacant, unattractive, under-utilised and unable to provide the services

the community desires. Given the central and or convenient location of most business areas within the District, consolidation of business activities into defined areas, combined with public investment in roads and other services in these areas, will assist the vitality of business centres. This has benefits for the District's community in terms of the range of services available, their convenience, pleasantness and accessibility.

Consolidation of boundaries defining business areas may also prevent the outward spread of business activities into residential areas. This spread may have an adverse effect on the amenity values of those areas and their presence may fragment the residential community. However, it is recognised that a limited number of business facilities within residential areas can provide convenient services for residents' e.g. home occupations.

### 5.2.2 *Amenity Values*

The establishment and operation of business activities can result in adverse effects on business areas and their surroundings, such as from noise, emissions, loss of visual amenity, lighting and traffic congestion.

In addition to making business areas physically accessible to the public, it is also necessary to enhance their amenities to make them pleasant and enjoyable to visit and work within. The level of amenity will vary between different business areas.

Areas providing for business activity, **and particularly industrial activities** are likely to have lower standards of amenity than may be found in a residential environment **or the town centre** and this is accepted by most people. For example, people expect there to be more trucks and cars in business areas and therefore they tolerate more traffic noise and fumes than they would in their residential environment. However the Council wishes to ensure that the environment of business areas is not degraded so that they remain visually attractive to new businesses and are acceptable environments within which to work.

The visual environment of the inner ~~retail~~ **commercial** areas is characterised by one and two storey buildings built up to all boundaries, often with large display windows, verandas and advertising signs. Important issues with regard to visual amenity are to:

- retain the existing scale and spatial distribution of buildings;
- retain verandas as a feature of the streetscape;
- prevent the erection of large blank walls to the street.

In order to maintain a visual environment that is attractive to shoppers and maintains the existing form and identity of commercial areas, it is important that any new building does not significantly exceed existing heights or create large blank walls which have no visual interest or appeal. Verandas are a traditional feature of New Zealand towns which provide continuity to the street appearance as well as providing shelter from the weather.

Industrial areas can be divided into three categories. There are those which provide for meat and food processing only (**Business F zone**), those that provide for moderate to heavy manufacturing and processing activities (**Business E zone**) and those areas which provide for lighter industrial activities along with service and commercial activities (**Business D zone**).

Meat and produce processing, and heavy industrial areas do not attract the same number of visitors

as do lighter industrial or commercial areas. They are **less typically not** involved with direct selling to the public or providing public facilities or entertainment so that generally only those people who work or need to conduct business will travel to an industrial area. These factors combined with the nature of the activities means that people are less concerned with amenities in industrial areas and expect them to be noisier, dustier and less visually pleasant than other areas. In fact, compliance with an environmental standard could be prohibitive to their ability to operate. Such industries therefore require specific sites or separation from areas of higher amenity.

Within industrial areas there is more heavy traffic than occurs elsewhere in the District. As there is not a concentration of retail activities, there is not a significant potential for conflict between vehicles and pedestrians, **or amenity expectations between the different types of businesses.**

Within the lighter industrial areas, noise, fumes and congestion generated by traffic is expected to occur as people and goods must be transported to and from these areas for business to take place. However there is a need to ensure that public safety is not compromised by the conflict between pedestrians and vehicles and that areas where there is a high concentration of pedestrians are kept as free as possible from traffic noise and fumes. In addition traffic efficiency and safety should not be compromised by vehicular conflict. This is an issue of particular concern along State Highways which carry a large volume of through traffic which is not stopping to conduct business. The location of businesses in relation to the road hierarchy is therefore also of concern.

Accepting the functional requirements of industrial areas, Council is striving to maintain and improve the amenity of all parts of the District. Although the number of visitors to industrial areas may be smaller than to commercial areas, the industrial areas within the District would benefit from their street appearance being improved; this could be achieved through appropriate setback of buildings from road boundaries, controlling the height of buildings, screening outdoor storage areas and requiring landscape plantings to be established which will be effective at screening, softening or otherwise enhancing the view of the industrial site from public viewpoints or neighbouring residential properties.

In addition to a basic environmental quality within zones the Council is concerned with the protection of amenity along the interface between business and living areas. The issue is how a range and variety of business activities can establish in the business areas without detracting from an acceptable standard of amenity values within and adjoining those areas. Within business areas, effects need to be considered both individually and cumulatively, as well as in terms of the proximity of living or other sensitive areas. Effects to be considered include noise, glare, visual appearance and odour.

Noise from activities is mostly of concern from industrial activities in proximity to residential areas. A higher level of noise is normally acceptable within the business area but needs to be strictly controlled at the residential interface.

Glare created from lighting, large unpainted buildings and car-parking areas is of concern where it affects residential properties, recreation areas and roads. The location of and direction of lights should therefore be controlled while the establishment of landscaping can reduce glare from buildings and cars.

## 5.3 Zone Description

### 5.3.1 Business A

Although providing for a range of accommodation, community and commercial uses, the Business A Zone provides principally for small scale **for commercial activity (such as offices, commercial services, hospitality, and retail activity)**. This zone covers the inner commercial area of Ashburton (Kapuka) and the suburban shopping centres of Ashburton (Kapuka), whose primary function is to provide for the local retail and service needs of the surrounding community. It also provides for the core retail and commercial centres of Rakaia, Methven and Mt Somers, Hinds (Hekeao), Mayfield (Te Puke Tai) and Chertsey.

~~The Business A Zone represents the focal point of the District's small-scale shops, which provide opportunities for comparison or "browsing" within environments that are intended to be pedestrian friendly. In addition, this Zone provides for residential, visitor accommodation, community and commercial activities. This~~ **The** diversity of activities aims to encourage the continued vitality, pleasantness and convenience of the District's Business A Zone and encourage efficient use **and reinvestment in** of existing infrastructure and buildings.

In central Ashburton (Kapuka), shop-top apartments (residential activities above retail and commercial activities) rather than detached residential units will be encouraged. Residential activities will not be promoted at ground level to ensure the strong retail character of the town centre is retained. If managed effectively, this mix of activities can retain the vibrancy of the town centre as permanent residents will utilise local services and can assist in keeping the area 'alive'; whereby there is continual activity created by both the retail and residential elements. ~~Although it is acknowledged that many trips to and from the commercial centre of Ashburton (Kapuka) will likely involve private vehicles, retailing activities that are strongly vehicle oriented are discouraged from the Business A Zone in that location.~~ The emphasis **on amenity and urban design and the consolidation of commercial activities** is **to** ~~on maintaining~~ **strengthen** and ~~enhancing~~ **reinforce** an environment that, whilst accessible, is safe, attractive and convenient for ~~the pedestrians~~.

In respect of Ashburton's suburban centres, these business areas tend to be characterised by existing built development that is typically quite small in scale, situated in close proximity to surrounding residential environments, and where the zoned land area reflects the extent of historical activity. The Council however accepts that business activity, including retailing, that is consistent with those characteristics ought to be able to locate in these suburban centres to provide readily accessible daily services within these communities, provided that can occur without compromising the objectives for other business zoned areas, or lead to undue conflict or detract from local amenity levels, such as due to generated vehicle use and parking demand (e.g. on-street alongside neighbouring residencies).

Outside of Ashburton (Kapuka) within the District's rural townships, the role of commercial centres, the historical mix of activities within those centres, and the retailing opportunity outside of the Business A Zone often distinguishes these locations from the situation of Ashburton (Kapuka). ~~Accordingly, the Zone anticipates some larger retail premises where they meet the day to day needs of the local community, as well as servicing the travelling public (e.g. community grocery stores), and do not compromise the functioning, integrity, viability and convenience of those smaller rural town centres, or associated pedestrian safety and accessibility. This also acknowledges that moderately~~

sized grocery stores serving those purposes already exist in several of those town centres (e.g. Methven, Rakaia).

### 5.3.2 Business B

The Business B Zone provides predominantly for large-scale retail activities, sometimes called “big box” or “large format” retail, which frequently require large areas of associated car-parking or outdoor space. These large-scale retailing activities are limited to single purpose stores, **with the establishment of commercial offices or smaller scale retail activities prevented,** to prevent avoid the establishment of shopping malls limiting the potential for dispersal of retail activities and, therefore, any detracting from the role and function of the finer-grained, more pedestrian retail oriented Business A Zone areas of Ashburton (Kapuka).

The Business B Zone is located close to the inner commercial area of Ashburton (Kapuka) and already contains a significant number of large-scale retailing activities. It has convenient road access from Moore Street (SH77) and surrounding local roads avoiding the need to connect directly to State Highway 1. The sites within the Zone are generally large with the ability to provide adequately for onsite vehicle-parking and loading.

This zone also provides for the establishment of supermarkets as the amenity values anticipated within the zone will be compatible with supermarket shopping. As shoppers are likely to travel by car to the supermarket and other large-scale retail outlets, it reduces pedestrian traffic crossing State Highway 1. The Zone also anticipates some smaller retailing premises, such as vehicle sales **Trade Suppliers** and food **Food and Beverage** outlets which either benefit from large sites for display purposes with good vehicle access or principally service the needs of those engaged in the zone or otherwise travelling by vehicle.

### 5.3.3 Business C

The Business C Zone provides for **limited commercial activities,** retail, service and community activities, **as well as a range of light industrial activities.** Commercial activities include recreational facilities **and Entertainment Activities** such as bowling alleys and ice-rinks which are conducted within large buildings and for which a fee is paid. These types of indoor pursuits are considered to be partially protected from the effects of surrounding activities.

The commercial and service areas of the District are located adjacent or close to Business A and B Zones, and their activities are complimentary but the level of amenity anticipated in the Zones differs. The Business C Zone provides for larger scale retailing and will never be able to replicate the intimate atmosphere and character of the Business A Zone. The buildings are anticipated to be larger with no verandas and large shop windows. Retail activities such as car yards require large, open sites that can be viewed from the road thereby restricting the landscaping of road frontages. The character is therefore defined by comparatively large buildings with some off-street parking and limited landscaping.

Medium to large-sized retailing premises are anticipated in the Business C Zone but in the case of Ashburton (Kapuka) it is expected that larger format retail outlets will locate in the Business B Zone where traffic access is often going to be more convenient, access to the State Highway network is achievable without necessarily relying on surrounding local roads, and sites are typically large and therefore able to accommodate desired parking and loading on-site. Although vehicle access can also



~~be convenient in parts of the Business C Zone, in other parts of the zone local roads provide access and more sensitive residential neighbourhoods sometimes directly adjoin business sites, or are otherwise located over the road or close by. The mix and nature of activities, and the form of built development also tends to be more variable in the Business C zoned area relative to the Business A and B Zones.~~

~~Commercial type activities are anticipated to include offices, both large and small scale providing parking for staff and visitors on site. Parking will often be provided in the street setback. Service activities will be encouraged to locate in this zone as their location provides ease of access from central Ashburton (Kapuka) and other town centres, and is convenient to places of work.~~

#### 5.3.4 *Business D*

Light industrial, service and **limited** commercial activities are anticipated within this zone ~~with limited retailing~~. However, to ensure the viability of the District's main commercial areas, retailing activities **and offices** are to be ~~auxiliary~~ **ancillary** to an industrial or service activity. Some parts of the zone will undergo a gradual change but established businesses will have existing use rights, so are anticipated to continue to operate within what will be a changing environment. It is anticipated that this zoning may introduce a higher level of amenity to some areas, in particular parts of the Riverside industrial area that adjoin residential areas. This recognises its location adjacent to the River and residential areas. This has in part been enabled by the establishment of the Ashburton Business Estate, which provides a suitable, alternative location for heavy industry.

#### 5.3.5 *Business E*

This zone provides for medium to heavy industrial activities that may create adverse environmental effects such as high levels of noise, dust and heavy truck movements; in addition, to other activities including **ancillary** offices, storage and warehousing activities. Industrial activities often prefer to locate away from urban areas where reverse sensitivity may curtail opportunities for expansion and people may be affected by excessive noise and trucks accessing sites. It is nevertheless desirable for industrial activities to be located adjacent to principal road networks or railway lines that allow ease of transportation of goods without utilising local roads.

The Business E Zone is characterised by large utilitarian buildings built up to internal boundaries with a minimum setback from roads. Buildings will often be enclosed by security fencing with signs displayed in conjunction with a business. Land surrounding buildings may be used for car-parking and outdoor storage and may or may not be sealed. Industrial areas are not therefore areas of high visual amenity with on-site development related only to the operational needs of the business.

This zone includes land within the Ashburton Business Estate, whose development is required to conform to an Outline Development Plan to ensure mitigation of potential noise and visual effects at the boundary of the adjoining residential zone and traffic safety and efficiency on the adjoining road network. This Outline Development Plan requires a 75m buffer to be put in place with mounding and planting along the Residential D Zone interface. In addition, activities are intended to be graduated across the site with office, lighter service and industrial activities located on that half of the site closest to the Residential D Zone and the heavier, manufacturing activities closer to the eastern boundary, adjoining the meat processing facility.



In Rakaia, additional land has been zoned for industrial activities. Any development will be required to conform to an Outline Development Plan to protect the amenity of the adjacent State Highway at the entrance to Rakaia, and also where there is an adjoining residential zone.

Remaining Business E zoned land is located on the outskirts of Tinwald and includes the existing saleyard facilities.

#### 5.3.6 Business F

The zone provides for all activities related to meat processing including the yarding and slaughtering of animals, the associated processing of meat (including by-product and co-product processing) rendering, fellmongery, tanning, casing and pelt processing; and the associated chilling, freezing, packaging and storage of meat and associated products. The Zone provides for the spreading of effluent on some defined areas where this activity has historically been carried out. The zone also provides for the processing of other food products. An exception has been made for Lot 1 DP 46816 as shown on Appendix 5-1A (Area 2) to enable Service Activities to establish on this site.

Activities on several sites within this zone are governed by Outline Development Plans. Permitted activities are required to be located in accordance with the Plans to avoid the impact of adverse effects.

The locations of the zone, usually surrounded by rural activities, allow these facilities to operate without adversely affecting residential or other business activities, and provide room for future growth. Adverse effects on surrounding properties generated from food and meat processing include loss of visual amenity, traffic, noise and odour.

## 5.4 Objectives and Policies

### Objective 5.1: Business Area Development and Effects

~~Growth, maintenance and consolidation of business areas, provided that adverse effects on the environment are avoided, remedied or mitigated.~~

**The contribution of business activities to the economic and social wellbeing of the district is recognised and provided for, with:**

- a) **commercial activities and retail activities primarily focused to support vibrant and viable centres, and**
- b) **business activities able to operate efficiently and effectively within the District's business zones as subject to environmental standards which reflect their function, location and role.**

#### Policy 5.1A

~~Maintaining and enhancing~~ **Reinforce and strengthen** the function, integrity, convenience and viability of the inner commercial areas (**Business A zones**) of Ashburton, Methven and Rakaia, and small villages, **including through avoiding activities with the potential, either individually or cumulatively, to impact on the continuing ability of town centres to provide for:**

1. **their community's social and economic wellbeing;**
2. **maintained or enhanced amenity and vibrancy; and**
3. **the function and role of Ashburton Town Centre (Business A zone) as the primary**

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**commercial, retail, recreational, cultural and entertainment centre for the district.**

***Policy 5.1B***

Ensuring that **Provide** opportunities are available in the suburban areas of Ashburton for the establishment and on-going operation of business activities, ~~providing~~ **limiting** retail **activities** and **commercial** service activities to **where these:**

1. **meet the convenience needs of** local neighbourhoods, ~~in locations which are convenient.~~
2. **are ancillary to, or support anticipated business activities; and**
3. **do not compromise the viability or vibrancy of Town Centres (Business A zones); or**
4. **provide for supermarket development within the Supermarket Overlay and in accordance with Policy 5.1C.**

***Policy 5.1C***

**Avoid supermarket activity in the Business C and Business D zone except as provided for within the Supermarket Overlay as notated on the planning maps, and where:**

1. **the supermarket activity will not result in significant adverse distributional effects on the Town Centre (Business A zone).**
2. **the supermarket activity achieves an attractive and integrated frontage with roads, and an appropriate level of amenity at the interface with adjacent activities, whilst taking into account the functional and operational needs of the activity.**
3. **The location, scale and design of the activity is appropriate, having regard to:**
  - a) **the potential for reverse sensitivity effects on permitted activities;**
  - b) **the extent of any adverse effects from vehicle movements, including on the safety, efficiency and effectiveness of the transport network; and**
  - c) **the extent of any adverse effects on on-street parking supply.**

***Policy 5.1C***

~~Providing~~ **through the Business B zone limited opportunities** for the establishment of large format/~~big box~~ retail activities **and trade suppliers:**

1. **that are difficult to accommodate in the Business A zone due to their scale or functional requirements; or**
2. **that generate high volumes of traffic and require large areas of parking; and, in locations which**
3. **where such activities do not detract from:**
  - a) **from the amenity of adjoining areas;**
  - b) **the safety and efficiency of the roading network; or**
  - c) **from the consolidation of the inner retail area of central Ashburton through limits on the establishment of small-scale retail activities or offices.**

***Policy 5.1D***

~~Recognition that~~ **Differentiate and manage** heavy and noxious industrial activities **that** have the potential to create adverse environmental effects and ~~therefore ensuring~~ there are appropriately located areas where they may establish **and operate efficiently and effectively.**

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**Policy 5.1EF**

Avoiding an accumulation of activities which, either individually or together would generate significant pedestrian activity on State Highway 1, in order to prevent pedestrian/vehicle conflicts and maintain safety.

