

Before the Hearing Panel
Appointed by the Timaru District
Council

Under the Resource Management Act 1991 (**RMA**)

In the matter of the Proposed Timaru District Plan

Memorandum of Counsel on behalf of Timaru District Council

Response to Minute 14 – Redwood Group Limited

23 August 2024

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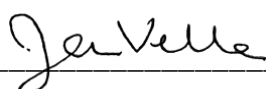
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**anderson
lloyd.**

May it please the Hearing Panel:

Introduction

- 1 This memorandum is filed by counsel for the Timaru District Council (Council) (PDP) in response to Minute 14 in relation to the hearings on the Proposed Timaru District Plan. Minute 14 requested a report back on progress made between experts relating to the submission made by Redwood Group Limited in relation to the Large Format Retail Zone.
- 2 I can advise that:
 - (a) Ms Hampson's economic evidence has been peer reviewed by Mr Derek Foy (**Appendix A**) and provided to the submitter;
 - (b) The planning experts, Ms Hoogeveen and Ms White, have conferred and agreed on draft planning provisions to address the submission.
- 3 A joint statement prepared by Ms Hoogeveen and Ms White, alongside draft planning provisions, is attached at **Appendix B**.
- 4 The Council is grateful to the Panel for its attention to these matters.



Jen Vella
Counsel for Timaru District Council

Appendix A
Peer review of economic evidence



Memo

To: Liz White, Consultant Planner, Timaru District Council
From: Derek Foy, Director
Date: 5 August 2024
Re: Technical review of Redwood Group economics evidence for PDP submission

This memo provides a review of the economics evidence of Natalie Hampson on behalf of Redwood Group ("Redwood"), related to Redwood's submission on the Timaru District Council's Proposed District Plan ("PDP").

1 Introduction

You have asked me to review Ms Hampson's evidence with respect to her assessment of, and conclusion in relation to providing for residential activities, visitor accommodation, healthcare facilities and childcare services in the LFRZ. In particular you have asked me to review Ms Hampson's conclusion that these activities will increase the functional amenity of the LFRZ for local workers and the surrounding local community; and will support the efficient use of the LFRZ site, while not resulting in adverse distributional effects on the role and function of the Central City Zone ("CCZ").

In this review I provide a summary of some relevant background material that will frame my review.

2 History

I first summarise my understanding of the operative and proposed District Plan provision for the Site. The Site is zoned Commercial 2A under the Operative District Plan ("ODP") which:

*provides for a large format store (retail park) development which is designed to expand Timaru's established retail centre offering. It reinforces the sub-regional role of Timaru as a destination for shoppers in the Timaru area and surrounding districts...*¹

...The Commercial 2A Large Format Store (Retail Park) Zone comprises large format retailing which is designed to complement Timaru's retail offering. The scale of the

¹ Operative Timaru District Plan; Commercial Zones, Issue 1 – Explanation and Principal Reason (3) Commercial 2A Large Format Store (Retail Park).



development shall therefore be managed to ensure that adverse economic and social impacts on the existing central business district are avoided, remedied or mitigated.²

As summarised in the evidence of Ms Hooegeveen, the Commercial 2A zoning seeks to accommodate growth and activities that other centres in Timaru are not able to accommodate,³ and enables the following as permitted activities:

- ❖ Retail in tenancies of 500m²+, up to a maximum of 34,000m² total
- ❖ Trade suppliers, up to a maximum of 34,000m² total
- ❖ Up to 680m² of offices and/or personal services GFA
- ❖ Up to 1,360m² of restaurant GFA
- ❖ Up to 6,000m² of Places of Assembly GFA.

Up to an additional 2,400m² is provided for as a discretionary activity. That development was subject to staging thresholds and dates.

The notified version of the LFR Zone (“LFRZ”) reduced the range of permitted activities, with some changes recommended in the s42A report to better align the PDP version with the existing ODP version, and additional changes suggested in the Redwood submission.

3 Relief requested

The relief requested in Redwood’s submission that you have asked me to provide an opinion on is as follows:

- ❖ One visitor accommodation facility would be a restricted discretionary activity, with any more than one being non complying.
- ❖ Healthcare facilities and childcare services would both be a restricted discretionary activity.
- ❖ Residential activity would be a restricted discretionary activity within a defined Residential Sub-Precinct, and otherwise non-complying.

Ms Hooegeveen’s evidence provides her opinion as to why each relief point is appropriate, and relies in part on the evidence of Ms Hampson.

² Operative Timaru District Plan; Commercial Zones, Issue 4 – Explanation and Principal Reason for Policy 3.4.2.6.

³ Statement of evidence of Hannah Hooegeveen (planning), paragraph 9



4 Hampson evidence

I next summarise my understanding of Ms Hampson's evidence in relation to the requested relief as set out in paragraphs 58 to 89 of her statement, and provide my opinion on her conclusions.

4.1 Visitor accommodation

Ms Hampson's evidence assesses the location and quantum of visitor accommodation activity within Timaru as a basis for understanding the potential economic effects of the requested relief relating to visitor accommodation. Key observations from her assessment include that:

- ❖ The number of accommodation businesses in Timaru Central has increased from 5 in 2016, to 8 in 2020, and 14 in 2023. In the rest of Timaru Urban Area ("UA") the number of accommodation businesses is now similar to the 2016 level, although much lower than the pre-Covid peak in early 2020.
- ❖ Timaru Central accommodation businesses employ only 33 workers (in 2023), while in the rest of Timaru UA there are around 200 workers. This indicates that the 14 accommodation businesses in Timaru Central employ an average of about 2.4 workers each, about one third the size of businesses in the rest of the UA (average 7.3 workers).
- ❖ Larger accommodation businesses are not yet establishing in the CCZ.
- ❖ The areas with the largest amounts of accommodation businesses are the statistical areas around Timaru Central (Waimataitai-Maori Hill to the north, Parkside to the south, and Timaru East).
- ❖ There are strong positive economic effects of having visitor accommodation in the CCZ, however there is a risk that larger scale visitor accommodation may bypass Timaru if the CCZ is not attractive and consent to establish in a residential zone cannot be obtained.
- ❖ There are economic benefits of providing for a visitor accommodation business in the LFRZ, including increasing visitor spend in and patronage of the CCZ, and improving overall accommodation offer in Timaru.

