

IN THE MATTER of the Resource Management Act 1991(RMA)

AND

IN THE MATTER of Private Plan Change 20 to the Waipa District Plan.

JOINT WITNESS STATEMENT (JWS) IN RELATION TO:

ECONOMICS and RETAILING

9 February 2023

Expert Conferencing Held on: 9 February 2023

Venue: Online

Independent Facilitator: Marlene Oliver

Admin Support: Sam Benson

1 Attendance:

1.1 The list of participants is included in the schedule at the end of this Statement.

2 Basis of Attendance and Environment Court Practice Note 2023

2.1 All participants agree to the following:

- (a) The Environment Court Practice Note 2023 provides relevant guidance and protocols for the expert conferencing session;
- (b) They will comply with the relevant provisions of the Environment Court Practice Note 2023;
- (c) They will make themselves available to appear before the Panel;
- (d) This statement is to be filed with the Panel and posted on the Council's website.

3 Matters considered at Conferencing – Agenda and Outcomes

3.1 Topics

a. Retail types and GFA cap

The economists and the planners agree that the current **Retail** definition within the Waipa District Plan appropriately controls retail activities within the Northern Precinct.

The economists and the planners agree that the **Retail** definition also includes activities listed in Activity Table 10.4.1.1 (service stations, cafes, restaurants, food outlets and licensed premises).

The economists and the planners agree that the **Retail** definition does not include:

- Ancillary retail
- Wholesale shops
- Hairdressers, health and beauty services,
- Laundromats and dry-cleaners focused on household/domestic demand
- Offices (such as accountants and lawyers)

The planners and economists agree that it is appropriate for some level of **Retail** to be enabled within the Northern Precinct in order to meet the needs of the future workers, businesses and their customers/suppliers.

The planners and economists agree that the level of **Retail** within the Northern Precinct should not undermine 'the vitality and viability of existing commercial centres' as directed by the WRPS.

The experts have not reached agreement on the appropriate size of a **Retail** GFA cap. The following notes in this section of the JWS relate to the **Retail** GFA cap.

The planners agree that it would be preferable for the plan provisions to clearly identify what types of activities are included in the **Retail** GFA cap.

In addition to the information already provided by Fraser Colegrave, the economists agree that a further analysis (as a starting point for the evidence base) would be to consider the level of retail demand likely to be created by the future workers, businesses and their customers/suppliers from within the Northern Precinct. Susan Fairgray and Blair Keenan consider that this 'bottom-up approach' is a useful and important part of the assessment. However, Fraser Colegrave notes that there are inherent difficulties in predicting the retail demands of the businesses in the Northern Precinct themselves, and that such analyses depend on and are highly sensitive to numerous unsubstantiated assumptions. Accordingly, such an analysis does not provide a definitive answer on the appropriateness (or otherwise) of the proposed **Retail** GFA cap.

The planners agree that any **Retail** not located within the Hub or the retail area is a non-complying activity under Rule 10.4.1.5(d)(ii).

The planners and the economists agree that surplus **Retail** GFA from the other precincts in the Airport Business Zone cannot be transferred to the Northern Precinct under Rule 10.4.2.11(A). This is because the total **Retail** GFA limit is ringfenced / separated between the Northern Precinct and other precincts.

Nick Grala and Fraser Colegrave consider that the **Retail** GFA cap should also be considered in the context of the Structure Plan that limits where **Retail** can occur within the Northern Precinct, and that any impacts on other centres in the surrounding area needs to reflect the distance between them, the limited residential population around the Northern Precinct and the unlikely appeal of visiting an industrial node as a retail destination.

Nick Grala and Fraser Colegrave support the current **Retail** GFA cap (5,000m² GFA), noting that it is a cap, not a target or minimum, and that the total **Retail** GFA is dependent on the types of industrial businesses that will locate within the Northern

Precinct and that the total build out and composition of **Retail** is unlikely to eventuate until all of the Northern Precinct is developed. This is expected to take in the region of 15 years.

Susan Fairgray and Denzil Govender consider that there is the need to assess and understand the effects on other centres within the current and future planned urban centres hierarchy. They do not consider that the basis for the proposed 5,000m² **Retail** GFA cap has been established. They consider that an appropriate assessment needs to occur as suggested above that takes into account the level of **Retail** demand generated within the Northern Precinct.

