

Section 32 Report

Part 2

Commercial Zone

Prepared for the

Proposed Kaipara District Plan

Prior to Notification





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ABBREVIATIONS USED IN THIS REPORT

Kaipara District Council Operative District Plan KDP Kaipara District Spatial Plan KDSP Local Government Act 2002 LGA Long Term Plan LTP National Environmental Standards NES National Policy Statements NPS New Zealand Coastal Policy Statement **NZCPS** Northland Regional Council **NRC** Northland Regional Policy Statement **NRPS** NPS:UD National Policy Statement on Urban Development PDP Proposed Kaipara District Plan Proposed Regional Plan PRP Regional Water and Soil Plan **RWSP** Resource Management Act 1991 RMA Section 32 of the RMA s32 Section 42A of the RMA s42A Structure Plan SP



1. INTRODUCTION

1.1 Overview

1. This report details the pre-notification evaluation undertaken by Kaipara District Council in relation to the Commercial zone for the Proposed Kaipara District Plan (PDP). The report has been prepared in accordance with the requirements of section 32 of the RMA (s32).

1.2 Topic Description

- 2. The Commercial zone applies to the commercial/shopping centres of the district's larger townships and smaller blocks of local shops. Commercial land is a significant physical resource for the community. It provides economic benefits and contributes to the amenity and quality of the environment.
- 3. The zone provides for a wide range of commercial and community activities, with built form typically being one to three story buildings, often with associated carparking and landscaping. In town centre 'main street' environments buildings are typically built up to the road boundary with verandahs and display windows to provide a high amenity retail centre for the community.
- 4. Issues for the zone include the need to provide and maintain sufficient areas of land with an appropriate zoning and a robust rule framework to provide for the social, economic and cultural wellbeing of the community. Zone boundary interfaces need to be managed to maintain amenity within adjacent residential and open space zones.
- 5. The strategic direction in the PDP is for the Commercial zone to provide mixed use development comprising predominantly commercial and community activities in a consolidated network of attractive commercial centres. (See Strategic Direction chapter of PDP and Strategic Direction s32 report.) The anticipated mix of uses is commercial and residential.

1.3 Scale and Significance of the Effects

6. The s32 evaluation must contain a level of detail that corresponds to the scale and significance of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the proposal. Table 1 indicates the criteria used to determine the scale and significance:



TABLE 1: ASSESSMENT OF SCALE AND SIGNIFICANCE OF EFFECTS			
Criteria	Summary of effects	Evaluation (1 is low and 5 is high)	
Reason for change	 10-year review Growth of the district Giving effect to higher level RMA documents including National Planning Standards and NRPS, and implementing the Kaipara District Spatial Plan (KDSP), and spatial plans. (The KDP predates these.). 	3	
Degree of shift from status quo	 Minor changes to planning outcomes and rule framework Mixed use development introduced. 	3	
Who and how many will be affected, geographic scale of effects	 Community wide positive economic effects, including increased employment opportunities; Localised adverse effects on neighbouring zones. 	3	
Degree of impact on or interest from Maori	 Iwi/Māori will not be impacted to a greater extent than the general population Consistent with iwi management plans 	2	
Timing and duration of effects	Ongoing into the future	5	
Type of effect:	 Ongoing positive economic effects at district scale Adverse amenity effects on adjacent neighbourhoods which may vary in intensity. The plan provisions seek to avoid or mitigate acute effects. 	4	
Degree of risk or uncertainty:	Low risk and uncertainty. Most of the zone is carried forward from operative district plan, with ongoing established activities having known and generally accepted effects.	1	
	Total (out of 35):	21	

7. The level of detail in this evaluation report is appropriate for the level of effects anticipated.

2. SUMMARY OF ADVICE RECEIVED FROM IWI

8. S32 requires evaluation reports to summarise all advice concerning the proposal received from iwi authorities under Clauses 3(1)(d) and 4A of Schedule 1 of the RMA. The s32 evaluation reports must summarise the response to the advice received, including any provisions of the proposal that are intended to give effect to the advice. Table 2 below summarises the consultation undertaken and advice received from iwi authorities in relation to the Commercial Zone.



