
REPORT 1
(1215/52/IM)

CENTRES POLICY

1. Purpose of Report

The Centres Policy provides clear policy guidance on how centres should be managed and developed in the future. It considers in an integrated way the important and varied roles of the City's centres and how Council can best support and strengthen them across its various portfolios.

The report seeks agreement to adopt the final version of the Centres Policy, which has been amended after being released for public consultation earlier this year. The report also seeks agreement to withdraw Council's current Retail Strategy.

2. Executive Summary

The draft Centres Policy was released for public consultation over a nine week period in May to July 2008. A total of 89 responses were received. In general, the majority of feedback was supportive of the Policy with most submitters especially supportive of greater urban design consideration for new buildings in existing centres.

Additional work has been carried out after the draft Policy was released for public consultation. This includes a Retail Spatial Analysis, which advises on the current and future roles and functions of urban centres in the city, and Plan Change 66, which introduces new provisions which allows Council to consider and manage the effects of large integrated retail developments proposed on the Central Area and Suburban Centres.

As a result of this additional work and the feedback, the Centres Policy has been amended and it is recommended that the Policy be referred to Council for adoption and the existing Retail Strategy be withdrawn.

The Centres Policy will inform the District Plan Suburban Centre Review, the Public Space and Centres Development Programme (an initiative of the Public Space Design Policy), and a number of other Council programmes. It is anticipated that a Suburban Centre Plan Change will be reported back to Committee by the end of 2008.

3. Recommendations

It is recommended that the Committee:

1. *Receive the information.*
2. *Agree to recommend to Council the adoption of the final version of the Centres Policy (attached as Appendix One).*
3. *Delegate to the Portfolio Leader for Urban Development and Transport the authority to approve any required minor editorial changes to the final Centres Policy prior to publication.*
4. *Note that the Centres Policy will set the framework for the District Plan Suburban Centres Review which will be reported back to the Committee before the end of 2008 for consideration.*
5. *Agree to consider any financial implications as part of the LTCCP deliberations.*
6. *Agree to recommend to Council the revocation of the Council's Retail Strategy.*

4. Background

Much of the future growth of the City, both for residential and employment activities, will be focussed in and around our key centres. Centres by their very nature are the places where a significant number of activities come together and they have multiple-roles that cross economic, environmental, social and cultural portfolios. If they are well performing places they can deliver significant environmental, social, economic and cultural benefits across a number of Council's key priorities and programmes.

However, monitoring and research undertaken by Council has revealed a number of issues in our centres that are affecting their role and function. Issues include:

- A potential future shortfall in industrial land;
- A potential threat to existing centres from continuing to disperse retail activities;
- Poor quality urban design in many of our centres;
- Some centres that are struggling to remain viable and vibrant;
- A lack of mixed uses in many centres (particularly residential, entertainment and recreational);
- Vehicle and parking issues;
- A lack of integrated planning.

The aim of the Centres Policy is to set out an integrated approach to dealing with these issues. This includes identifying a centre hierarchy to provide guidance as to their appropriate role and function, and to assist in assessing the appropriateness of proposed developments. The Policy also aims to discourage further development of certain types of retail activities in out-of-centre locations. This will also assist in maintaining an adequate supply of industrial land in the City.

On 24 April 2008 the Strategy and Policy committee agreed to release the draft Centres Policy for public consultation. Public consultation occurred over the period from 9 May to 14 July 2008. A particular focus was placed on consulting with key stakeholder groups, including developers and investors, business owners, professional groups and community groups. Consultation techniques included:

- Press releases;
- Website information;
- A mailout of the draft Policy to all key stakeholder groups and previous submitters to Suburban Centres brochure;
- Meetings with individual stakeholder groups;
- Public meetings in most larger centres (in conjunction with infill housing review consultation).

Feedback Received

A total of 89 responses were received. Approximately two-thirds of these were from local residents, while the remaining third were from landowners, developers, commercial businesses, and public authorities, including Progressive Enterprise Ltd, Primeproperty Group, Enterprise Miramar Peninsula, Living Streets Wellington, Toll NZ, Foodstuffs Co-operative Society Ltd, Regional Public Health, Top of Tory Ltd, Kiwi Property Holdings Ltd, and a number of residents' and ratepayers' associations (eg. Island Bay, Tawa, Marsden Village).

