

Before the Independent Commissioner
Appointed by the Selwyn District Council

Under the Resource Management Act 1991

In the matter of Resource consent application for Foodstuffs (South Island) Properties Limited to establish and operate a PAK'nSAVE supermarket and associated access, loading, car parking, signage, earthworks and landscaping at 157 Levi Road, Rolleston (RC216016)

Statement of Evidence of Rebecca Jayne Parish

18 July 2022

Applicant's solicitor:

Alex Booker
Anderson Lloyd
Level 3, 70 Gloucester Street, Christchurch 8013
PO Box 13831, Armagh, Christchurch 8141
DX Box WX10009
p + 64 3 379 0037
alex.booker@al.nz

**anderson
lloyd.**

Introduction

- 1 My name is Rebecca Jayne Parish.
- 2 I am the Head of Property Strategy for Foodstuffs (South Island) Properties Limited (**Foodstuffs**). I confirm that I am authorised to give evidence on behalf of Foodstuffs.
- 3 I have approximately 24 years' experience as a resource management, project management, project consenting and property development strategy specialist. I have been employed by Foodstuffs for 20 years. I have a Post-Graduate Diploma in Resource Studies, Bachelor of Resource Studies, Diploma in Business Management and a Diploma in Human Resource Management. I am a Chartered Secretary and a Fellow of Governance New Zealand. I am also a Justice of the Peace for New Zealand.
- 4 I have extensive experience in the property investment, development and supermarket industry, particularly in the South Island. My role at Foodstuffs includes being responsible for all aspects of planning, consenting and land development matters for Foodstuffs South Island.
- 5 It is proposed to establish and operate a PAK'nSAVE supermarket and associated access, loading, car parking, signage, earthworks and landscaping at 157 Levi Road, Rolleston (the **Application Site**). My evidence addresses:
 - (a) Foodstuffs' presence in Selwyn District;
 - (b) the requirements of supermarkets that influence design, layout, and location – why location is so important;
 - (c) the trading characteristics of a discount supermarket;
 - (d) site design;
 - (e) supermarkets in residential areas;
 - (f) Foodstuffs' involvement in the proposed Selwyn District Plan process and Plan Change 71; and
 - (g) site management.

Foodstuffs' presence in Selwyn District

- 6 Foodstuffs has been a longstanding supermarket operator and stakeholder in the Selwyn District, operating New World supermarkets in Rolleston and Lincoln, and Four Square supermarkets in Darfield and West Melton. New World Rolleston, located at 84-92 Rolleston Drive (within the Rolleston Town Centre), was built 21

years ago and at this time Foodstuffs also developed the surrounding retail activity at the request of Selwyn District Council.

- 7 Foodstuffs has analysed the grocery market in the Selwyn catchment based on a variety of factors including customer spend, household income, transportation changes, supermarket catchment size, and future growth and development patterns (including in overlapping catchments and adjacent areas such as Hornby and Ashburton). Foodstuffs is very mindful of the current and future growth, including the planned significant urban intensification for the area, and the importance of providing a neighbourhood shopping experience to the local catchment. Foodstuffs identified that there is a need for, and the community would benefit from, a low-cost PAK'nSAVE offering in Rolleston both now and in the future.
- 8 Foodstuffs has been investigating suitable sites for a PAK'nSAVE supermarket for 12 years in Selwyn. There are no suitable sites large enough in the town centre, or any other commercial areas zoned in either the operative and proposed Selwyn District Plans in Rolleston or Lincoln.
- 9 Foodstuffs had sought and was granted a resource consent for a PAK'nSAVE supermarket on its New World Rolleston site (RC185461)¹, but this is now planned to be more appropriately relocated to the Application Site. The size will not effectively cater for future needs of the community, its configuration and shape within the site will not operationally work well for the investment required. The PAK'nSAVE design for the Rolleston New World site is compromised and operationally flawed. Furthermore, Foodstuffs is conscious that Selwyn is working towards revitalisation of Rolleston Town Centre, based on human-scaled built form that prioritises people over cars. The traffic generated by a PAK'nSAVE would only exacerbate congestion within the Town Centre. Foodstuffs do not want to undermine the effort which has gone into the future planning for the Town Centre now a more suitable site is available. If this Application is granted Foodstuffs will surrender RC185461. Foodstuffs is also intending to retain and upgrade the New World Rolleston in the near future in keeping with the revitalisation of Rolleston Town Centre.
- 10 If resource consent is granted the people of Rolleston and those in the wider Selwyn District will have the opportunity to shop locally at an affordable low cost

¹ Foodstuffs holds resource consent RC185461 (granted in January 2019) authorising the establishment and operation of a PAK'nSAVE supermarket, which would replace the existing New World Rolleston. RC185461 authorises a building footprint of approximately 5,645m², a maximum height of approximately 10.5m, and a building set back of approximately 1m from the Rolleston Drive boundary.

supermarket. Instead of travelling to Hornby to shop at PAK'nSAVE, the community will have a local option which will be much more convenient and cost-effective for shoppers and also reduce road user trips and to spend within their own District.