**Explanation and Reasons**

The inner commercial areas (the Business A zone) of Ashburton (Kapuka), Methven and Rakaia are the focal points for a broad range of commercial, professional and administrative activities in these towns, particularly their comparison or “browsing” and retailing functions and extent of commercial office activities. The other established commercial centres in Ashburton (Kapuka) provide important local retail and service needs for their communities. The Plan aims to encourage the continued vitality, pleasantness and convenience of these centres and their important role in the attractiveness and identity of the towns. ~~In this regard Council may choose to consider how a proposal responds to urban design principles contained in the Ministry for the Environment Urban Design Protocol 2005. These principles consider important matters such as design, creativity and choice that provide for a diverse and rich urban environment.~~

The consolidation of business areas is ~~important~~ **critical** to ensure that people have access to well-maintained and functioning business areas with a wide range of business activities that maintain their vitality, pleasantness and convenience. The dispersal of ~~business~~ **commercial** activities to new locations can leave existing Business A zoned areas vacant, under-utilised, unattractive, and unable to provide the services or identity the community desires. The consolidation of ~~business~~ **commercial activities in Business A zoned** areas assists in making efficient use of public investment in roads and other **community and public** services ~~in the business areas~~; assists in retaining the vitality of ~~the~~ **Business A zoned** areas; and the perception of the District’s towns as prosperous and lively centres. Dispersal of business activities throughout the District can also result in the mixing of incompatible activities.

In order to maintain the vitality and pleasantness of existing business areas and to make efficient use of their resources and servicing, the ongoing occupation and redevelopment of existing sites is to be encouraged through enabling a broad range of activities to establish throughout the business areas of the District. ~~However, the objective and policies are not intended to prevent growth of the business areas, alongside the existing areas, provided that the adverse effects of this growth, including adverse effects on the consolidation of the business areas, are avoided, remedied or mitigated.~~

~~Accordingly, it is anticipated that the majority of business activity will be accommodated within areas zoned for that purpose, but with some opportunity for future expansion.~~

**Objective 5.2: Qualities of Business Areas**

Business areas that are pleasant places to visit and work within.

**Policy 5.2A**

Maintaining and enhancing the existing form and character of retail areas in terms of building height, setback, coverage and where appropriate, the provision of display windows and verandas.

**Policy 5.2B**

Ensuring the frontages of sites for industrial and service activities present an attractive, landscaped aspect to the street.

**Policy 5.2C**

Ensuring noise levels within business areas enable the functioning of anticipated activities, whilst remaining pleasant places to visit and work within.

**Policy 5.2D**

Avoiding ad hoc and disjointed development of significant business areas through the adoption of Outline Development Plans, including requiring:

Within the Business E Zone at the Ashburton Business Estate:

- that any development is carried out in accordance with the provisions of the Outline Development Plan for that zone so as to achieve the integrated development of that area to a high standard of amenity;
- that the publicly accessible and administrative parts of buildings e.g., office and reception areas, to face the road within specified parts of the Business Estate with a maintained, grassed frontage;
- that the Business Estate be divided with cycle and pedestrian walkway connections with a high standard of tree planting;
- a centrally located open space area in the Ashburton Business Estate to provide an amenity area for people working and visiting the Ashburton Business Estate;
- the use of design guidelines for assessment of new built development in that part of the Business Estate located nearest to adjoining residentially zoned land.

Within the Business F Zone at Seafield and Christys Roads, as well as land at Northpark Road and Bridge Street:

- that development conforms with the respective Outline Development Plans;
- that activities are located so as avoid detrimental effects on environmental quality and amenity values;
- that spreading of effluent is limited to defined areas;
- that in the case of Bridge Street, plant expansion is limited beyond the extent of existing development to protect the amenity of surrounding residential areas.

Within the Riverside industrial area:

- that development conforms with the Outline Development Plan;
- that development is first dependent on road access into the area being established through land zoned Business C to State Highway 77;
- boundary buffer setback distances, including landscaping requirements and building restrictions within those buffers, to protect residential and riverside amenity values.

Within the Rakaia Business E Zone:

- that development conforms with the Outline Development Plan;
- boundary buffer setback distances, including landscaping requirements, access and building restrictions within those buffers, to protect residential and State Highway amenity values.

#### ***Policy 5.2E***

Excluding residential and visitor occupation, other than for custodial or site management purposes, within specified industrial areas, in order to avoid any nuisance to residential occupants and conflict with the anticipated effects of activities in the industrial areas.

#### ***Explanation and Reasons***

Business areas are important resources within the District, where many people work and visit. The establishment and operation of business activities can result in adverse effects, such as noise, fumes, loss of visual amenity, lighting and traffic congestion. In order to make these areas pleasant and enjoyable to visit and work within, it is necessary to ensure that these adverse effects are avoided, remedied or mitigated. However, the appropriate level of amenity values will vary between different areas, depending upon the role of the area, its location, and its proximity to other activities, particularly residential areas. The local and inner commercial areas of the towns, where people go for their shopping, professional and administrative services need to be convenient, accessible, identifiable **consolidated** and pleasant places to go to. However, opportunities need to be available for the establishment of activities that could not meet these high standards, in locations where they will not adversely affect the amenity values of other business areas or residential areas. These policies provide direction on how the Council will maintain and improve the amenity and quality of its business environments.

The adoption of outline development plans for new or large areas of development enables a comprehensive plan to guide, as appropriate, integrating roading, landscape treatment, pedestrian and cycle accessibility and open space and amenity provisions for workers and visitors to the business area. Such an approach can effectively enhance the amenity of business areas by avoiding ad hoc and disjointed development.

Residential occupation of buildings within medium to heavier industrial areas is generally not permitted, except for custodial or site management purposes. There needs to be a balance between the need for on-site security, surveillance and accessibility and a lower level of amenity compared with areas of typical residential occupation. The anticipated level of effects created by industrial buildings and activities is not compatible with residential activities with respect to their height,

proximity to site boundaries, potential noise, dust, odour and lighting effects and traffic generation. These potential effects exceed the levels acceptable in a residential context and there is the potential that complaints over such effects may result in conflict over the operation of legitimate industrial activities. Excluding residential activities generally from industrial areas, therefore, has the effect of enabling industrial activities to be undertaken within an environment which has been established as appropriate for such activities, without being subject to complaints from residential occupants.

**Objective 5.3: Effects of Business Areas on Surrounding Amenity**

Areas of business activity which do not detract from the standard of amenity in adjoining areas.

**Policy 5.3A**

Protecting residential and rural environments by:

- imposing the residential standards for height and admission of sunlight to buildings on sites adjoining residential areas;
- imposing the residential standard for noise on activities adjoining residential areas;
- preventing the unacceptable spill of light onto residential sites from business activities;
- requiring landscape planting along the boundaries of business sites adjacent to residential sites to protect the visual amenity of the residential areas and rural areas e.g. Business F Zone.

**Policy 5.3B**

Enabling future commercial and industrial opportunities, principally in the Ashburton Business Estate and Riverside locations, by requiring:

- any development in the Ashburton Business Estate is carried out in accordance with the provisions of the Outline Development Plan for that area so as to ensure the protection of the amenities and quality of the environment in the adjoining Residential D Zone to the south and west;
- a landscaped buffer be provided between residential and business activities in the Ashburton Business Estate;
- the development of a structure plan(s) incorporating landscape treatment, noise mitigation and control of the location of activities prior to subdivision and the establishment of activities in the Ashburton Business Estate;
- vehicle and pedestrian conflicts are avoided, remedied or mitigated at the rail crossings on Northpark and Works Roads;
- provision of future development in the Riverside area dependant on the establishment of a suitable alternative road access;
- protection of residential properties adjoining the Riverside area through buffer areas and landscaping;
- possible provision of links to the river corridor and recreational facilities from the Riverside extension.

### *Explanation and Reasons*

These policies seek to avoid, remedy or mitigate adverse effects on the surrounding environment created by business activities. Of particular concern is the effect that business activities may have on lowering the quality of living environments adjacent to business areas. They also consider public safety and the need to minimise pedestrian and vehicle conflicts. This is of particular importance where industrial activities increase the frequency of truck or heavy traffic movements through residential areas.

The Ashburton Business Estate has been established with a comprehensive set of provisions which are intended to enhance amenity and protect the surrounding areas of residential and rural land.

In addition, provision has been made for an extension to the Riverside business area to enable future commercial, manufacturing and light industrial development. This business area is expected to take many years to develop and is premised on the need to provide an alternative road access to the land and a high standard of buffering between business and residential activity. It is proposed that this land will provide for commercial and light industrial activities that are more compatible with being closer to residential activity. It is also hoped that this area will provide a relocation opportunity over time for businesses that are currently operating in areas that are intended to change in character e.g. businesses on the eastern side of the Ashburton (Kapuka) CBD.

## **5.5 Anticipated Environmental Results**

- Enhancement and ~~retention~~ **reinforcement** of the vitality, convenience, accessibility, character, and pleasantness of towns' central retail areas **(Business A zones)**.
- Maintenance of amenity levels within business zones through the minimisation of noise disturbance and provision of landscaping.
- The spatial separation of business activities into defined zones **based on their functions, effects and need to operate effectively and efficiently.**
- **Limited (re) development of large-scale supermarket activity within the Supermarket Overlay.**
- Business areas that are integrated with and sensitive to their surroundings.
- Enhanced street appearance through landscaping.
- Traffic and pedestrian generating activities located away from local roads;
- Limited access to business activities directly from state highways.
- Preservation of the living environment adjacent to business areas in terms of light admission, noise and low glare.
- Limited residential occupation of buildings within business areas.
- The consolidation of the form of business areas.

## **5.6 Methods of Implementation**

### *Through the District Plan*

- The use of rules to put in place performance standards for street appearance (setback, height and landscaping), noise, glare and car-parking.
- The use of rules and performance standards to define the location of businesses fronting arterial roads.

- The use of rules to set down performance standards for activities adjacent to residential areas and to control residential activity within business areas.
- The use of structure/outline development plans to direct the location of activities, buffers, landscape treatment, noise mitigation and roading layout and external road connections.
- The use of zoning to separate activities which generate traffic and pedestrians and to separate activities which may create noxious effects such as noise. Zoning therefore reflects location (proximity to residential areas); the quality of amenity sought and function of activities provided for.

#### *Through the LTP*

- Provision of finance and initiation of projects for street and open space enhancement and the provision of public facilities and conveniences.
- Through the acquisition and development of land, as necessary, for roads, service lanes and car-parking.

## **5.7 Reasons for Rules**

### **5.7.1 Height of Buildings**

This rule seeks to achieve a consistency in the scale of business development that reflects the desired character for an area and, to limit the extent of buildings overshadowing other buildings, properties and public spaces.

The character of an area is very much influenced by the scale of buildings. As height is an important component in the scale of buildings, limits have been included which allow flexibility of design, while providing for the maintenance of the general character of each area.

The height within the Ashburton Business Estate allows greater ability for those activities that need gantry fittings or additional working or storage height to be accommodated and it is considered a more efficient utilisation of land to allow for increased capacity through height.

At the Riverside industrial area, building height is limited in the buffer area adjoining the Ashburton River (Hakaterē) to protect amenity values along the river margin.

### **5.7.2 Setback from Streets**

The positioning of buildings up to the front or road boundary of properties is considered acceptable in the context of some areas of commercial development, particularly if the Council simultaneously encourages continuity in retail frontage. However in some parts of the business areas a setback also affords the opportunity for landscaping and planting which can assist in giving areas, such as industrial and commercial areas, a degree of amenity for those visiting or working in them.

Within the Business A Zone no building setback is permitted. This means that all buildings are required to be built up to the street boundary and reflects the Council's desire to maintain the traditional appearance of the District's main shopping areas and a continuous vista along its main streets. It also



ensures that continuous veranda coverage, where it is required, is able to be achieved. This provision also contributes to a sense of enclosure which defines this zone as a focal point of activity. Continuous frontage also maximises the accessibility and convenience of shops and services to the public.

In the Business C Zone in Tinwald, a setback has been required to provide sufficient area for car parking off State Highway 1, and also a setback on State Highway 77 is required, as a measure of protecting the safety and efficiency of the State Highways. Elsewhere in the Business C Zone a 2m setback is required to provide a minimum area for the establishment of landscaping.

In the Business D and E Zones a 5m setback is required to keep noxious or often unsightly business activities away from the direct view of the road and to provide sufficient area for the establishment of landscaping. However, within the Ashburton Business Estate a variable setback is prescribed from Company Road, depending on the height of the building. Buildings up to 5m in height need only be setback 5m, which is sufficient width to establish landscape planting. A 10m setback is required for buildings up to 10m high which have greater potential to impact on the view and amenity of Company Road. A setback is not required along Northpark Road as a 75m buffer, vested in Council as reserve is proposed to achieve separation and amenity in this location. A lesser distance has been prescribed for setback from local roads where the volume of traffic is not as significant. These setbacks also provide the opportunity for landscape treatment within the zone.

The Business F Zone has extensive setbacks of 10-30m due to the potential noxiousness of onsite activities, the size of the buildings and the rural location which has an open space character.

### **5.7.3    *Setback from Neighbours***

Within the Business A Zone no setback from side boundaries is required. This standard is one of a number that the Council uses to maintain the traditional form of the main shopping areas and to ensure that there is a visual continuity to building frontage. This enables continuous veranda coverage to be provided without gaps and maintains the predominant character associated with the main shopping area.

The Business F Zone requires extensive setbacks of 10-30m which is considered necessary because of the noxiousness of activities onsite, the size of plant facilities and the open character of their rural locations.

In the Business E Zone, a setback from neighbours is required in the Ashburton Business Estate between sites which directly adjoin the buffer. For properties within Area 1 of the Estate a setback between buildings on neighbouring sites is appropriate to ensure that a continuous wall is not created which adversely affects the amenity and outlook from the buffer and Residential D Zone. In all other business areas no controls have been placed on setback from neighbours as it is considered that this achieves little with regard to amenity in such areas and instead provides maximum opportunity for individual sites to be used efficiently and economically. Where applicable, building coverage limits are also likely to avoid comprehensive site coverage.

In the business zones amenity values are often not significant and premises share common walls. In these areas building setback achieves little with regard to amenity and limits the economic use of property.

#### **5.7.4 Building Coverage**

The purpose of this rule is to control the density of commercial and industrial development and to retain a degree of open space on sites, consistent with the potential needs and expectations of occupiers and local amenity values. The rule also seeks to ensure sufficient open ground is available for stormwater percolation to ground.

This standard controls the amount of each section that is retained as open space and is therefore a key factor in determining the visual amenity and spaciousness within business areas.

Maintenance of the existing general scale and character of the business environment requires site coverage and open space levels for new development which are consistent with the prevailing character.

Within the Business A Zone in Ashburton Town Centre, 100% site coverage is provided for as the inner commercial area of Ashburton (Kapuka) is recognised as an area of intensive business activity. As there is no provision for setback from boundaries or the road and no requirement for onsite car parking, it is anticipated there will be an extensive level of building development. All other parts of the Business A Zone have a lower standard of site coverage because sites generally adjoin residential zones and this ensures that reasonable levels of open space are maintained consistent with the amenity values of the residential areas.

In all other cases within the Business B, C, D and F Zones, a site coverage of 75% is provided for, which realises reasonable development opportunities, some degree of spaciousness and the ability to comply with standards for landscaping, parking, loading and manoeuvring. In the Business F Zone

75% site coverage recognises the industrial character of those areas already occupied by plant and buildings, as shown in the Outline Development Plan. Other parts of the Zone are rural in character and the site coverage provision is the same as for the Rural Zones in recognition of this characteristic.

In the Business E Zone a new standard is introduced to maintain 20% of the site as a permeable surface to ensure that there is sufficient open ground for stormwater treatment and disposal on each site.

#### **5.7.5 Verandas**

Verandas are a traditional feature of many New Zealand towns and have a significant role in the visual and architectural integrity of the “main” streets of Ashburton (Kapuka) and Methven. They also provide shelter from the weather. The Council wishes to retain this traditional appearance of its main shopping areas, including that of the smaller townships, and promote achieving continuous veranda coverage throughout the Business A Zone.

The standard controls aspects of design and construction to ensure that continuity in veranda design is achieved and to ensure safety from collision with vehicles. Although, in Methven and Rakaia veranda posts are permitted to assist in the maintenance of the traditional character and amenity values of the streetscape.

### 5.7.6 *Windows*

The Council wishes to retain its traditional main shopping areas as attractive to the public and seeks to avoid the creation of large blank walls which would break the continuity of window displays and have little visual appeal. A minimum percentage of the wall to be dedicated for window will ensure that large blank walls are not created.

### 5.7.7 *Outdoor Storage and Display*

Within the main shopping locations the Council wants to ensure that the form and integrity of building frontage is retained for visual and amenity reasons and has therefore created a rule which does not allow the use of vacant land for storage, display or sale of goods. This control is part of a package of rules which aim to maintain a traditional street frontage with a continuum of buildings facing the street. Within the Business A-D Zones the outdoor storage of goods (excluding vehicles) is limited to the rear of buildings to control the visual amenity of the zone and protect that of adjoining areas where they are residential.