Fraser Colegrave considers that the likely effects on other centres has been appropriately addressed in Section 10 of his report supporting PPC20.

Susan Fairgray considers that further assessment is required to understand the effect of the proposed **Retail** on the centres' hierarchy as the effect on the Peacocke and other centres has not been fully undertaken.

To assist in understanding this JWS, the existing relevant definitions in the Waipa District Plan that are used in the Airport Business Zone chapter are shown below.

'Retail activities'	means land or BUILDINGS used for the display and/or sale of goods, but does not include 'WHOLESALE SHOPS'.
'Ancillary retail'	means a RETAIL ACTIVITY that is subordinate and incidental to the PRINCIPAL BUILDING or ACTIVITY conducted on a SITE, where the items being sold have been manufactured, repaired, produced, processed or grown on the same SITE.
'Wholesale shop'	means an area within a SITE used for INDUSTRIAL ACTIVITIES where goods are displayed for direct sale to the public. Provided that the total floor space used for such purposes, together with any outdoor display area, shall not exceed 10% of the total floor space of the associated industrial BUILDINGS on the SITE; and provided that the goods sold are manufactured on the SITE.

b. Ancillary retail

Nick Grala noted that PPC20 relies on the existing Waipa District Plan definition on **Ancillary retail** to control the mix of retail vs principal industrial activity. The Hamilton City Council submission sought to introduce that the **Ancillary retail** activity should not occupy more than 10% of the total GFA of the principal industrial activity. This is in contrast to the Hamilton City District Plan that doesn't limit the definition of **Ancillary retail** with a specific percentage or GFA cap and includes a performance standard that limits **Ancillary retail** GFA to 50% of the GFA of the principal industrial activity.

Nick Grala considers that Hamilton City Council should provide further justification on why a different approach to Hamilton City, the other Airport Business Zone precincts or the Waipa District is required.

Denzil Govender considers that **Ancillary retail** should not occupy more than 10% of the total GFA of the principal industrial activity.

c. Tenancy Sizes

The planners and the economists agree that PPC20 is not proposing changes to the **Retail** tenancy limits within Rule 10.4.2.12 (or the wording of the rule). Susan Fairgray and Katrina Andrews consider that **Retail** tenancy size is inherent within the consideration of the **Retail** GFA cap.

To assist in understanding this JWS, the existing Rule 10.4.2.12 is shown below:

<p>10.4.2.12 Retail shops shall have a floor area less than 450m² GFA each, except that one retail shop may have a floor area of more than 450m² GFA and less than 1,000m² GFA, provided that the retail shop shall primarily sell pre-prepared fresh food/groceries and beverages, together with other non-food goods in an ancillary capacity.</p> <p style="text-align: center; background-color: #f0f0f0; padding: 5px;">Activities that fail to comply with Rules 10.4.2.11, 10.4.2.11A and 10.4.2.12 will require a resource consent for a non-complying activity.</p>

4 PARTICIPANTS TO JOINT WITNESS STATEMENT

4.1 The participants to this Joint Witness Statement, as listed below, confirm that:

- (a) They agree that the outcome(s) of the expert conferencing are as recorded in this statement; and
- (b) They have read the Environment Court’s Practice Note 2023 and agree to comply with it; and
- (c) The matters addressed in this statement are within their area of expertise; and
- (d) As this session was held online, in the interests of efficiency, it was agreed that each expert would verbally confirm their position to the Independent Facilitator and this is recorded in the schedule below.

Confirmed online 9 February 2023

EXPERT’S NAME & EXPERTISE	PARTY	EXPERT’S CONFIRMATION REFER PARA 4.1
Blair Keenan (E)	Waikato Regional Council	Yes
Katrina Andrews (P)	Waikato Regional Council	Yes
Nick Williamson (P)	Waipa District Council	Yes
Susan Fairgray (E)	Hamilton City Council	Yes
Hannah Ashby (E)	Hamilton City Council	Yes
Denzil Govender (P)	Hamilton City Council	Yes
Nick Grala (P)	TPL and RPL	Yes
Fraser Colegrave (E)	TPL and RPL	Yes