

7 July 2025

Hearing Statement - Hearing 14 - Z Energy S336

Attention: Hearing Administrator, Alicia-Kate Taihia Far North District Council

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

SLR Project No.: 810.V09385.00001

RE: Far North Proposed District Plan – Hearing 14 – Urban Zones – Hearing Statement of Z Energy Limited (Submitter S336)

- 1. This hearing statement is prepared on behalf of Z Energy Limited (**Z Energy**) in relation to their submissions allocated to the Urban Zones topic of Hearing 14 of the Proposed Far North District Plan (**the PDP**).
- 2. This hearing statement represents the views of Z Energy and is <u>not</u> expert evidence. Z Energy will not be attending the hearing but request that this hearing statement be tabled before the Hearings Panel.
- 3. Z Energy have an interest in the PDP to the extent that it relates to, or impacts on, their sites and business activities in the Far North District, including their fuel retail networks.
- 4. The analysis and recommendations of the Section 42A Report Urban Zones prepared by Sarah Trinder dated 23 June 2025 has been reviewed in relation to Z Energy's submission points.
- 5. As outlined in **Attachment A**, Z Energy accepts all recommendations of Ms Trinder on their submission and further submission points subject to a few minor points addressed in this hearing statement.

SERVICE STATIONS IN THE MIXED USE ZONE (SUBMISSION \$336.019)

- 6. Z Energy's submission S336.019 supported the permitted activity for service stations in the Mixed Use Zone (MUZ) under rule MUZ-R2 (PER-1), noting that service stations can appropriately operate in a range of zones and amongst a range of activities.
- 7. The Reporting Officer recommended that submission S336.019 be rejected on the basis that PER-1 had a typo and that it was always intended that service stations were a discretionary activity.
- 8. Z Energy accepts that Council does not wish to provide a permitted pathway for service stations. However, it is considered that a discretionary activity status for service stations is unduly restrictive and inconsistent with the zone's intent to enable a range of commercial activities. Effects associated with service stations are not dissimilar to supermarkets (over 450m²) and drive through activities, for which the Reporting Officer has recommended are restricted discretionary activities in the MUZ.¹

¹ Paragraph 513 of s42A report in relation to supermarkets. Paragraph 553 of s42A report in relation to drive through activities.

- 9. It is important to provide a clear pathway for service stations in the MUZ, noting:
 - a. Service stations provide an essential service (vehicle fuel / energy) which supports the wellbeing of communities and are designed in a manner which broadly supports the function and maintains the amenity of a typical mixed use environment.
 - b. Service stations are designed to integrate into the zone and environment in which they will be located in terms of design, transportation and safety in accordance with the requirements of District Plans, Regional Plans and National Environmental Standards.
 - c. Hazardous substance storage, use, transport and safety is appropriately managed under the Hazardous Substances and New Organisms Act 1996 and the Health and Safety at Work Act 2015 and their associated regulations.
 - d. Service stations are not considered to inherently adversely affect the function, role, sense of place or amenity of the MUZ.
- Accordingly, Z Energy seeks that service stations are provided for in the MUZ as restricted discretionary activities, as follows (additional <u>insertions red underlined</u> and deletions red <u>strikethrough</u>):

MUZ-R2 Commercial activity (excluding supermarkets)			
Activity status: Permitted Where: PER-1 The activity is a not a service station. PER-2 Any office does not exceed GFA of 2300m2. PER-3 The activity is a not a drive through PER-4 The new building or structure, relocated building or extension or alteration to an existing building or structure on the site, does not exceed GFA 450m2.	 Activity status where compliance not achieved with PER-1, PER-2 or PER-3: Restricted Discretionary PER -2 Matters of discretion are restricted to: a. Any effects on the transport network. PER-1 and PER-3 Matters of discretion are restricted to: a. The extent of any effect on the transport network; b. Any access is designed and located to provide efficient circulation on site and avoid potential adverse effects on adjoining sites, the safety of pedestrians and the safe and efficient functioning of the road network; c. Minimises building bulk, and signage while having regard to the functional requirements of the activity; and d. Landscaping is provided especially within surface car parking areas to enhance amenity values 		
	with PER-1 and 4: Discretionary		

