

KAPITI COAST DISTRICT COUNCIL

PRIVATE PLAN CHANGE 84 : AIRPORT ZONE

RETAIL RESPONSE TO HEARING PANEL MINUTE 3 (23 FEBRUARY 2017)

Tim Heath

17 March 2017

1. In paragraphs 13-17 of Minute 3, the Hearing Panel put forward questions that sought clarification and confirmation of my retail position on Plan Change 84 in the context of the evidence that had been presented during the hearing by both the proponent of the plan change and submitters against, and their relevant retail economic experts that had presented evidence.
2. This response addresses the questions raised in Minute 3 and makes some general observations on some of my key '*take outs*' from the retail economic evidence presented at the hearing in the earlier sittings.
3. Question 13 of Minute 3 refers to the evidential basis for activities currently listed as Prohibited being enabled as Discretionary or Non-Complying Activities. The first point is the treatment of retail activities elsewhere in the District, where it is my understanding no other area in the District classifies retail activity as a Prohibited Activity. In fact it would represent a very unusual status for retail in any District Plan in NZ. So for consistency with the balance of the District Plan (and consistency in District Plan administration of retail activity elsewhere in the District), and given there was no evidence presented at the hearing that I am aware of that determined the Airport Zone was unique in the District from a retail perspective, I consider treating retail activity in the Airport Zone in a unique (harsher) way is unjustified and unequitable. Second, Prohibited Activity status prevents a future application for any retail activity, whereas a Non-Complying Activity status allows for such an application where a development may (albeit I cannot think of such an instance currently) provide a net benefit to the community. No witness can pretend to know exactly what form or type of retail stores will deliver goods and services to the market in the future. Retail is a dynamic and very competitive market where constant change and reinvention is required to maintain performance. As such I cannot conclude any retail application in the future will be 'bad'

or generate adverse effects, but am of the view that based on current information and formats, any additional retail opportunity sought at the airport needs to be thoroughly tested, and this in my view is best done through the Non-Complying Activity status, which also sends a clear signal to the market that securing additional retail consents at the Airport Zone will be difficult and have a very high threshold to reach.

Discretionary Activity status in my view is a more permissive planning status that indicates additional retail activity is considered alright at the airport as long as a few defined assessment criteria can be satisfied. This in my view goes too much the other way (from Prohibited status) and would encourage retail applications at the airport with a lower threshold to reach (comparatively to Non-Complying) and where zone integrity is often not considered – just effects.

4. Question 14 of Minute 3 relates to 'already consented' and 'already enabled'. My position is based on an 'already enabled' starting point, with my understanding not all enabled retail activity within the Airport Zone is currently consented.
5. My response in paragraph 3 above partially deals with my position in relation to Question 14 & 15 of Minute 3. From my perspective, much of the retail economic evidence and legal submissions from Coastlands have a genesis in the assumption that additional retail activity at the airport would be granted resource consent under a Non-Complying Activity status. It is my understanding that Plan Change 84 does not seek additional retail activity, but a change in activity status for some activities. This is not a hearing testing the merits of any specific retail application, and I have a level of comfort around the Non-Complying Activity status to 'test' the merits of any retail application that maybe forthcoming sometime in the future. As such I don't consider there is any inconsistency between my analysis and my recommendations. My position is having a Non-Complying Activity status for retail activity in the Airport Zone cannot automatically be considered as 'enabling', or 'supporting' additional retail activity in the Airport Zone. To the contrary, and as mentioned earlier, I consider a Non-Complying Activity status a difficult threshold to break through (particularly given the background context within Kapiti and the level of land supply available for such activities in the PTC).
6. Coastlands raised a concern with the potential issue of conflating ODP with the PDP in relation to supermarket provision. On listening to the evidence, legal submissions and panel questions I agree that my position conflated these two sets of District Plan provisions in some aspects. Under the ODP the existing New World store is defined as

a food & grocery stores, not a supermarket. While I disagree with the ODP's definition (and supermarket GFA threshold), that's irrelevant as that's the definition we are currently obliged to work with. The PDP proposes to reduce the supermarket definition to 1,000sqm GFA which I concur with, which by default would make the existing New World store at the airport defined as a supermarket. This is where the confusion arose. However, based on applying the ODP provisions my position is there should be no supermarket within the Airport Zone (as the current large food & grocery store fulfils this role), and there is potential for another supermarket brand to establish within the Airport Zone until the PDP becomes operative. When the PDP becomes operative, the existing food & grocery stores (New World) will be defined as a supermarket, and then I have a position of only one supermarket should be enabled within the Airport Zone (the current New World). Given the above, I consider supermarkets within the Airport Zone should be Non-Complying.

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