

14 July 2025

Far North District Council
Attn: Hearings Administrator

By email: alicia-kate.taihia@fndc.govt.nz

Hearing Statement of Woolworths New Zealand Limited (submission 458) on the Far North Proposed District Plan – Hearing Stream 14, Urban Zones

1. Submission Details

Submitter:	Woolworths New Zealand Limited
Submitter Contact:	Chee Mar
Address for Service:	The Property Group Limited PO Box 377, Whangārei 0140 Attn: Holly Jenkins Email: hjenkins@propertygroup.co.nz

2. Purpose of this statement

- 2.1 The purpose of this statement is to reconfirm the submission point made by Woolworths New Zealand Limited (“Woolworths”) regarding the Mixed Urban Zone chapter of the Far North Proposed District Plan (“PDP”) in submission 458. Woolworths will not be presenting evidence at the hearing but instead advise of their position in respect of the submission points relevant to Hearing Stream 14 through this tabled statement.

3. Background

- 3.1 As noted in Woolworth’s submission, Woolworths generally supports the intent of the PDP, being a move towards an activity-based plan. However, Woolworths is concerned with a number of proposed rules and standards that will affect the continued operation of Woolworths stores within the district. The ability to provide and undertake development and redevelopment of existing stores has become particularly relevant in the last few years.
- 3.2 Woolworths operates three stores in the Far North District Council area including Waitangi Woolworths, Kerikeri Woolworths, and Kaikohe Woolworths. These stores each play an important function for the local community.

- 3.3 Woolworths also would like to take this opportunity to highlight that in the Commerce Commission's Grocery Market Study¹, one of the key recommendations pertaining to planning framework is recommendation 1A which is "*District Plans should include sufficient land that is zoned to enable choice in sites for the development of retail grocery stores*". This is important as restrictions on development affect the cost and provision of food, which is essential to all communities.

4. Section 42A Report

- 4.1 The Section 42A Reporting Planner recommends rejecting the Woolworths' submission point 458.002 made in submission 458 on the Mixed Urban Zone (MUZ) chapter of the PDP.
- 4.2 The reasons for the rejection recommendation are not explicitly stated. The submission point is grouped with the submissions of Foodstuffs and Pahia Properties. As such, the broad reasons for rejection are interpreted from the response to the Foodstuffs and Pahia Properties submissions. At a high level these are:
- Supermarkets have a functional need to locate in areas where there are significant populations, however it is disagreed that they should have an unrestricted permitted activity pathway in the MUZ.
 - There is potential for significant reverse sensitivity effects and conflicts between permitted uses in the MUZ.
 - A full scale supermarket that is larger than 450m² would be substantially inconsistent with the existing character in some MU zoned areas throughout the district.
 - A Restricted Discretionary pathway could help effectively manage adverse effects.
- 4.3 The Reporting s42A Officer, also clarifies that a supermarket would be captured by the definition of 'commercial activity'. This is different to the interpretation raised in the Woolworths submission which considered a supermarket to be classified as a 'large format retail' activity.
- 4.4 While this hearing topic is not concerned with definitions, the Reporting s42A Officer has referred to the insertion of a definition of a 'supermarket' as sought by Foodstuffs. Woolworths had also sought the insertion of a new definition for a 'supermarket' however this has not been reported on by the s42 Reporting Planner as part of this topic. While it was anticipated this would be addressed in Hearing Stream 17, this is now unclear given this topic has been included in this stream by the Reporting Officer.

¹ [Market study into the retail grocery sector, final report, dated 8 March 2022, Commerce Commission New Zealand.](#)

- 4.5 Woolworths respectfully asks the Hearing Panel to consider their submission as expanded on further below.

5. Submission Point 458.002

- 5.1 Submission point 458.002 sought that the rule and policy framework for the MUZ be amended to specifically provide for supermarket activities as a permitted activity.
- 5.2 As notified the objective of the MUZ is to provide for commercial activities, while providing residential development where compatible. However, the proposed rule framework is restrictive of 'large format retail' which a supermarket is interpreted to be classified as. As there is no other zone which provides for supermarket activities, and as a necessary service to businesses, residents and visitors, a more supportive framework is considered necessary.