### 5.7.8 *Landscaping*

The dominant form of landscaping is the planting of trees and shrubs. Landscaping has the benefits of enhancing the appearance and/or the screening of a site and buildings as viewed from or across streets, or from adjoining properties.

A landscaped area is not required in all Business zones. In the Business A Zone the Council undertakes any street beautification works and opportunities for onsite landscaping are extremely limited with buildings typically positioned up to the road boundary.

In the Business B, C, D and E (except Ashburton Business Estate) Zones, landscaping or tree planting is required along all road boundaries. The Council wishes to ensure that the commercial and light industrial areas of the District are functional but still retain some level of amenity. Tree planting will partially screen bulky buildings and storage areas whilst providing a pleasant frontage when viewed from the street or adjoining properties. Tree planting is often more practical to achieve and maintain. Landscaping areas require more maintenance but provide a pleasant amenity over time. In Tinwald there is a large building setback to accommodate car parking and a landscaped area adjacent to the State Highway is required.

In the Business E Zone at Ashburton Business Estate, the landscape treatment for the zone is to be provided within the road reserve by Council. This includes a grassed berm and shelterbelt planting along specific roads through the zone to provide an overall structure to planting, visually break up the large land area, to provide a visual link with the distinctive shelterbelt planting in the surrounding rural land and to ensure landscape treatment is appropriately maintained. Along the Company Road frontage hedge planting is required to ensure that the road frontage maintains a pleasant visual amenity to the travelling public.

In the Business F Zones, landscaping is required along road and rural zone boundaries to screen activities and buildings on sites from adjoining properties and publicly accessible places. The rules are specific in the type and height of trees to be planted as well as the distance between trees and rows of trees at the time of planting. The activities being undertaken on sites within the Business F Zones

can create effects such as noise, odour and reduced visual amenity therefore the landscaping is required to mitigate these effects and maintain amenity values in the surrounding area.

#### **5.7.9     *Amenity***

The purpose of this rule is to achieve a scale of development which is consistent with the character of the adjoining land and to ensure that building development does not unduly deprive neighbouring properties of sunlight or impact significantly on their amenity. These are indirectly a means of affording some degree of privacy to property occupiers and some retention of opportunities for outlook and views.

These standards seek to maintain the scale of development on sites adjoining residential, rural or open space land to a level that is more consistent with that within the residential environment as a means of preserving the character and amenity of these areas or the character of the adjoining land. The provision for setback and screening will assist in the separation of potentially incompatible activities and affect the standard of visual amenity by reducing the dominance of buildings, and securing levels of privacy and access to daylight.

#### **5.7.10    *Setbacks from Stopbanks and Water Bodies***

This rule seeks to avoid or limit the vulnerability of buildings, contents and occupants to extreme flooding events which could occur due to failure of stopbanks, and to limit the vulnerability of stopbanks to the direct effects of development.

Stopbanks are designed to protect buildings and their occupants from flooding. However, in the event that they fail, buildings in close proximity to them are highly vulnerable to damage due to the surge effect of water. Failure through overtopping or breaching cannot be predicted in any particular location. It is important therefore to anticipate this vulnerability along any stopbank and to mitigate this by locating buildings back from the stopbank wherever practical.

Additionally the construction of buildings or carrying out of works in close proximity to or into/onto stopbanks can reduce the integrity of the stopbank and in order to maintain stopbanks, buildings need to be set back to retain their accessibility.

Also buildings are required to be setback from water bodies for a variety of reasons, including for the avoidance of the adverse effects of natural hazards and to retain some degree of access along their margins, including for mechanical maintenance purposes.

#### **5.7.11    *Design and Appearance***

These rules intend to maintain and enhance the amenity of areas both within and adjoining the Ashburton Business Estate.

Area 1 of the Business Estate's Business E Zone is intended to be developed with a higher level of internal amenity than other areas of the Business Estate. In addition, Area 1 of the Business E Zone directly adjoins a buffer providing physical separation from an adjoining Residential D Zone. A higher standard of building design is appropriate in this location. Similarly, the rule requiring compliance with a colour palette for buildings adjoining the buffer is to ensure that the visual outlook from the buffer

and the Residential D Zone is not adversely affected by brightly painted buildings which may detract from outlook and the planting of the landscaped buffer.

#### **5.7.12 *Offensive Processes***

Industrial activities may include processes which involve the handling or processing of products which are dangerous or have the potential to create noxious effects. It is generally not appropriate that these activities are located in areas close to residential areas where a higher standard of amenity and environmental quality is expected and where significant numbers of people are at risk. In addition, some business areas have a comparatively higher level of amenity that would be threatened by these activities. To protect these areas, and maintain the amenity outcomes sought, businesses which involve specified processes are not provided for in most Business Zones and require Council assessment and consent.

#### **5.7.13 *Hours of Operation, Including the Sale of Liquor***

The hours over which a business activity operates is a significant determinant in the level of adverse effects likely for neighbours as a result of vehicle and pedestrian movements, noise levels, loss of privacy and security and general disturbance, which are incompatible with residential environments. These effects are generally as a result of operations during hours when neighbours can reasonably expect a more peaceful environment. For this reason, limitations have been placed on the acceptable hours of operation for each day, with the exception of residential and accommodation activities, and emergency call outs which most residents would reasonably expect to occur infrequently and without such restriction.

In the case of activities involving the sale of liquor adjoining residential areas, the Plan recognises that such activities can result in activities which give rise to adverse effects on the amenity values of residential areas. These can be as a result of late night vehicle and pedestrian movements; noise of voices; vehicle doors banging; antisocial behaviour; and a loss of feeling of security for neighbours. Where the sale of liquor would otherwise be permitted as-of-right without any restriction on hours of operation, limits have been placed on the hours over which liquor may be sold on sites adjoining residential zones. This will enable the assessment of the appropriateness of the activity and the extent to which it will have adverse effects on residential amenities, by way of a resource consent application.

#### **5.7.14 *Effluent Disposal***

These rules seek to protect the environmental quality and amenity values of land within and surrounding the site at Fairton, and to ensure that the environmental quality and amenity values of land at and surrounding the sites at Seafield and Christys Road are not affected to a standard below that considered as acceptable under the terms of resource consents previously granted.

Effluent disposal is a permitted activity within the Business F Zone where it is acknowledged that effluent disposal is an integral part of a meat processing facility. However, on the sites at Seafield and Bridge Street, the disposal of effluent is an activity that has been approved under consents issued by the Ashburton District and Canterbury Regional Council's. It is appropriate that conditions imposed by the District Council on effluent disposal at the Christys Road and Seafield sites are transferred into the District Plan to ensure that the requirements and environmental quality required by these consents

are maintained. The “testing” or consideration of the suitability of the land at Fairton and Northpark Road has not been undertaken through the planning process and it is therefore necessary to ensure that this activity is not permitted without the need for further consents. This is necessary due to the potentially noxious effects associated with effluent disposal.

#### **5.7.15 Residential and Visitor Accommodation Activities**

With respect to the provisions for residential and visitor accommodation activities in Business Zones, it is appropriate for residential and visitor accommodation activities to be located in the Business A, B and C Zones. These zones provide principally for retail and commercial activities, which do not generally create noxious effects and are therefore considered suitable areas for such types of accommodation. Similarly residential and other accommodation buildings are of a scale that is compatible with other uses provided for within these zones and therefore would not have adverse effects on character.

In the Business A Zone in particular, residential activities such as shop top apartments can provide support for other activities and increase the vitality of town centres. The proximity of residents to services such as restaurants and entertainment and their likely use of cafes during the weekends often means that town centres do not ‘close’ at 5pm, and maintain a vibrancy beyond the normal operating hours of many businesses.

It is however appropriate that such residential activities in the Business A, B and C Zones are limited to above ground floor level and also comply with the Residential A Zone rules. That way the primary purpose of individual sites is still encouraged to be for business activity and any residential component enjoys an acceptable minimum level of amenity. Given the nature of anticipated activities in the Business B and C Zones, the effects that they may create (e.g. noise, fumes etc) and the sensitivity of occupiers of residential accommodation, there is also a requirement that ventilation of bedrooms is not reliant on opening windows.

In the Business C Zone it is considered appropriate to enable Visitor Accommodation activities at all levels to provide for motels, hotels or similar activities. A number of motels are already located within the Business C Zone and these appear to operate without any undue conflict.

Although intended for medium to heavier industry, there may be sites within the Business D Zones where residential and visitor accommodation is appropriate. Environmental quality and amenity values however can vary considerably within this zone and accordingly it is appropriate to make residential activities and visitor accommodation a Discretionary Activity and assess the suitability and effects of such developments (including effects on adjoining businesses) on a site by site basis. An exception is however made for limited residential accommodation to be a permitted activity where it is for custodial or site management purposes, provided it is ancillary to on-site business activity, associated bedrooms do not rely on open windows for ventilation and the Residential A Zone rules are complied with for that component of any development.

The Business E and F Zones are industrial and meat and produce processing Zones. Permitted activities are potentially noxious and objectionable; and in particular the Ashburton Business Estate has the potential to develop as a transport hub. These are generally unacceptable environments for residents

(other than for custodial or site management purposes) or those using visitor accommodation as the levels of adverse effects exceed those generally considered acceptable or pleasant to live within, even on a temporary basis. Even if more stringent standards were required for residential activities, the level of noise, vibration, fumes, dust, traffic movements, and the style, proximity and density of building on adjoining sites would not be compatible with residential use or visitor accommodation. In addition, the establishment of residential activities, other than for custodial purposes, or visitor accommodation may result in complaints over environmental quality and amenity values and result in unreasonable restraints being imposed on legitimate business activities. In situations where custodial or site management accommodation is anticipated, there is less likelihood of reverse sensitivity effects arising given the inherent connection with business activity being undertaken on the site. Therefore, subject to the same limitations as for the Business D Zone, such activities are also permitted in the Business E and F Zones.

#### **5.7.16 Commercial Activity Limits ~~Retail Floor Space~~**

There are a range of reasons for ~~the retail floor space rules~~ **limitations on commercial activities within Business zones** including:

- to ensure the consolidation of the business areas and the functioning, integrity, convenience and viability of the inner commercial areas **(Business A zones)** of the towns is realised;
- to protect adjoining environments from the adverse effects of retail activity, including pedestrian and vehicle traffic generation;
- to limit the attraction of the general public to areas of noxious or heavy industrial activity;
- to avoid, remedy or mitigate vehicle and/or pedestrian conflicts, and protect traffic safety and efficiency.

The dispersal of general ~~retail~~ **commercial** activity throughout the business areas may result in adverse effects on the functioning, convenience, vitality, pleasantness and viability of the inner commercial areas of the towns. Fragmentation and dispersal of general retailing activities **and office activities** may result in closure of shops in the inner commercial areas, a reduction in the range of services available in these areas, a loss of vitality and attractiveness to shoppers, and an undermining of their roles as principal areas for comparison retailing, and as focal-points and sources of identity for their communities.

Unlimited ~~retail~~ **commercial** activity throughout the business areas may also result in the dispersal of activity along the State Highways, with consequential adverse effects on traffic safety and efficiency, traffic congestion and vehicle/pedestrian conflicts. Furthermore existing public infrastructure in the inner commercial areas, in the form of public car-parking, **civic and community facilities** ~~and other street developments~~, may become inefficiently used.

~~An upper limit on retail floor area in the Business A Zone seeks to ensure that such premises are still encouraged and attracted to locate in these areas, but they do so in a way and at a scale that maintains some consistency in terms of existing built character, that accessibility and convenience for pedestrians is retained, and that retail activities that are strongly vehicle oriented are discouraged. These will be important considerations in terms of the acceptability of retailing that may be proposed above the floor area limit by way of resource consent.~~ **There are no** ~~The same restrictions on commercial activity in the Business A zone, recognising the need to consolidate and coordinate commercial activity in the zone and support a wide range of retail, commercial, civic and social~~



~~activities. does not apply to other activities, including those of a community or commercial nature, to support achieving some activity mix and diversity, and recognizing that retailing typically is, and is expected to remain, the predominant activity in these locations. These non-retail a~~Activities are however still subject to other controls (e.g. relating to windows and verandas) directed to maintaining the consistent character and a pleasant, pedestrian friendly environment.

For suburban commercial centres in Ashburton (Kapuka), ~~the same floor area restriction supports achieving similar objectives,~~ **development standards** reflecting the traditional scale of development in these locations, but also the proximity of these centres to neighbouring residential activity and the desire to protect the amenity values of those neighbourhoods, while still enabling the day to day servicing needs of local communities to be readily met.

In the District's rural townships outside of Ashburton (Kapuka), provision has been made for community grocery stores to be considered ~~at sizes greater than the Business A Zone maximum gross floor area limit, but~~ below the size of a modern supermarket, as controlled activities. This recognizes the historical role of those centres, as distinct from the larger township of Ashburton (Kapuka). It also reflects their comparative size, accessibility and established mix of activities, and therefore reduced likelihood of vehicle/pedestrian conflicts arising; the limited population base of such townships to support larger full service supermarkets; and the presence of grocery stores of that size already established in some of those town centres.

The minimum retail floor area restriction for the Business B Zone, which is specific to Ashburton (Kapuka), seeks to ensure an **limited** opportunity exists for larger format retailing, ~~still close to~~ **outside of, but on the fringe of** the town centre, but where vehicle access is convenient and sites are sufficiently large. A number of such retailers are already concentrated in this location. The retail floor area rule for the Business B Zone also provides for restaurant and take-away food outlets and **trade suppliers** ~~specific vehicle oriented retailing of less than 500m<sup>2</sup>. This is intended to cater for the needs of those working in these areas, whilst reducing the need for vehicle trips into central Ashburton (Kapuka) such as during lunch breaks, and also for the needs of activities such as service stations and vehicle display/sales with similar expectations for vehicle accessibility and land area. Key considerations in terms of other~~ **A strict limitation on** smaller sized retailing activities seeking to locate within the Business B Zone **is provided to ensure maintenance of the** ~~will be maintaining~~ the function, convenience, integrity and viability of the Business A Zone; the potential for fragmentation of retailing activity to compromise achieving that and other Business Zone objectives; and the need to protect pedestrian safety and convenience in a location that is recognized to be predominantly vehicle oriented.

The establishment of **limited opportunity for** large-scale, vehicle-oriented retail activities, including supermarkets, on the west side of the Ashburton (Kapuka) town centre is not considered to have significant adverse effects on the town's inner commercial area. ~~In Ashburton (Kapuka), a significant number of shopping trips combine supermarket shopping and other retailing. Vehicle movement between the retail areas east and west of the railway line in Ashburton (Kapuka) is convenient, quick and safe, and parking is easy to obtain in the central areas. Consequently, people will find it convenient to move between supermarket shopping, whether on the east or west side, and comparison retailing or other commercial activities on the east side of the railway line. The separation of these two retail areas does not present a significant hurdle to shoppers and they can move freely from one area to the other, visiting both areas during one shopping trip.~~



The rule as it applies to the Business C Zone restricts the establishment of commercial activities, excluding trade suppliers, food and beverage outlets and entertainment activities. This is an appropriate response to these fringe town centre locations which could, if left unregulated could result in substantial retail and office activities establishing outside of the town centre. a maximum gross floor area restriction on most retailing, but at a level greater than that of the Business A Zone. This is to provide an opportunity for those retail activities that are not suited to the intimate environment of the Business A Zone, or are not necessarily large enough or as suited to the Business B Zone in the case of Ashburton (Kapuka), but still benefit from a location near to the town's commercial centre. Although vehicle access can be convenient in parts of the Business C Zone, in other parts of the zone local roads provide access and more sensitive residential neighbourhoods are often directly adjoining sites or are situated very nearby. An upper limit on retail floor space also seeks to prevent large scale development on any particular site generating a concentration of traffic in that location, with the effects of that traffic adversely impacting on the functioning of the local road network and/or residential amenity. The rule being a zone standard reflects these sensitivities, and for Ashburton, the preference for large format retailing to locate in the Business B Zone.

The restriction in the Business D and E Zones is to small scale retailing of goods produced or processed on the site. With food and beverage outlets and trade suppliers provided for in the Business D zone recognising that these activities are not incompatible with the light industrial and logistics activities undertaken in this zone. Food and beverage outlets are not necessary anticipated in the Business E zone, with the need to consider the scale of such enterprises, and sensitivity to surrounding heavy industrial activities. restaurants and take-away food outlets, as well as retailing from vehicle sales and other outdoor display and sales. Provision for sales from the Ashburton Saleyards recognises the historical use of this site, which is not otherwise permitted in the Business E Zone.

Limited provision is made for larger scale supermarkets in the Business C and D zone, where these activities are located within the Supermarket Overlay and as subject to appropriately managing amenity and transport effects, as well as any significant distributional (retail) effects on the Town Centre. The overlay recognises the larger scale supermarkets already established outside of the Business A zone or as needed to meet the needs of the growing community where development could otherwise be constrained in the Business A zone.