DEVELOPMENT STANDARDS IN THE MIXED USE URBAN ZONE (S336.020), (S336.021), and (S336.022)

11. Z Energy's submission sought an exemption for service stations from Standards MUZ-S5 (S336.020), MUZ-S6 (S336.021), and MUZ-S8 (S336.022), as these standards seek built form (MUZ-S5 and MUZ-S6) and landscaping (MUZ-S8) outcomes that are impractical in the context of service stations, being vehicle orientated activities that have specific traffic safety / functionality and health and safety requirements.

- 12. The Reporting Officer rejected submissions S336.020 and S336.021, stating that the pathway for infringing standards MUZ-S5 and MUZ-S6 (restricted discretionary activity) is acceptable as service stations are discretionary activities overall. The Reporting Officer noted that there is an exemption to MUZ-S5 and MUZ-S6 for alterations where there is no increase in building footprint. The Reporting Officer also rejected submission S336.022 relating to MUZ-S8 (landscaping).
- 13. Z Energy accepts the Reporting Officer's position against exempting service stations from being subject to Standards MUZ-S5, MUZ-S6, and MUZ-S8. However, Z Energy considers that the functional requirements of activities should be recognised through the matters of discretion (as addressed below and through the change sought in relation to MUZ-R2 above). Z Energy is also concerned that these standards could result in resource consent requirements for electric vehicle charging infrastructure (EVCI) at existing service station sites in the MUZ, despite the permitted pathway for EV charging under TRAN-R4. For example:
 - a. The establishment of an EV charging device next to the front boundary of an existing service station in the district may be subject to MUZ-S8. MUZ-S8 cannot be met, as it imposes onerous tree planting requirements which are inappropriate for service stations, and therefore resource consent would be required for the EV proposal. In the same vein, MUZ-S10 might not be met where the EV is proposed at a service station with no existing landscaping.
 - b. A small canopy to shelter an EV charging device at a service station would be considered a "building" under the PDP's definition and thus subject to the built form standards of MUZ-S5 and MUZ-S6, which it would not be able to meet. Resource consent would therefore be required for the EV proposal.
- 14. Requiring resource consent for EVCI is contrary to the PDP's intent to encourage EV uptake to align with the strategic direction to create resilient transport networks and reduce greenhouse gas emissions. It is also contrary to the incoming National Direction relating to EV charging. The Government is currently (until 27 July 2025) consulting on proposed changes to the NES Electricity Transmission, which is proposed to be renamed as the NES for Electricity Network Activities (NES-ENA) and to introduce a clear permissive framework for electric vehicle charging infrastructure, in any location. However, should the NES-ENA not come into force for any reason, it is important that the PDP has a clear pathway for EVCI.
- As such, Z Energy seeks that Rule MUZ-R1 is amended to provide an exemption pathway for EVCI in the MUZ, as follows (additional <u>insertions red underlined</u> and deletions red <u>strikethrough</u>):

MUZ-R1 New buildings or structures, relocated buildings or extensions or alterations to existing buildings or structures			
Activity status: Permitted Where: PER-1 The new building or structure, relocated buildings or extension or alteration to an existing building or structure will accommodate a permitted, restricted discretionary or discretionary activity.	Activity status where compliance not achieved with PER-2 and PER3: Restricted Discretionary Matters of discretion are restricted to: a. the matters of discretion of any infringed standard.		
Note: MUZ-R1 does not control buildings or structures relating to electric vehicle charging	Activity status where compliance not achieved with PER-1, Discretionary		

stations, as these are provided for as a permitted activity under TRAN-R4.

