

## Woolworths Summary Statement - Corporate

### Introduction

1. My name is Daniel Shao. I am a Development Manager at Woolworths New Zealand Limited ("Woolworths").
2. My background and experience are set out in my Statement of Evidence dated 16 September 2022.
3. I am authorised to give this evidence on behalf of Woolworths.

### Our Supermarkets

4. Woolworths operates over 190 Countdown stores nationwide and employs over 20,000 people. Woolworths is also the franchisor for the FreshChoice and SuperValue brands, with a further 70 stores nationwide.
5. The success of a supermarket relies on convenient access and a high level of visibility to capture trade, and are typically located on arterial routes for ease of access and for exposure to passing traffic. A supermarket that is not adequately serviced by sufficient passing traffic will generally fail. Typically, the selected locations for supermarkets are on routes that are used by the population to move to and from work or a centre, to ensure that the supermarket forms a convenient stop along the way.

### The Peacocke Site

6. The site has been selected for the following key reasons.
  - a. **Location (access):** The site is at the intersection of two proposed Minor Arterial Roads, being Peacockes Road (north-south) and the proposed main east-west connection through the PSP area ("E-W Arterial"). It also has a third road frontage onto a Proposed Collector Road. This setting is ideal from a supermarket operation perspective.
  - b. **Location (commercial zoning):** Woolworths' preference is always to develop supermarkets on appropriately zoned land, as it is fully aware of the challenges of seeking consent for out-of-zone supermarket developments. Often, this is not possible. But in Peacocke, we secured a site that was identified in structure planning documents as part of the Local Centre, and shown as local centre in Weston Lea Limited's (now "Adare") resource consent.
  - c. **Development constraints:** The site is flat and free from any obvious development constraints. It is also free from any landscape, ecological or cultural / archaeological overlays.

- d. **Timing:** Given the size, access, zoning and development requirements of a supermarket, our options are usually quite limited within any given catchment. In a greenfield setting, a balance needs to be struck between acquiring land too early (and wait for a structure plan / plan change which could take many years) and too late (when suitable sites have been acquired / developed by others).
7. The site meets all the location, design and operational requirements of a supermarket.
8. While there are important functional and operational requirements we must provide for in the design of our supermarkets, we also recognise the importance of the surrounding environment, and communities they form part of. This is evident in the fact that, over the past 18 months, we have completed nine new / replacement supermarkets across New Zealand in a variety of settings and formats.<sup>1</sup>
9. We are proud of our track record in delivering these quality developments and are confident that the design of any development at our site will contribute positively to the function and appearance of the proposed Local Centre and the surrounding residential environment.

## Response to s42A Report

10. A consistent theme on the Local Centre topic from Council and Adare witnesses is the importance of having a supermarket “anchoring” the proposed Local Centre; and the challenge the Woolworths submission would present for the viability of the Local Centre.
11. Council’s and Adare’s witnesses appear to have focused their assessment on the benefits of having a supermarket (or supermarkets) anchoring the Local Centre – on Adare’s land – without having any regard to:
  - a. The benefits of providing for a highly accessible and functional supermarket on the Woolworths’ land; and
  - b. The challenges and compromises in trying to integrate a well-functioning supermarket alongside other Local Centre activities on Adare’s land.
12. Under PC5 as notified, the proposed Local Centre is the only location where a supermarket is anticipated within the PSP. Woolworths’ relief is not about creating a new Local Centre, or an “out-of-centre” supermarket development. Rather, it is about enabling the development of a supermarket at an optimal location within the Local Centre.

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<sup>1</sup> Wainuiomata; Richmond/Nelson; Hastings Central; Wanaka; Awapuni (Palmerston North); Balclutha; and in Auckland Waiata Shores; Greville Road; Herne Bay.

13. I consider having a supermarket anchoring the Local Centre from the Woolworths site will achieve the same or a better outcome as having the supermarket(s) only within the Adare block, both in terms of the supermarket activity and the overall function and layout of the Local Centre.
14. The site's location, being at the "edge" of the proposed Local Centre, allows high volume supermarket traffic and loading activities to be kept outside of the "core" of the Local Centre. This allows the "core" of the Local Centre on the eastern side of Peacockes Road to be developed for more pedestrian oriented activities, be it retail, residential or mixed use.

## **Conclusion**

15. From the outset, Woolworths have sought to work within the framework established by the Council by securing a site in the only location where supermarkets are provided for within the PSP. Our intention is not to create a separate retail hub that will compete with the Local Centre, but to provide a functional supermarket with an efficient layout that will complement the role and function of the proposed Local Centre. To this end, we would be open to a cap on the scale of finer-grained, non-supermarket retail on our site if that gives the Panel some comfort as to our intentions (refer to Mr Brown's evidence).
16. The relief sought by Woolworths will see finer-grained retail and other town centre and mixed-use activities concentrated on the eastern side of Peacockes Road with a supermarket on the western side. This will enable the supermarket to be easily accessible by private motor vehicles (for the customers) and heavy vehicles (for the delivery of goods), without compromising the creation of a pedestrian-friendly environment with active street frontages within the core of the Local Centre. I consider this outcome will better provide for the operational needs of the supermarket, the convenience needs of customers, and the function and layout of the Local Centre.

**Daniel Shao**

29 September 2022