The majority of the feedback supported the draft Centres Policy. The summary of this feedback is included in the attached document "Summary of Consultation and Feedback on Draft Centres Policy" in Appendix Two of this report. In summary, the main themes from the feedback include:

- 68% of responses supported or strongly supported a hierarchy of centres being introduced to differentiate between different centres and industrial areas based on their size, role and function. 12% of responses strongly opposed the introduction of a centres hierarchy, with a small number of responses questioning the 'protection of the CBD retail environment' and whether the Policy would stifle growth in the smaller centres.
- 78% of responses supported or strongly supported the improvement of urban design quality in the city's centres. Only 5% of responses strongly opposed this concept.

- 65% of responses supported or strongly supported a greater mix of uses in centres, including apartments on upper storeys and more entertainment and recreational activities. 13% of responses strongly opposed a greater mix of uses in the city's centres.
- 64% of responses supported or strongly supported ensuring most general retail activities locate within centres, including restricting the development of some large-format retail outside of centres. 16% of responses strongly opposed the management of general retail activities outside of the city's centres.
- 66% of responses supported or strongly supported the retention of existing industrial land by restricting other activities that can be located there. 8% of responses strongly opposed the retention of existing industrial land.
- 68% of responses supported or strongly supported the concept of Business Improvement Districts to promote economic development and manage improvements in local centres. 6% of responses strongly opposed the concept of Business Improvement Districts.

Further work and research

Subsequent to the release of the draft Centres Policy for public consultation, the Council commissioned an economic and planning report which assessed the current role and function of suburban centres within Wellington City and how the role and performance of these centres might change over time. The resulting report strongly supported the proposal for a centres hierarchy but recommended a number of changes, including the promotion of Johnsonville from a Town Centre to a Sub-Regional Centre.

Plan Change 66 (notified on 9 May 2008) has subsequently introduced new provisions to allow Council to consider and manage the effects of large integrated retail developments proposed in the Central Area and Suburban Centres. It seeks to ensure that any new development enhances the sustainability of existing retail centres (including the existing hierarchy of centres), does not compromise the sustainability of the transport network, and does not result in the unsustainable location of retail activities. This Plan Change supports and reinforces the approach taken in the draft Centres Policy, but means that some of the policies are no longer necessary, given further more detailed statutory policy.

5. Discussion

As a result of this further work and public feedback, the Centres Policy has been amended.

The main amendments to the draft Centres Policy are:

- modifications to the Centres Hierarchy in Appendix 1 of the Policy;

- addition of Policy 3.5 which seeks to encourage new community facilities and local services to locate within or on the edge of existing centres;
- addition of Policy 4.4 which proposes investigation into a potential new large format retail centre.

The centres hierarchy has been amended by reclassifying Johnsonville and Kilbirnie from Town Centres to Sub-Regional Centres to reflect their greater range of functions and activities, and their role in servicing a wide area of the city. Churton Park has been reclassified from a Neighbourhood Centre to a District Centre, in recognition of the size of the area of the proposed centre, the 'vision' as a mixed use neighbourhood shopping centre, its central location within the growing Churton Park and Stebbings Valley Greenfield suburban area, its accessibility by public transport and new roading connections to State Highway 1, and its possible candidacy for a future community centre (subject to a needs analysis being undertaken). Eleven new Neighbourhood Centres have also been added, such as Roseneath and the Standen Street shops, as these centres are an important focus for neighbourhood services that need to be supported and retained.

A new Policy 3.5 has been included which seeks to encourage any new or upgraded community facilities and local services to locate within or on the edge of existing centres. This Policy supports the intent of the centres hierarchy, and will be implemented by actively lobbying central government agencies to encourage the appropriate location of facilities such as schools, hospitals, health services and customer service centres. Centres have an important role as community focal points and are very accessible to a wide range of people – as such they are the ideal location for these types of facilities and services.

A new Policy 4.4 has been included in the Centres Policy which looks at proactively investigating the potential for a new large format retail node. Any new large format retail centre should be located on the edge of an existing centre where it can be accessible by a range of transport nodes and not affect the long-term viability and vibrancy of the central city or existing town centres. Wellington has few sites suitable for a large-format centre of any size. It may be possible for Council to proactively identify a more suitable site that could be developed to a high quality. With appropriate control of the retail uses this could be complementary to the centres hierarchy and overall policy aims.