- 11 Foodstuffs consider that the additional competition the PAK'nSAVE will bring to the supermarket sector is healthy and will be of considerable benefit to the community, particularly in terms of price savings. The introduction of a new supermarket into a catchment generates further competition in the market, leading to better prices and more choice for consumers. It often encourages competitors to lift their game. The possible future establishment of the consented Costco Wholesale membership warehouse in Rolleston Izone would provide a different offering, and would not impact the predicted demand or time frame for the PAK'nSAVE Rolleston.

Supermarket requirements – why location is so important

- 12 Supermarkets provide an essential community service and open extended hours weekly for 362 days per year. Events such as the Canterbury earthquakes and more recently COVID-19 have shown the vital role supermarkets play in our communities and it is important that they remain open and able to operate efficiently.
- 13 The PAK'nSAVE model is unique to New Zealand. Due to discounted prices, customers will travel longer distances to shop at a PAK'nSAVE store than traditional supermarkets. The catchment is significantly wider than other types of supermarkets and as such a dominant component in developing a new PAK'nSAVE store is to determine the most appropriate location to service that wider catchment. Rolleston PAK'nSAVE will also offer a Click & Collect service to cater for those more vulnerable or time critical customers.
- 14 Put simply, location is critical to a PAK'nSAVE. A PAK'n AVE store will generally be located on a site for at least the next 50 years and as such the location needs to be right. The physical size of the PAK'nSAVE building caters almost exclusively for main-order shopping. Customer experience has shown that there is little, if any, cross-shopping.
- 15 Typically, PAK'nSAVE customers are most likely to access the store via car. Very few customers are expected to access the store via walking. It is acknowledged that public transport is used by customers as an alternative mode of transport. For traffic efficiency reasons, we seek to locate our PAK'nSAVE supermarkets in traffic orientated locations, rather than in pedestrian focused areas such as the core of many town centres or malls. Examples of this include Invercargill PAK'nSAVE, Papanui PAK'nSAVE which is currently under construction and Wainoni PAK'nSAVE.

- 16 The Application Site achieves the design, layout, and location requirements which in my experience are required for a supermarket to be suitable and successful. The Application Site is central to the wider Selwyn District catchment population, including within residential areas identified for future residential growth. It is located near to the existing Town Centre, and within and adjacent to residential areas (including which are earmarked for future intensification). The Application Site is serviced by the arterial roading network and located on routes that are suitable for large delivery vehicles and that can accommodate high levels of traffic, generally those which are used for travel to and from work. Importantly there are sufficient buffers for landscaping (including large trees) and setbacks for acoustic purposes and to achieve residential amenity.
- 17 Supermarkets need to be designed to be operationally efficient and address health and safety considerations, such as ensuring servicing and loading areas are sufficiently separate from customers. The Application Site can achieve this with sufficient room for on-site car parking and easy access to and from vehicles to the store entry/exit.
- 18 The Application Site is large and has sufficient space to contain a supermarket building with practical site configuration, and where servicing and loading facilities can be screened from view for amenity reasons. A number of iterations of the building layout and design were considered by Foodstuffs (through its consultants technical assessment – including architectural, transport, acoustic, urban design, landscape, and servicing) prior to it confirming purchase of the Application Site.
- 19 Numerous other alternative sites were looked at throughout the district over the years but no other site was considered favourable to meet the specific needs and functional requirements of this supermarket. Opportunities included locating within or adjacent to the Izone industrial area but this location is isolated from the Rolleston residential catchment, provides little integration for customers travelling home from Christchurch, and located in an industrial environment removed from a community catchment that utilises the supermarket several times per week.

Trading characteristics of a discount supermarket

- 20 The PAK'nSAVE supermarket will employ 260 people permanently and generate millions of dollars of local household incomes each year.
- 21 The PAK'nSAVE brand provides a more basic level of fit out than full service stores and carry a reduced range of product lines, albeit in larger quantities. Products are stored in racks above the aisles rather than separate storage areas, and customers pack their own groceries at the checkout. The trade-off for this reduced range of goods, fit out and staffing is considerably lower prices than those charged at full service supermarkets. PAK'nSAVE supermarkets typically require a larger space than full service supermarkets.