With respect to ~~restaurants and take-away food~~ food and beverage outlets, these tend to be vehicle-oriented in many locations and their function is not necessarily related to the comparison retailing which is sought to be concentrated in the inner commercial areas. This function is not related to the size of the restaurant or take-away food outlet and it is not considered to be necessary to generally restrict the size of these activities either in Ashburton (Kapuka) or in other smaller townships. They also can serve an important service role for those engaged in or visiting industrial and business areas, often avoiding the need for vehicle travel when they are readily accessible.

The same option for such food sales is not however provided for in the Business F Zone, which is specific to meat processing, and where the scale of the Zone and inherent nature of the industrial environment does not lend itself to such activities. Accordingly, retailing is more limited in this zone to goods processed or manufactured on site.

#### 5.7.17 Lighting

Illumination from lighting can interfere with the enjoyment of a property and with the sleep of occupiers; therefore the standard seeks to limit the amount and intensity of light spillage onto

adjacent properties. Inappropriately directed lighting can also cause safety hazards on roads by distracting, confusing or temporarily blinding drivers. Where the receiving property is within a business zone the standard has been set to reflect the amount of illumination generally anticipated in the business areas of the District's towns, where there is already a degree of night-time illumination from street, security, shop window and other neighbourhood lighting.

Residential sites adjoining existing business zones are in some instances subject to increased illumination as a result of neighbouring business activities. In recognition of the sensitivity of residential areas the standards for activities within the Business Zones require those activities to meet acceptable residential illumination limits at the boundary of any property zoned residential.

#### **5.7.18 Outline Development Plans**

The purpose of these rules is to ensure that activities are located in areas that will assist in the avoidance, mitigation or remedying of adverse effects.

The Business F Zone (Appendices 5-1A, 5-1B, 5-1C and 5-1D) includes the plant and buildings of the meat processing plant at Seafield and surrounding land, as well as land at Northpark Road. Not all of the permitted activities are appropriate throughout the zone due to the potential for adverse effects to occur which may detrimentally affect environmental quality and amenity values. For example, food processing may be appropriate at the Northpark Road site, however, the slaughtering of animals or disposal of effluent are not activities that are considered suitable. The Outline Development Plan defines the appropriate location of activities and the Zone Standard requires compliance with this Plan. In the Business F Zone at Bridge Street the land surrounding the existing plant is zoned for meat processing activities. However, there is no provision for expansion, in order to ensure that a larger plant is not provided for which may contribute to cumulative adverse effects. The company has consent to dispose of its effluent on to the surrounding area and provision is made for this through the Outline Development Plan.

Ashburton Business Estate (Business E Zone. Appendix 5-2A) is located adjacent to Residential D Zone along its western boundaries. To ensure that business activities do not adversely affect the amenity values of the residential area it is necessary to control the location of potentially more objectionable or noxious industrial activities away from the residential boundary. Accordingly, the Business Estate has been divided into two Areas. Area 1 closest to the residential zone provides for offices, commercial, service and industrial activities with limitations on industrial activities adjoining the buffer zone and vehicle refuelling and maintenance. Additionally, standards in the Business zone rules require consent for undertaking Offensive Processes within the Business Estate.

Area 2 applies to that half of the site further away from the residential area and provides for heavier industrial activities including manufacturing and food and produce processing activities. Area 2 is adjacent to the Silver Fern Farms meat processing facility which is an established heavy processing activity and is not likely to be adversely affected by further industrial development on its boundary.

The reason for the part of the rule restricting the location of some activities to within buildings, is to ensure industrial activities located adjacent to the buffer area and residential zone do not adversely affect the amenity values of the residential area and therefore it is necessary to control the location of potentially more adverse industrial activities away from the residential boundary.

Whilst some industrial activities generally involve manufacture, assembly, processing or fabrication of

a product it is seen as important to control this at the boundary such that there is a limited chance of noise or other industrial related effects such as odour or glare emanating across the buffer into the residential area. As the definition for an industrial activity is broad it is hard to determine the actual effects however if they are limited to within a building this will in itself act as mitigation and avoidance of potential effects. Council does not wish to see large scale activities operating outside of buildings where the site adjoins the buffer and where the likelihood of potential effects can occur.

The outline development plan puts in place a 75m buffer along the shared length of the Residential D / Business E boundary providing physical separation between residential and business activities. Seventy five metres provides sufficient width to incorporate mounding and sufficient distance to ensure that noise effects are mitigated to the district plan standard at the residential boundary. The limitation on window and door openings for buildings on sites directly adjoining the buffer provides further mitigation of any adverse noise effects at the residential boundary.

The buffer also provides space for landscape planting, stormwater treatment together with pedestrian and cycleway connections to the Business Zone.

The Business Estate provides an area for the Ashburton rail yard to be relocated away from the town centre to a new site. A rail yard has the potential to create adverse noise effects and the Outline Development Plan locates the yard in a location, where coupled with an appropriate noise barrier, noise standards at the residential boundary are anticipated to be met. This mitigation must be in place prior to the establishment of any rail activities within the zone. The rule requires the added measure of an acoustic report to satisfy Council that the acoustic barrier erected as mitigation is of an appropriate standard prior to the activity commencing.

The limitation on the number of access roads connecting with the local roading network and requirements for curved road alignments are to ensure that traffic is dispersed appropriately onto the wider roading network and that the roading layout accommodates easy access to those main road connections.

The Riverside industrial area comprises of Business D Zoned land situated on the lower river terraces along the western margin of Ashburton (Kapuka) township. It provides a significant area for future light industrial activity to establish beyond the extent of existing development, but the zoning is first dependent upon achieving suitable access routes into the area from the south that avoid associated traffic directly impacting on neighbouring residential areas. The Outline Development Plan addresses these access matters, and also stipulates necessary boundary setback buffer distances, including landscaping requirements and building restrictions within those buffers.

Another Outline Development Plan exists for the Business E Zone at Rakaia, specifying setback, access, building and landscape requirements in relation to the State Highway and adjoining residential land. These are directed to protecting amenity values, particularly where the Business E Zone directly adjoins a residential zone, and also to maintaining the safe and effective functioning of the State Highway.

The Outline Development Plan for the Silver Fern Farms meat processing facility at Fairton sets out the activities that can be undertaken within Area 1 and Area 2. Area 1 provides for Meat Processing, Food and Produce Processing as permitted activities whereas Area 2 provides for the treatment/disposal of wastewater, forestry and farming activities only. The company has consent to dispose of its effluent within Area 2 and provision is made for this through the Outline Development

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Plan.

#### **5.7.19 Community Activities**

Community activities are permitted within the Business A, B and C Zones as these both adjoin and provide for residential activities. The character of these areas and scale of buildings often means that such activities are compatible with the existing environment. In addition, the Business A, B and C Zones attract large numbers of visitors and have a higher amenity than other business zones, and therefore are considered appropriate locations for community activities.

Within the Business D Zone not every site may be appropriate for community activities and as such, they will be assessed as discretionary activities. Consideration will be given to matters such as the appropriateness of the community facility within the Business D Zone; alternative locations; the number of visitors it may attract and the frequency of visits, as well as whether these will be outside the normal operating hours of the surrounding businesses; and the nature of adjoining business activities.

Community activities are generally not considered appropriate within the Business E and F Zones due to the nature of activities occurring there, and the potential for high numbers of visitors to potentially conflict with heavy traffic.

#### **5.7.20 Recreational Activities**

Recreational activities are considered appropriate within the Business A, B and C Zones. These Zones have a generally high level of amenity and attract high numbers of visitors, therefore recreational activities would not be considered inappropriate or in conflict with existing activities.

Within the Business D and E Zones, such activities may be appropriate on some sites and will be assessed as discretionary activities. For example, a cycle track or skate park within an industrial area may be appropriate depending upon the nature of adjoining activities, their hours of operation, and effects such as noise and odour and vehicle/pedestrian safety.

It is not anticipated that recreational activities will be considered appropriate in very many circumstances within the Business F Zone due to the nature of activities that occur there. Adverse effects such as noise and smell make this Zone generally inappropriate for such pursuits.

Throughout the business zones shooting ranges, as a recreational activity, have the potential to generate their own adverse effects (e.g. noise) and accordingly are not permitted in the more sensitive Business A and B Zones, but are identified as discretionary activities in the remaining business areas of the district.

#### **5.7.21 Industrial Activities and Mineral Extraction**

These rules generally seek to prevent the establishment of activities with potentially significant adverse effects in locations close to residential areas or in business areas which have a high standard of amenity.

Mineral extraction is considered inappropriate in the Business A, B and C Zones. These zones are areas where people will congregate and anticipate a pleasant working environment in which to conduct shopping, business and social activities. The potential effects of mineral extraction, such as increased

noise, vibration, fumes, dust and heavy traffic are considered incompatible with the level of amenity anticipated.

Even within the Business D and E Zones, mineral extraction is not considered appropriate as it would require large tracts of land to be taken out of use by business activities. In addition, the location of the majority of these zones close to urban areas makes them inappropriate for such mineral extraction, as adverse effects such as noise and traffic generation affect sites beyond the boundaries of the business zones.

Industrial activities are also considered inappropriate in the Business A and B Zones. These zones are intended for the development of retail, tourist related services and also community and recreational activities to serve the needs of the local community. The potential effects of industrial activities such as increased noise, vibration, or heavy traffic are considered incompatible with the level of amenity anticipated.

Industrial activity has a broad definition that may incorporate a range of activities. It is appropriate to provide for industrial activities in the Business C Zone in recognition of the fact that often manufacturing processes may be a complementary part of a retail sale or service business e.g. jewellery manufacture. It is therefore appropriate to make industrial activity a Discretionary Activity in this zone and assess the suitability and effects of such developments (including effects on adjoining businesses) on a site by site basis.

Industrial activities are permitted within the Business D and E Zones as these have historically been areas of manufacturing and industrial activity. As such, these are areas of low amenity with large buildings, outdoor storage and substantial areas of impermeable surfaces with little or no landscaping. These areas are often located away from residential areas and therefore provide an opportunity for industrial activities to operate without reverse sensitivity effects that may prevent the operation or expansion of such activities.

Industrial activities, except for those related to meat and food and produce processing, are incompatible with the activities in the Business F Zone due to the potential noxiousness of effects created by these activities. With respect to the Business F Zone in Bridge Street it is not appropriate to provide for a broadened range of activities as the site is more suited in the long-term for Residential zoning given the nature of surrounding land uses and the location of the zone in proximity to the urban boundary. The facilities at Fairton and Seafeld are purpose-built facilities and the range of permitted activities already encompasses all food, produce and meat related processing activities.

#### **5.7.22 Forestry and Intensive Farming Activities**

Forestry and intensive farming activities have the potential to generate effects which are incompatible with the levels of amenity values sought in business zones in urban areas. Effects include odour, visual impact, dust, noise, overshadowing, and dominance of outlook and loss of security. Within the Business F Zone however, forestry is permitted as these zones are located within rural areas where forestry is provided for in the surrounding areas and is a compatible land use. Intensive farming is not provided for in the Business F Zone due to the potential adverse effects created by this activity on the surrounding environment in terms of odour.

### **5.7.23 Farming and Food, Produce and Meat Processing Activities**

Farming is not provided for in the majority of the Business Zones in recognition of the effects that can arise from that diverse activity. Those effects can relate to impacts such as odour, dust, noise and visual impact which could be detrimental to many business activities, depending on the circumstances of the site. It is also recognised that many areas zoned for business activity are within or adjoin urban areas and residential areas in particular, where high levels of amenity are to be protected. Farming is however permitted in the Business F Zone reflecting the location of the zone within rural surroundings and the compatibility of uses in that context.

Meat processing activities similarly are generally not provided for outside of the Business F Zone which is specifically intended for that purpose. Meat processing is however contemplated in the Business E Zone as a Restricted Discretionary Activity given it is an offensive process, but is a non-complying activity within the part of the Ashburton Business Estate (Area 1) located nearest to the neighbouring residential zone.

Food and produce processing also is permitted in the Business F Zone. It is a Discretionary Activity in the majority of Business E Zone recognising the heavy industrial nature of that zone, but also the possibility of effects arising from such processing, including odour. Like meat processing it also is a non-complying activity in Area 1 of the Business Estate recognising the sensitivity of the neighbouring residencies.

Meat, food and produce processing are not anticipated to locate within the Business A-D Zones given amenity values within and surrounding those locations, and also issues of compatibility with activities provided for in those zones.

### **5.7.24 Service and Commercial Activities**

Controls over these activities in the various Business Zones support achieving the outcomes sought for those areas, particularly in respect of desired amenity values and also ensuring the compatibility of activities occurring both within and adjoining these zones.

Both are seen as unlikely to be acceptable in the Business F Zone, given its nature and very specific purpose. However, an exception has been made for Lot 1 DP 46816 as shown on Appendix 5-1A (Area 2) to enable Service Activities to establish on this site. It is also appropriate to manage activities of a commercial nature in the heavier industrial areas through a consent process, given their potential to attract people to those premises and the types of effects arising from industry nearby. Commercial activities are however generally anticipated in all other business locations, including town centres.

Service activities tend to involve storage, repair or maintenance elements which can be more compatible with medium to heavier industry. Accordingly they are generally anticipated in the Business C, D and E Zones, but may be less suited to locations within the more commercial and retail oriented Business A and B Zones. These activities can also attract high vehicle numbers and in themselves give rise to adverse effects (e.g. noise, visual distraction) making them less suited to these business areas.

#### **5.7.25 Flood Risk**

Low lying areas may be subject to flooding or inundation during significant rainfall events. The Riverside industrial area is located immediately adjacent to the Ashburton River (Hakatere) and thus activities, buildings and people need to be protected from flood risk. The flood risk rule requires new buildings in this location to have a minimum floor height so as to reduce that risk.

## 5.8 Rules – Business Zone

### 5.8.1 District Wide Rules

Attention is drawn to the following District-Wide Rules which may apply in addition to any relevant Zone Rules to activities undertaken in the Business Zones. If any one or more of the District-Wide Rules is breached, the activity may require consent in respect of those rules.

Subdivision	(Refer Section 9)
Transport	(Refer Section 10)
Noise	(Refer Section 11)
Heritage Values and Protected Trees	(Refer Section 12)
Signs	(Refer Section 13)
Utilities, Energy and Designations	(Refer Section 14)
Relocated Buildings and Temporary Activities	(Refer Section 15)
Hazardous Substances	(Refer Section 16)
Definitions	(Refer Section 17)

### 5.8.2 Permitted Activities

The following shall be permitted activities, provided that they comply with all the relevant Site and Zone Standards below and all relevant District Wide Rules, and are not otherwise specified as a controlled, restricted discretionary, discretionary, non-complying or prohibited activity:

- a) **Residential Activity** in the Business A, B and C Zones;
- b) **Residential Activity**, for the purpose of custodial and site management, in the Business D, E and F Zones;
- c) **Visitor Accommodation** in the Business A, B and C Zones;
- d) **Community Activity** in the Business A, B and C Zones;
- e) **Recreational Activity** (excluding shooting ranges) in the Business A, B and C Zones;
- f) **Retail Activity** (excluding service stations) in the Business A Zone, other than where specified as a Controlled, Discretionary or Non-Complying Activity, ~~provided that:~~
  - ~~the maximum gross floor area of any individual retail tenancy shall not exceed 500m<sup>2</sup>;~~
- g) **Retail Activity** in the Business B Zone, other than where specified as a ~~Discretionary~~ **Non-Complying Activity**, provided that:
  - retail display and sales shall be limited to single retail outlets, each with a minimum gross floor area of 500m<sup>2</sup> located within buildings,

except that this limitation shall not apply to:



- 
- service stations for which any indoor retail floor area shall not exceed 150m<sup>2</sup> in area;
  - **food and beverage** restaurants and take-away food outlets;
  - **trade suppliers** vehicle sales and other outdoor display and sales.
  - **Yard based suppliers.**
  - lotto kiosk or café associated with and ancillary to supermarkets
- h) **Retail Activity** in the Business C Zone, other than where specified as a Non-Complying Activity, provided that:
- the maximum gross floor area of any individual retail tenancy shall not exceed 750m<sup>2</sup>,
  - except that this limitation shall not apply to:
    - service stations for which any indoor retail floor area shall not exceed 150m<sup>2</sup> in area;
    - vehicle sales and other outdoor display and sales.
- h) **Retail Activity** in the Business **C and D** and **E** Zones, other than where specified as a Non-Complying Activity, provided that:
- retail display and sales shall be limited to single retail outlets selling goods produced or processed on the site and may include only ancillary products to goods produced or processed on the site, each with a minimum gross floor area of 150m<sup>2</sup> located within buildings,
- except that this limitation shall not apply to:
- **food and beverage** restaurants and take-away food outlets;
  - **trade suppliers** vehicle sales and other outdoor display and sales.
  - **Yard based suppliers.**
  - The display and sale of livestock and the sale of refreshments to persons attending sales events at the Ashburton Saleyards (Lot 2 DP 46305 and Pt RS 20425 Blk IV Hinds (Hekeao) SD).
- i) **Retail Activity** in the Business **E and F** Zone, other than where specified as a **Restricted Discretionary or Non-Complying Activity**, limited to:
- retail display and sales of goods processed or manufactured on site;
  - **The display and sale of livestock and the sale of refreshments to persons attending sales events at the Ashburton Saleyards (Lot 2 DP 46305 and Pt RS 20425 Blk IV Hinds (Hekeao) SD).**

- 
- j) **Commercial Activity** (excluding Retail Activity) in the Business A, ~~B, C and D~~ Zones;
  - k) **Office Activity in the Business B, C, D and E Zone where these are Ancillary Activities which occupy no more than 30% of the GFA of all buildings on the same site;**
  - l) **Commercial Services within the Business C Zone;**
  - m) **Entertainment Activities within the Business C Zone;**
  - n) **Service Activity** in the Business C, D and E Zones, and in Area 2 of the Business F zone located on Bremners/Northpark Roads (as shown on the ODP in Appendix 5-1A);
  - o) **Industrial Activity** in the Business D and E Zone;
  - p) **Food and Produce Processing and ancillary Office activities which occupy no more than 30% of the GFA of all buildings on the same site** in the Business F Zone;
  - q) **Meat Processing and ancillary Office activities which occupy no more than 30% of the GFA of all buildings on the same site** in the Business F Zone, except on land held in CT181321 or on the site known as 150 Fairfield Road, Fairton;
  - r) **Farming Activity** in the Business F Zone;
  - s) **Forestry Activity** in the Business F Zone.