Details of the consultation process	Summary of advice concerning the proposal received from iwi authorities	Summary of the response to the advice received	
Tangata Whenua Discussion Document	Robust policies to ensure sites and areas of significance to Tangata Whenua are adequately identified and protected to provide certainty for future development.	Sites and Areas of Significance to Māori are protected in a district-wide chapter of the PDP.	
Engagement with Tangata Whenua 2021 about content of new district plan	 Align objectives, policies, and methods with the respective lwi Management Plans and the Te Ao Māori/Māori world view. Update provisions for Papakāinga Development to support and encourage whānau to return to their whenua. Support the development of Māori landholdings to ensure economically sustainable and resilient outcomes for landowners. Include mechanisms to ensure consultation and/or a cultural assessment is undertaken with Tangata Whenua to protect sites and areas of significance to Māori. 	Council has considered lwi management Plans. Sites and Areas of Significance to Māori are protected in a district-wide chapter of the PDP. Papakainga are not necessarily suited to the Commercial Zone. The PDP enables papakainga in other zones. Māori Land is provided for in the Māori Purpose Zone.	
Written feedback received from Te Uri o Hau and Te Roroa, on Exposure Draft District Plan, September 2022.	 We have not had sufficient time/resourcing to address all provisions, or consult broadly, and we intend to continue to work with KDC on plan development until the plan is notified. A number of chapters contain a high number of provisions that seem over-complicated and, in our view, are unlikely to be the most appropriate way to achieve the purpose of the RMA, or the most efficient and effective way to achieve the desired objectives. 	Text simplification: text has been reviewed and edited. Terms tangata whenua and mana whenua used in the chapter have been revised.	



3. DOCUMENTS CONSIDERED

9. The higher-level policies and other documents considered, and any relevant requirements are set out in Table 3 below:

TABLE 3. Documents	TABLE 3: Documents considered		
Document	Relevance		
National Policy Statement on Urban Development 2020 (NPS-UD)	The NPS-UD directs local authorities in relation to development of urban environments. The Kaipara District Council has decided that the NPS-UD does not apply to the Kaipara district due to no settlement at the present time meeting the definition of an 'urban environment' in the NPS. The existing townships are sufficiently separated that they do not collectively form a single housing and employment market that would cross the 'urban environment' definition threshold. Whilst the NPS-UD does not therefore have to be given effect to in Kaipara District, it nonetheless contains useful direction on how urban growth should be managed.		
Northland Regional Policy Statement (NRPS)	The NRPS promotes sustainable management of Northland's natural and physical resources by providing an overview of the region's resource management issues; and setting out objectives, policies and methods to achieve integrated management the natural and physical resources of the region. Regarding Commercial activity: Objective 3.6 addresses the issue of reverse sensitivity seeking to ensure that existing infrastructure it is protected from the negative impacts of new subdivision, use and development due to its contribution to the Northland economy. Objective 3.8 promotes the optimisation of existing and new infrastructure. Objective 3.11 promotes sustainable built environments that effectively integrate infrastructure with subdivision, use and development, and have a sense of place, identity and a range of lifestyle, employment and transport choices. Objective 3.14 promotes the protection from inappropriate subdivision, use and development of the coastal environment: the natural character of freshwater bodies, outstanding natural features, outstanding natural landscapes and historic heritage. Policy 5.1.1 promotes planned and coordinated development which includes 'Regional Urban Design Guidelines' and addresses cumulative and reverse sensitivity effects. Policy 5.1.2 seeks that development in the coastal environment amongst other things ensures sufficient setbacks from the coastal marine area.		
lwi management plan	The District Plan must take into account planning documents recognised by an iwi authority and lodged with the territorial authority, bearing on the resource management issues of the district (RMA s74(2A).) (These are often abbreviated to "IHEMP" – "iwihapu environmental management plan.") Four of these are relevant to Kaipara District, referenced more fully in the Section 32 Overview Report. All state Tangata Whenua values and call for these to be respected in development, especially regarding processes around culturally significant sites. Affordable papakāinga housing, and the maintenance of existing housing on Māori land are called for.		
Kaipara District Spatial Plan Ngā Wawata 2050 – Our Aspirations' (KDSP)	The KDSP was published in 2020 and sets a framework for future growth in the district's towns and villages and to help leverage growth and development. It envisages expansion of commercial areas of Dargaville, Maungatūroto, Kaiwaka and Mangawhai, with zoning to allow for intensified mixed density opportunities (residential, retail and office use) to promote stronger, more vibrant, people-focused townships.		
New Zealand Urban Design Protocol 2005	The Urban Design Protocol calls for voluntary initiatives to make New Zealand towns and cities more successful through quality urban design. It identifies seven essential design qualities that together create quality urban design – context, character, choice, connections, creativity, custodianship and collaboration. These principles flow through to		