Ultimately Ms Hampson concludes that:

providing for one visitor accommodation activity (and likely a new hotel) in the LFRZ (Former Showgrounds Precinct) as Restricted Discretionary activity creates more economic benefits than it does economic costs. Allowing for one accommodation provider to establish in the zone will not undermine the role, function or amenity of the City Centre Zone, especially given that already dispersed patterns of visitor



accommodation in Timaru. Improving the ability to attract a new hotel operator to Timaru will enhance Timaru's role as the primary urban area in the sub-region.⁴

I accept Ms Hampson's assessment of the current distribution of accommodation activity in Timaru, noting that the CCZ has only a small number of visitor accommodation businesses, and they are not large establishments. I note Ms Hampson's observations that under the PDP visitor accommodation is a permitted activity in the CCZ, with only small scale visitor accommodation permitted in the General and Medium Density Residential Zones (where larger scale is discretionary).

I consider that there are three main economic issues that need to be considered in relation to the request to make a visitor accommodation provider a permitted activity in the LFRZ:

- ❖ How suitable is the LFRZ as a location for visitor accommodation.
- ❖ What will be the effects on Timaru's centres of the relief.
- ❖ What will be the effects on the broader Timaru economy of the relief.

I agree with Ms Hampson's assessment on the third matter, and consider that enabling a visitor accommodation establishment the LFRZ would potentially increase tourism activity in Timaru, and that an accommodation business may be enticed to establish in Timaru only if the LFRZ opportunity exists, but may not otherwise choose to locate in Timaru. For those reasons it is my opinion that enabling a visitor accommodation business in the LFRZ would have a positive effect for the Timaru economy overall.

On the second point I also generally agree with Ms Hampson's opinion that there would be at most minor opportunity costs from having guests stay in a non-CCZ location, compared to a CCZ or CCZ-fringe location, and therefore the effects on Timaru's centres, including the CCZ, would be minimal. The reason for my opinion is that there will be only a small range of businesses in the LFRZ that would provide for the needs of guests in any LFRZ visitor accommodation, and it is likely that most of those needs would be met outside the LFRZ, and probably mostly in the CCZ. I note and agree with Ms Hampson's point that this would lead to some increased vehicle movements between the LFRZ and the CCZ.

One matter that has not been addressed by either Ms Hampson or Ms Hoogeveen is the suitability of the LFRZ to accommodate visitor accommodation. Ms Hoogeveen states that "Spatially, I consider that it is an appropriate location for some provision of visitor accommodation in the future",⁵ although that statement appears to be limited to the LFRZ being the northernmost, large area of commercially zoned land in Timaru, and on State Highway 1. Ms Hampson's coverage of the issue is limited to a

⁴ Statement of evidence of Natalie Hampson (economics), paragraph 69

⁵ Statement of evidence of Hannah Hoogeveen (planning), paragraph 78



statement that visitor accommodation “may be a better outcome than a hotel in a residential zone (where externalities are harder to manage)”.⁶

Neither expert has addressed the merits of establishing visitor accommodation in the LFRZ, where there is limited amenity suited to visitors, the environment is very car-centric, and where it is likely that there will be little in the way of activities open in the evening on most days of the week. That is, the experts describe why the LFRZ is not a bad place to have visitor accommodation, but do not assess whether the LFRZ is suitable for that activity, based on other activities that exist, and will not exist, in the LFRZ.

In my opinion a visitor accommodation business would do very little to support the LFRZ, and the existence of a visitor accommodation facility in the LFRZ would be opportunistic rather than a natural ‘fit’ with the zone. I do accept that use of part of the LFRZ for visitor accommodation would represent efficient use of the LFRZ, although if the lack of ‘fit’ with the zone were to result in the location being unpopular with visitors, and the visitor accommodation became unviable, that would end up being an inefficient use of LFRZ land.

4.2 Childcare services

Ms Hampson’s evidence makes several key points in relation to the relief requested for childcare services in the LFRZ:

- ❖ Families tend to seek out childcare services that are close to either their home or their place work.
- ❖ The PDP provides for childcare services in residential and commercial/mixed use zones, which is an efficient distribution of this service activity.
- ❖ There is no particular priority given to the CCZ with respect to development of childcare services, and childcare services do not typically trigger distributional effect concerns, so providing a consenting pathway for childcare services in the LFRZ creates no risk of undermining the purpose, function or amenity values of the CCZ.
- ❖ The LFRZ is well located to provide childcare to Timaru’s northern suburbs.
- ❖ Including a childcare centre in the LFRZ would add to the functional amenity of the locality as a place of work.
- ❖ Development of childcare services in the LFRZ would not adversely affect the wider centre network, or the amenity of the CCZ.

⁶ Statement of evidence of Natalie Hampson (economics), paragraph 67(a)



I agree with Ms Hampson's assessment and conclusions in relation to childcare in the LFRZ. In my opinion provision of a childcare facility in the LFRZ would be appropriate to provide for needs of northern Timaru's population, and there are no distributional effects concerns arising from the location of childcare facilities. Because childcare facilities are widely permitted (and established) throughout Timaru (including in the General Residential and Medium Density Residential Zone), enabling childcare facilities as restricted discretionary activity in the LFRZ has no prospect of adversely affecting the CCZ or other Timaru centres.

4.3 Healthcare

Ms Hampson's evidence makes several key points in relation to the relief requested for healthcare facilities in the LFRZ:

- ❖ Healthcare facilities typically occur throughout the centre network of larger urban areas such as Timaru to provide convenient access to residential catchments.
- ❖ Healthcare facilities do not typically trigger distributional effect concerns, so providing for those facilities in the LFRZ creates no risk of adverse economic effects on the CCZ or the wider city centre network.