Reason for submission

- 5.3 As outlined above, Woolworths operates three existing stores within the Far North district. To continue to service their respective communities, it can reasonably be expected that development and redevelopment of existing stores will be required at some point in the future. As such it is important to Woolworths that there is a suitable resource management pathway available to enable such work to be undertaken in an effective and efficient manner, allowing Woolworths to continue to support the community.
- 5.4 At the time of submission, it was interpreted that a supermarket would fall under the umbrella of a 'large format retail' activity based on its definition being '*an individual tenancy with a gross floor area greater than 450m²*'. In the MUZ a large format retail activity is a Discretionary Activity. With the objective of the MUZ being to provide for commercial activities, it was considered that a Discretionary Activity status, and policy direction were overly restrictive, particularly given there is no other zone for such activities to be accommodated.
- 5.5 In response to Foodstuff's submission, the Council's Reporting Officer has outlined that a supermarket would in fact fall under the umbrella of a 'Commercial Activity', which is also restricted by the rule framework to a maximum gross floor area of 400m².
- 5.6 With this in mind, Woolworths maintain the position that the MUZ framework should be amended to specifically provide a permitted activity pathway for supermarket activities².

² A permitted activity status is consistent with the recommendations of the Commerce Commission's Market Study into the Retail Grocery sector, which states, in relation to providing sufficient capacity for future retail grocery stores, "...we recommend that the planning system...ensure that zoning also provides sufficient certainty that such activities can take place...This may be best achieved by ensuring that retail grocery stores are either deemed 'permitted' or 'controlled', rather than 'discretionary'. This would either remove the need for a consent, or limit the discretion available to decision-makers when considering a consent application. This principle could also be extended to other retail or commercial developments." (para 9.47 - 9.48)

- 5.7 The objective of the MUZ is to be the focal point for the district's commercial, community and civic activities, while also providing for residential where it is not incompatible. There are no other zones within the PDP which are designed or intended to accommodate commercial activities. Therefore, it must be anticipated that supermarkets will locate in the MUZ. This is affirmed by the Council's Reporting Officer, who agrees that supermarkets have a functional need to locate where there is a significant population.
- 5.8 The MUZ framework should therefore reflect this agreed reality and provide a permitted activity pathway to enable supermarkets to continue to support their communities. A permitted pathway would reflect the fact that the District Plan anticipates supermarkets in the MUZ. Woolworths existing stores are all greater than 450m² gross floor area and are in the MUZ.
- 5.9 The Council's Reporting Officer considers that a full scale supermarket greater than 450m² would be substantially inconsistent with the existing character of MUZ areas. This is not consistent with the objective of the MUZ, which provides for these activities. It is also inconsistent with the existing built character and established activity in the MUZ. All three of Woolworths existing stores are located in the MUZ, they actively form a part of the character of these commercial areas.
- 5.10 The Council's Reporting Officer also considers that there is potential for significant reverse sensitivity effects and conflicts to occur between supermarkets and permitted uses in the MUZ. The size of the supermarket is unlikely to have a bearing on reverse sensitivity effects (a truck accessing and unloading goods makes the same noise regardless of the size of the supermarket), however in any case other provisions within the Plan manage and mitigate conflict between land uses. For example, noise restrictions and acoustic insulation requirements, building setback and height in relation to boundary controls, and landscaping requirements. With such controls this enables supermarkets of any size co-exist with other activities in the Mixed Use Zone as the objective of the zone suggests.
- 5.11 Although not anticipated to arise within this hearing stream, the Council Reporting Officer has incorporated the submission by Foodstuffs to insert a definition of a 'supermarket' into the PDP. Woolworths had also sought the addition of a specific definition for a supermarket to avoid the confusion of what a supermarket would be treated as under the Proposed District Plan i.e large format retail, commercial, or retail. The definition submitted by Woolworths has not been included or referred to by the Council Reporting Officer.
- 5.12 The Council's Reporting Officer has recommended the Foodstuffs definition of 'supermarket' being "*Supermarket means a self-service retail activity selling mainly food, beverages and small household goods*" is accepted and inserted into the PDP. Woolworths have reviewed this and are supportive of the inclusion of this definition.

6. Conclusion

- 6.1 Woolworths maintains the position that the rule and policy framework for the MUZ should be amended to specifically provide for supermarket activities as a permitted activity
- 6.2 The MUZ is intended to provide for supermarket activities, and this should be appropriately reflected.
- 6.3 If being decided on as part of this hearing stream, Woolworths supports insertion of a specific definition of a 'supermarket', to be in accordance with the Foodstuffs submission point, and as recommended for acceptance by the Council's Reporting Officer at paragraph 520 of the s42A Report.
- 6.4 Woolworths does not wish to be heard in support of this statement however I will make myself available for questions from the Hearings Panel if requested.
- 6.5 Woolworths will not gain an advantage in trade competition through this statement.
- 6.6 Please contact me if you require any further clarification on the above statement.

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Chee Mar

Woolworths New Zealand Limited

Phone: (027) 3945183

Email: maung.mar@woolworths.co.nz