### 5.8.3 Controlled Activities

- a) Supermarkets (grocery stores) in the Business A Zone (except the Ashburton Township) that have a gross floor area ~~exceeding 500m<sup>2</sup> but do not~~ **exceeding** ~~have a gross floor area greater than 1,200m<sup>2</sup>.~~

Council has reserved matters of control to the following:

- the extent to which the activity will adversely affect the function, integrity, convenience and viability of the Business A Zone;
  - the potential for fragmentation of retailing activity;
  - the ability of existing infrastructure, such as car parking and the roading network, to meet the needs generated by the proposed activity;
  - protecting pedestrian safety and convenience.
- b) Area 1: Ashburton Business Estate

All buildings and additions or alterations to existing buildings within Area 1 shall be controlled activities.

Council has reserved matters of control to assessment in accordance with the Ashburton Business Estate Design Guidelines, Appendix 5-2B.

### 5.8.4 Restricted Discretionary Activities

- 
- a) Any Activity which is listed as a Permitted Activity and which complies with all of the relevant Zone Standards, but does not comply with any one or more of the relevant Site Standards shall be a Restricted Discretionary Activity. The exercise of the Council's discretion being restricted to the matter(s) specified in the assessment matters in 5.11.
- b) Food and Beverage outlets in the Business E zone. The exercise of the Council's discretion being restricted to the matters specified in 5.11.16.**
- c) Supermarkets in the Business C and Business D zones located wholly within the Supermarket Overlay. The exercise of the Council's discretion being restricted to the matters specified in 5.11.17.**

#### 5.8.5 Discretionary Activities

- a) **Residential Activity** in the Business D Zone, other than where specified as a Permitted Activity;
- b) **Visitor Accommodation** in the Business D Zone;
- c) **Community Activity** in the Business D Zone;
- d) **Recreation Activity** (including shooting ranges) in the Business D and E Zones;
- e) Shooting ranges in the Business C Zone;
- f) ~~**Retail Activity Service Stations**~~ in the Business A Zone, ~~other than where specified as a Controlled Activity, where any individual retail tenancy exceeds 500m<sup>2</sup> gross floor area;~~
- g) **Retail Activity** in the Business B Zone, other than where specified as a Permitted Activity or Non-Complying Activity where:
- ~~retail display and sales are within buildings less than 500m<sup>2</sup> gross floor area;~~
  - service stations have an indoor retail floor area exceeding 150m<sup>2</sup>;
- h) ~~**Commercial Office Activity**~~ (excluding ~~Retail Activity~~) in the Business **B, C, D and E** Zone **except where these are Ancillary Activities which occupy no more than 30% of the GFA of all buildings on the same site;**
- i) **Retail Activity in the Business C Zone, other than where specified as a Permitted Activity or Non-Complying Activity, where the maximum gross floor area of any individual retail tenancy shall not exceed 500m<sup>2</sup>.**
- j) **Service Activity** in the Business A and B Zones;
- k) **Industrial Activity** in the Business C Zone;
- l) **Food and Produce Processing** in the Business E Zone except within Area 1 of the Ashburton Business Estate;
- m) **Mineral Extraction** in the Business F Zone;

### 5.8.6 Non-Complying Activities

- a) Any Activity which does not comply with any one or more of the relevant Zone Standards shall be a Non-Complying Activity, provided that they are not listed as a Prohibited Activity;
- b) All activities unless listed as Permitted, Controlled, Restricted Discretionary, Discretionary or Prohibited Activities are Non-Complying;
- c) **Residential Activity** in the Business E and F Zones, except where listed as Permitted Activity;
- d) **Visitor Accommodation** in the Business E and F Zones;
- e) **Community Activity** in the Business E and F Zones;
- f) **Recreation Activity** (including shooting ranges) in the Business F Zone;
- g) Shooting ranges in the Business A and B Zones;
- h) **Service Stations** in the Business A Zone;
- i) **Retail Activity in the Business B Zone, other than where specified as a Permitted Activity or Discretionary Activity, where:**
  - **retail display and sales up to a gross floor area of 500m<sup>2</sup> per tenancy;**
- j) **Retail Activity in the Business C and D Zone, other than where specified as a Permitted Activity or Discretionary Activity:**
  - ~~the maximum gross floor area of any individual retail tenancy exceeds 750m<sup>2</sup>;~~
  - ~~service stations have an indoor retail floor area exceeding 150m<sup>2</sup>;~~
- k) ~~Retail Activity in the Business D and E Zones, where it involves retail display and sales exceeding the limits listed in the permitted activity rule (5.8.2 i) above);~~
- l) ~~Retail Activity in the Business E and F Zone, other than where it involves retail display and sales of goods not processed or manufactured on-site specified as a Permitted Activity;~~
- m) **Commercial Activity** (excluding Retail Activity) in the Business F Zone;
- n) **Commercial Services within the Business B, D, E and F zones.**
- o) **Entertainment Activities within the Business B, D, E and F zones.**
- p) **Service Activity** in the Business F Zone unless specified as a permitted activity under rule 5.8.2;
- q) **Industrial Activity** in the Business A, B and F Zones;
- r) **Food and Produce Processing** in the Business Zones A, B, C and D Zones and within Area 1 of the Ashburton Business Estate in the Business E Zone;

- s) **Meat Processing** in the Business A, B, C and D Zones and Area 1 of the Ashburton Business Estate in the Business E Zone and on land held in CT181321 or on the site known as 150 Fairfield Road, Fairton;
- t) **Farming Activity** in the Business Zones A, B, C, D and E Zones;
- u) **Forestry Activity** in the Business Zones A, B, C, D and E Zones;
- v) **Mineral Extraction** in the Business Zones A, B, C, D and E Zones;
- w) **Intensive Livestock Management** in the Business A, B, C, D E and F Zones.

#### 5.8.7 Prohibited Activities

The following activities shall be Prohibited Activities:

- a) Any provision for vehicular access to any site or activity in the Business E Zone from Taits Road.

#### 5.8.8 Notification / Consultation / Notes

Resource consents in relation to the following matters shall not be publicly or limited notified:

Residential and Visitor accommodation	Site Standard 5.9.15
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Resource consents in relation to the following matters shall not be publicly notified:

Setback from Stopbanks and Water bodies	Site Standard 5.9.10
Flood Risk	Zone Standard 5.10.5

Consultation with the Canterbury Regional Council will be important in the assessment of resource consent applications in relation to the following standards:

Setback from Stopbanks and Water bodies	Site Standard 5.9.10
Flood Risk	Zone Standard 5.10.5

Notes:

- Please note that the Resource Management (National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011 may be applicable to your site/property.

## 5.9 Site Standards.....

### 5.11 Assessment Matters

Note: When considering any application for resource consent, the Council may also choose to consider how a proposal responds to urban design principles and relevant matters contained in the Ministry for the Environment Urban Design Protocol 2005.

#### 5.11.1 Height of Buildings

- a) The extent of any adverse effects on the environment from exceeding a maximum height and in particular the effect of any increased building height on the visual character of the area and compatibility with the scale of adjoining buildings.

.....

#### 5.11.16 Food and Beverage Outlets in the Business E zone

- a) The extent to which the scale of the activity is consistent with, and serves the needs of workers and visitors to the Business E zone;
- b) The effect of the activity on the ability of existing or future permitted industrial activities to operate or establish without undue constraint.

#### 5.11.17 Supermarkets in the Supermarket Overlay

##### Transport

- a) The extent of effects of intensity and scale of the activity and management of accessways and the generation of vehicle movements in terms of the safety, efficiency and effectiveness of the transport network.

##### Amenity

- b) The effects of the operation of the activity on the existing and anticipated amenity of the surrounding area, taking into account any practicable mitigation measures to manage those effects, and the functional and operational requirements of the supermarket.
- c) The effects of the design and location of the building, servicing areas, parking arrangements and landscaping on the visual amenity of the streetscape and on pedestrian activity, taking into account the extent that landscaping (including required landscaping) and design of the buildings (including materiality, modulation and colour) contribute to the amenity values of people using or passing through public space.
- d) The effects of location, design and management of storage, back of house, and servicing facilities on the reasonable amenity of neighbouring properties, including potential visual effects and any nighttime noise effects, taking into account adequacy of access for service vehicles.

##### Reverse Sensitivity

- e) Any location, design and/or operational characteristics which could give rise to potential reverse sensitivity effects of such significance as to inhibit or discourage existing and anticipated industrial activities from operating in the zone.

**Distributional Effects**

- (f) Whether the size, composition and characteristics of the proposed supermarket activity will cause significant adverse effects on the function, role and amenity of the Business A zone.

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[Click here to go back to start of Section 5: Business Zones](#)

**Contents**

**Section 17: Definitions**

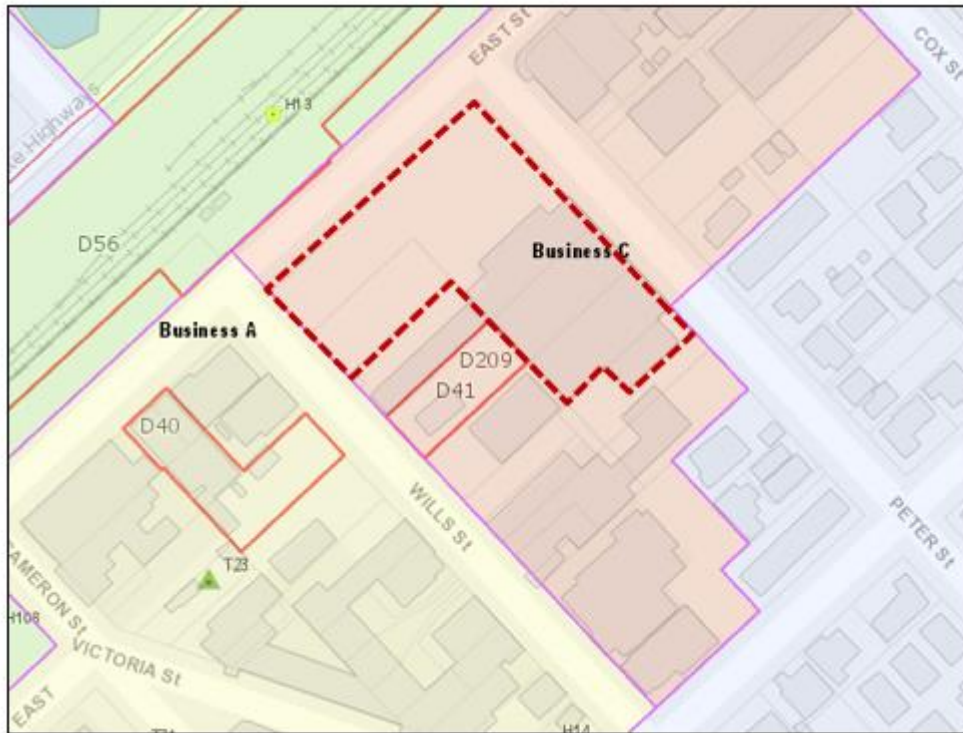
17.1	General Definitions .....	17-1
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<b><u>Supermarket</u></b>	<b><u>means an individual retail outlet that sells a comprehensive range of food, beverage and other disposable goods such as fresh meat and produce; chilled, frozen, packaged, canned and bottled foodstuffs and beverages; and general housekeeping and personal goods.</u></b>
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*Note: Remainder of Definitions as PC4 as notified*

## Planning Maps

Insert 'Supermarket Overlay' as shown.

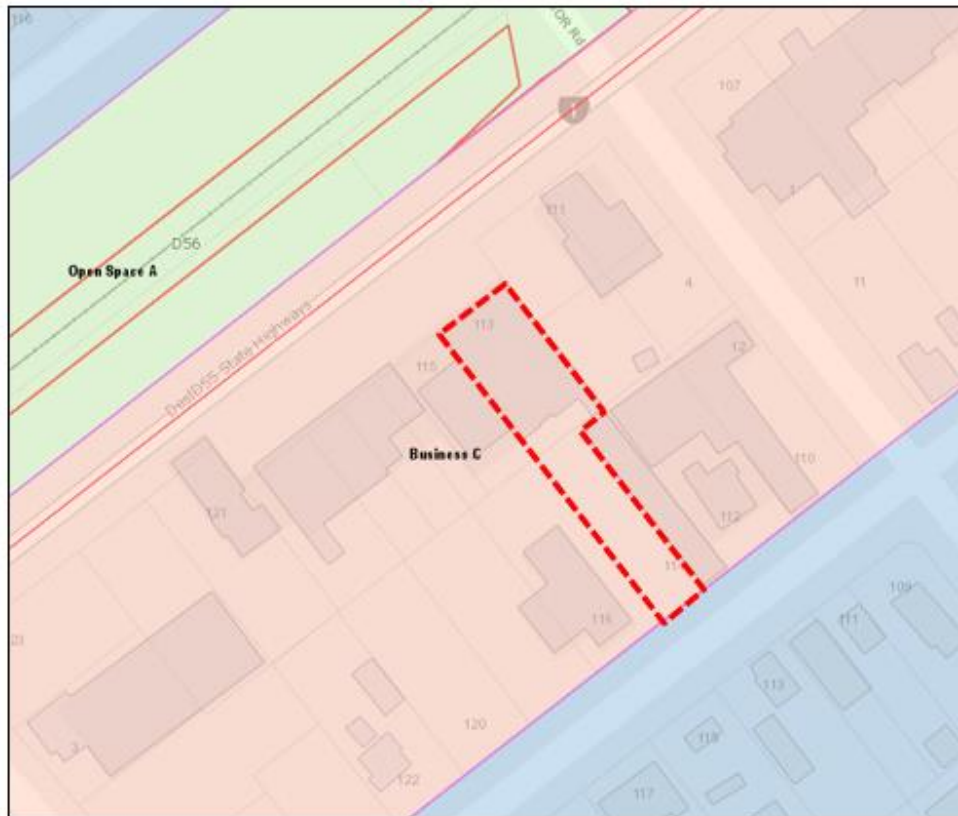


**Countdown Peter Street (zoned Business C)**



**Countdown Smiths Street (zoned Business D)**





**Tinwald Supersalue  
(zoned Business C)**



**407 West Street**

## ATTACHMENT B: SUMMARY OF SUBMISSIONS – PC4

Sub #	Submitter	Summary of Submission	Oppose / Support	Decision Sought	Heard	Recommendation
Sub 1	Eastfields Investments Ltd & Davidson Commercial & Trust & B.J. Davidson Investments Ltd	Support in full	Support in full	Accept all proposed changes	No	Accept in part Reference [88]
Sub 2	CJ Redmond	Support in full	Support in full	Accept all proposed changes	No	Accept in part Reference [88]
Sub 3	Foodstuffs South Island Ltd	Support overall intent of plan change.  Opposes the proposed provisions for supermarkets in the Business C zone.	Oppose in part	<p>Create a discrete exception to allow supermarket activity to establish as a permitted activity at 407 West Street subject to performance standards regarding effects on accessibility, effects on transport network, and reverse sensitivity effects.</p> <p><b>Or:</b></p> <p>Amend provisions by creating a discrete exception to allow supermarket activity to establish as a restricted discretionary activity in the Business C zone as follows:</p> <p>Insert new Policy 5.1XX as follows:</p> <p>Only allow large format food and beverage retail activity to locate in the Business C Zone where: a. The activity will not detract from the vibrancy and functioning of the town centre; b. The activity does not significantly affect the supply of Business C zone land for other commercial activities; c. The location is appropriate for the proposed activity having regard to: i. The potential for reverse sensitivity effects on permitted activities; ii. The extent of any adverse effects from vehicle movements; and iii. The extent of any adverse effects on street parking supply.</p> <p>Amend Objective 5.1 and the Business C zone rules to provide for supermarkets as a restricted discretionary activity subject to matters of discretion criteria to manage potential reverse sensitivity effects and transportation effects. <b>Or;</b></p> <p>Amend PC4 provisions so that the existing status quo under the Operative District Plan is retained insofar as supermarket activity in the Business C zone is concerned.</p> <p><b>And;</b></p> <p>Make any alternative amendments, additional amendments, or consequential amendments, deletions, or additions that are necessary or appropriate to give effect to the intent of this submission.</p>		Accept in part Reference [88, 89 to 112]

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Sub 4	P.Bean	Requests certain amendments	Support	Requests the following amendments:  Standalone offices in the Business A zone only and offices be non complying activities in zones B-F unless ancillary □ Support exclusion of Retail, Entertainment and restaurant/food/beverage from Business B-F. Making these non complying if less than 500sqm.	No	<b>Accept in Part</b> Reference [125]
Sub 5	5 S.Price	Requests amendments	Unstated	Ease requirements that do not impact the health and safety of those living in the core retail area, so as to make it easier for residential developments to utilise otherwise unused above ground spaces.	Yes	<b>Reject</b> Reference [82]

## ATTACHMENT C: EVIDENCE IN CHIEF – TIM HEATH

Before an Independent Hearings Panel  
at Ashburton

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*under:* the Resource Management Act 1991

*in the matter of:* Proposed Plan Change 4 to the Ashburton District Plan

Economic Evidence of Timothy James Heath  
On behalf of Ashburton Lakes District Council  
District Plan Business Land Assessment

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Dated: 23 April 2021

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## **INTRODUCTION**

- 1 My name is Timothy James Heath. I am a property consultant, retail analyst and urban demographer for Property Economics Limited, based in Auckland. I established the consultancy in 2003 and provide property development, land use research and impact assessment services to both the private and public sectors throughout New Zealand

## **Qualifications and Experience**

- 2 I hold a Bachelor of Arts (Geography) (1991) and a Bachelor of Planning (1993) from the University of Auckland. I have undertaken property research work for 24 years, and regularly appear before Council, Environment Court and Board of Inquiry hearings on retail economic matters.
- 3 I advise district and regional councils throughout New Zealand in relation to retail, industrial, commercial and residential land use issues as well as strategic forward planning. I also provide consultancy services to a number of private sector clients in respect of a wide range of property issues, including retail economic impact assessments, commercial and industrial market assessments, and forecasting market growth and land requirements across all property sectors.
- 4 I am familiar with Ashburton District's commercial centre(s) and wider business zones having undertaken numerous economic research studies within the district over the last 10 years for both private developers and Council. This has given me good insight into recent trends and drivers of the local economy.

