

Wednesday, 31 July 2024

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**District Planning and Bylaws Subcommittee Meeting**

*Kaupapataka*

# Agenda

*Te Rā Hui:*  
Meeting date: **Wednesday, 31 July 2024**

*Te Wā:*  
Time: **1.00pm**

*Te Wāhi:*  
Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

*Te Hoapā:*  
Contact: **Democracy and Governance Services  
P: 06 871 5000 | E: [democracy@hdc.govt.nz](mailto:democracy@hdc.govt.nz)**

*Te Āpiha Matua:*  
Responsible  
Officer: **Group Manager: Planning & Regulatory Services - John  
O'Shaughnessy and Environmental Policy Manager - Rowan  
Wallis**

## District Planning and Bylaws Subcommittee – Terms of Reference

A Subcommittee of Council.

### Fields of Activity

The District Plan Subcommittee is responsible for advising the Council by;

- Providing guidance to Council officers with regard to the drafting of the District Plan (or sections thereof) and consultation on discussion documents and drafts.
- Providing guidance to Council officers in respect of the drafting of Council's new or revised bylaws and providing oversight of the Special Consultative Procedures.
- Te Tira Toitū te Whenua – Hastings District Plan Cultural Values - to consider and advise Council how the cultural values of Waahi Taonga and Waahi Tapu are to be integrated within the District Plan.

### Membership

- 6 Councillors.
- 3 Heretaunga Takoto Noa Māori Standing Committee Members appointed by Council.
- 1 externally appointed member with relevant qualifications and experience.
- 1 member of the Rural Community Board appointed by Council.
- Chair appointed by Council.
- Deputy Chair appointed by Council.

### Quorum – 6 members including 3 Councillors

#### DELEGATED POWERS

- 1) To review and provide comment on draft new or reviewed District Plan provisions and to recommend to the Council the adoption of drafts for consultation.
- 2) To hear and consider all submissions reviewed in respect of any District Plan proposal and to recommend responses to the Council.
- 3) To recommend to the Council the final wording of any new or reviewed District Plan provisions for adoption.
- 4) To review and provide comment on draft new or reviewed bylaws, and to recommend to the Council the adoption of drafts for consultation.
- 5) To hear and consider all submissions received in respect of any bylaw proposal and to recommend responses to the Council.
- 6) To recommend to Council the final wording of any new or reviewed bylaw for adoption by the Council.

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Wednesday, 31 July 2024

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# Agenda

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*Mematanga:*

**Membership:**

*Koromatua*

**Chair:** Councillor Alwyn Corban

*Ngā KaiKaunihera*

**Councillors:** Marcus Buddo (Deputy Chair), Michael Fowler, Simon Nixon, and Kevin Watkins – 1 x Vacancy

Rural Community Board appointee - Jonathan Stockley (RCB Chair)

Mayor Sandra Hazlehurst

3 Heretaunga Takoto Noa Māori Standing Committee appointees: Tipene Cottrell, Elizabeth Waiwiri-Hunt and 1x Vacancy

1 External appointee - Vacancy

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*Tokamatua:*

**Quorum:**

6 - including 3 Councillors

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*Apiha Matua*

**Officer Responsible:**

Group Manager: Planning & Regulatory – John O'Shaughnessy

Environmental Policy Manager – Rowan Wallis

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*Te Rōpū Manapori me te  
Kāwanatanga*

**Democracy &**

**Governance Services:**

Christine Hilton (Extn 5633)

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## *Te Rārangi Take*

# Order of Business

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### *Apologies – Ngā Whakapāhatanga*

- 1.0** An apology from Tipene Cottrell has been received.  
At the close of the agenda no requests for leave of absence had been received.