- 16. With regards to Standard MUZ-S8 relating to landscaping, the Reporting Officer acknowledged that the requirement to plant trees of 1.8m height along frontages could cause health and safety implications but was concerned that exempting service stations from the landscaping requirements could result in existing landscaping being removed, which is not Council's intent.
- 17. Z Energy is not opposed to the requirement for a low height landscaping buffer along the frontage of sites as landscaping can offer benefits from an amenity perspective (by softening site appearance) and health and safety perspective (by providing a physical buffer). However, the requirement to establish trees of 1.8m height is inappropriate for service stations and will lead to a range of issues including poor visibility impacting traffic safety and the inability to view the prime sign containing fuel prices (noting that this is required under legislation), as well as large tree roots potentially damaging site infrastructure.
- Having regard to the impractical nature of Standard MUZ-S5, MUZ-S6 and MUZ-S8 as they are applied to service stations, Z Energy seeks amendments as follows (additional insertions red underlined and deletions red strikethrough):

MUZ-S5 Pedestrian frontages	
For sites with pedestrian frontage identified on the planning maps:	Where the standard is not met, matters of discretion are restricted to:
<u>1. At least 65% of the building frontage at ground floor must be clear glazing; and</u>	a. <u>the character and amenity of the</u> <u>streetscape; and</u>
2. The principal public entrance to the building must be located on the road boundary	b. <u>the ability to reuse and adapt the building</u> for a variety of activities.
	c. <u>Functional requirements of particular</u> <u>activities making compliance with this</u> <u>standard impractical.</u>

MUZ-S6 Verandahs			
For sites with pedestrian frontage identified on the planning maps:	Where the standard is not met, matters of discretion are restricted to:		
<u></u>	a. pedestrian amenity, including shelter;		
	b. <u>maintenance of character of the building</u> <u>and street; and</u>		
	c. whether the provision of a complying verandah would detract from the quality of the streetscape.		
	d. <u>Functional requirements of particular</u> <u>activities making compliance with this</u> <u>standard impractical.</u>		

 Where a site adjoins a road boundary, at least 50% of that road boundary not occupied by buildings or driveways shall be landscaped with plants or trees. The landscaping shall be a minimum height of 1m at installation and shall achieve a continuous screen of 1.8m in height and 1.5m in width within five years, except for service 	Where the standard is not met, matters of discretion are restricted to:a. the character and amenity of the streetscape and surrounding areab. topographical or other site constraints or functional requirements making compliance with this standard impractical; and
stations which are not subject to landscaping height requirements.	c. <u>health and safety implications for</u> pedestrians and the transport network.

MIXED USE URBAN ZONE POLICY NEW POLICY MUZ-PXX

- 19. The Reporting Officer has recommended that a new policy is added to the Mixed Urban Zone (MUZ-PXX) seeking to avoid the establishment of *industrial and offensive trade activities and landfill*. Z Energy is not opposed to avoiding offensive trade activities and landfill activities but is concerned with the direction to avoid the establishment of industrial activities, and is unclear where this direction has come from as it is not articulated in the s42A report. While service stations and truck stops will likely fall to be commercial and not industrial activities under the PDP definitions, an avoid policy sets a strong precedent and could inadvertently impact a wider scope of activities that may be interpreted as having elements of industrial activities. For example, the ability to obtain resource consent for changes to an existing truck stop site (noting that the Caltex Kawakawa truck stop is located in the Mixed Urban Zone).
- 20. As such, Z Energy seeks that industrial activities are deleted from MUZ-PXX, as follows (additional <u>insertions red underlined</u> and deletions red strikethrough):

MUZ-PXX

Avoid the establishment of:

a. residential activity, visitor accommodation or supported residential care on the ground floor of a building within the pedestrian frontage overlay;

b. Industrial and oOffensive trade activities and landfill

c. primary production and rural industry

CLOSING

- 21. In summary, Z Energy requests the following relief:
 - a. Submission point S336.019: Accept the Reporting Officer's recommendation that service stations are not permitted activities, but provide for service stations as a restricted discretionary activity under MUZ-R2.
 - b. Submission points S336.020, S336.021, and S336.022: Accept the Reporting Officer's recommendation to not exempt service stations from Standards MUZ-S5, MUZ-S6 and MUZ-S8, but seek amendments to matters of discretion to recognise functional requirements that make compliance impractical.
 - c. No submission point but the following arose through the Reporting Officer's recommendation: Accept the Reporting Officer's recommendation for a new policy (MUZ-PXX) to avoid certain activities in the Mixed Use Zone but delete industrial activities from this list.
 - d. Adopt the recommendations of the Reporting Officer in relation to all of Z Energy's other submission points.