## **Code of Conduct**

- 5 Although this is a Council hearing, I have read the Code of Conduct for Expert Witnesses, contained in the Environment Court Consolidated Practice Note (2014) and I agree to comply with it. I can confirm that the issues addressed in this statement are within my area of expertise and that in preparing my evidence I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

## **SCOPE OF EVIDENCE**

- 6 My evidence will focus on outlining the key economic findings of the Ashburton Town Centre Zoning Economic Assessment report I authored in 2019 which fuelled the development of Plan Change 4 (PC4), including:

- Outlining the A and B Business Zones of Ashburton
- Assessing projected market growth of the district
- Review town centre employment composition and trends
- Assess retail spending patterns of the district
- Quantify retail and commercial office growth
- Outline growth implications in the context of the existing Business A zone land provision

## **EXECUTIVE SUMMARY**

- 7 A high-level assessment of sustainable retail requirements combined with an on-the-ground site visit to Ashburton Town Centre indicates that future retail and commercial growth can be accommodated within the existing town centre Business A zone.
- 8 With Business A zone developable land area of approximately 19.3ha (excluding roads), a number of vacant retail stores in the Business A zone totalling nearly 3,600sqm, significant redevelopment potential within the zone and a number of underperforming 'other' store types in which some growth should be channelled to support there is more than sufficient land to accommodate growth over the next 20 years.
- 9 Furthermore, there were also a large number of older retail buildings in the Business A zone that would be very close to the end of their economic life and in need of repair, investment and upgrade which over the next 20 years are, as subject to an appropriately regulatory environment that recognises the Town Centre as an important physical resource in meeting community wellbeing needs, likely to be replaced. Where redevelopment occurs any 'new' buildings are likely to be multi-level and add significant GFA capacity within the existing Business A zone provision.
- 10 For these reasons I consider the Ashburton town centre currently has more than sufficient Business A zone land and capacity to accommodate the future retail and commercial requirements of the district, including relevant requirements under the NPS-UD.

## **ASHBURTON BUSINESS ZONES**

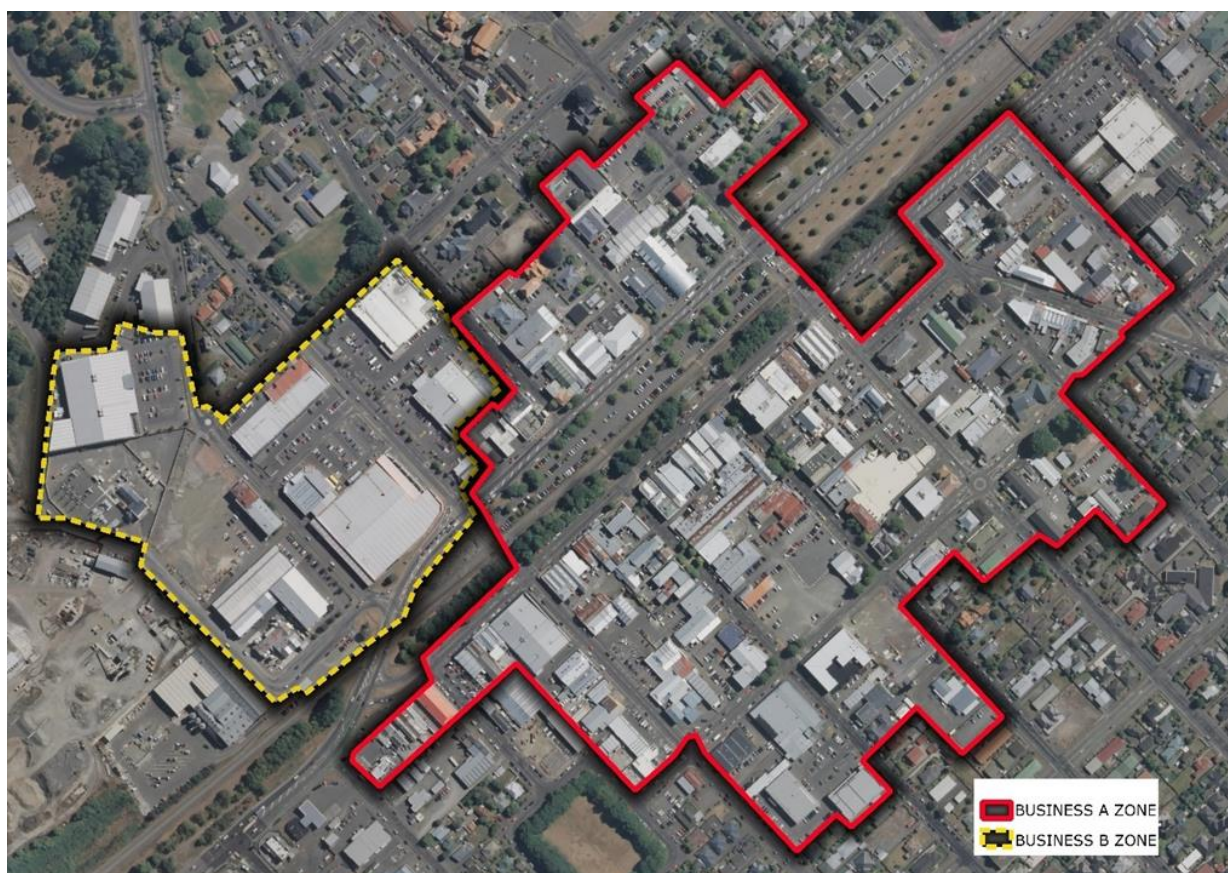
- 11 Figure 1 following shows the extent of the Ashburton Business A zone (area represented by the red boundary line). The Business A zone east of SH1 in effect represents the Ashburton

Town Centre. Business B LFR or 'big box' retail complements the functioning of the Ashburton Town Centre and is represented by the yellow boundary line.

- 12 In the Operative District Plan (ODP), at a high level, the Business A Zone represents the focal point of the District's small-scale shops, which provide opportunities for comparison or "browsing" within environments that are intended to be pedestrian-friendly. In addition, this Zone provides for residential, visitor accommodation, community and commercial activities. This diversity of activities aims to encourage the continued vitality, pleasantness and convenience of the District's Business A Zone and encourage efficient use of existing infrastructure and buildings.
- 13 The Business B Zone provides predominantly for large-scale retail activities, sometimes called "big box" or "large format" retail, which frequently require large areas of associated car-parking or outdoor space. These large-scale retailing activities are limited to single-purpose stores to prevent the establishment of shopping malls restricting the potential for dispersal of retail activities and, therefore, any detracting from the role and function of the finer-grained, more pedestrian retail-oriented Business A Zone areas of Ashburton.
- 14 The Business B zone also provides for the establishment of supermarkets as the amenity values anticipated within the zone will be compatible with supermarket shopping. As shoppers are likely to travel by car to the supermarket and other large-scale retail outlets, it reduces pedestrian traffic crossing State Highway 1. The Zone also anticipates some smaller retailing premises, such as vehicle sales and food outlets which either benefit from large sites for display purposes with good vehicle access or principally service the needs of those engaged in the zone or otherwise travelling by vehicle.



**FIGURE 1: ASHBURTON BUSINESS A AND BUSINESS B ZONES**



*Source: Property Economics, Ashburton District Council, Google Maps*

## **POPULATION AND HOUSEHOLDS**

- 15 The population and household growth projections for the Ashburton District have been assessed utilising Statistics New Zealand (SNZ) Medium and High population projection series over the 2001-2038 period.
- 16 Under the SNZ Medium projection, the population is forecast to increase by circa 5,800 residents (17% net) from an estimated 34,700 in 2018 to around 40,500 residents in 2038. Under the SNZ High growth scenario, the population is forecast to increase by around 9,600 residents or 27% by 2038.
- 17 Likewise, households are forecast to increase by circa 2,700 and 4,100 by 2038 under the Medium and High growth scenarios respectively.
- 18 Households are expected to increase at a faster rate than the population mainly due to a projected fall in the person per dwelling ratio over the forecast period. This trend is not



isolated to the Ashburton District, but a movement projected to occur across the whole country due to an ageing population, smaller family structures and a higher proportion of 'split' or single-parent households.

- 19 Subsequent to submitting the Ashburton Town Centre Zoning Economic Assessment report to Council, Statistics NZ has released in March 2021 the updated projections series. These projections were slightly more conservative than the previous projection series. Under the new Medium projection, the Ashburton District is anticipated to have a population base of 39,900 in 2038 (previously 40,500). This rises to 43,800 under the High projection (previously 45,000). This marginal difference has no impact on the recommendations made in the report, or support for the associated provisions contained in the evidence of Mr Bonis.

## ASHBURTON TOWN CENTRE EMPLOYMENT

- 20 Table 1 following show the employment trends in Ashburton Town Centre over the last 18 years (2000 – 2018) by aggregating the ANZSIC<sup>53</sup> sectors into four overarching high-level property categories of Industrial, Retail, Commercial and Other.

**TABLE 1: ASHBURTON TOWN CENTRE EMPLOYMENT BY GROUPED SECTOR (2000-2018)**

	2000	2006	2008	2010	2012	2014	2016	2018	Net Change (2000 - 2018)	% Change (2000 - 2018)
<b>Industrial</b>	230	290	280	270	290	350	360	370	<b>140</b>	<b>61%</b>
<b>Retail</b>	690	790	570	610	610	640	650	560	<b>-130</b>	<b>-19%</b>
<b>Commercial</b>	610	760	930	860	1,000	1,070	1,170	1,060	<b>450</b>	<b>74%</b>
<b>Other</b>	240	210	270	260	300	340	460	510	<b>270</b>	<b>113%</b>
<b>Total</b>	<b>1,770</b>	<b>2,040</b>	<b>2,050</b>	<b>1,990</b>	<b>2,200</b>	<b>2,390</b>	<b>2,640</b>	<b>2,500</b>	<b>730</b>	<b>41%</b>

Source: Property Economics, Statistics NZ

- 21 Employment in the Ashburton Town Centre totalled 2,500 in 2018, up 41% from 2000 albeit a slight fall from the 2016 peak of 2,640.
- 22 The total employment share of the town centre relative to the district employment base, averages around 15% for the last 18 years. This highlights that the town centre is maintaining its relevance as an employment base in the district economy as a whole in terms of productivity and economic output, but its economic structure has changed.

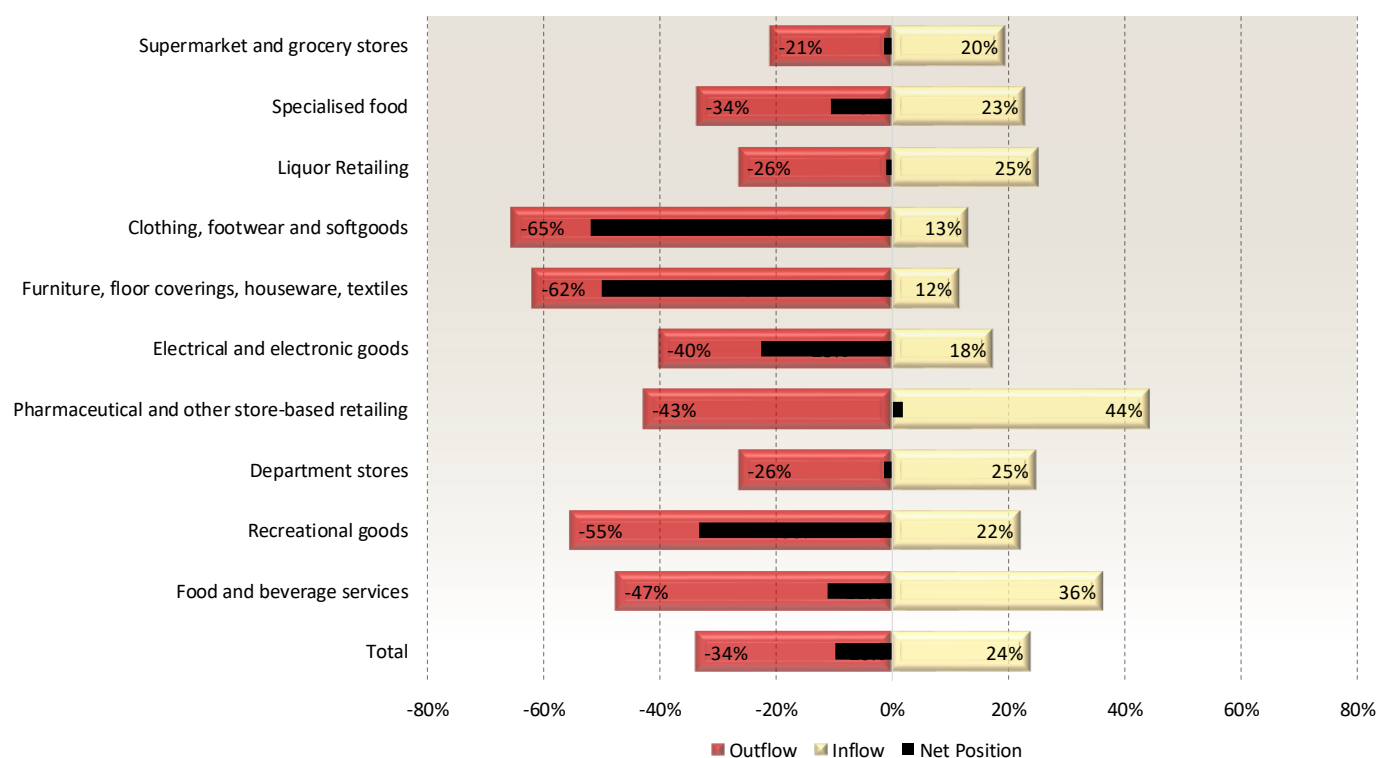
<sup>53</sup> Australia New Zealand Standard Industrial Classification 2006

- 23 Commercial activity is the largest employment sector within the Ashburton Town Centre nominally with around 1,060 employees in 2018, registering a net increase of circa 450 employees since 2000. This has been the sector that has sustained the Ashburton Town Centre and its position in the commercial network of the district. This growth is positive and shows a broadening of commercial services and choice for consumers within the town centre.
- 24 Retail employment in the Ashburton Town Centre declined by a net 130 employees or 19% of the total net town centre employment base. Conversely, retail employment in the District grew by around 700 employees or 42%. This is a key trend and issue for PC4 to address. More explicitly, retail employment comprised 39% of town centre employment in 2000. This has declined to just 22% in 2018, representing a sharp proportional fall of 43% over the period (nearly half its retail employment base) at the same time town centre employment grew by 41%.
- 25 This impact on the town centre was largely the result of the LFR or 'big box' Business B zone established around 2008-2010 adversely affecting the retail employment in the ATC which the town centre has not recovered from. This has adversely affected the performance of retail stores within the town centre, the quality and vitality of the town centre built form, and undermined the quality of the shopping experience in the town centre, which cumulatively has led to a weakening of its role and function in the market and its overall 'health'.
- 26 As such, the town centre as a retail destination is losing traction in the market with changes in the town centre offering indicating retailer churn rather than retail growth, and a decline in social and functional amenity. Retail activity is critical to the performance, amenity, vitality, growth of environment, role and function, quality of shopping experience and economic productivity and output of the town centre. This is considered a crucial issue for ADC and requires some appropriate policy responses as introduced through PC4 to address ongoing (economically adverse) trends in the town centre.