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### **2.0** *Conflict of Interest – He Ngākau Kōnatunatu*

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

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### *Confirmation of Minutes – Te Whakamana i Ngā Minitī*

- 3.0** Minutes of the District Planning and Bylaws Subcommittee Meeting held Wednesday 29 May 2024.  
*(Previously circulated)*

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### **4.0** *Summary of Proposed Government Changes from Going for Growth Policy* **7**

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### **5.0** *Commercial Strategy Review* **11**

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### **6.0** *Minor Items – Ngā Take Iti*

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### **7.0** *Urgent Items – Ngā Take Whakahihi*

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Wednesday, 31 July 2024

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Item 4

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: District Planning and Bylaws Subcommittee Meeting***Te Rārangi Take*

# Report to District Planning and Bylaws Subcommittee

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**Nā:**  
**From:** **Rowan Wallis, Environmental Policy Manager**

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**Te Take:**  
**Subject:** **Summary of Proposed Government Changes from Going for Growth Policy**

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## **1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The coalition government has just announced a raft of policy changes based upon their Going for Housing Growth (GfGH) programme.
- 1.2 These changes form part of Pillar 1 of the programme and will be supported by Pillars 2 and 3 which will be released over the course of the next year. Once implemented these changes will have significant implications for the district plan.
- 1.3 The principal components of Pillar 1 are;
  - Requiring Tier 1 and 2 Councils to enable 30 years of feasible housing capacity, based upon high population growth projections.
  - Enabling greenfield growth by prohibiting Councils from imposing rural-urban boundary lines in planning documents. Investigating options to require Councils to plan for 50 years of growth and be more responsive to private plan changes.
  - Ensuring that housing intensification is in the right places.
  - Councils must enable mixed use development across their urban areas. This does not include industrial development.
  - Council will be unable to set minimum floor area requirements or require outdoor balconies for apartments.

#### 1.4 How do these proposed new rules compare with current district plan policies and rules?

Rule	Current	Proposed
Housing Capacity	District Plan identifies greenfield land from the Growth Strategy that will be required within the 10 years life of the Plan. It is not necessarily zoned. The HPUDS growth strategy identifies land that will be required for the next 30 years but it is not zoned. This is based on medium/high population projections.	30 years supply of feasible and zoned housing capacity based on high population projections
Enabling greenfield growth	Greenfield growth is guided by our Growth Strategy and this provides a strong signal to the community through both the RPS and the district plan that growth outside of these identified areas would not be supported. Policy PSMP5 <i>“Establish clear and distinct urban boundaries to prevent creep of urban activities into the Plains Production Zone”</i>	Councils will not be able to have a rural urban boundary and Councils are to be responsive to private plan changes that would provide significant development capacity.
Intensification in the right places	Tier 2 Councils are required to allow heights and housing densities in line with the level of accessibility of services or demand for housing. This is the premise upon which Plan Change 5 has been formulated.	The Tier 2 requirements will remain the same.
Mixed use development	Commercial activities permitted in the residential zones are currently restricted to early childhood centres, non-residential care facilities and homes for the aged. Health care services are a discretionary activity, and other commercial activities are non-complying.	Council will be required to enable a baseline level of small scale mixed (such as dairies and cafes) across their urban areas i.e. not just confined to our medium density zones.
Minimum floor area and balcony requirements	Currently the district plan places minimum floor areas for residential units in the Central Commercial Zone based on the number of bedrooms. In other commercial zones there is a 50m <sup>2</sup> minimum floor area. Above ground Outdoor areas of 7m <sup>2</sup> are also required.	No floor area or balcony minimums will be able to be required.

#### 1.5 What will this mean for the district plan?

A number of these potential changes will require more detail before we can properly understand exactly what it will mean for current provisions of the district plan. However based on what we currently know, the following changes will need to be made to the District Plan.

1. Changes to our Urban Strategy section (2.4) will be required to;



- (a) Identify the areas of land that are required to meet the 30-year supply of zoned residential land. Clarification will be required that the zoning of this land does not mean that services to the land will be available.
  - (b) Changes to the objectives and policies to remove any reference to urban containment and urban boundaries e.g. Policy UDP10 *To identify distinct and clear [boundaries](#) between the urban area and the Plains Production Zone.*
2. Changes to the Plains Strategic Management Area and Plains Production zone to remove any policies that refer to urban containment and urban boundaries e.g.  
  