The minor amendments to the Centres Policy include:

- amendments to the classification of 'non-centre' areas;
- addition of text relating to Plan Change 66;
- modifications to Policy 2.2 to clarify the scope of the Central City Framework;
- minor amendments to the wording to clarify intent and improve consistency.

Links to Other Policies

Because of the wide roles of centres, the Centres Policy has a significant crossover with a number of other Council policies and programmes. These include (not an exhaustive list):

- District Plan
 - Suburban Centre Review
 - Infill Housing Project
- Public Space Design Policy
 - Public Spaces and Centres Development Programme
- Community Facilities Review
- Growth Spine Implementation
 - Johnsonville Town Centre Plan
 - Adelaide Road Framework
 - Central City Framework
- LTCCP 2009/10 New Initiatives
 - Business Improvement Districts
- Development Contribution Policy
- Ngauranga to Airport Corridor Plan
- Parking Policy
- Bus Priority Programme
- Footpath Management Policy
- Walking and Cycling Policies

It is intended that the Centres Policy will be supported and implemented through some of these other policies (in particular the District Plan) and through Council's infrastructure and facility investment programme.

The Public Space Design Policy provides guidance for public space design in the city; the design of all new public spaces, and the furniture and key infrastructure linked to public spaces. A key initiative of the policy is the Public Space and Centres Development Programme which will direct the Council's delivery of public space and centre upgrade projects as part of the 10 year LTCCP programme. The scope of these projects is dependant on the centres hierarchy, existing facilities, community requirements and the current conditions of these places. It will identify levels of service and degrees of intervention in regards design and types of furniture in the respective locations of the city.

The Centres Policy will also be a significant contribution towards the Wellington Regional Strategy actions relating to large-format retail and centres.

LTCCP Implications

The Centres Policy will have implications for Council's future capital and operational expenditure. Whilst these costs are unable to be specified at this stage, future initiatives could include:

Centres Plans

- Development of Centre Plans to facilitate the strengthening of centres. Whilst funding has been included in the LTCCP for plans for the central

city, Johnsonville, Adelaide Road and Kilbirnie, new funding may be required for other centres, including:

- centres proposed as 'Areas of Change' for housing intensification as part of the review of infill housing;
- centres where significant private sector investment is proposed that will impact on the overall form and operation of that centre;
- other centres (as appropriate)

Business Improvement Districts (BIDs)

- Establishing Business Improvements Districts to provide additional tools to support the implementation of the centre plan programme, to build a partnership between business and the Council, and to promote investment in each centre.

Retail Strategy

It is recommended that Council's current Retail Strategy be withdrawn at the same time as the final Centres Policy is adopted by Council. This Strategy was adopted in 2003 and focuses on retail from an economic development perspective. Since that time retail activities have continued to evolve and it is no longer appropriate to consider retail activity in isolation from its critical role in maintaining the vitality and viability of centres. The Centres Policy provides an adequate replacement policy framework for the management of retail activities.

6. Conclusion

This report recommends that Council adopt the final version of the Centres Policy. Public consultation has indicated that there is strong support for the key elements of the Policy. As a result of further work undertaken by Council officers, including a Spatial Retail Analysis report and feedback from consultation, the Centres Policy has been amended, where appropriate, to address the issues raised.

The Centres Policy will replace the Retail Strategy and outlines a structured approach to the management of Wellington's centres. The approach outlined in the Policy will be used to set the framework for the Suburban Centres Review of the District Plan.

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Supporting Information

1) Strategic Fit / Strategic Outcome

The draft Policy implements Council's strategic direction for urban development.

2) LTCCP/Annual Plan reference and long term financial impact

There may be future implications for capital and operational expenditure, however these are not able to be specified at this stage.

3) Treaty of Waitangi considerations

There are no known considerations.

4) Decision-Making

This is not a significant decision under the LGA.

5) Consultation

a) General Consultation

Extensive consultation has been undertaken with key stakeholders and the wider community.

b) Consultation with Maori

Iwi were consulted as part of the proposed consultation process – no feedback was received.

6) Legal Implications

There are no legal implications at this stage.

7) Consistency with existing policy

This report is consistent with Council policy. However it is proposed to withdraw the Retail Strategy once the final Policy is adopted.

Appendix One

Centres Policy

Appendix Two

Summary of consultation and feedback on Draft Centres Policy