## **RETAIL SPENDING PATTERNS**

- 27 Assessing the proportional level of leakage or outflow of retail spend against the proportional inflow of retail spend entering the market quantifies the net flow position for the market as a whole. The net flow position for a market essentially represents the inflow combined with the retention that Ashburton District currently achieves as a proportion of the total resident generated spend. This helps in identifying market potential and opportunities for Ashburton and builds on the analysis in the previous two sections.

- 28 For the purpose of this analysis, this report compares retail inflow and retail outflow as a proportion of total spending or retail expenditure generated within Ashburton. This means that the outflow percentages represent spending as a proportion of what the Ashburton market generates, whereas inflows represent spending at retailers within the Ashburton market as a proportion of what the Ashburton District generates.
- 29 To provide some context into the net flows:
- (a) Internalisation is the proportion of Ashburton District resident retail expenditure spent within the District.
  - (b) Leakage is the proportion of Ashburton District resident retail expenditure spent outside of the Ashburton District.
  - (c) Domestic Inflow is the proportion of retail expenditure spent within Ashburton District from residents who's place of residence is outside of Ashburton, relative to the total retail expenditure generated by Ashburton residents.
  - (d) International Inflow is the proportion of retail expenditure spent within Ashburton District from international tourists, relative to the total retail expenditure generated by Ashburton residents.
- 30 Important to note is that while this section reports retail flows in proportional terms not all sectors are equal in size. For example, Supermarket retailing comprises around 43% of all retailing spending made by Ashburton District residents, while Furniture, floor coverings, houseware, textiles comprise just 2%.

**FIGURE 2 ASHBURTON DISTRICT NET FLOWS BY RETAIL SECTOR**

Source: Property Economics, MarketView

- 31 Convenience retail sectors such as Supermarkets and grocery stores, Specialised food and Liquor retailing are sectors where stores provide an almost homogenous offer from shopper's perspective, and typically leads to a higher proportion of internalised spend. Due to this spending within these sectors it is more localised as shoppers have no material reason to travel further than their most convenient and accessible store/centre.
- 32 With leakage levels of over 20% (i.e. \$1 in every \$5 spent) across these sectors indicates that some Ashburton residents are routinely leaving the district to satisfy their convenience retailing needs. This may be partly due to a proportion of residents who commute to Christchurch for work and also undertake some shopping within Christchurch.
- 33 Food and beverage service is both a convenience and a comparison sector. As these activities can be considered both a necessity and luxury depending on price point, e.g. cafes, bars, restaurants and takeaways cater for casual through to fine dining. This sector has a net position of -11%, indicating that Ashburton loses a total of \$11 for every \$100 Ashburton residents spend on Food and Beverage services.

- 34 As evident by Figure 9, Food and beverage service is an important retail sector encompassing around 16% of retail sales within the market, larger than that of Recreational goods, Furniture, Electronic and Fashion retailing combined. While this is not necessarily an adverse position for the sector, measures could be made to decrease the level of leakage outside of Ashburton with a better-quality offer and dining experiences to foster a more self-sustaining retail position. Any reduction in vitality and amenity in the Business A zone will likely have a consequential adverse impact on food and beverage sales within the Town Centre.
- 35 Recreational goods, Furniture, floor coverings, houseware, textiles and Clothing, footwear and softgoods, are comparison retailing items, which cater to specific tastes of the individual consumer. This means shoppers have a higher propensity to 'search' for the ideal product and price point for their individual needs. This translates to a wider spread of where shoppers are spending their retail dollars, as shoppers are more willing to travel further afield for specific shops, brands and products.
- 36 Given the lack of comparative offer within the Ashburton District, Figure 2 shows significant losses in these sectors with over \$1 in every \$2 of Ashburton resident spending within these sectors being spent outside the district. Furthermore, these sectors have lower levels of spending originating from outside of the district resulting in significant negative net positions.
- 37 This suggests that the current offer in Ashburton across these sectors not only fails to satisfy the local market (poor functional amenity) but also fails to attract visitor spending, highlighting a range of retail sectors that could be improved within the Ashburton District. These sectors are largely town centre focussed and if improved could provide significant economic injection for the Ashburton Town Centre.
- 38 The high leakage levels across the comparison retailing sectors aforementioned are likely to also contribute to a loss in retailing spending within convenience sectors such as Supermarkets, Specialised Food and Liquor retailing where cross-shopping would be occurring these their shopping trips.
- 39 The key opportunity within Ashburton District is then to assess the retail needs that are not currently being met and providing a better-quality retail environment / provision which reduces the amount of local leakage to other areas. This would have the compounding potential to also increase the level of inflow to Ashburton District.

## **ANNUALISED RETAIL EXPENDITURE**

- 40 Ashburton District is currently estimated to generate around \$290m (rounded) of retail expenditure per annum, with food-related sectors dominating. This is forecast to increase by 34% to \$390m (rounded) annually by 2038 in 2019 NZD, which represents an increase of around \$100m (rounded) by 2038 above the current base year.
- 41 The Food Retailing sector is the most significant retail sector within the District, accounting for around 40% of total retail expenditure currently and is forecast to increase by a net \$40m to \$160m annually by 2038. This sector is dominated by supermarket retailing and sales, which typically accounts for around 75% of household spend in this sector.
- 42 This is followed by the Food and Beverage Service sector. Both of these retail sectors combined account for around 60% of the total net retail growth within the District, making both these sectors significant 'players' within the District's economic market and future retail provision. By default this makes these sectors an important focus for improving the town centre provisions and performance.

## **SUSTAINABLE GFA**

- 43 Currently, the total sustainable GFA based on district generated spend equates to around 62,100sqm currently, growing to 83,400sqm by 2038, an increase of circa 21,300sqm. This gives a sense of scale to projected sustainable growth and ground truths the potential and what this may mean for the Ashburton Town Centre.

## **ASHBUTON TOWN CENTRE RETAIL PROVISION**

- 44 Property Economics has undertaken a retail audit of the Ashburton Town Centre to quantify the current centre provision. The retail audit results are displayed in terms of nominal stores and GFA. The net retail floor area figures captured in the audit were translated to GFA.
- 45 Table 2 following breaks down the current composition of the Ashburton Town Centre retail supply into ANZSIC GFA categories, as well as store count and total GFA by sector. Town fringe zones have been excluded from the analysis given they are not part of the town centre's Business A zone offering.

**TABLE 2 ASHBURTON TOWN CENTRE RETAIL COMPOSITION**

Retail Sector	Store Count	Store %	GFA (sqm)	GFA %
Supermarket	0	0%	0	0%
Food Retailing	3	3%	470	2%
Food and Beverage Services	19	21%	4,960	18%
Clothing and Footwear	13	14%	2,540	9%
Furniture, Floor Coverings, Houseware and Textile Goods Retailing	6	7%	2,700	10%
Electrical and Electronic Goods Retailing	1	1%	690	2%
Pharmaceutical and Personal Care Goods Retailing	2	2%	740	3%
Department Stores	3	3%	4,760	17%
Recreational Goods Retailing	5	5%	1,340	5%
Other goods Retailing	27	30%	5,310	19%
Vacant	10	11%	3,570	13%
Under Construction	2	2%	530	2%
<b>Total</b>	<b>91</b>		<b>27,610</b>	

Source: Property Economics

- 46 Ashburton Town Centre is the main commercial centre for the wider district. It has a significantly larger commercial provision than any other centre in the area with around 91 retail stores encompassing around 27,610 sqm (rounded) of retail GFA.
- 47 Around 10 stores are currently vacant, covering an estimated 3,570 sqm GFA, representing 11% of total in-centre retail stores nominally and 13% of GFA. A vacancy rate as high as 13% (on a store GFA basis) is less than desirable from a consumer, community and centre functionality perspective, as it indicates a struggling town centre, a centre not performing its role and function particularly well and generally a centre not in good 'health' economically and socially.
- 48 Other Goods retailing has the highest proportion of stores with 27 stores nominally (or 30%), while it accounts for 5,310 or 19% of retail GFA within the Ashburton Town Centre. This proportion is of some concern as 'Other Stores' often represent smaller, lower quality,

second hand and unbranded store types that do not perform or generate the same level of retail productivity as stores in other sectors.

- 49 Combined with vacant stores this means a very high 41% of the town centre stores are these lower performing, lower functioning store types representing approximately 33% of the town centre retail GFA. This is a sign of a centre struggling to remain relevant on today's market, under serious threat from competing retail destinations and / or a centre too big for its position in today's modern retail environment and network
- 50 These '*lower end*' store types can affect the long-term vitality, quality, overall sales performance and 'health' of the centre. The trading productivity per sqm among Other Goods Retailing store types is generally lower than other stores, requiring lower rental rates for sustainability while lowering overall attractiveness and amenity of a centre. As a result, rental rates for other locations in the centre can fall, leading to the establishment of additional stores that fall under the 'Other stores' category
- 51 Store types that are crucial to the town centre's performance, health, vibrancy, role and function include the Food and Beverage services and Clothing Footwear and Personal Accessories retailing and Department stores. Food and Beverage services encompass cafes, restaurants, takeaways, pubs and taverns. Combined these three retailing sectors account for 35 stores nominally (38%). However, the quality and scope of the offer within these categories are more important than the proportion alone.
- 52 A meaningful proportion of stores in these categories appear to be struggling to meet the modern-day retail expectations of the consumers. Many of the stores themselves are old and do not appear to have had any material capital investment in either the building or store fitout for many years. This adversely affects the shopper's experience and cumulatively reflects on the town centre perceptions as a whole
- 53 There are no supermarkets within the town centre provision at present, and in fact a lack of food retail stores in general, with only 3 small specialist food retailers accounted for. Modern supermarkets (often with a GFA footprint between 3,500 and 6,000 sqm) typically require large landholdings (around 1.5ha). These are difficult to find and / or group together in town centre locations, albeit often required to enable a large modern supermarket to be feasibly established economically within a town centre environment.

## **BUSINESS ZONES A AND B RETAIL SUPPLY COMPARISON**

- 54 Table 3 adds the retail supply in Business zone B to provide a more complete picture for all retail in the key Business A and B zones.



**TABLE 3 BUSINESS ZONES A AND B RETAIL SUPPLY COMPARISON**

Business Zones	Store	Store %	GFA	GFA %	0-499	500-999	1000+	Total
Business Zone A	91	83%	27,610	57%	12,050	8,140	7,430	27,610
Business Zone B	19	17%	20,600	43%	2,060	3,070	15,470	20,600
Total	110		48,210		14,110	11,210	22,900	48,210

Source: Property Economics

55 In total there are 110 retail stores and just over 48,000sqm retail GFA across both zones with Business B accounting for 17% (19 stores). The Business B zone is dominated by LFR stores, which is the zone's intended purpose.

56 Due to the larger store footprints of the LFR stores, the Business B zone accounts for a significantly larger proportion of retail GFA across these two zones (43%). This scale of retail provision illustrates why the Ashburton Town Centre has struggled to recover from the development of the LFR in Ashburton at this point.

### COMMERCIAL OFFICE GROWTH

57 Table 4 below illustrates the forecast commercial employment growth for the Ashburton District. Note Employment Count (EC) is the Statistics NZ measure for employment in a geographic area.

**TABLE 4 ASHBURTON COMMERCIAL OFFICE FORECASTS 2018-2038**

Sector	2018 Employment	2038 Employment	Employment Growth (2018-2038)
Commercial Sector	2,630	3,670	1,040

Source: Property Economics

58 Commercial office sector employment is forecast to grow at a faster rate both nominally and proportionally by circa 1,040 employees, representing a forecast net increase in commercial employment by 2038 of 40% from the 2018 base year.

59 In terms of GFA and land requirements for commercial office activity growth to 2038 this equates to circa 28,000sqm GFA, which if development averaged two levels and a GFA to land ratio of 0.5 would equate to a nearly 3ha land requirement.

- 60 Commercial office activity is an important land use for improving the breadth of services and offer in a town centre. It provides additional reasons to visit the town centre and is considered an important conduit between retail and other land uses in the town centre.
- 61 For multi-level development, commercial office activity is often an important factor in making such developments commercially viable, and this is likely to be the case in the Ashburton Town Centre as well in the future.

## **BUSINESS A ZONE PROVISION**

- 62 A high-level assessment of sustainable retail requirements combined with an on-the-ground site visit to Ashburton Town Centre indicates that future retail and commercial growth can be accommodated within the existing town centre Business A zone.
- 63 The current sustainable level of land for retail (5.5ha) and that again for commercial service and professional office activities in the Business A zone amounts to circa 11ha. This is expected to increase by around 6.9ha (with future retail and commercial land requirements amounting to 3.4ha and 3.5 ha respectively) to circa 18ha by 2038. This assumes an ambitious 80% of the retail growth is captured within the Business A zone, and an average of 2-storey development for commercial office space. If this average is higher the land requirement would reduce commensurately.
- 64 With Business A zone covering an approximate 19.3ha of developable land (excluding roads), there is an estimated buffer of around 1.3ha. With retail and commercial services also likely to have a small presence in other business zones, this would lower the Business Zones A land requirement further.
- 65 A recent visit by myself to the Ashburton town centre identified a number of vacant retail stores in the Business A zone totalling nearly 3,600sqm, significant redevelopment potential within the zone and a number of underperforming 'other' store types in which some growth should be channelled to support.
- 66 There were also a large number of older retail buildings in the Business A zone that would be very close to the end of their economic life and in need of repair, investment and upgrade which over the next 20 years are likely to be replaced. Where redevelopment occurs any 'new' buildings are likely to be multi-level and add significant GFA capacity within the existing Business A zone provision.

- 67 For these reasons I consider the Ashburton town centre currently has more than sufficient Business A zone land and capacity to accommodate the future retail and commercial requirements of the district.
- 68 Furthermore, it is my opinion that specific focus should be placed on improving and further consolidating existing retail business activity within the District (particularly the Ashburton Town Centre) over the foreseeable future, to improve the retail environment, built form, offer and shopping experience to elevate amenity and centre performance.
- 69 PC4 is considered a proactive response for ADC to take and supports maintenance of the District Plan's business zone integrity by reducing the likelihood of the inappropriate dispersal of commercial activities across zones and locations.

### **FOODSTUFFS SUBMISSION**

- 70 I have reviewed the submission by Foodstuffs and discussed the economic related matters with their economic expert Mr Colegrave from Insight Economics. We agreed that there would be difficulty securing an appropriate land holding (either a single site or accumulation of sites) to accommodate a new Pak'N Save supermarket within the Business A zone due to the small nature of sites and fragmented ownership within the Business A zone.
- 71 I understand and support the approach recommended through the Evidence in Chief of Mr Bonis that applies an 'overlay' to the existing non-Business A supermarkets and the Foodstuffs site at 407 West Street. The application of appropriate considerations including a distributional effects assessment remains appropriate as the scale and type of the supermarket (re)development is unknown until consent is lodged, as will be the fragility or otherwise of the Town Centre (Business A) zone.
- 72 It remains appropriate that given no resource consent had yet been sought for a new Pak'N Save on a site owned by Foodstuffs (407 West Street) in the Business C zone, that maintaining the requirement for a retail impact assessment under a RDA status if / when an application for a new Pak'N Save is submitted, is prudent to ensure any unforeseen future considerations in the market can be considered at the time.

### **P BEAN - OFFICE DISTRIBUTION**

- 73 I have discussed: the important contribution of office activities in terms of employment within the Town Centre; capacity to accommodate such for at least the next 20 years; and also the importance of office activities to overall agglomeration benefits provided by the Town Centre in terms of economic, social and functional amenity.

- 74 I understand that the submission from Mr Bean accepts those principles but seeks that the status for office activity in Business Zones outside the Town Centre (Business A) should be non-complying, and not discretionary as notified in PC4. I have discussed this matter with Mr Bonis, I consider that it remains important that the provisions seek to direct commercial office developments primarily into the Town Centre, but I acknowledge that there is a wide spectrum of commercial office activities which may seek to establish in the District, and that such should be able to be considered on their merits, rather than potentially being precluded under s104D. Accordingly, I retain support for the discretionary status for such.

## CONCLUSION

- 75 I have reviewed and considered the provisions of PC4 as notified, and as recommended to be amended in the Evidence of Mr Bonis. I consider the provisions to be the most appropriate to achieve the objective of consolidating commercial activity and retail activity within the Town Centre, and the associated provisions are both the most efficient and effective in achieving that objective.

Dated: 23 April 2021



Timothy Heath

## ATTACHMENT D: SUMMARY OF CHANGES NOTIFIED PC4

1. **Amendments to Objectives and Policies:** The role of the Town Centre (Business A) is reinforced and strengthened as the primary commercial, retail, recreation, cultural and entertainment centre for the district.

### **Amendments to Objective 5.1 to:**

- Provide greater recognition of the contribution of business activities to the social and economic wellbeing of the district, including through:
- focusing commercial activities and retail activities to support vibrant and viable centres; and
- business activities are able to operate efficiently and effectively as subject to environmental standards that reflect their location, function and role.

### **Amendments to Policy 5.1A to:**

- Identify the need to strengthen the function and role of town centres.
- Recognise the Ashburton town centre as the primary centre for the district.
- Manage commercial activities seeking to establish outside of town centres to ensure they do not, individually or cumulatively, detract from the role and function of town centres.