One matter to consider in relation to the requested relief for healthcare facilities is that compared to childcare facilities, healthcare facilities are permitted in fewer locations throughout Timaru, being permitted only in centres and the Mixed Use Zone. That implies a greater importance of healthcare facilities to the function and operation of centres, and in my opinion healthcare facilities do complement the other activities in centres. In my opinion healthcare facilities would also support the function and operation of the LFRZ, with the possible economic downside that enabling healthcare facilities in the LFRZ would 'blur the lines' a little between centres and the LFRZ.

The LFRZ chapter introduction states that the "zone provides for retail activities that require larger floor or yard areas. This recognises the difficulties associated with locating this type of development in other commercial centres within the District". If the LFRZ were to become more enabling of smaller format, and non-retail activities, it would become less distinct as a LFRZ and more similar to other types of commercial centres, and therefore more likely to compete with those centres for tenants and patronage, and more likely to give rise to retail distribution effects.

However, in the context that the requested relief seeks only a limited expansion of LFRZ activities, and does so with those additional activities requiring restricted discretionary assessment of effects on centres, I am comfortable that the requested relief I have provided an opinion on above, and in relation to healthcare facilities in this part, will not blur the lines with centres to an extent that the requested relief should be declined on economics grounds.



I agree with Ms Hampson's observation that easy access to healthcare is important, and healthcare facilities do not typically trigger distributional effect concerns, and for those two reasons in my opinion it would be appropriate to make healthcare facilities a restricted discretionary activity in the LFRZ. Doing so would improve access to healthcare facilities for the population of Timaru's northern suburbs, with no material adverse economic effects.

4.4 Residential activity

Ms Hampson's evidence makes several key points in relation to the relief requested for residential dwellings in the LFRZ:

- ❖ From the 2022 Residential Capacity assessment prepared for Council, long-term residential demand and capacity would be similar at around 5,000 dwellings, although there is no minimum level of sufficiency that should be achieved, so long as growth is integrated with infrastructure planning and contributes to a well-functioning urban environment.
- ❖ There are two areas⁷ within the LFRZ that are not well suited to retail development, being an area on the south side of Bridge Street (which is too narrow for meaningful retail activity and elevated above the main centre and so difficult to integrate with it) and a second sub-precinct in the south of the LFRZ (which is challenging to include in the main centre from a design perspective).
- ❖ Providing for residential activity, and probably higher density attached housing, would be an appropriate and efficient use of this land that is not well suited to retail activity.
- ❖ There are no economic costs of using the sub-precinct for residential development, but there are benefits, including providing housing choice, enabling people to live near a centre, and providing capacity within the existing urban area rather than as a greenfields expansion on the urban fringe.
- ❖ The requested residential relief will make a positive contribution to Timaru's urban form and future housing growth.

The statements of Ms Hoogeveen and Ms Hampson refer to the unsuitability of the proposed Residential sub-precinct for use for retail activity. I accept that land is probably unsuitable, although have not assessed that myself. Assuming that it is unsuitable for retail activity, I agree with Ms Hampson's conclusions that there are benefits of using the sub-precinct for residential development, but no economic costs, including that using the land for residential activity is more efficient than not

⁷ Shown in Appendix 2 of statement of evidence of Hannah Hoogeveen (planning)



using it at all. Another benefit is that residential development in the LFRZ offers benefits compared to development in a greenfield area on the urban fringe.

5 Conclusions

While the requested relief would blur the lines somewhat in terms of the LFRZ being distinct from Timaru's centres, including in particular the CCZ, in my opinion there are sufficient limitations proposed to ensure that the LFRZ remains sufficiently distinct from those centres. Those limitations include few additional activities being enabled, with restricted discretionary status in place to require assessment of the effects of activities on centres.

Overall I agree with Ms Hampson's assessment that the requested relief that I have reviewed in this document (visitor accommodation, childcare, healthcare and residential activity) would provide benefits to the community in improving access to those activities and supporting efficient use of the LFRZ while not resulting in adverse distributional effects on the role and function of the CCZ or other Timaru centres.

Derek Foy

Director

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APPENDIX B
Joint statement of planning experts

JOINT STATEMENT

TO	Proposed Timaru District Plan Hearings Panel (the Panel)
FROM	Liz White (Section 42A Officer for the Council) Hannah Hoogeveen (Planner for the Submitter)
DATE	23 August 2024
SUBJECT	Joint Statement to Panel on LFRZ Drafting

Introduction

In Minute 14, the Panel requested that further discussion occur between the relevant s42A Report Author and submitters' expert witnesses or representatives to see if further common ground can be reached, and recorded in the interim replies.

With respect to Redwood Group Limited (#228) this included a peer review being undertaken of the economic evidence of Ms Hampson, and then a subsequent discussion between us to determine if the differences can be resolved.

The purpose of this joint statement is to:

- confirm that the economic peer review and subsequent discussion has been undertaken by Derek Foy of Formative Ltd;
- provide the Panel with a copy of the economic peer review;
- confirm that we (the planners) have reached agreement on drafting to resolve the outstanding issues and provide our reasons for that.

Summary of Economic Peer Review

The Peer Review of Ms Hampson's evidence related to her assessment of, and conclusion in relation to providing for residential activities, visitor accommodation, healthcare facilities and childcare services in the LFRZ. In his Peer Review, Mr Foy concluded that provision for these activities (through a consenting pathway) *"would provide benefits to the community in improving access to those activities and supporting efficient use of the LFRZ while not resulting in adverse distributional effects on the role and function of the CCZ or other Timaru centres"*. While noting that the relief sought would *"blur the lines somewhat in terms of the LFRZ being distinct from Timaru's centres, including in particular the CCZ..."*, Mr Foy concluded that there were sufficient limitations to ensure the LFRZ would remain sufficiently distinct from those centres.