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both the location and layout of new greenfield residential areas, and assessment of subdivision and development.

4. APPROACH TO EVALUATION

- 10. The proposed Commercial zone provisions have been assessed in accordance with the following issues:
 - a. The need to reflect recent national direction;
 - b. The need to ensure sufficient capacity is provided to meet anticipated demand (whether or not the NPS-UD is in play);
 - c. The need to provide sufficient commercial space, in terms of geographic location and quality;
 - d. The issues and outcomes envisaged in the KDSP
 - e. The need to appropriately provide for non-residential activity that are compatible and anticipated in residential areas, without undermining the consolidation and vitality of commercial town centres as the focal points for activity;
 - f. The need to provide an appropriate level of amenity for residential activities through the control of both activities and built form standards.
 - g. The need to for new and/or intensified residential areas to be appropriately serviced with both network infrastructure and community facilities to meet the needs of the community.
- 11. The Strategic Direction objectives in the PDP relevant to the Commercial Zone chapter are also considered, notably:
 - a. SD-VK-O1 Wellbeing: Social, economic, and cultural wellbeing are promoted through zones that provide for appropriate activities, character and amenity values across the Kaipara District and that set appropriate outcomes and expectations for each zone.
 - b. SD-VK-O7 Providing a variety of living options and housing choices
 - c. SD-UFD-O1 Opportunities exist for the development of residential, commercial, and industrial land to meet current and predicted future demand.
 - d. SD-UFD-O2 Economic and business development opportunities are enabled in Commercial and Industrial Zones, and in other zones where the activity is compatible with the local environment, amenity, and the anticipated outcomes of the zone.
 - e. SD-UFD-O3 Sufficient infrastructure capacity, including social infrastructure, is available to support the development of the land when zoning land for urban activities, or funding is committed to develop the infrastructure before development occurs.
 - f. SD-UFD-O4 Urban development incorporates high quality urban design that contributes positively to the local context, amenity and anticipated outcomes for the zone.
 - g. SD-UFD-O5 Urban form is consolidated and integrated to accommodate future growth and provide development capacity effectively and efficiently for residential, business and community activities.



h. SD-UFD-P Use the Commercial Zone to provide mixed use development comprising predominantly commercial and community activities in a consolidated network of attractive commercial centres.

5. EVALUATION OF OBJECTIVES

5.1 Appropriateness to purpose of RMA

- 12. Council must evaluate in accordance with s32 of the RMA the extent to which each objective proposed in the PDP is the most appropriate way to achieve the purpose of the RMA.
- 13. Table 4 contains the objectives proposed for the Commercial zone:

TABLE 4: S32 ASSESSMENT OF PROPOSED THE COMMERCIAL ZONE OBJECTIVES

Proposed Commercial Zone Objectives

COMZ-O1 Purpose of the zone

The Commercial zone is developed and used predominantly for a range of commercial and community activities, and compatible residential activities.

COMZ-O2 Role and function of commercial centres

A network of attractive commercial centres in the district comprising:

- 1. Strategically important focal points for community and commercial investment, being the town centres of Dargaville, Maungatūroto, Kaiwaka and Mangawhai; and
- 2. Neighbourhood centres providing small scale, primarily convenience activities that serve their immediate community.

