SUBMISSION ON PROPOSED PLAN CHANGE 12 TO THE HAMILTON CITY DISTRICT PLAN

To:	Hamilton City Council Private Bag 3010 Hamilton 3204 planchange@hcc.govt.nz
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Introduction and scope of submission

1. Stride Investment Management Limited (**Stride**) appreciates the opportunity to make this submission on Plan Change 12: Enabling Housing Supply (**PC 12**) to the Hamilton City District Plan (**Plan**). PC 12 was notified on 19 August 2022.

2. As a tier 1 local authority under the National Policy Statement on Urban Development 2020 (**NPS-UD**) and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (**Amendment Act**), Hamilton City Council is required to amend the Plan to enable greater density and height within city centres, metropolitan centres, and within walkable catchments of these centres and rapid transit stops. The Resource Management Act 1991 (**RMA**) requires the Plan to give effect to the NPS-UD.[1]

3. Stride supports PC 12 in part and seeks amendments to it to better give effect to the NPS-UD, as set out below.

4. For completeness, Stride could not gain an advantage in trade competition through this submission.

[1] RMA, s 75(3)(a).

Background to Stride

5. Stride Property Group is a group of companies and funds, including:

   (a) Stride Property Limited (**SPL**), which manages one of New Zealand's largest diversified investment property portfolios, with a range of commercial office, retail and industrial properties.

   (b) Equity Trustees Limited (also known as Diversified NZ Property Trust) (**Diversified**), which is an investment property fund which owns large format retail assets.

   (c) Stride Investment Management Limited (the submitter) is a specialist real estate investment manager which currently manages the property portfolios of SPL, Diversified and Investore Property Limited.

6. Stride's investment strategy is to invest in a portfolio of places with 'enduring demand'. These are places that attract the highest demand in all market conditions because they meet the needs of tenants, their staff, their visitors and their customers. The attributes of properties that have enduring demand vary depending on the sector and the market but are a combination of accessibility, amenity, functionality and a value proposition that is compelling.

7. The Stride Property Group develops properties with a view to long-term ownership and, therefore, invests in its buildings to meet high quality, energy efficiency and design standards. As Stride continues to reinvest in its portfolio, it wishes to ensure that PC 12 applies appropriate controls and enables appropriate development.

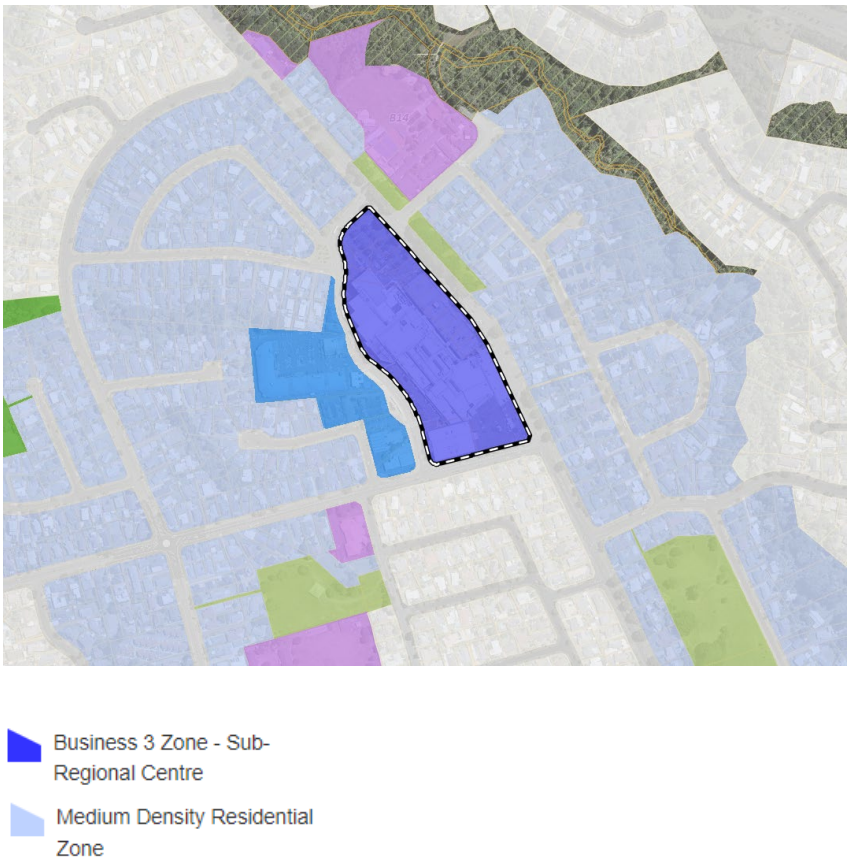
8. Chartwell Shopping Centre at 201 Hukanui Road, Hamilton is owned by Diversified and managed by Stride. Chartwell Shopping Centre includes over 100 stores across a 4.22-hectare site, and is recognised in the Plan as a sub-regional centre.