The only area of difference between the Ms Hampson and Mr Foy relates to visitor accommodation, whereby Mr Foy does not disagree with the matters addressed in Ms Hampson's evidence, but notes an absence of consideration of the suitability of the zone for this activity. In particular, he expresses a concern that neither Ms Hampson nor Ms Hoogeveen has addressed the merits of establishing visitor accommodation in the LFRZ, where there is limited amenity suited to visitors, the environment is very car-centric, and where it is likely that there will be little in the way of activities open in the evening on most days of the week. Mr Foy's view is that why these experts have outlined why LFRZ is not a bad place to have visitor accommodation, they have not adequately assessed whether the LFRZ is suitable for that activity, based on other activities that exist, and will not exist, in the LFRZ. In Mr Foy's view, *"visitor accommodation business would do very little to support the LFRZ, and the existence of a visitor accommodation facility in the LFRZ would be opportunistic rather than a natural 'fit' with the zone."* However, he does accept that use of part of the LFRZ for visitor accommodation would represent efficient use of the LFRZ.

Planning Consideration

Healthcare Facilities and Childcare Services

We both agree that based on the economic evidence and peer review, it is appropriate to provide for these activities in the LFRZ, on a restricted discretionary basis. We have agreed to largely adopt Ms Hoogeveen's drafting, but focussing the additional matter of discretion on the relevant part of LFRZ-P6. We consider that this approach is an efficient and effective way to achieve LFRZ-O1, on the basis that these activities can be considered as "*other ancillary activities that support these large scale retail activities...*" as they support the workers and visitors in the zone/contribute to the overall functioning of the centre. We also note that the consent pathway and matters of discretion allow for consideration on a case-by-case basis of the alignment of any particular proposal with LFRZ-P6. Overall, we are satisfied that there are economic benefits of the proposed approach in terms of providing for a more efficient use of the zone, with any potential costs able to be managed through the consent pathway.

Visitor Accommodation

As noted above, in his peer review, Mr Foy raised concerns which essentially relate to the suitability of the LFRZ for this activity (noting that he was not concerned about potential effects on the CCZ, and agreed it was an efficient use of the LRFZ). Ms Hoogeveen set out in her evidence (paragraph 78) that spatially, the LFRZ could be an appropriate location for some limited visitor accommodation as the zone is the largest commercial zone in northern Timaru and is located on State Highway 1. In addition to this, she notes that it is relatively common to have visitor accommodation activities in peripheral urban locations on State Highways in New Zealand towns and cities, not dissimilar to the cluster of visitor accommodation activities in South Timaru (north of James Street and Otupua Road). The consented activities provided for in the Precinct also include large format retail, a gymnasium, and several food and beverage activities which can provide some amenities for short-stay visitor accommodation. Other plans such as the proposed Porirua District Plan also provide for visitor accommodation activities in the LFRZ. Taking into account the above, and that both experts agree that provision for one visitor accommodation facility in this location will not undermine the purpose, function and amenity values of the City Centre Zone, Ms White is comfortable that the LFRZ is broadly suitable for this activity.

However, we have also considered whether the proposed rule is appropriate to achieve the objectives for the zone. Specifically, LFRZ-O1 as notified, anticipates primarily large format retail, trade suppliers "*and other ancillary activities that support these large scale retail activities...*" Ms White's view is that visitor accommodation will not be linked to retail activities on the site, nor supporting workers/visitors to the zone and therefore will not be consistent with the achievement of the objective. However, we have considered the overall scope of the submission and note that the submission asks for amendments to the objectives, policies and rules to not only reflect the consented environment, but also to fully optimise development opportunities, and at a rule level requested commercial activities (which would include visitor accommodation) be made permitted, along with additional amendments to support the full development of the site as mixed-use (which would encompass objective and policy changes to support the additional permitted rules requested). We have therefore considered whether it is appropriate to amend the objective in combination with including the proposed rule for visitor accommodation.

We both note that the development of the Precinct for retail (and other commercial) activities is limited through the thresholds applying to such development under LFRZ-S5. We agree that it would be appropriate to provide for additional activities within the Precinct to allow for a more efficient use of the Precinct area overall, and provided these activities are managed so that they do not undermine the main focus of the zone (being large format retail, trade suppliers and other ancillary activities that support these). We therefore agree that it is appropriate to amend LFRZ-O2 to capture this as part of

the overarching outcome sought for the zone – i.e. to maximise the efficient use of the Precinct for some other activities, provided these do not undermine the primary purpose of the Zone.

In terms of s32AA, we consider that changing the objective as we have agreed is a more appropriate way to achieve purpose of RMA as it better achieves the efficient use of resources in accordance with s7(b), while still managing potential effects of additional activities in the LFRZ (in accordance with s5(2)(c)) on the wider outcome sought for the zone.

With respect to the rule itself, we are satisfied that the limitation of the rule to one facility is an effective mechanism to achieve the revised objective, by ensuring the primary purpose of the Zone is not undermined.

We consider that the consent pathway and the matters of discretion appropriately allow for consideration on a case-by-case basis of the alignment of any particular visitor accommodation activity with LFRZ-P6.

Overall, we are satisfied that there are economic benefits of the proposed approach in terms of providing for a more efficient use of the zone, with any potential costs able to be managed through the consent pathway.

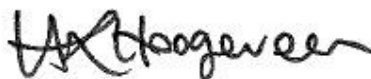
Residential Activities

While noting there are no economic concerns arising from Mr Foy's peer review, Ms White was concerned about the lack of alignment between residential activity and the purpose of the zone. For the same reasons as set out above, we consider that this can be addressed through amending the objective in a way that provides for some limited residential activities, in order to maximise the efficient use of the site, while not undermining the primary purpose of the zone.

With respect to the drafting of the rule, we have agreed that it is appropriate to apply a combination of the standards for the LFRZ, as well as those pertaining specifically to residential units in the Medium Density Residential Zone which are aimed at providing an appropriate level of residential amenity for occupants. We consider this appropriate, as while the status for residential activity is proposed to be restricted discretionary, the application of such standards provides a baseline for what is appropriate. We have also agreed a list of matters of discretion which are more specific to residential (rather than large format retail) development and cover qualitative matters which extent beyond the baseline standards. We consider the proposed drafting approach to be an efficient and effective way to achieve the outcomes sought. As with visitor accommodation, we consider that our proposed approach for residential activities will have economic benefits in terms of providing for a more efficient use of the zone, with any potential costs able to be managed through the consent pathway.