COMZ-O3 Commercial centre form, scale, and design

Commercial centres have a scale, form and design of development that is consistent with the role of the centre, and which:

- 1. Contributes to an urban environment that is visually attractive, safe, easy to orientate, conveniently accessible, and responds positively to local character and context;
- 2. Recognises the functional and operational requirements of a range of commercial and community activities; and
- 3. Manages the interface of commercial zones with residential, rural, and open space zones to provide an acceptable level of amenity in these more sensitive environments.
- 14. Table 5 identifies the relevant sections of RMA Part 2 (purpose and principles of RMA) for each of the objectives in the in the Commercial Zone.



		TABLE 5: RELEVANCE OF PROPOSED COMMERCIAL ZONE OBJECTIVES WITH PART 2 OF THE RMA Proposed Commercial Zone Objectives		
		COMZ O1	COMZ O2	COMZ O3
	5(2)	✓	✓	✓
suc	5(2)(a)	✓	✓	✓
Sections	5(2)(c)	✓		✓
	7(b)	✓	✓	✓
RMA Part 2	7(c)	✓		✓
AN N	7(f)	✓		
	7(g)	✓	√	✓

Section 6 RMA

15. Under section 5, the objectives will sustain the potential of physical resources (the Commercial Zone) for current and future generations. Economic activities and wellbeing are the focus, both short and long term. The objectives will achieve the purpose of the RMA. The objectives address s5(2)(a) particularly regarding sustaining the physical resource of commercial land, and address s5(2)(c) regarding adverse effects on the environment as widely defined in the RMA.

Section 6 RMA

16. There is no inconsistency between the objectives and the section 6 matters, which are addressed primarily in other chapters of the PDP.

Section 7 RMA

- 17. Under s7(b), the objectives promote the efficient use and development of natural and physical resources by ensuring the economic wellbeing generated by the commercial land resource is not eroded by incompatible activities, which would take up space and could potentially generate reverse sensitivity effects, compromising established activities. Similar considerations apply under s7(g), as the objectives set out to conserve the finite physical resource of the zone.
- 18. The objectives address s7(2)(c) and (f), to maintain and enhance amenity values and quality of areas within and surrounding the zone.

Section 8 RMA



19. There is no inconsistency between the objectives and Treaty principles. Section 8 matters are primarily addressed in other chapters of the PDP.

5.2 Conclusion on objectives

20. Having assessed the proposed objectives against Part 2 of the RMA, it is considered that they are the most appropriate way to achieve the purpose of the RMA.

6. EVALUATION OF THE PROVISIONS

21. S32 assessments must determine whether the proposed provisions are the most appropriate way to achieve the proposed objectives. In this instance, the Commercial Zone proposes three objectives and this s32 assessment must assess whether the proposed provisions are the most appropriate to achieve those proposed objectives. This must include the identification of alternatives, and cost benefit analysis of the economic, social, environmental and cultural effects of the provisions including whether opportunities for economic growth and employment are reduced or increased. The risk of acting or not acting where uncertain information exists must also be considered.

6.1 Options

- 22. The following sections of this report identify the range of options available, and the efficiency and effectiveness of the preferred provisions.
- 23. The National Planning Standards allow multiple commercial zone choices. Those that could be feasible in Kaipara District include:
 - a. Neighbourhood centre zone Areas used predominantly for small-scale commercial and community activities that service the needs of the immediate residential neighbourhood.
 - b. Local centre zone Areas used predominantly for a range of commercial and community activities that service the needs of the residential catchment.
 - c. Commercial zone Areas used predominantly for a range of commercial and community activities.
 - d. Large format retail zone Areas used predominantly for commercial activities which require large floor or yard areas.
 - e. Mixed use zone Areas used predominantly for a compatible mixture of residential, commercial, light industrial, recreational and/or community activities.
 - f. Town centre zone Areas used predominantly for (in smaller urban areas) a range of commercial, community, recreational and residential activities.