22. Thank you for your time and acknowledgement of the matters raised in the submissions of Z Energy. Please do not hesitate to contact the writer should you wish to clarify any matters addressed herein.

Regards,

SLR Consulting New Zealand

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Attachment A

Summary of recommendations on the Z Energy's submissions and further submissions

Summary of recommendations on Z Energy's submissions and further submissions

Provision	Ref #	Submission Reason and Relief Summary (insertions in <u>red and underlined</u> and deletions in red and struckthrough)	Reporting Officer Recommendation (insertions in <u>blue and underlined</u> and deletions in blue and struckthrough)	Z Energy's Position
Definitions Chapter			·	
Definition of "Commercial Activity"	S336.001	Retain the definition of commercial activity as notified.	Accept.	Support.
Mixed Use Zone				
MUZ-O1	S336.009	Retain MUZ-O1 as notified.	Accept in part. Amendments set out in the S42A Report.	Support.
MUZ-O2	S336.010	Retain MUZ-O2 as notified.	Accept.	Support.
MUZ-O3	S336.011	Amend or clarify reference to Light Industrial Zone in MUZ-O3.	Accept. Reference corrected.	Support.
MUZ-O4	S336.012	Retain MUZ-O4 as notified.	Accept.	Support.
MUZ-O5	S336.013	Retain MUZ-O5 as notified.	Accept.	Support.
MUZ-P1	S336.014	Amend MUZ-P1 as follows: Enable a range of commercial, community, civic, and residential activities in the Mixed Use zone where: a. <u>it they</u> supports the function, role, sense of place and amenity of the <u>zone, while</u> <u>recognising the existing</u> environment; and	Accept. Amended as requested by Z Energy.	Support.
MUZ-P2	S336.015	Retain MUZ-P2 as notified.	Accept in part. Minor amendments set out in the S42A Report.	Support
MUZ-P3	S336.016	Retain MUZ-P3 as notified.	Accept.	Support.
MUZ-P7	S336.017	Amend MUZ-P7 as follows: c. shadowing and visual domination; and d. light spill. <u>; and</u> <u>e. reverse sensitivity.</u>	Accept. Amended as requested by Z Energy.	Support

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MUZ-P8	S336.018	Z Energy supports Policy MUZ-P8 in that it considers the interface between commercial and residential activities when assessing proposals for land use and subdivision in the Mixed Use zone. However, as currently drafted, this only relates to activities at zone interfaces, whereas such issues relate to conflicts between activities rather than zones per se, and therefore relief is recommended to ensure that the interface of activities is considered in such assessments. This would manage potential reverse sensitivity effects on existing service stations where they are adjacent to residential and commercial activities, notwithstanding the zone. Armend MUZ-P8 as follows: c. at zone interfaces <u>and the interface between commercial and noise sensitive</u> <u>activities:</u> <i>i.</i> any setbacks, fencing, screening or landscaping required to address potential conflicts; <i>ii.</i> any adverse effects on the character and amenity of adjacent zones <u>or the adjacent activity</u> ;	Reject. Recommended amendments to MUZ-P8 as follows: Manage land use and subdivision to address the effects of the activity requiring resource consent, including (but not limited to) consideration Consider of the following matters where relevant when assessing and managing the effects of land use and subdivision in the Mixed Use zone: to the application: a. consistency with the scale, density, design, amenity and character of the planned mixed use environment; b. the location, scale and design of buildings or structures, outdoor storage areas, parking and internal roading; c. opportunities for connectivity, within and between developments, public open space, services and facilities; d. at zone interfaces: i. any setbacks, fencing, screening or landscaping required to address potential conflicts; ii. any adverse effects on the character and amenity of adjacent;	Support, as reverse sensitivity effects are managed through other MUZ provisions.
MUZ-S5	\$336.020	 The pedestrian frontage overlays are identified on both road boundaries at Z Kaikohe and the Commerce Street Road boundary at the Z service station in Kaitaia. Standard MUZ-S5 would apply if Z Energy, on their established sites, was seeking consent for a building or structure, and states: "The principal public entrance to the building must be located on the front boundary". This built-form outcome is not necessarily practical in the context of a service station and is incongruous with the permitted activity status of service stations under Rule MUZ-R2. Service stations are vehicle-oriented activities and the "entrance" or entrances to a service station site are typically via vehicle accesses from a main road or roads to a forecourt, with the retail building setback within the site for functional reasons. Requiring a resource consent application for infringing this standard due to a functional requirement, particularly where associated with a lawfully established activity, is not considered the most appropriate way of achieving the intended outcome of the zone and standard. Amend Standard MUZ-S5 to acknowledge that in some circumstances it may not be appropriate for a building frontage at ground floor must be is clear glazing; and 2. The principal public entrance to the building must be located on the front boundary, Except where the activity is a service station. 	Reject. Minor amendment set out in the s42A Report.	Addressed in the hearing statement.