Liz White



Hannah Hoogeveen

LARGE FORMAT RETAIL ZONE

Introduction

The Large Format Retail Zone is applied to the former A & P Showgrounds site, located in the north-east of Timaru township. This zone provides for retail activities that require larger floor or yard areas. This recognises the difficulties associated with locating this type of development in other commercial centres within the District, which primarily focus on smaller-scale retail and convenience activities. While the zone is intended to support and complement the overall retail offering of the District, the nature and timing of development within the zone, and within PRECX- Former Showgrounds Precinct, the timing of development, needs to be managed carefully to avoid undermining the purpose, function and amenity values of the City Centre Zone.¹

Objectives

LFRZ-O1 Purpose of the Large Format Retail Zone

The Large Format Retail Zone primarily provides for large format retail, trade suppliers and other ancillary activities that support these large scale retail activities, which are developed in a way that:

1. are of a [nature](#), size and scale that do not undermine the purpose, function and amenity values of the City Centre Zone; and
2. is undertaken in a comprehensive manner and avoids significant adverse effects on infrastructure; [and](#)
3. [in PRECX- Former Showgrounds Precinct, maximises the efficient use of the Precinct by providing for a limited range of other activities where these do not undermine the primary purpose of the Zone².](#)

LFRZ-O2 Character and qualities of the Large Format Retail Zone

The Large Format Retail Zone:

1. accommodates large numbers of people, high traffic movements and requires large car-parking areas; and
2. is well integrated with public transport, walking and cycling connections; and
3. [predominantly³](#) contains buildings that have large gross floor areas [and activities that require larger yard areas⁴](#); and
4. is developed in accordance with good urban design principles, while recognising the functional needs of activities; and
5. enhances the amenity, biodiversity and cultural values within and adjacent to Taitarakihi Creek as well as its flood-carrying capacity.

Policies

LFRZ-P1 Large format retail and trade suppliers

Enable large format retail, trade suppliers and ancillary activities that ensure that Timaru remains the district's key retail and commercial centre, while avoiding the establishment of retail activities that, due to their timing, nature or scale, could undermine the purpose, function or amenity values of the City Centre Zone.

¹ Harvey Norman [192.16]

² [Redwood Group \[228.1\]](#)

³ [Clause 10\(2\)\(b\) relating to Redwood Group \[228.1\]](#)

⁴ Z Energy [116.33]

LFRZ-P2 Scale and location of built form

Maintain the amenity values of the surrounding area and adjoining sites, by requiring:

1. buildings to be setback from road boundaries, to reduce the visual effects of the bulk of buildings within the zone; and
2. buildings to be setback from the boundary of PREC5 - Te Aitarakihi precinct, to:
 - a. minimise any dominance effects arising from the location and bulk of buildings; and
 - b. minimise any adverse privacy effects on the adjacent sites.
3. buildings to be suitably separated from the boundary of the General Residential Zone; and⁵
- 3- 4. Development to be consistent with the APP9 – Large format retail design guidelines.

LFRZ-P3 Effects on values of Taitarakihi Creek

Maintain and enhance the amenity, biodiversity and cultural values associated with Taitarakihi Creek, and its capacity as a floodway.

LFRZ-P4 PREC5-P1 Pre-development conditions — Rooding and fencing

Avoid land-use activities being open for business and available to the public within PREC5- Former Showgrounds Precinct the Large Format Retail Zone⁶, prior to:

1. the construction and operation of a signalized intersection at Grants Road and State Highway 1; and
2. the zone precinct being fenced along the rail corridor in a manner that deters trespassers.

LFRZ-P5 Other retail activities and staging of large format retail

Avoid the development of:

1. ~~restaurants; and~~⁷
- 2- any commercial activity (excluding large format retail) that is not ancillary to the primary large format retail activity; and
- 3- 2. within PREC5- Former Showgrounds Precinct, retail activities that do not comply with the staging thresholds,⁸

unless the activity, either individually or cumulatively, will not undermine the purpose, function and amenity values of the City Centre Zone.

LFRZ-P6 Other activities

Only allow other activities to establish and operate within the Large Format Retail Zone where they:

1. are compatible with the purpose, character and qualities of the zone; and
2. are of a scale or nature that would not undermine the purpose, function and amenity values of the City Centre Zone; and
3. ensure that the Timaru City Centre remains the focal point for commercial activities; and
4. appropriately avoid or mitigate potential reverse sensitivity effects⁹.

Rules

⁵ Clause 10(2)(b) relating to Harvey Norman [192.1]

⁶ Harvey Norman [192.22]

⁷ Redwood Group [228.1]

⁸ Harvey Norman [192.23]

⁹ Alliance Group [173.127]

Note: For certain activities, consent may be required by rules in more than one chapter in the Plan. Unless expressly stated otherwise by a rule, consent is required under each of those rules. The steps plan users should take to determine what rules apply to any activity, and the status of that activity, are provided in Part 1, HPW — How the Plan Works - General Approach.

LFRZ-R1	Large format retail	
Large Format Retail Zone	Activity status: Permitted	Activity status where compliance not achieved with PER-1: Restricted Discretionary
	Where:	Matters of discretion are restricted to:
	<p>PER-1 LFRZ-S4 is complied with; and</p> <p>PER-2 LFRZ- S5 and LFRZ-S6 is complied with.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9 .</p>	<p>1. the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-2: Non-complying</p>
LFRZ-R2	Trade supplier	
Large Format Retail Zone	Activity status: Permitted	Activity status where compliance not achieved with PER-1: Restricted Discretionary
	Where:	Matters of discretion are restricted to:
	<p>PER-1 LFRZ-S4 is complied with; and</p> <p>PER-2 LFRZ- S5 and LFRZ-S6 is complied with.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9 .</p>	<p>1. the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-2: Non-complying</p>
LFRZ-R3	Public toilets	
Large Format Retail Zone	Activity status: Permitted	Activity status where compliance not achieved with PER-1: Restricted Discretionary
	Where:	Matters of discretion are restricted to:
	<p>PER-1 LFRZ-S4 is complied with.</p> <p>PER-2 LFRZ- S5 and LFRZ-S6 is complied with.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9 .</p>	<p>1. the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-2: Non-complying</p>