*Policy PSMP5 Establish clear and distinct urban [boundaries](#) to prevent incremental creep of urban activities into the Plains Production Zone.*
  3. Mapping of zoned greenfield growth areas necessary to provide the 30 year supply.
  4. Changes to the residential zones to enable small commercial and mixed use activities to establish. Whether these will have to be permitted or could be a controlled activity to allow activities to be individually assessed and the setting of conditions, won't be known until the detail of the changes is released. How would this impact on our current neighbourhood shopping centres such as Mahora and Mayfair?

Ultimately if the detail of the government changes results in the current district plan policy being inconsistent with the new legislation it may necessitate moving the review of the Plains Production zone up the priorities in the Environmental Policy workstream.

## 1.6 Timing

The detail of the changes will not be released until early 2025 and there will be an opportunity to make submissions on the Bill at the time. It has been signalled that the government plans to have the legislation in place by mid-2025.

## 2.0 Recommendations - Ngā Tūtohunga

That the District Planning and Bylaws Subcommittee receive the report titled Summary of Proposed Government Changes from Going for Growth Policy dated 31 July 2024.

## Attachments:

There are no attachments for this report.



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Wednesday, 31 July 2024

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Item 5

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: District Planning and Bylaws Subcommittee Meeting***Te Rārangi Take*

# Report to District Planning and Bylaws Subcommittee

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*Nā:*  
**From: Craig Scott, Environmental Planner (Policy)**

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*Te Take:*  
**Subject: Commercial Strategy Review**

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## **1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga***

- 1.1 The purpose of this report is to seek direction from the Committee regarding the development of new Commercial Strategy to replace the 2003 adopted Hastings District Council Commercial Zone Review and Large Format Retailing Strategy 2003 – 2023 (the Commercial Zone review)
- 1.2 The current Commercial Zone review document by McDermott Miller was developed to guide the form and pattern of retail development in Hastings to grow a sustainable retail economy, consolidate Large Format Retail (LFR) in the former Nelson Park area, focus small-scale retailing in the Hastings CBD and encourage precinct development, e.g. specialist clothing, hospitality, entertainment.
- 1.3 This strategy has now been implemented. The LFR centre is developed, the inner CBD has developed with small scale retail concentrated in the City's central blocks and the blocks have developed into precincts. There is now a very different retail and commercial environment to that which existed at the time the current strategy was developed and the new commercial strategy needs to reflect the dynamic commercial environment.
- 1.4 As part of the National Policy Statement on Urban Development 2020 (NPS-UD), Councils were required to undertake a Business Capacity Assessment, and for Tier 2 environments such as Hastings it must:

*Every HBA must clearly identify, for the short term, medium term, and long term, whether there is sufficient development capacity to meet demand for business land in the region and each constituent district of the tier 1 or tier 2 urban environment.*

- 1.5 A Business Capacity Assessment (BCA) was undertaken by Market Economics for Napier and Hastings as required by the NPS-UD, which provided the following high level findings:

- There is sufficient commercial and retail plan enabled GFA (vacant capacity) over the short term (including the competitiveness margin), but shortfalls emerge over the medium and long term.
  - Sensitivity testing showed, 21% of redevelopment capacity would need to be developed in order to ensure sufficient commercial and retail GFA over the long term (including the competitiveness margin).
- 1.6 While there is not urgent demand to provide for additional commercially zoned land in the short term, the capacity assessment makes it clear that specific strategies should be implemented to ensure our commercial land operates and is developed in an efficient manner to ensure that additional demand can be contained within existing footprints where possible.
- 1.7 Further to this there are some specific questions being raised to Council around the future of our commercial land, in particular:
- *The future development of the Havelock North Town Centre*
  - *How the continued development of Flaxmere Town Centre should fit into future Commercial Strategies?*
  - *The efficiency of the Light Industrial land, particularly at Stortford Lodge.*
  - *Inner city living and the options around utilising our centres for intensification.*
  - *Are there additional requirements for large format retail.*
  - *How will the commercial strategy review interact with The Hastings City Centre Strategy (implementation of street upgrades, green initiatives and enlivenment projects etc)?*
- 1.8 As such a new commercial strategy is necessary to understand and direct future commercial activity, inform the business land demand assessment and ensure that the District Plan is fit for purpose and provide for the projected demand for business land.
- 1.9 This report concludes by recommending that the District Planning and Bylaws Subcommittee approve the scoping of a Commercial Strategy with a view to developing a new Commercial Strategy for Hastings to inform the future of commercial land and activity to ensure that the District Plan provisions will provide for the projected demand for business land in a way that best meets the economic, social and cultural and environmental wellbeing of our District.