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MUZ-S6	S336.021	Standard MUZ-S6 requires, for sites with a pedestrian frontage identified on the planning maps: (1) all buildings (including alterations and extensions to existing) to be built up to the road boundary; and (2) that a verandah on the relevant road boundary is provided. The performance standard would appear to relate to buildings only which is supported however it is a performance standard associated with permitted activity Rule MUZ-R1 which permits new buildings and structures the principle of the standard is supported insofar as it related to new or altered buildings, but not a structure The standard appears to apply if Z Energy was seeking consent for a building on an existing site with a pedestrian frontage, and requires a building at the relevant road boundary and a verandah to extend the full width of the building elevation. This is not practical in the context of a service station, where the buildings on the site are usually a canopy over the refuelling area and the ancillary retail building to one side or to the rear. Z Energy considers that greater recognition of these existing activities and their operational and functional requirements that prevent compliance is needed, noting the investment associated with the existing commercial activities, the benefits they provide to the community and the need for them to be maintained and upgraded from time to time. Furthermore, requiring a resource consent application for infringing this standard due to a functional requirement in particular, that associated with a lawfully established activity, is not considered the most appropriate way of achieving the intended outcome of the zone and standard. Amend MUZ-S6 as follows: Except where: a. the site is utilised by an existing service station activity	Reject. No amendments recommended in s42A Report.	Addressed in the hearing statement.
MUZ-S8	S336.022	Standard MUZ-S8 (Landscaping and screening on a road boundary) requires, inter alia, that landscaping along a road boundary shall be a minimum height of 1m at installation and shall achieve a continuous screen of 1.8m in height and 1.5m in width within five years. Any changes to existing service stations, for example, will have to consider this standard which is not currently achieved at any of the three sites identified in the submission. Moreover, it is unlikely to be achievable for a number of functional requirement reasons, including traffic safety. Z Energy opposes the imposition of this standard to existing service stations sites. Z Energy accepts that landscaping along the road boundary can enhance the attractiveness of a site and mitigate the effects of the development of the site. For service station sites, however, incorporating trees into front boundary landscaping is problematic. It is clear from the standard that the Council anticipates the planting of trees or plants that will be substantial enough to form a visual screen over time. At service station sites, which have a significant number of traffic movements into and out of the site per day and where visibility to the forecourt and to signage is critical to a successful and safe operation, substantial trees or hedging can create a nuisance commercially and in terms of root extent and traffic safety. Requiring trees, and in particular in this instance, screening, can block the view of signage and the forecourt, block visibility of vehicles entering and exiting, develop root systems that interfere with existing infrastructure and services and be difficult to achieve at service stations due to vehicle crossing requirements, tanker tracking and signage visibility.	Reject. No amendments recommended in s42A Report.	Addressed in the hearing statement.

