

Form 5: Submission by Willowridge Development Limited on Plan Change 53: North Lake Special Zone

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- 1.0 This is a submission on Plan Change 53: North Lake Special Zone
- 2.0 Willowridge Developments Limited (Willowridge) could not gain an advantage in trade competition through this submission.
- 3.0 The specific provisions of the proposal that this submission relates to are:
 - The proposal to increase the total retail floor area within the zone to 2,500m²;
 - The proposal to enable a single retail activity of 1,250m² ;

4.0 *Submission:*

- 4.1 The Plan Change seeks to increase the total retail floor area within the Zone to 2,500m² and to provide for a single retail activity of up to 1,250m² gross floor area in order to enable a small grocey store to be established.

Existing Retail Environment

- 4.2 The section 32 analysis supporting the plan change includes an assessment of retail economic effects prepared by RCG Ltd (the RCG Report). The RCG Report identifies that the existing environment for retail in Wanaka is the CBD, which accounts for 15,707m² of retail space including a New World, Four Square and Mediterranean Market and Anderson Heights, which includes 2,459m² of trading space. Trade-orientated businesses, such as Mitre 10, have been excluded from the RCG report when considering existing retail floorspace.
- 4.3 The RCG Report also states that Three Parks has been identified as a major growth node for retail in the future and can include 10,000m² as a permitted activity, with further retail floorspace developed subject to a "Wanaka Town Centre Health Check".
- 4.4 Willowridge submits that the RCG Report understates the available retail floorspace at Three Parks. Subject to a town centre health check, the Three Parks Commercial Core can accommodate in excess of 30,000m² of retail floorspace, with a 'deferred' zone available to meet future growth if required.

- 4.5 The RCG Report notes that so far Three Parks is undeveloped as to retail. Since the RCG report was prepared in October 2017, an application has been lodged by Foodstuffs South Island Limited for a 4,353m² supermarket within the Three Parks Commercial Core. The retail activity is permitted, therefore it is likely consent will be forthcoming for the supermarket.
- 4.6 In discussing Anderson Heights, the RCG report states that it is generally more of a light industrial/commercial area. The Proposed District Plan (Stream 1) proposes that the Anderson Heights area be rezoned as a Business Mixed Use Zone in an attempt to reduce the effects of industrial activity on neighbouring residential activity. It is Willowridge's understanding that retail activity will be permitted within the BMUZ (subject to discretionary resource consent for the building). While this chapter of the PDP is not yet operative, no submissions have been received on the activity status of retail activity. As business and industrial activity moves to alternative locations, retail and commercial activity may increase at Anderson Heights.

Catchment

- 4.7 Pages 34 and 35 of the RCG report consider the catchment area for the proposed Northlake Supermarket and find there are 3,395 residential lots/homes/proposed future homes that are closer to the Northlake shops than to the existing New World supermarket. The RCG Report does not take into consideration the proposed supermarket at Three Parks when defining this catchment. Willowridge submits it is likely that many of the areas identified as the Northlake catchment, such as Aubrey Road and substantial parts of Albert Town, would be more efficiently serviced by the Three Parks supermarket. Furthermore, it is very likely that other identified areas of the catchment would prefer to travel to the larger supermarket at Three Parks for their main shopping while using Northlake for top-up shopping trips.
- 4.8 Willowridge submits that the identified catchment for Northlake is too large and fails to take appropriate account of Three Parks.

Retail Demand

- 4.9 Section 7.5 of the RCG Report identifies the 'retail demand' in northern Wanaka, based on the catchment containing 3,395 existing or future houses. Willowridge submits that the catchment is flawed as it fails to take into account Three Parks, therefore the retail demand for northern wanaka has been over-estimated.
- 4.10 The RCG Report also notes that it will be some years before the potential properties in the catchment are fully developed. Willowridge submits that in light of this and the incorrect catchment there is insufficient demand for the proposed increase in retail floorspace at Northlake.

Effects on the CBD and Three Parks

- 4.11 Section 8 of the RCG Report considers the economic effects of the proposed increase in floorspace at Northlake. The Report finds that if retail activities are not allowed to expand outside of the Wanaka CBD, the CBD will have to shoulder the shopping needs of both locals

and tourists. The Report identifies that risk of this is a reduced amenity in the CBD. The RCG Report considers that retail at Northlake will provide a 'pressure release valve' for the Wanaka CBD.

- 4.12 The purpose of including a Commercial Core within the Three Parks Special Zone was to provide for the anticipated retail demand in Wanaka without impacting on the CBD. As previously stated 10,000m² of retail floorspace is enabled as a permitted activity and in excess of 30,000m² of retail floorspace is available to be uplifted, with a 'deferred' zone available to meet future growth if required. Willowridge submits that the Three Parks Commercial Core is a carefully considered 'pressure release valve' for the CBD and the RCG Report fails to recognise this.
- 4.13 The RCG Report states that Three Parks remains largely undeveloped to date. Willowridge submits that Three Parks business and commercial areas are developing to meet market requirements. Outline Development Plan approval and significant infrastructure is now in place in order that the land can be provided to meet operator requirements at the appropriate time. Resource consent for the supermarket has now been lodged and Willowridge anticipates that there will be other LFR's establishing on Three Parks in the very near future.
- 4.14 The RCG report considers that Northlake will provide a much smaller and more limited retail offer than Three Parks. However, on page 48 the RCG Report states that 'the broader mix of activities now planned will make it more of a destination than if it had simply had 1,000m² of small shops, and allow it to draw people from a wider catchment'. Willowridge submits that the retail floorspace already available at Northlake will enable the establishment of a neighbourhood centre and any increase in floorspace is unnecessary and will have the potential to impact on retailers in the CBD and Three Parks Commercial Core.

Summary

- 4.15 In summary, Willowridge submits that the economic justification for the increase floorspace at Northlake is flawed in that the catchment is too large and appropriate consideration has not been given to the full development potential of Three Parks or the permitted activity status of retail activity at Anderson Heights in the Proposed District Plan. As a result the plan change over-states the demand for retail floorspace at Northland, which has the potential to undermine the CBD and Three Parks Commercial Core.
- 4.16 Willowridge submits that the retail space already zoned at Northlake is sufficient to create a vibrant neighbourhood centre and that any increase in floorspace is unnecessary and will be an inefficient use of land.

5.0 Relief Sought:

- 5.1 Willowridge seeks the following relief:

- The proposal to increase retail floorspace is rejected
- The proposal to enable one retail activity of 1,250m² is rejected.

- 6.0 Willowridge does wish to be heard in support fo this submission. Willowridge would consider presenting a joint case with others presenting a similar submission.
- 7.0 Submitted 14th February 2018 by electronic means.