

**Before a Hearings Commissioner appointed by  
the Kāpiti Coast District Council**

**Under** the Resource Management Act  
1991

**And**

**In the Matter** of an application under section 88 of  
the Act by Kapiti Retail Holdings  
Limited for the construction and  
operation of a Countdown  
supermarket at 160 Kapiti Road,  
Paraparaumu (RM210151)

**Statement of Evidence of  
Katherine Sophie Mary Marshall  
for Kapiti Retail Holdings Limited**

Dated: 8 March 2022

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## **INTRODUCTION**

### **Qualifications and Experience**

1. My name is Katherine Sophie Mary Marshall. I am the Property Portfolio Manager for the Central North Island Countdown Supermarket portfolio, as well as the nationwide sub-tenancy portfolio.
2. I hold a Bachelor of Business Studies degree in Property Valuation from Massey University, and I am a committee member of the New Zealand Council of Retail Property. I have over 10 years experience working in the property industry in New Zealand.
3. I have worked for Woolworths New Zealand Limited (**Woolworths**) for 5 years. I am responsible for a portfolio of approximately 65 Countdown stores, and associated retail sub-tenancies. As part of my remit, I am responsible for new store developments, which includes obtaining resource consents. In terms of my involvement, I have been the Woolworths representative with responsibility for securing a suitable supermarket opportunity in Paraparaumu.
4. I was also involved in the design process for this site, in conjunction with our very experienced internal design team and Kapiti Retail Holdings Limited's (**KRHL**) design team.

### **SCOPE OF EVIDENCE**

5. In my evidence I will:
  - (a) Provide an overview of Woolworths' business;
  - (b) Outline the background to the Proposal;
  - (c) Address site requirements and the Proposal; and
  - (d) Explain the proposed management of operational effects.

### **EXECUTIVE SUMMARY**

6. Paraparaumu has been identified by Woolworths as an area that has been under serviced from a customer perspective with growing customer demand for an additional full-service supermarket. 160 Kāpiti Road, was selected as

the site (**Site**) for the proposed new Countdown supermarket due to it meeting the various locational, operational and site criteria that Woolworths require of any propose supermarket development.

7. The proposed Site is well-located to meet growing customer demand and is capable of being developed without adverse effects on the environment. I consider that the operational effects of the proposed new supermarket will be appropriately managed.

## **WOOLWORTHS OVERVIEW**

8. Woolworths is one of New Zealand's leading supermarket operators. Woolworths currently operates over 180 Countdown stores nationwide, together with a portfolio of 70 franchisee stores operating under the Super Value and Fresh Choice brands.
9. At its Countdown stores alone, Woolworths employs approximately 21,000 people across New Zealand, making it one of the country's largest employers.
10. In the Greater Wellington Region, Woolworths operates 20 Countdown stores and employs approximately 1600 people.

## **BACKGROUND TO THE PROPOSAL**

11. When considering future supermarket development opportunities, Woolworths first identifies the areas and communities that have a need for, and would benefit from, additional supermarket services.
12. The Greater Wellington Region has long been assessed as an area under serviced for supermarket customers and in need of additional investment. Notwithstanding recent store developments by the Woolworth brands (Countdown, Fresh Choice and Super Value) in the Region, with the growth in population and tourism, in particular, this situation has become more rather than less pronounced over recent years.
13. In terms of Paraparaumu specifically, the town has been identified as under serviced from a customer perspective. For a number of years we have worked to identify a suitable location for a second store to meet growing customer demand and improve competition for the benefit of local residents.

## SITE REQUIREMENTS AND PROPOSAL

### Site requirements

14. Once an area of demand is identified, Woolworths then either progresses with site selection, design, consenting and development itself, or advances a proposal in conjunction with a landowner / developer.
15. The inherent challenge of site selection was twofold. Firstly, selecting a site that would be able to satisfy the requirements for the supermarket's operation. Secondly, selecting a site that would contribute to the health and vitality of the wider area.
16. Supermarkets require large, easily accessible sites that are central to their catchment population and able to be configured in an efficient manner. Successful supermarkets rely on being considered by their customers as convenient, accessible and providing a good product offer. Failure to achieve these cornerstone principles in the context of the community that any new supermarket serves will mean a store is likely to underperform. In summary, convenience is a key imperative for our customers.
17. Typically, selected locations are within or near town centres or within or adjacent to residential areas, on routes that are used by the population to move to and from work. Suitable, convenient access is a key requirement for the operation of a supermarket.
18. The selected site must also be capable of being developed in a manner that does not result in adverse effects on the environment that cannot be avoided, remedied or mitigated. The potential for "externalities", particularly on residential receivers, and how these could potentially be managed is considered thoroughly prior to investment and during the design and consenting phases.
19. A well-located, full service supermarket will provide both short and long term employment opportunities for an area. In the initial construction phases, the development will provide jobs directly for construction workers, as well as positive flow-on effects for the wider industry. Once a supermarket is developed and operational, it will provide 80-100 full-time and part-time jobs for supermarket staff.