LFRZ-R4	Car parking facility	
Large Format Retail Zone	Activity status: Permitted Where: PER-1 LFRZ-S4 is complied with; and PER-2 LFRZ- S5 and LFRZ-S6 is complied with. <i>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</i>	Activity status where compliance not achieved with PER-1: Restricted Discretionary Matters of discretion are restricted to: <ol style="list-style-type: none"> 1. the matters of discretion of any infringed standard.
		Activity status where compliance not achieved with PER-2: Non-complying
LFRZ-R5	Offices and Personal Services	
1. Large Format Retail Zone within PRECX – Former Showgrounds Precinct ¹⁰	Activity status: Permitted Where: PER-1 Any ancillary office must: <ol style="list-style-type: none"> 1. occupy no more than 15% of the combined gross floor area of buildings on the site, or 2. for yard-based activities be no larger than 250m²; and PER-2 The <u>Except where an office is ancillary to a permitted activity the gross floor area of all offices and personal services shall not exceed 2% of the aggregated developed gross floor area of all retail activities within PRECX - Former Showgrounds Precinct ¹¹; and</u> PER-3 LFRZ-S4 is complied with; and PER-4 LFRZ- S5 and LFRZ-S6 is complied with. <i>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</i>	Activity status where compliance not achieved with PER-3: Restricted Discretionary Matters of discretion are restricted to: <ol style="list-style-type: none"> 1. the matters of discretion of any infringed standard. Activity status where compliance not achieved with PER-4: Discretionary Activity status where compliance not achieved with PER-3¹² or PER-4: Non-complying

¹⁰ Harvey Norman [192.27]¹¹ Redwood Group [228.1]¹² Harvey Norman [192.27]

<p>2. <u>Large Format Retail Zone outside PRECX – Former Showgrounds Precinct</u>¹³</p>	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 The activity is not a personal service</p> <p>PER-2 Any office is ancillary to a permitted activity and must:</p> <ol style="list-style-type: none"> 1. <u>occupy no more than 15% of the combined gross floor area of buildings on the site, or</u> 2. <u>for yard-based activities be no larger than 250m²; and</u> <p>PER-3 LFRZ-S4 is complied with</p> <p><i>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</i></p>	<p>Activity status where compliance not achieved with PER-3: Restricted Discretionary</p> <p>Matters of discretion are restricted to: the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-1 or PER-2: Discretionary</p>
<p>LFRZ-R6</p> <p>1. <u>Large Format Retail Zone within PRECX – Former Showgrounds Precinct</u>¹⁵</p>	<p>Cafes Food and Beverage¹⁴</p> <p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 Any café does not exceed 150m² in gross floor area; and <u>The gross floor area of all food and beverage activities must not exceed 4% of the aggregated developed gross floor area of all retail activities within PRECX- Former Showgrounds Precinct; and</u></p> <p>PER-2 There are not more than two cafes located within the zone; and¹⁶</p> <p>PER-3 LFRZ-S4 is complied with; and</p> <p>PER-4 LFRZ- S5 and LFRZ-S6 is complied with.</p>	<p>Activity status where compliance not achieved with PER-3: Restricted Discretionary</p> <p>Matters of discretion are restricted to:</p> <ol style="list-style-type: none"> 1. the matters of discretion of any infringed standard. <p>Activity status where compliance not achieved with PER-1, PER-2 or PER-4: Non-complying</p>

¹³ Harvey Norman [192.27]

¹⁴ Redwood Group [228.1]

¹⁵ Harvey Norman [192.28]

¹⁶ Redwood Group [228.1]

	Note: any associated building and structure must be constructed in accordance with LFRZ-R9.	
2. Large Format Retail Zone outside PREC X – Former Showgrounds Precinct¹⁷	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 Any food and beverage activity does not exceed 200m² in gross floor area; and</p> <p>PER-2 LFRZ-S4 is complied with</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</p>	<p>Activity status where compliance not achieved with PER-2: Restricted Discretionary</p> <p>Matters of discretion are restricted to: the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-1: Non-complying</p>
LFRZ- R7	Automated teller machines	
Large Format Retail Zone	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 There are no more than two automated teller machines located within the zone.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</p>	Activity status where compliance not achieved: Non-complying
LFRZ-R8	Supermarkets	
Large Format Retail Zone	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 There is no more than one supermarket located within the zone; and</p> <p>PER-2 LFRZ-S4 is complied with; and</p> <p>PER-3 LFRZ- S5 and LFRZ-S6 is complied with.</p>	<p>Activity status where compliance not achieved with PER-2: Restricted Discretionary</p> <p>Matters of discretion are restricted to: 1. the matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with PER-1 or PER-3: Non-complying</p>

¹⁷ Harvey Norman [192.28]

	Note: any associated building and structure must be constructed in accordance with LFRZ-R9.	
LFRZ-RZ	Gymnasiums¹⁸	
Large Format Retail Zone within PRECX – Former Showgrounds Precinct	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 LFRZ-S5 is complied with.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</p>	<p>Activity status where compliance not achieved with PER-1: Restricted Discretionary</p> <p>Matters of discretion are restricted to:</p> <ol style="list-style-type: none"> the matters of discretion of any infringed standard.
LFRZ-RY	Recreation Activities¹⁹	
Large Format Retail Zone within PRECX – Former Showgrounds Precinct	<p>Activity status: Permitted</p> <p>Where:</p> <p>PER-1 LFRZ-S5 is complied with; and</p> <p>PER-2 The hours of operation do not extend beyond 9.00am – 6.00pm.</p> <p>Note: any associated building and structure must be constructed in accordance with LFRZ-R9.</p>	<p>Activity status where compliance not achieved with PER-1: Restricted Discretionary</p> <p>Matters of discretion are restricted to:</p> <ol style="list-style-type: none"> the matters of discretion of any infringed standard. <p>Activity status where compliance not achieved with PER-2: Non-complying</p>
LFRZ-R9	Buildings and structures	
Large Format Retail Zone	<p>Activity status: Restricted Discretionary</p> <p>Where:</p> <p>RDIS-1 The building or structure is associated with or ancillary to a permitted activity; and</p> <p>RDIS-2 LFRZ-S1, LFRZ-S2 and LFRZ-S4 are complied with; and</p>	<p>Activity status where compliance not achieved with RDIS-1: The same status as the activity the building or structure is associated with or ancillary to.</p> <p>Activity status where compliance not achieved with RDIS-2: Restricted Discretionary</p> <p>Matters of discretion are restricted to:</p> <ol style="list-style-type: none"> the matters of discretion in LFRZ-R10 for RDIS-1 and RDIS-2; and