## 2.0 Recommendations - Ngā Tūtohunga

- A) That the District Planning and Bylaws Subcommittee receive the report titled Commercial Strategy Review dated 31 July 2024.
- B) That the Subcommittee provide guidance on the scope of the future Commercial Strategy Review.
- C) That the Committee endorse:
  - a. The drafting of a scoping report for the development of a new Commercial Strategy to inform the future of commercial land and activity.

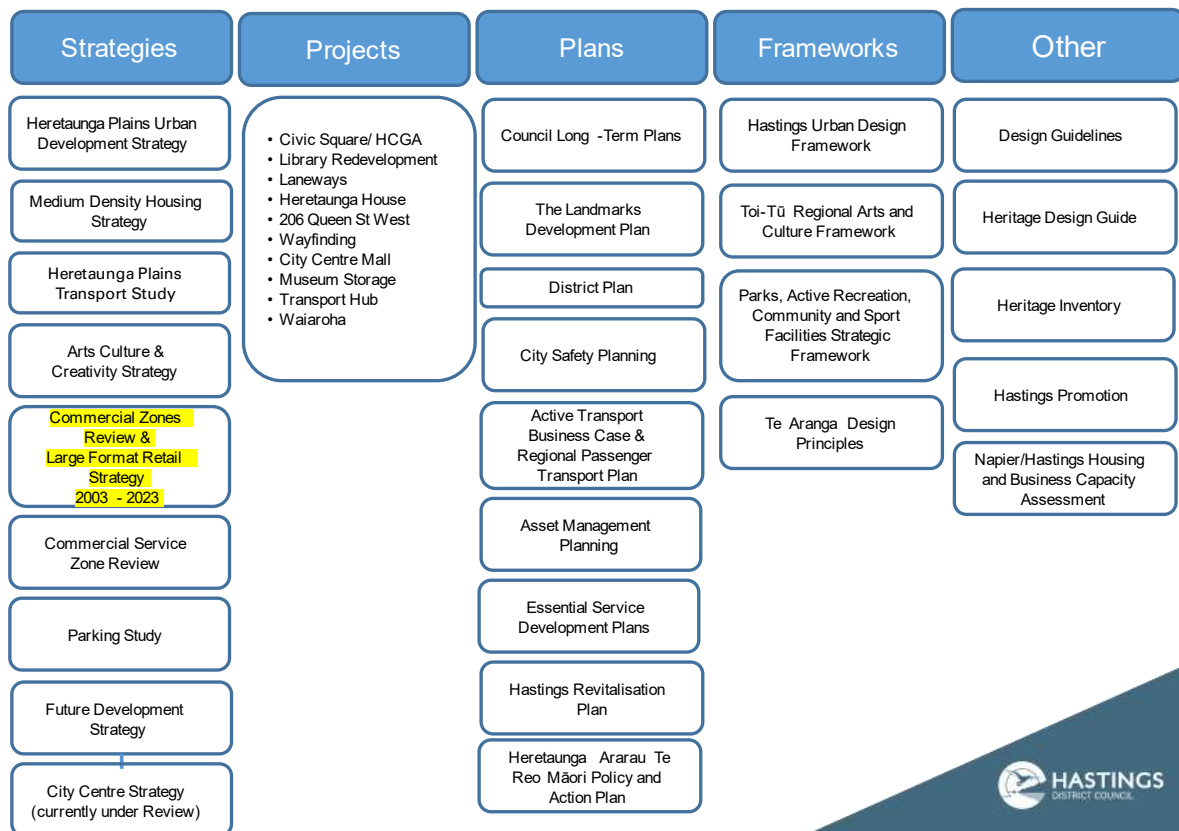
### 3.0 Background – *Te Horopaki*

- 3.1 The current Hastings District Council Commercial Zone Review and Large Format Retailing 2003 – 2023, was developed throughout 2002 and finalised in June 2003. As part of the review a separate Hastings Retail Strategy was also appended as part of the main Commercial Strategy. The Commercial Strategy was developed against a background of emerging Large Format Retailing pressures.
- 3.2 The strategy included a number of instruments including Strategic Marketing, Infrastructure Investment, Institutional Initiatives, a suite of district plan change recommendations and a programme of actions.
- 3.3 Some of the key outcomes of the strategy were as follows:
  - Developing a megacentre zone adjacent to the CBD
  - Maximising retail market share and related employment growth
  - Developing Hastings core CBD and entertainment area
  - Differentiating the central Hastings Commercial Zone into four quarters based on emergent retail, cultural and leisure patterns and clusters
  - Generating increased retail consumption.
  - Further consolidation and expansion of the Hastings Commercial Zone under the Hastings retail strategy, aiming to ensure the CBD does not become stretched towards Stortford Lodge.
- 3.4 The strategy was primarily focused on the Hastings central core, with a specific emphasis on how large format retail in the city would be provided for. At the time, there was a strong desire for large format to be located in Hastings, and the strategy was undertaken as a means to understand how this would best be achieved in a way that ensure the CBD vibrancy would not be eroded by an uncoordinated approach.
- 3.5 Most of the key outcomes have now been implemented, noticeably the redevelopment of Nelson Park, and the dividing up of the CBD into specific precincts for development. Even where the strategy has not fully succeeded, it is considered that the strategy has surpassed its useful life, and all strategic direction should be reviewed and reconsidered to understand and deliver on the current pressures facing our Commercial Zones.
- 3.6 Further to this, the undertaking of the Business Capacity Assessment (BCA) as required by the NPS-UD has provided clearer indications of the demand and supply pressures on our commercial and retail markets. Some of the high-level findings from the BCA are as follows:
  - There is sufficient commercial and retail plan enabled GFA (vacant capacity) over the short term (3 years) (including the competitiveness margin), but shortfalls emerge over the medium and long term (10 and 30 year horizons respectively).
  - Sensitivity testing showed, 21% of redevelopment capacity would need to be developed in order to ensure sufficient commercial and retail GFA over the long term (including the competitiveness margin).

### 4.0 Discussion – *Te Matapakitanga*

- 4.1 The influences on the commercial strategy within Hastings are complex and varied. There are a number of strategies and plans that either direct or would be directed by a commercial strategy for Hastings. The image below shows some of the get documents informing any commercial strategy review.

## Strategies & Plans Underpinning/ Inputting



- 4.3 This suggests that defining the scope of work will be critical in achieving an effective and achievable Commercial Strategy. The officers are seeking direction from the sub-committee as part of the scoping process to understand the breadth of issues we wish the Commercial Strategy to cover.
- 4.4 The BCA modelling suggests that the Councils have sufficient plan enabled business land capacity to meet the 10-year growth requirements. However, some localised insufficiencies (at a zone level) will appear, and it will be important to monitor the uptake of land to ensure that the subsegments (of demand) are not displaced.
- 4.5 At its simplest the review should assess the findings of the BCA to understand and provide for future retail trends and to inform a District Plan review for Commercial Zones. However, at the present time we have a retail hierarchy in the district plan. Under the hierarchy the Hastings City Centre is the principal commercial focus for the district with the Havelock North and Flaxmere town centres being second tier commercial areas and then the smaller suburban shopping centres, such as Mahora and Mayfair, fulfilling neighbourhood functions. It is suggested that one of the major issues for consideration on the scope of the review should be whether such a hierarchy still has relevance in this environment.
- 4.6 This is particularly important given that the latest Going for Housing Growth government programme is to require Tier 2 authorities (of which Hastings is one), that they must enable activities such as cafes, dairies and other retail across their urban areas.
- 4.7 Additional questions around scope could include, but are not limited to;
- The interaction with the city centre and CBD strategy and whether consolidation is required
  - the future demand of large format retail;
  - the future use of light industrial zones, particularly at Stortford lodge,
  - the redevelopment of Flaxmere and Havelock North;