- 22 Supermarket shoppers are motivated to shop at a supermarket by various factors. The strongest of these tend to be price, range, and convenience. On different occasions, one or two of these factors can be more dominant than others. A customer may visit different supermarkets on different occasions depending on the circumstances. Convenience and price are the most customer driven factors that are most valued.
- 23 Decisions as to which supermarket to visit can be a function of:
- (a) whether the customer is seeking to undertake a small “top up” purchase or weekly/fortnightly “main order” shop;
 - (b) customer travel patterns at the time;
 - (c) the amount of time they have available;
 - (d) preferences between supermarkets with particular lines of goods and the trade-off between the price and range.
- 24 For example, a customer intending to carry out a weekly food and grocery shop may be prepared to compromise on range and convenience and travel some distance to save money on that purchase. This benefits PAK’nSAVE supermarkets and is becoming a huge driver as household incomes become tighter. On other occasions, a customer wishing to purchase a lesser number or value of food and grocery items may compromise on price for the convenience, range, and experience of shopping at a full service supermarket like a New World.
- 25 Foodstuffs’ experience is that supermarket customers are very sensitive to differences in the convenience or inconvenience involved in using different competing supermarkets. While customers may have preferences with respect to supermarkets (they may prefer the range of goods on offer at one store or the amenity within the supermarket), the reality is that a customer will be able to purchase an acceptable basket of goods at any full service or discount supermarket.
- 26 As a consequence, issues of convenience (represented by matters such as: the convenience of the location relative to the customer’s travel route or home location; the ease of entering or leaving the store by car; the availability of suitably sized and located shopping baskets; and the extent to which the supermarket checkouts are adequately manned or generate delay) can easily overwhelm any of those preferences.
- 27 It is therefore essential to Foodstuffs that it minimise or avoid any aspects of design or location that would impinge on the convenience of the customer experience.

Site Design

- 28 Supermarket operations are complex in design. They need to be both practical and functional while achieving quality amenity outcomes including for residential neighbours. Designs must also ensure customer convenience, delivery safety, site placement, convenient and safe car parking, and security. Internal treatments include back of house screening and protection of perishable goods from the sun. Architectural and sustainability merit is important to Foodstuffs and we are proud of the awards we have received for our supermarket designs in recent years. Foodstuffs recognises the critical role that food distribution stores have in a post-disaster recovery phase for communities, and the business strategy seeks to ensure new stores are designed and constructed with resilience for natural disaster events.
- 29 Delivery vehicles will be frequenting the internal and external delivery sides of the PAK'nSAVE. Ambient and chilled and frozen goods will be delivered through the internal delivery dock which will remain secure and separate from customers while butcher products will be delivered externally to the rear of the building within the separately contained rear loading area. Separation of the public areas from the service delivery vehicles is essential to meet health and safety legislation requirements, for good operational ethical practice on site and to ensure customers are clear where their areas of public access are demarcated on site.
- 30 PAK'nSAVE staff are equally an important design consideration. Staff vehicle parking, and cycle parking form part of the site design. Internal within the building are lockers spaces, separate toilet facilities and a well-designed staff room. When staff leave the premises at the end of their shift, the site will be lit and meet CPTED principles in terms of safety and design. Staff carparks are not marked for safety reasons and to avoid these parks being targeted by thieves. This is consistent across Foodstuffs supermarkets.
- 31 The PAK'nSAVE will feel safe as a result of the level of activity of site, both day and night, the improved lighting to site, large view shafts through the site and ability for greater public engagement and movement through the site whilst ensuring appropriate lighting for the environment.
- 32 Foodstuffs recognises that there are competing priorities when designing the most optimal site configuration. At the heart of all Foodstuffs designs is the customer response to the level of investment that has occurred. In other words, Foodstuffs seeks to ensure that this proposal maximises the best site and building design possible to ensure the best customer experience for people who frequent the site.
- 33 The appearance of the site is proposed to be enhanced through improved landscaping and a convenient high amenity car park and pedestrian movement areas, a high level of maintenance, a sophisticated architectural design and hard

stand areas. Foodstuffs has made many amendments to its design and layout based on feedback received from Council and submitters throughout this application process as has been detailed in the expert evidence.