### **Suitability of the Application Site**

20. Prior to committing to the application site, Woolworths considered a number of potential opportunities within Paraparaumu.
21. We considered the Site to be the most suitably located opportunity of the required size and configuration for a full service supermarket.
22. The Site was selected as suitable for the proposed supermarket due to it's fit with Woolworths' operational, site and location requirements as follows:
  - (a) The Site fronts an arterial road and is accessible from a variety of both public and private methods of transport. The Site has a frontage to and is on a main collector route, which provides convenient access to the Proposed Supermarket. The Site is well connected to public transport being serviced by the 260 bus route, the Paraparaumu train station is also in close proximity. The provision of two bus stops subject to approval from Greater Wellington is being offered as part of the Proposal.
  - (b) Supermarkets typically generate a high number of annual visits largely by car. This means that any full-service supermarket proposal requires adequate parking. To ensure there is sufficient parking for customers, Woolworths seeks to achieve a ratio of 1 car park per 20 square metres of gross floor area in new developments. Our experience with hundreds of other supermarket sites across New Zealand and Australia has demonstrated that this level of parking provision is sufficient for our customers and team and avoids impacts of people seeking parking on adjoining streets. The Site meets demand for parking and the Site's size provides ample opportunity to facilitate a safe and efficient network for customer movements. Car parking has been designed to take account of the Crime Prevention Through Design Guidelines. A clear pedestrian route will be established from Kāpiti Road to the Site and the Proposal provides ample opportunities for passive surveillance by both staff and customers due to substantial areas of clear glazing at the store frontage. Lighting will span across the car park, ensuring the Site is well lit further contributing to a safe environment for both customers and staff.

## Site Ownership Arrangements

23. Woolworths and KRHL have agreed to enter in a development and lease agreement for the site, wherein KRHL will develop the site in line with Woolworths operational requirements and the parties will enter into a long-term lease agreement.

## Edge effects

24. As cities and towns evolve and populations grow, locating supermarkets at the edge of residential environments within the customer catchment that the supermarket serves has become increasingly common. In these locations, unmitigated supermarket development can give rise to concerns relating to effects on amenity and residential character. These issues are sometimes referred to as “edge” effects, where a proposal is on the edge of a residential area. They relate to traffic and noise effects associated with car parking, servicing vehicle movements, loading bay activity and the mechanical services plant, and lighting and glare effects from the signage and the building at night.
25. In the present case these edge effects are mitigated by the location of the Site, being on a collector route and on business zoned land. However, there are residential areas in proximity to the Site. The ongoing management of edge effects has been carefully considered from an operational perspective. We are cognisant that should consent be granted (and in turn a Countdown store developed) there will be operational conditions attached to the consent that will be required to be complied with, and, in turn, should any issues arise Woolworths will be required to address these as part of the operation of the supermarket.

## *Traffic effects*

26. The second key operational effect is traffic. Extensive assessments have been conducted to ascertain potential traffic effects. The assessments identified a potential for increased delays at the Friendship Place roundabout. However, these delays will be mitigated by the construction of a short additional lane within the road reserve. Off-street parking has been assessed to meet demands, whilst a package of work on Kāpiti Road is proposed to provide more convenient bus stops.

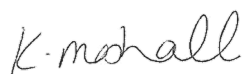
## RESPONSE TO SECTION 42A REPORT

27. The Council Officer's Section 42A Report prepared by Ms Rydon raises two points which I wish to address.

(a) Firstly, Ms Rydon concurs with Fraser Colegrave's Economic Assessment that the economic effects will be less than minor.<sup>1</sup> As discussed in the evidence of Fraser Colegrave, the Site has been carefully selected to ensure that retail trade impacts are diffused across the region and ultimately minor. With respect to existing centres, Woolworths NZ are committed to improving its presence in the Paraparaumu Town Centre via the existing Countdown supermarket. We intend to undertake a major upgrade and refurbishment of our existing store within Coastlands Mall, to ensure that we continue to provide an optimal shopping experience for all of our customers.

(b) Secondly, Ms Rydon's statutory assessment makes reference to the sites location within the General Industrial Zone.<sup>2</sup> Ms Rydon notes that whilst the Proposal includes retail activities not ancillary to an industrial activity, the Site is considered appropriate for the Proposal due its proximity to residentially zoned areas resulting in less time spent travelling for amenities. I agree with Ms Rydon. The location of the Site in close proximity to residential areas and on a main collector route was a key consideration for the selection of the Site.

28. Overall, I consider that the Site chosen represents an appropriate location and layout to meet Woolworths' operational requirements while at the same time ensuring that operational effects will be appropriately mitigated.



**Katherine Sophie Mary Marshall**

**8 March 2022**

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<sup>1</sup> Section 42A Council Officer's Report of Marnie Rydon at [71]

<sup>2</sup> Section 42A Council Officer's Report of Marnie Rydon at [129]-[132]