- 24. To identify reasonably practicable options, the Council considered:
 - a. The need to reflect recent national direction.
 - The need to ensure sufficient capacity is provided to meet anticipated demand (whether or not the NPS-UD is in play);
 - c. The need to for commercial areas to be appropriately serviced with both network infrastructure and community facilities to mee the needs of the community.
 - d. The Kaipara District Spatial Plan Ngā Wawata 2050 Our Aspirations (KDSP), envisages expansion of commercial areas of Dargaville, Maungatūroto, Kaiwaka and Mangawhai, with zoning to allow for intensified mixed density opportunities (residential, retail and office use) to promote stronger, more vibrant, people-focused townships.
 - e. Strategic directions in the PDP.
- 25. The following broad options have been identified and assessed with regard to the Commercial zone:
 - a. **Option 1 Status Quo:** the operative KDP has a single Business-Commercial Zone. This provides limited commercial-residential mixed-use opportunities.
 - b. Option 2 Multiple zones available under the NPS, for example a Neighbourhood centre zone for dairies and other small scale commercial activities in neighbourhoods and villages, a commercial zone in the main shopping streets, a mixed-use zone in the larger shopping areas and large format retail zone in selected locations.
 - Option 3 one Commercial zone for all commercial areas, predominantly commercial but with provision for residential development.
- 26. The preferred option is Option 3 because:
 - a. The proposed Commercial Zone is the most appropriate option to achieve the objectives. A single Commercial Zone is considered more appropriate because it enables a variety of development options in any part of the commercial land resource. Kaipara towns and villages are relatively small, with low demand for some kinds of development. Flexibility within the single zone is enabled by provisions enabling a range of different activities.
 - b. The proposed provisions are consistent with the KDSP, with respect to the provisions enabling expansion of commercial areas of Dargaville, Maungatūroto, Kaiwaka and Mangawhai, with zoning to allow for intensified mixed density opportunities (primarily retail, office and residential use) to promote stronger, more vibrant, people-focused townships.



- c. Option 3 gives effect to the NRPS objectives and policies and the regional development and design guidelines in NRPS Appendix 2. It also provides a high level of certainty to landowners, residents, neighbours, the community and Council about the nature and level of activities and development allowed.
- 27. Option1 (KDP/status quo) is not the most appropriate option because:
 - a. The KDP provisions are not consistent with the KDSP.
 - b. The KDP does not give effect to NRPS, in particular: Objective 3.6 Economic activities reverse sensitivity and sterilisation, Policy 5.1.3 Avoiding the adverse effects of new use(s) and development, Objective 3.11 Regional Form or Policy 5.1.1 Planned and co-ordinated development.
- 28. Option 2 (multiple zone model) is not the most appropriate option because it is considered overly complicated for Kaipara towns and villages, which have small populations with low demand for some kinds if development. Multiple zones would require allocating the commercial land resource to the different zones according to forecast future development trends, including the expected demand for particular activities in each town and village. The inherent uncertainty of such forecasting means that the multiple zone model would likely result in inefficient use of the commercial land resource, with some zones being under-utilised and in other areas a scarcity of land available to meet emerging demand.

6.2 Provisions cascade

29. Table 6 summarises the provisions cascade for the Commercial Zone, reflecting preferred option 3.

TABLE 6: Provisions cascade for Commercial zone under option 3		
Objective	Relevant provisions	
COMZ-O1 Purpose of	Policies: all	
zone	Rules: all	
COMZ-O2 Role and	Policies: COMZ-P1, COMZ-P2, COMZ-P3. COMZ-P4	
function of commercial centres	Rules: COMZ-R1, COMZ-R5, COMZ-R7, COMZ-R12, COMZ-R17	
COMZ-O3 Commercial	Policies: COMZ-P3, COMZ-S1-S14	
centre form, scale, and design	Rules: COMZ-R1, COMZ-R12, COMZ-R13, COMZ-S1-S14	