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		Except where: <u>a. the site is utilised by an existing service station activity</u>		
MUZ-R2	FS55.001	The submitter considers that it is appropriate for service stations to be a permitted activity in the MUZ as they provide an essential service to communities which are designed to support the function and amenity of a mixed use environment. Service stations are also not listed as an activity MUZ-P5 seeks to restrict and can achieve the objectives and policies of the zone. The submitter notes it is important service stations are enabled in central areas. They are listed as permitted in the HIZ zone but land in this zone is limited and is some distance away from MUZ zoning across the district. For example, the closest HIZ zone to Kaikohe and Paihia is 25km away. Disallow the original submission.		Addressed in the hearing statement.
Light Industrial Z	one and Heavy Ind	ustrial Zone	1	
LIZ-O5	\$336.024	Retain LIZ-O5 as notified.	Accept in part. Minor amendment set out in s42A Report.	Support.
LIZ-P4	S336.025	Retain LIZ-P4 as notified.	Accept in part. No amendments recommended in s42A Report.	Support.
LIZ-R7	S336.026	Retain LIZ-R7 as notified.	Accept in part. Amendments set out in s42A Report.	Support.
LIZ-S5	S336.027	Outdoor storage is not defined and the standard provides no additional clarification. An amendment or clarification is sought to ensure that the standard does not relate to storage of fuel in above ground tanks. Amend LIZ-S5 to exclude above ground storage of fuel at truckstops, as follows: Any outdoor storage areas, except for the display of goods for retail sale, must be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land. This standard does not apply to aboveground tanks at truck stops. And/or clarify through a new definition or note what is intended by 'outdoor storage', including ensuring above ground tanks are not considered 'outdoor storage'.	Accept. Exclusion included as requested.	Support.
LIZ-S6	S336.028	Z Energy accepts that landscaping along the road boundary can enhance the attractiveness of a site and mitigate the effects of the development of the site. For truck stop sites, however, incorporating trees into front boundary landscaping is problematic. Amend the matters of discretion relation to LIZ-S6 as follows:	Accept. Amendments set out in s42A Report.	Support.



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		 Where the standard is not met, matters of discretion are restricted to: a. the character and amenity of the streetscape and surrounding area; b. topographical, or other site constraints, or functional requirements making compliance with this standard impractical; and 		
HIZ-R3	S336.030	Retain HIZ-R3 and it's activity status as notified.	Accept.	Support.
HIZ-S5	S336.031	Outdoor storage is not defined and the standard provides no additional clarification. An amendment or clarification is sought to ensure that the standard does not relate to storage of fuel in above ground tanks. Amend HIZ-S5 to exclude above ground storage of fuel at truck stops, as follows: Any outdoor storage areas, except for the display of goods for retail sale, must be fully screened by a solid fence or wall of a minimum height of 1.8m so that it is not visible from adjoining sites and public land. <u>This standard does not apply to aboveground tanks at truck stops</u> . And/or clarify through a new definition or note what is intended by 'outdoor storage', including ensuring above ground tanks are not considered 'outdoor storage'.	Accept.	Support.
LIZ-S5	FS55.002	The submitter supports that the standard only applies where there is an interface with a more sensitive zone such as the General Residential Zone. LIZ-S6 and LIZ-S7 already require screening along road boundaries and side boundaries adjoining sensitive zones with landscaping and/or fencing of 1.8 m in height. Allow the original submission.	Accept in part. Amendments set out in s42A Report.	Support.
LIZ-S5	FS55.003	The submitter supports the exemption of the standard when an adjoining site is used for a light industrial activity. LIZ-S6 and LIZ-S7 already require screening along road boundaries and side boundaries adjoining sensitive zones with landscaping and/or fencing of 1.8 m in height. Allow the original submission.	Accept in part. Amendments set out in s42A Report.	Support.
LIZ-S5	FS55.004	Support in part. The submitter supports the amendments sought but seeks further exemptions so existing service stations which are not a permitted activity in the LIZ but were lawfully established would be exempt.	Accept in part. Amendments set out in s42A Report.	Support.