- the continued development of the Hastings CBD precincts; inner city living; and
- the outer commercial zones and the Suburban Commercial Areas.

- 4.8 This report seeks guidance from the committee on the potential scope of the Strategy Review, and whether it should be at a higher level or focussed on a sustainable retail environment. The second part of this report is to seek approval for staff to undertake a scoping report to start fleshing out these issues. We would look to report back to the committee during the development of the scoping report, to seek guidance of the issues that a future commercial strategy could cover.
- 4.9 Finally, it should be noted that there is an existing process to review the City Centre Strategy. This document is largely focus on the redevelopment of the CBD core, specifically on projects to ensure the vitality of our retail sector. The Commercial Strategy is broader and more high level. However, a key part of the scope and engagement of this process will be to ensure there is minimal cross over, and to develop a comms plan which ensures that the public and business can understand the key differences to ensure meaningful engagement.

## 5.0 Options – *Ngā Kōwhiringa*

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 To undertake a scoping report for a Hastings Commercial Strategy with a view to replacing the existing 'Hastings District Council Commercial Zone Review and Large Format Retailing Strategy 2003 - 2023

Advantages

- Replaces existing strategy which is now over 20 years old and passed the parameters consider useful by its author
- Allows for current demands on our commercial areas to be reviewed and reassessed.

Disadvantages

- Cost of developing strategy and future plan changes

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuetanga o nāiane

- 5.2 Do nothing and retain existing strategy

Advantages

- Existing strategy still guides existing provisions even though most of the strategy is implemented
- Cost savings

Disadvantages

- Out of date strategy may not provide for current and future pressures on our commercial zones.
- No trends such as online shopping are not addressed in existing strategy
- Other strategies may adapt to address the gaps of existing strategy leading to inefficiencies.

## 6.0 Next steps – *Te Anga Whakamua*

- 6.1 Undertake a brief for a scoping report to the review of the commercial strategy.

**Attachments:**

There are no attachments for this report.

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## Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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### **Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe***

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

### Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the <Enter text> wellbeing of communities in the present and for the future.

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### **Māori Impact Statement - *Te Tauākī Kaupapa Māori***

There are no known impacts for mana whenua / iwi / tangata whenua above and or beyond the general community population specifically in relation to this strategy review, there may be additional consideration as part of the scoping document

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### **Sustainability - *Te Toitūtanga***

There are no implications at this stage

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### **Financial considerations - *Ngā Whakaarohanga Ahumoni***

There will be limited cost involved in the development of a scoping report. There scoping strategy will better determine the costs of the review of the commercial strategy itself. This will be sourced from existing Planning and Regulatory budgets.

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### **Significance and Engagement - *Te Hiranga me te Tūhonotanga***

This decision/report has been assessed under the Council's Significance and Engagement Policy as being a high degree of significance.

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### **Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho***

As a document of high significance, a high level of engagement would be anticipated as part of the strategy. This engagement could occur with key stakeholders as part of the scoping report. The scoping report will determine the engagement process for the overall strategy.

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### **Risks**

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
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|---|---|
| <ul style="list-style-type: none"><li>• Ensures clear direction for other strategies.</li><li>• Ensures development proposals are guided in the appropriate manner.</li></ul> | <ul style="list-style-type: none"><li>• Lack of direction leads to inefficiency in developing other strategies.</li></ul> |
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**Rural Community Board** – *Te Poari Tuawhenua-ā-Hapori*

Not applicable

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