¹⁸ Redwood Group [228.1]¹⁹ Redwood Group [228.1]

	<p>RDIS-3 LFRZ-S3 and LFRZ-S5 are complied with.</p> <p>Matters of discretion are restricted to:</p> <ol style="list-style-type: none"> 1. building location and design, including with reference to the APP9 - Large format retail design guidelines.; and 2. landscaping; and 3. fencing and walls, including for screening; and 4. storage areas; and 5. security and safety; and 6. signage; and 7. public transport; and 8. vehicle and pedestrian access; and 9. <u>functional needs</u>.²⁰ 	<p>2. the relevant matters of discretion of any infringed standard.</p> <p>Activity status where compliance not achieved with RDIS-3: Non-complying</p>
<u>LFRZ-RX</u>	<u>Health Care Facility²¹</u>	
<p><u>Large Format Retail Zone within PRECX – Former Showgrounds Precinct</u></p>	<p><u>Activity status: Restricted Discretionary</u></p> <p><u>Where:</u></p> <p><u>RDIS-1</u> <u>LFRZ-S1, LFRZ-S2 and LFRZ-S4 are complied with; and</u></p> <p><u>RDIS-2</u> <u>LFRZ-S3 is complied with.</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> 1. <u>effects, including cumulative effects on the economic viability, and purpose, function and</u> 	<p><u>Activity status where compliance not achieved with RDIS-1: Restricted Discretionary</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> 1. <u>the matters of discretion in LFRZ-RX for RDIS-1 and RDIS-2; and</u> 2. <u>the relevant matters of discretion of any infringed standard.</u>

²⁰ Woolworths [242.31]

²¹ Redwood Group [228.1]

	<p>amenity values of the City Centre Zone</p> <ol style="list-style-type: none"> building location and design including with reference to the APP9 - Large format retail design guidelines; and landscaping; and fencing and walls, including for screening; and storage areas; and security and safety; and signage; and public transport; and vehicle and pedestrian access; and functional needs. 	<p><u>Activity status where compliance not achieved with RDIS-2: Non-complying</u></p>
<u>LFRZ-RW</u>	<u>Child Care Services²²</u>	
<p><u>Large Format Retail Zone within PRECX – Former Showgrounds Precinct</u></p>	<p><u>Activity status: Restricted Discretionary</u></p> <p><u>Where:</u></p> <p><u>RDIS-1</u> LFRZ-S1, LFRZ-S2 and LFRZ-S4 are complied with; and</p> <p><u>RDIS-2</u> LFRZ-S3 is complied with.</p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> effects, including cumulative effects on the economic viability, and purpose, function and amenity values of the City Centre Zone building location and design including with reference to the APP9 - Large format retail design guidelines; and landscaping; and fencing and walls, including for screening; and storage areas; and security and safety; and signage; and public transport; and 	<p><u>Activity status where compliance not achieved with RDIS-1: Restricted Discretionary</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> the matters of discretion in <u>LFRZ-RX</u> for RDIS-1 and RDIS-2; and the relevant matters of discretion of any infringed standard. <p><u>Activity status where compliance not achieved with RDIS-2: Non-complying</u></p>

²² [Redwood Group \[228.1\]](#)

	<p>9. <u>vehicle and pedestrian access; and</u></p> <p>10. <u>functional needs.</u></p>	
<u>LFRZ-RV</u>	<u>Visitor Accommodation²³</u>	
<p><u>Large Format Retail Zone within PRECX – Former Showgrounds Precinct</u></p>	<p><u>Activity status: Restricted Discretionary</u></p> <p><u>Where:</u></p> <p><u>RDIS-1</u> <u>There is no more than one visitor accommodation facility within the Precinct.</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> 1. <u>effects on the economic viability, and purpose, function and amenity values of the City Centre Zone;</u> 2. <u>the nature and scale of the visitor accommodation;</u> 3. <u>management of potential reverse sensitivity effects;</u> 4. <u>building location and design; and</u> 5. <u>landscaping; and</u> 6. <u>fencing and walls, including for screening; and</u> 7. <u>storage areas; and</u> 8. <u>security and safety; and</u> 9. <u>signage; and</u> 10. <u>public transport; and</u> 11. <u>vehicle and pedestrian access; and</u> 12. <u>functional needs.</u> 	<p><u>Activity status where compliance not achieved with RDIS-1: Non-complying</u></p>
<u>LFRZ-RU</u>	<u>Residential units and Residential Activities²⁴</u>	

²³ Redwood Group [228.1]

²⁴ Redwood Group [228.1]

<u>Large Format Retail Zone, in the Residential Sub-Precinct within PRECX – Former Showgrounds Precinct</u>	<p><u>Activity status: Restricted Discretionary</u></p> <p><u>Where:</u></p> <p><u>RDIS-1</u> <u>LFRZ-S1, LFRZ-S2, MRZ-S3, MRZ-S4, MRZ-S6, MRZ-S9, MRZ-SX, and MRZ-SY, MRZ-SZ are complied with.</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> <u>1. management of potential reverse sensitivity effects;</u> <u>2. the location and design of buildings, including articulation in the form of each residential unit; and</u> <u>3. the design of outdoor living areas; and</u> <u>4. the design of any access, car parking and service areas; and</u> <u>5. fencing; and</u> <u>6. amenity effects on streetscape; and</u> <u>7. provision for privacy between residential units; and</u> <u>8. how the design provides housing choice.</u> 	<p><u>Activity status where compliance not achieved with RDIS-1: Restricted Discretionary</u></p> <p><u>Matters of discretion are restricted to:</u></p> <ol style="list-style-type: none"> <u>1. the matters of discretion of any infringed standard.</u>
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LFRZ-R10	Any non-commercial activities not otherwise listed in this chapter	
Large Format Retail Zone	Activity status: Discretionary	Activity status where compliance not achieved: Not applicable
<u>LFRZ-R10A</u>	<u>Service Stations²⁵</u>	
<u>Large Format Retail Zone</u>	<u>Activity status: Discretionary</u>	<u>Activity status where compliance not achieved: Not applicable</u>
LFRZ-R11	Any new vehicle crossing onto Evans Street or Bridge Street	
Large Format Retail Zone	Activity status: Discretionary	Activity status where compliance not achieved: Not applicable