### **Amendments to Policy 5.1B to:**

- Provide opportunities for business activities outside of town centres, limiting retail activities and commercial activities where these provide a convenience role, are ancillary to a permitted business activity, and do not compromise town centres.

### **Amendments to Policy 5.1C to:**

- Provide greater specificity as to the role of the Business B (large format zone), including that the zone provides limited (or a rationed approach) for opportunities for large format retail otherwise unable to be accommodated within the Ashburton Town Centre.
- Preclude small scale retail activities (SSR) and limit office activities.

### **Amendments to Policy 5.1D and Policy 5.1E to:**

- Improve clarity as to wording as to the purpose of these provisions to provide for heavy industrial activities and manage transport conflicts respectively.

2. **Amendments to Rules:** A distribution, scale and form of business activity which differentiates and manages various types of business activities both on the basis of the nature of the activity, and the potential local and strategic effects of their operations. Such activities are to be enabled to locate within particular zones, principally the Town Centres (Business A) and Industrial Environment zone (Business C, D and E), at a scale and with standards which reflect the zone locations and roles. This requires the need to:

- a. Remove the restraint on retail activities over 500m<sup>2</sup> GFA within the Business A zone.

#### **Amendment Rule 5.8.2(f) – Remove restriction on retail activities exceeding 500m<sup>2</sup> GFA - Business A zone**

- b. Provide for consideration of Service Stations in the Business A zone as a Discretionary Activity.

**Amendment Rule 5.8.5(f) – Service Stations - Business A zone**

- c. Identify the range of Trade Suppliers which are to be enabled within the Business B, C and D zones and seek to facilitate the transfer of Trade Suppliers out of the Business A zone.

**Amendments:**

- ~ **Rule 5.8.2(g) – Provision for Trade Suppliers, Food and Beverage outlets and yard suppliers - Business B zone**
- ~ **Renumbered Rule 5.8.2(h) – Provision for Trade Suppliers, Service Stations, Food and Beverage outlets and yard suppliers - Business C Zone, Business D zone.**

- d. Restrict standalone Office activities within the Business B, C and D zones.

**Amendment Renumbered Rule 5.8.2(j) – Restrict Commercial Activities (including office activities) within the Business B, C, and D zones**

Except where office activities are ancillary to a permitted business activity in the Business B, C, D and E zones.

**Amendment New Rule 5.8.2(k) – Ancillary Offices to remain permitted in the Business B, C, and D zones**

- e. Office Activities are to require consent as Discretionary Activities in the Business B, C, D and E zone, except where ancillary under New Rule 5.8.2(k).

**Amendment Rule 5.8.5(h) – Office Activities in the Business B, C, and D zones as Discretionary Activities**

- f. Restrict the range of Commercial Activities within the Business C zone (remove the ability to establish Retail Activities <750m<sup>2</sup>),

**Amendments:**

- ~ **Delete Rule 5.8.2(h) – Removal of Permitted Retail Activities up to 750m<sup>2</sup> GFA - Business C zone**
- ~ **New Rule 5.8.2(h) – Provision for Provision for Trade Suppliers, Service Stations, Food and Beverage outlets and yard suppliers - Business C Zone**

Retain the ability to establish Commercial Services and Entertainment Activities given the mix of established activities and provision for local convenience needs provided by such activities.

**Amendments:**

- ~ **New Rule 5.8.2(l) – Provision of commercial services in the Business C zone**
- ~ **New Rule 5.8.2(m) – Provision of entertainment activities in the Business C zone.**

- g. Restrict the range of Retail Activities and Office Activities within the Business E (Heavy Industrial) zone.

**Amendment Rule 5.8.2(i) – Restrict food and beverage outlets and outdoor display and sales - Business E zone**

- h. Preclude retail activities below 500m<sup>2</sup> GFA establishing within the Business B zone as a Non-Complying Activity.

**Amendment New Rule 5.8.6(i) – Retail activities less than 500m<sup>2</sup> per tenancy as a Non-Complying Activity - Business B zone.**

- i. Confirming the status of Commercial Services and Entertainment Activities as Non-Complying Activities within the Business B, D, E and F zones.

**Amendment New Rule 5.8.6(l) and (m) – Commercial Services and Entertainment Activities - Business B, D, E and F zones.**

3. **Amendments to Definitions:** Introduction and clarity as to several explicit definitions as to the range and sub-groups associated with Commercial Activities in the District. This amendment is to improve clarity and certainty as to the range of activities provided in each of the respective Business zones. The definitions are grouped as set out below.

Business activity	Activity group	Activity type	Specific activity
Commercial Activities	Offices		
	Retail	Food and Beverage	Bars and Taverns
			Restaurants and cafes
			Drive through restaurant
		Dairies	
		Large Format Retail	Department Store
			Supermarket
		Service Station	
		Trade Supplier	Automotive and marine supplies
			Building supplies
			Garden and landscaping supplies
			Farming and agricultural supplies
			Hire services
			Office Furniture, equipment and systems supplies
	Commercial Services	Veterinary clinic	
		Hairdressers	
		Real Estate Agents	
	Entertainment activities		

## ATTACHMENT E: BENEFITS AND COSTS OF FOODSTUFFS RELIEF OPTIONS & SECTION 32AA ASSESSMENT FOR SUPERMARKET OVERLAY (OPTION 5)

### COSTS AND BENEFITS OF OPTIONS

Option	Costs	Benefits
<p>Option 1</p> <p>Do nothing (that is retain the notified Plan provisions)</p>	<ul style="list-style-type: none"> <li>Prospect of reducing / restricting Ashburton's future Supermarket offering to meet demand, and resultant loss of benefits / disenablement of community within the district (proportionate to community / household growth).</li> <li>Consenting costs and uncertainty to Supermarket providers to establish in non Business A locations (with presumption that consent would not be issued).</li> <li>Reconciling conflicts associated with urban design and functional and operational needs within the Town Centre may introduce operational constraints and / or a reduction in optimal urban design outcomes.</li> <li>Increased risk of PC4 being undermined during the hearing process by supermarket sector store types who have limited opportunity (if any) establishing in the Business A Zone.</li> </ul> <p>Costs and Benefits otherwise as set out in [74] of assessment accompanying the Plan Change.</p>	<ul style="list-style-type: none"> <li>New entrant supermarkets are to endeavor to amalgamate sites to establish in the Business A zone. Increases vitality, functional amenity and reinvestment in Town Centre (proportionate to the likelihood of this outcome being realised).</li> </ul> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>May reduce range of offer or increase costs and functional disbenefits (i.e. inability to screen BoH, reduced GFA, or reduction in car parking)</p> </div> <p>Costs and Benefits otherwise as set out in [74] of assessment accompanying the Plan Change.</p>
<p>Option 2</p> <p>Provide as a permitted activity at 407 West Street</p>	<ul style="list-style-type: none"> <li>Supermarket activity is neither consented, nor established. Therefore effects (distributional, reverse sensitivity, transport, nuisance) are untested nor managed by conditions.</li> <li>No factual basis by which to distinguish this site (apart from submission) which results in equity issues with other retail / supermarket offerings that are established in out-of-centre locations.</li> <li>Potential unwanted precedent effects</li> </ul>	<ul style="list-style-type: none"> <li>Certainty for Foodstuffs as to the provision of a Supermarket on the site.</li> <li>Community benefit as proportionate to the extent to which household demand is not being currently met (considered low as site was purchased in 2012).</li> <li>Increased market certainty for Council and the community on new supermarket location. Assists in any strategic and infrastructure planning requirements.</li> </ul>
<p>Option 3</p> <p>Discrete option for 'large format food and beverage providers' in the Business C zone as restricted discretionary activity (RDA).</p>	<ul style="list-style-type: none"> <li>Creates uncertainty for community as to prospect of investment outside of the Business A zone.</li> <li>Decreases integrity in the purpose of the Plan Change as creates an 'exemption' for a specific class of retail offering.</li> </ul>	<ul style="list-style-type: none"> <li>Consenting regime would still provide for testing / management of strategic effects (albeit incrementally).</li> </ul>



	<ul style="list-style-type: none"> <li>Effects are managed incrementally rather than a holistic consideration based on a 'centres +' approach to commercial management.</li> <li>Consenting costs and uncertainty to Supermarket providers to establish and expand in the Business C zone.</li> </ul>	
<p>Option 4</p> <p>Retain Status Quo (Operative Plan) for the Business C zones as applied to supermarkets. That is &lt;750m<sup>2</sup> permitted, &gt;750m<sup>2</sup> non-complying.</p>	<ul style="list-style-type: none"> <li>Would provide for small scale 'convenience supermarket' offerings which ironically would not have the same difficulty amalgamating titles in the Business A zone to establish.</li> <li>Larger scale supermarkets would still remain precluded.</li> <li>Could facilitate the issue PC4 is attempting to address - Business C Zone retail development.</li> </ul> <p>Costs and Benefits otherwise as set out for Option 1.</p>	Costs and Benefits otherwise as set out for Option 1
<p>Option 5 – Overlay</p> <p>Apply an overlay that provides for Supermarkets activity within the Business C and D zones deeming re(development) to be RDA status re:</p> <ul style="list-style-type: none"> <li>~ distributional effects;</li> <li>~ Amenity;</li> <li>~ Transport;</li> <li>~ reverse sensitivity.</li> </ul> <p>Amendments to policy / provisions.</p>	<ul style="list-style-type: none"> <li>Reduces / removes prospect of investment of a supermarket offer in the Town Centre and associated social and functional amenity benefits (proportionate to the likelihood of this outcome being realised).</li> <li>Supermarket activities (expansion or new development) on identified sites could cause potential adverse amenity, transport and reverse sensitivity effects if not appropriately managed</li> </ul> <p><i>Scope for application to existing supermarkets is provided in [41] of Foodstuffs Submission ...'any alternative amendments. Absence of integrity without application to existing supermarket sites.</i></p>	<ul style="list-style-type: none"> <li>Recognises existing sunk costs associated with Supermarkets in Business C and D zones, increasing certainty (i.e reduces need to rely on s10 RMA1991) and reducing compliance costs.</li> <li>Does not foreclose prospective feasible development capacity to ensure demand for large scale modern supermarket activity in the District to meet increased demand.</li> <li>Policy, status and assessment matters can (should) be able to be appropriately drafted to manage strategic issues associated with supermarket development.</li> </ul> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>A sub-option is to deem status as a Discretionary activity allowing the full range of effects to be considered. This would increase uncertainty, but would provide for all matters (including localized amenity to be considered and responded to).</p> </div> <ul style="list-style-type: none"> <li>Narrows approach to recognise those activities with a credible concern as to being accommodated in the Business A zone.</li> </ul>

## SECTION 32AA OVERVIEW (PREDICATED ON AVAILABLE EVIDENCE)

### Objective 5.1 – Section 32(1)(a)

Evaluation Objective 5.1A as recommended to be amended by Option 5 seeks to include the word 'primarily'.

#### Objective 5.1: Business Area Development and Effects

~~Growth, maintenance and consolidation of business areas, provided that adverse effects on the environment are avoided, remedied or mitigated.~~

**The contribution of business activities to the economic and social wellbeing of the district is recognised and provided for, with:**

- a) commercial activities and retail activities primarily focused to support vibrant and viable centres, and
- b) business activities able to operate efficiently and effectively within the District's business zones as subject to environmental standards which reflect their function, location and role.

The Report [109.1 and 109.2] identifies that the approach is considered to be the better option in terms of both recognising the importance of the Town Centre as set out in the Planning Section 32 Report [Section 7.8.3] whilst providing a pathway whereby additional supermarket supply can be provided to meet wellbeing needs. Such a pathway is recommended on the basis of evidence from Mr Heath that otherwise feasible supply may be unreasonably constrained, whilst still retaining provisions that manage actual or potential adverse effects on the social and functional amenity benefits provided by a consolidated Town Centre. Such an approach is considered to be the most appropriate way to achieve the purpose of the Act, in comparison to both the Operative approach and the notified PC4 approach.

### The Provisions – Section 32(1)(b) and s32(2)

The policies, rules and methods sought to be amended are set out in [101] of this Report. The assessment should be read in the context of Section 7.9.4 'Evaluation of the Provisions', as the below **only assesses** the amendments recommended in relation to the 'Supermarket Overlay'.

For the purpose of this assessment:

- a. Effectiveness means how successful 'the package of provisions associated with PC4 is in achieving the respective objectives of the existing operative objectives, amended Objective 5.1 and the relevant provisions of the CRPS and NPS-UD.
- b. Efficiency means whether the benefits of the 'package of provisions associated with PC4 outweigh the costs, either immediately or over time.

Efficiency and Effectiveness		
Economic	Costs	<ul style="list-style-type: none"> <li>Reduces / removes prospect of investment of a supermarket offer in the Town Centre and associated social and functional amenity benefits (proportionate to the likelihood of this outcome being realised).</li> <li>Costs of resource consents (for RDA) for expansion and / or development associated with overlay (not considered material).</li> <li>Potential reduced investment, and multiplier benefits forfeited from opportunity cost associated with Supermarket establishing in overlay (and not in the Business A zone).</li> </ul>
	Benefits	<ul style="list-style-type: none"> <li>Greater capacity to accommodate other forms of retail and commercial investment in the CBD (beyond 2038).</li> <li>Does not preclude opportunity for a (smaller scale) supermarket to establish in the Town Centre.</li> <li>Recognises sunk economic costs associated with existing non-centre supermarkets.</li> <li>Does not foreclose a <i>feasible</i> option to provide for business use development capacity as required by the NPS-UD.</li> </ul>
Environmental	Costs	<ul style="list-style-type: none"> <li>Supermarket activities (expansion or new development) on identified sites could cause potential adverse amenity, transport and reverse sensitivity effects if not appropriately managed.</li> </ul>
	Benefits	<ul style="list-style-type: none"> <li>Assessment matters associated with RDA status provides for appropriate and targeted environmental consideration of relevant matters.</li> </ul>
Social	Costs	<ul style="list-style-type: none"> <li>Marginal reduction in transport efficiency and cross shopping were a supermarket to be located in the Business A zone (as subject to prospect of realisation).</li> </ul>

	Benefits	– Ensures a 'release valve' should supermarket demand not otherwise able to be met, thereby meeting wellbeing needs.
Cultural	Costs	– There are no anticipated cultural costs as a result of the provisions.
	Benefits	– There are no anticipated cultural benefits as a result of provisions.
Risk of Acting or not acting (s32)(c)		<p>There are no considered risks in terms of acting or not acting in this respect. The status for development (RDA) and associated matters capture the likely potential or actual adverse effects.</p> <p>The provisions ensure that additional supermarket capacity is feasible, and that the integrity of PC4 is suitably flexible to accommodate such demand.</p>
Efficiency		
<p>The costs associated with this policy and its methods are not likely to be significant on the community as a whole, although there will be compliance and opportunity costs for Supermarket operators seeking to (re) development within the Overlay.</p> <p>There remain significant (albeit longer term and cumulative) benefits in achieving a more consolidated and efficient pattern of commercial development within Town Centres (Business A) zones, in particular in reversing continued reinvestment in Commercial Activity outside of the Business A and B zones.</p>		
Effectiveness Assessment		
<p>The proposed provisions are considered to be the most effective means of achieving the objective(s) as together they will:</p> <ul style="list-style-type: none"> <li>• are the more appropriate in terms of giving effect to the NPS-UD as this relates to feasible development capacity in so far as the provision of modern supermarkets.</li> <li>• gives effect to the Canterbury Regional Policy Statement, particularly co-ordination and consolidation of urban growth, and retention of assessment matters to consider the environmental outcomes sought by the CRPS (i.e traffic, amenity, reverse sensitivity and distributional effects).</li> </ul>		

## ATTACHMENT F: CORRESPONDANCE FROM WOOLWORTHS NZ LTD



Ian Hyde  
District Plan Manager  
Ashburton District Council  
5 Baring Square  
Ashburton

7 April 2021

Dear Ian  
Plan Change 4  
Ashburton District Plan

Thank you for your letter of 19<sup>th</sup> March.

I note the contents of your correspondence and the approach you are looking to adopt following the submission from Messrs Foodstuffs.

As requested may I firstly confirm that the 3 sites identified are indeed the location of stores within our portfolio of operational supermarkets.

The 2 Countdown stores in Ashburton are corporate run stores and the Tinwald SuperValue store is a Franchisee operated business.

Countdown Ashburton South is owned by General Distributors Ltd (the property holding company for Woolworths NZ) whereas the 2<sup>nd</sup> Countdown store is leased by General Distributors Ltd.

The Tinwald store is a direct lease between the owners and our Franchisee.

In the context of our current/ ongoing interests the principle of the overlay approach referred to seems sensible.

We do consider however that given what you write and given our ongoing interests it is appropriate that we are kept abreast of scope for the overlay approach and that we are also kept updated as to the progress of the Plan Change.

We are particularly interested to be advised and understand any further proposed further changes that may go beyond the scope of the Plan Change as notified and the submissions lodged with Council.

Yours sincerely

A handwritten signature in blue ink, appearing to read "P. Buchan", with a long horizontal flourish extending to the right.

**Peter Buchan**  
Portfolio Manager (South) Countdown  
National Manager of Property SV/ FC