BEFORE THE HEARING PANEL

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of Proposed Plan Change 5 to the Operative Hamilton

City District Plan

SUPPLEMENTARY STATEMENT OF EVIDENCE OF GREGORY MICHAEL AKEHURST

Dated 11 October 2022

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INTRODUCTION

- 1. My full name is Gregory Michael Akehurst.
- I prepared a statement of evidence dated 2 September 2022 (primary statement) and a rebuttal statement of evidence dated 21 September 2022 (rebuttal statement) on behalf of Hamilton City Council (HCC) in relation to economic matters that arise under Proposed Plan Change 5 (PC5).
- My qualifications and experience are outlined in my primary statement of evidence. I provide this supplementary statement of evidence (supplementary statement) on behalf of HCC as proponent of PC5.
- I reaffirm my commitment to adhering to the Code of Conduct for Expert
 Witnesses contained in the Environment Court's Practice Note dated 1
 December 2014.
- My brief supplementary evidence responds to the summary statement of evidence presented in the hearing by Mr Tim Heath on 29 September 2022, on behalf of Woolworths New Zealand Ltd (Woolworths).

Centre Size errors

6. In my rebuttal statement, I identified an error in Mr Heath's use of 40% retail demand retention that he says comes from the 2020 M.E Report and is potentially focused on the local centre. It is clear in that report that the level of retail retention is around 21%. Mr Heath's inclusion of non-retail components in his estimate of retail capture invalidates his estimate. He then compounds this error by increasing his capture rate to 50% (in line with the CBD or large sub-regional centres) with no evidential basis for doing so.

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7. In my view little weight can be given to Mr Heath's estimates because of

these errors.

Areas of Agreement: Local Centre Zoned Land Requirement

8. However, these errors do not impact on the outcome, which is that he

agrees that 20,000m² GFA cap on commercial activity is appropriate for the

suburban centre, or local centre in this location. He also agrees that the

estimates of total supermarket demand will eventually sustain two

supermarkets.

9. Additional zoned local centre land is not needed to accommodate

20,000m² GFA or two supermarkets, as the current centre at 7.8ha is more

than sufficient to accommodate both the projected centre size as well as a

larger centre based on an increased centre role and higher dwelling yield.

10. Mr Heath agrees that additional land is not required for the local centre.

His position is that the centre needs to reorient itself around Peacockes

Road, to include the Woolworth's site on the western side.

Areas of Disagreement: Supermarket Location

11. Mr Heath considers that the Woolworths site provides a favourable

location for a supermarket based on the efficiency of the site for the

supermarket operator and the Euclidian distance of the supermarket to the

proposed centre mainstreet area. He considers that Peacockes Road is the

centres "critical asset" (para 4). This appears to be at odds with the Urban

Designer's position that Peacockes Road potentially severs the location in

to two parts.

- 12. His position is that none of the Woolworths experts believe Peacockes Road is a barrier and that with a supermarket to the west, the centre remains permeable and accessible.
- 13. His position that the centre is better off with Woolworths on the western side is based on his view that the supermarket will achieve a higher level of sales. He provides no analysis to support this, but he states that with a higher turnover supermarket, there are more customers and therefore more shoppers to the centre overall.
- 14. In his evidence he makes no evaluation of supermarket turnover potential on either side of Peacockes Road, he simply makes the statement.
- 15. In my view, there are no constraints about the location of a supermarket on the area zoned Local Centre in the notified version of PC5 on the eastern side of Peacockes Road (PC5 Local Centre land). Therefore, there is nothing stopping an outcome where the supermarket has street frontage on Peacockes Road, on the return journey side, with left turn access to traffic. This ease of access along with integration with other shops and services and an easy exit will see a supermarket performing just as well on the PC5 Local Centre land as on the Woolworths site.
- 16. I understand that it may cost Woolworths less to develop on land they own, so they will be more profitable, but they will not necessarily turnover more on their site.
- 17. It is not clear from Mr Heath's evidence how a higher turnover at Woolworths on the western side of the road leads to higher levels of activity on Main Street in the east. Especially given his statement in paragraph 18 of his statement of evidence that shoppers want to get into the supermarket, do their shopping and leave. They do not want to "meander about" as this is inconvenient.
- 18. He cannot hold both these positions at the same time.

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19. Finally, locating a supermarket on the western side and one on the east

doubles the amount of carparking required. This reduces land use

efficiency and makes the centre as a whole less vibrant, walkable and

permeable.

20. As the urban designers have stated, splitting the centre across Peacockes

Road leads to reduced activity in the centre overall. From an economic

perspective this leads to lower levels of vibrancy, vitality and efficiency.

CONCLUSION

21. It is difficult to formally analyse Mr Heath's position, as there is no

empirical or modelled analysis to support his position and the claims he

makes.

22. However, nothing I have read in Mr Heath's supplementary statement has

caused me to alter my opinion that the Woolworths site to the west of

Peacockes Road should not be included as part of the Local Centre Zone as

it represents an inefficient use of resources and has the potential to lead

to significant adverse effects on Hamilton's centre hierarchy and the city

centre in particular.

Gregory Michael Akehurst

11 October 2022