²⁵ Harvey Norman [192.30], Redwood Group [228.1]

LFRZ-R12	Commercial activities not otherwise specified in this chapter	
Large Format Retail Zone	Activity status: Non-complying	Activity status where compliance not achieved: Not applicable
LFRZ-R13	Community facilities	
Large Format Retail Zone	Activity status: Non-complying	Activity status where compliance not achieved: Not applicable
LFRZ-R14	Restaurants²⁶	
Large Format Retail Zone	Activity status: Non-complying	Activity status where compliance not achieved: Not applicable

Standards

LFRZ-S1	Height of buildings and structures	
Large Format Retail Zone	Buildings and structures including additions and alterations to buildings and structures must not exceed a maximum height of 10m measured from existing ground level.	Matters of discretion restricted to: <ol style="list-style-type: none"> 1. dominance over the surrounding environment; and 2. overlooking and loss of privacy; and 3. solar access to living rooms and private open space; and 4. any functional needs of the activity; and 5. the design and location of the building or structure; and 6. landscaping; 7. mitigation measures.
LFRZ-S2	Height in relation to boundary	
Large Format Retail Zone	Buildings and structures must be contained within a building envelope defined by recession planes from points 2.5m above ground level at the boundaries of the site when the site boundary adjoins an Open space and Recreation Zone or a Residential Zone. The method for determining recession planes and any permitted projection is described in APP8 — Recession Planes.	Matters of discretion restricted to: <ol style="list-style-type: none"> 1. any impact on privacy and the ability to use outdoor living space; and 2. any impact on solar access to living rooms; and 3. any adverse effects resulting from the bulk and dominance of built form; and 4. any benefits, such as the use of architectural features or steps in the building facade; 5. mitigation measures.
LFRZ-S3	Setbacks	

²⁶ Redwood Group [228.1, 228.6]

Large Format Retail Zone	<ol style="list-style-type: none"> 1. Any building must be setback a minimum of 5m from the road boundary, or from the boundary of any designation that is for the purpose of road widening. 2. Any building must be setback a minimum of 10m from PREC5 - Te Aitarakihi Precinct. 3. <u>Any building must be setback a minimum of 4510m from the boundary of any site zoned General Residential Zone.</u>²⁷ 	Activity status where compliance not achieved: Non-complying
LFRZ-S4	Goods storage	
Large Format Retail Zone	Any outdoor storage areas, except for the display of goods for retail sale, must be fully screened by a fence of not less than 2m in height so that it is not visible from adjoining sites and roads <u>at ground level</u> . ²⁸	Matters of discretion restricted to: <ol style="list-style-type: none"> 1. visual effects; and 2. landscaping and screening.
LFRZ-S5	Development staging thresholds	

²⁷ Clause 10(2)(b) relating to Harvey Norman [192.1]

²⁸ Clause 10(2)(b) relating to Z Energy [116.19]

Large Format Retail Zone within PRECX – Former Showgrounds Precinct²⁹	<ol style="list-style-type: none"> 1. Development open to the public prior to 1 July 2028 must not in aggregate exceed 10,000m² of gross floor area for all retail activities, excluding trade suppliers; and 2. Development open to the public prior to 1 July 2033 must not in aggregate exceed 15,000m² of gross floor area for all retail activities, excluding trade suppliers; and 3. Development open to the public prior to 1 July 2038 must not in aggregate exceed 20,000m² of gross floor area for all retail activities, excluding trade suppliers; and 4. Development open to the public after 1 July 2038 must not in aggregate exceed 34,000m² of gross floor area for all retail activities, excluding trade suppliers 1. The maximum gross floor area of retail activities, offices, personal services <u>and food and beverage must not exceed 34,000m².</u> 2. <u>The combined maximum gross floor area of gymnasiums and recreation activities must not exceed 6,000m².</u>³⁰ 3. Development open to the public prior to 1 July 2025 must not in aggregate exceed: <ol style="list-style-type: none"> a. 29,000m² of gross floor area for all retail activities (excluding department stores); and b. 30,000m² of gross floor area for all retail activities including department stores. 4. Development open to the public prior to 1 July 2027 must not in aggregate exceed 34,000m² of gross floor area for all retail activities including department stores. 5. The maximum gross floor area of offices, personal services and food and beverage must not in aggregate exceed 5% of gross floor area for all retail activities.³¹ 	<p>Activity status where compliance not achieved <u>with 1, 2 or 3 by up to 6%: Discretionary</u></p> <p><u>Activity status where compliance not achieved with 1, 2 or 3 by more than 6%, or compliance not achieved with 4 or 5.</u>³² Non-complying</p>
LFRZ-S6	Opening of business	

²⁹ Harvey Norman [192.37]

³⁰ Redwood Group [228.1]

³¹ Redwood Group [228.1]

³² Redwood Group [228.1]

Large Format Retail Zone within PRECX – Former Showgrounds Precinct³³	Land use activity must not open for business prior to: <ol style="list-style-type: none">1. the Grants Road/State Highway 1 signalised intersection to the site being constructed and operational; or2. a fence of not less than 1.8m in height being building along the boundary of the site where it abuts the rail corridor.	Activity status where compliance not achieved: Non-complying
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³³ Harvey Norman [192.37]