6.3 Evaluation of provisions

30. Table 7 evaluates the provisions for the Commercial zone.



TABLE 7: EVALUATION OF PROVISIONS TO GIVE EFFECT TO OBJECTIVES			
	Option 2 – Proposed option		
Benefits	Economic:		
	a. Increased building densities provide for additional commercial capacity and		
	has positive effect on economic growth and employment.		
	b. Commercial activities have suitable locations and an enabling framework in		
	which to operate. This recognises the importance of the commercial zoned		
	areas to the economic success of the district. Controlling industrial and other		
	activities ib the zone means commercial activities are under reduced pressure		
	on land development capacity from non-commercial activities.		
	c. The provisions give clear direction about which activities are appropriate		
	within the zone, assisting plan users and landowners to understand and		
	comply, and leads to efficient and consistent decision-making with reduced		
	costs.		
	Social:		
	a. The Commercial zone provides social benefits as a community hub, with		
	informal gathering places and entertainment venues along with access to		
	shops and services. The provisions support this social function, with controls		
	that promote the amenity of the zone. Community centres and other activities		
	confer social benefits. Village and neighbourhood centres continue to provide		
	for existing communities.		
	b. Pedestrian Frontage controls on active street frontages will result in improved		
	interaction of buildings with public spaces.		
	c. Residential options in the Commercial Zone will convey some social benefits,		
	by meeting the preferences of some people to live in the zone.		
	Environmental:		
	a. Improved development standards and design guidance will result in enhanced		
	amenity values and high-quality urban environments.		
	Cultural: none identified.		





Costs	Economic:	
	a. Restricting the ability of out-of-zone activities to establish is a cost to those activities. However, those possible costs are mitigated by the availability of land for most activities in other zones. More generally, zoning can reduce the influence the market has over deciding where different land uses should locate.	
	b. Provisions limiting the bulk and density of new buildings reduces economic potential for land development.	
	c. Provisions limiting industrial and other activities have associated consenting costs.	
	Social:	
	a. Potential for community opposition to denser developments enabled by policies and rules.	
	Environmental:	
	Increased commercial densities, sizes, and multi-unit developments reduce environmental values when land is developed.	
	Cultural: none identified.	
Opportunities for economic growth	Commercial activities are important to the economic success of the district. By providing a range of suitable locations and an enabling framework in which to operate, intensify and expand, the provisions enable considerable opportunities for growth.	
Opportunities for employment	Commercial activities create many jobs. The opportunities to expand commercial activities provide potential for employment to expand accordingly.	
Certainty and sufficiency of information	There is sufficient information to act. The provisions are well-understood and have been successful elsewhere.	
Risk of acting or not acting if there is uncertainty or insufficient information.		
Effectiveness in achieving the objective(s)	The provisions will be effective as they provide certainty to landowners, residents, neighbours, and the community generally about the nature and level of activities and development allowed. The provisions enable development and land use in the zones to be effectively managed.	
Efficiency in achieving the objective(s)	The proposed provisions are the most efficient method of meeting the objectives relating to the purpose of the zones. As identified above the benefits outweigh the costs.	



6.4 Reasons for deciding on the provisions

- 31. The proposed policies and rules are the most appropriate way to achieve the objectives. They provide for intensified commercial development, along with residential options, while maintaining a clear focus on protecting and enhancing local amenity.
- 32. The proposed provisions are the most efficient and effective means of achieving the objective as together they will:
 - a. Implement the Kaipara District Spatial Plan, and higher order policy documents.
 - b. Provide for a wide range of activities while providing clear guidance on the anticipated mix of activities and amenity levels.
 - c. Support a commercial hierarchy.
 - d. Enable residential development.
 - e. Increased building densities, enabling additional commercial capacity, has positive effects on economic growth and employment.
 - f. Protect residential and open space and recreation properties adjoining a Commercial zone.
 - g. Identify Pedestrian Frontages for active street frontages together with zone specific design guidance, which will result in improved interaction of buildings with public spaces.
 - h. Implement the Strategic Direction of the PDP.

7. CONCLUSION

- 33. Pursuant to s32 of the RMA, the proposed the Commercial zone objectives have been analysed against Part 2 of the RMA and are the most appropriate way to achieve the purpose of the RMA.
- 34. The proposed provisions have been compared against reasonably practicable options. The proposed provisions are considered to represent the most appropriate means of achieving the proposed objectives.