9. This information is provided to give context to the matters raised and relief sought in Stride's submission.

Submission

10. Chartwell Shopping Centre is located in the Business 3 Zone – Sub-Regional Centre under the Plan and is proposed to remain in this zone under PC 12, as shown in Figure 1 below. Stride supports this zoning and seeks that it is retained.

Figure 1 – Chartwell Shopping Centre under PC 12



11. Stride also supports amendments proposed to the Business 3 zone to give effect to the NPS-UD, including the amendments to enable residential activities above ground floor in sub-regional centres and in this zone.

12. PC 12 does not propose to amend the height limit applying to the Business 3 zone, and proposes to retain the existing height limit of 20m. This does not give effect to the NPS-UD, and Stride considers it is necessary and appropriate to apply an increased height limit to the Chartwell Shopping Centre for the following reasons:

    (a) Policy 3(b) NPS-UD requires district plans in metropolitan centre zones to enable building heights and density of urban form to reflect demand

for housing and business use in these locations, and in all cases building height of at least 6 storeys. This Policy applies to Chartwell Shopping Centre as a sub-regional centre (which is comparable to a metropolitan centre zone). We note that the Council has identified Chartwell as a town centre in its section 32 report, [2] however this is inconsistent with the National Planning Standards.[3]

(b) The Council has further undertaken its own assessment of the suitability of the centres in Hamilton City for intensification, and has identified that Chartwell is suitable for intensification.[4] Following this assessment:

(i) The Council has rezoned the majority of the land within a walkable catchment of Chartwell Shopping Centre to medium density. Stride supports enabling greater density in the walkable catchment of Chartwell Shopping Centre and seeks that this rezoning is retained.

(ii) The Council does not appear to have considered whether it should enable greater building heights *within* Chartwell Shopping Centre as required by Policy 3(b) (or even under its assessment as a town centre status under Policy 3(d)).

(c) A greater height limit and level of density would be commensurate with the level of commercial activity and community services within Chartwell Shopping Centre. This centre is a hub of retail activity which supports the economic and social wellbeing of the Hamilton community at a sub-regional level. Greater development capacity should be provided to reflect the benefits of a consolidated sub-regional centre and the proposed higher intensity residential development that will be enabled in Hamilton.

(d) The receiving environment is unlikely to be affected by adverse shading or other adverse effects arising from this additional height, because the surrounding residential zone is also proposed to have an increased

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2 Plan Change 12 – Enabling Housing: Part 3 Appendix 3.6 Centres Assessment Report (**Section 32 Report**).

3 National Planning Standards, 8 Zone Framework which directs that a Metropolitan Centre are "areas used predominantly for a broad range of commercial, community, recreational and residential activities. The zone is a focal point for sub-regional urban catchments."

4 Section 32 Report at 13.

height limit. As shown in Figure 1 above, the majority of the walkable catchment of the Chartwell Shopping Centre is proposed to be rezoned to the Medium Density Residential zone, and the height limit in the Medium Density Residential zone is proposed to be 15m under PC 12. Further the Chartwell site is bounded by roads and does not have a direct boundary with the residential zone. In this context, an increased height limit for the Chartwell Shopping Centre is appropriate.

13. For these reasons, Stride seeks that Rule 6.4.1 is amended to apply a 30m height limit to the Chartwell Shopping Centre, to give effect to the NPS-UD.

14. Stride also seeks that Rule 6.4.4 is amended to delete the maximum floor area ratio from the Business 3 zone. This rule unnecessarily constrains the efficient use of sub-regional centre land and does not give effect to Policy 3(d) of the NPS-UD for the reasons set out above.

Relief sought and reasons for submission

15. In addition to the specific relief sought above, Stride seeks such additional or consequential relief to give effect to the matters raised in this submission.

16. The amendments sought by Stride are to ensure that PC 12:

    (a) will give effect to the objectives and policies of the NPS-UD;

    (b) will contribute to well-functioning urban environments;

    (c) is consistent with the sustainable management of physical resources and the purpose and principles of the RMA;

    (d) will meet the requirements to satisfy the criteria of section 32 of the RMA;

    (e) will meet the reasonably foreseeable needs of future generations; and

    (f) is consistent with sound resource management practice.

17. Stride wishes to be heard in support of its submission.

18. If others make a similar submission, Stride will consider presenting a joint case with them at a hearing.

DATED this 30th day of September 2022

Stride Investment Management Limited by its solicitors and duly authorised agents MinterEllisonRuddWatts

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