- 34 By their nature supermarkets are very active and humancentric spaces. Activation is not just arrived at through large amounts of floor level glazing. Interaction with a street edge is also achieved through high quality landscaping and public spaces and seating. Stores are designed to accommodate as much glazing as Foodstuffs can operationally install but glazing as a design element does have limitations. Freezer units, racking, back of grocery bay shelving, fresh/bakery, staff husbandry, storage, loading and preparation areas are not always practically able to include glazing elements. Internal functioning of the supermarket is also finely balanced to ensure we expose customers and staff to as much natural lighting and indoor/outdoor views as possible without compromising the efficiency of the layout of perishable goods.
- 35 Foodstuffs have a practice of separating the goods service delivery access from its customer access points. This separation provides a safer environment by preventing any conflict between delivery vehicles and customer vehicles, and promotes a more attractive supermarket frontage that is not “cluttered” with service vehicles or fork-lift moving stock (the back-of-house operations). This separation of service vehicles and customer vehicles is a key operational and customer safety requirement when designing our stores.
- 36 Foodstuffs has also taken care to ensure integration of the Application Site with the wider pedestrian network. Foodstuffs have agreed to provide a shared path for cyclists and pedestrians along the Application Site on Levi Road, despite its preference being (for safety reasons) that this cycleway be on the other side of the road. Foodstuffs has accepted advice of traffic experts and Council's view ahead of its own interests to achieve the best outcome considered by experts for traffic safety and efficiency.

Supermarkets in residential areas

- 37 The PAK'nSAVE supermarket will provide a fundamental service for the community, being strategically located on key arterial roads and public transport routes close to the Town Centre and within walking/cycling distance of existing and growing residential areas.
- 38 Foodstuffs carefully considered the placement of the PAK'nSAVE on the site and was mindful of the location of neighbouring residential homes. The comprehensive landscaping and use of setbacks at the residential interface will provide an attractive edge to the development. Visibility is key for supermarkets but we have been careful to consider the impact and concerns raised by local resident submitters. Foodstuffs has since made further modifications to the Application

which better balance the need for the PAK'nSAVE to integrate within the local environment and provide an attractive interface through additional landscape screening, reduced signage (which will now not be lit between 10pm and 7am) and reduced corporate colours.

- 39 Our neighbours are our customers. Delivery access to the supermarket is designed in such a manner to ensure deliveries are convenient and safe and can be unloaded as quickly as possible without adversely affecting neighbours or customers.
- 40 Foodstuffs' experience is the inter-relationship between residential activity and supermarkets can be successful. Supermarkets often coexist with the residential environment in Christchurch for example, PAK'nSAVE Wainoni, New World Stanmore Road, New World St Martins, New World Ilam and New World Northwood.
- 41 The Application Site has been designed to ensure this is possible within the site specific and operational constraints, particularly considering orientation of the building, setbacks, buffers and screening.

Involvement in planning processes

Proposed Selwyn District Plan

- 42 Foodstuffs has made a submission (DPR-0373) on the proposed Selwyn District Plan (**PSDP**) seeking to better enable supermarket activity in areas where there is a need and demand for that activity, such as residential areas.
- 43 Within Rolleston, the PSDP as notified only provides for supermarkets as a permitted activity within the Town Centre Zone (**TCZ**) which is a very limited area between Rolleston Drive and State Highway 1. There is a lack of provision for supermarket activity outside of the TCZ, notably supermarkets are a non-complying activity in Large Format Retail Zone, Neighbourhood Centre Zones and residential zones.
- 44 As supermarkets provide an essential service Foodstuffs has submitted that their specific functional requirements should be recognised in the PSDP, by enabling their establishment provided any adverse effects on the environment are able to be managed, as is reflected in the Application.
- 45 Foodstuffs has also made a submission on PC71 (a final decision of which is yet to be released). In a residential location, there are many positive benefits of a supermarket being co-located with residential activity and its customer base and residential activity along the eastern boundary of the Application Site is not opposed per se. Careful design and sufficient setbacks need to occur between

activities to ensure appropriate integration of the supermarket with the surrounding future residential area does not create unacceptable amenity effects on neighbours (such as from a noise and visual perspective) as this can ultimately constrain and hinder the efficient and effective operation of a supermarket (i.e. through complaints and restrictions).

- 46 Foodstuffs and the proponents PC71 have worked hard to try to reach an agreement which would ensure the two activities will appropriately co-exist in future.
- 47 I understand that there is an interim recommendation to approve PC71 in part. Foodstuffs has planned for the possibility that PC71 is successful and the land to the east is zoned residential. Specifically, it has proposed to limit night-time delivery activities to two movements per night, it has setback its building as far as operationally practicable from the common boundary with PC71 (18.2m), proposed two sets of acoustic fencing and a substantial planting/biodiversity strip along the common boundary. In my view Foodstuffs has done all it can do on the Application Site to mitigate effects for future residential amenity to ensure the activities are compatible, while operating effectively as a supermarket.

Management of PAK'nSAVE Rolleston

- 48 Some submitters have raised concern about the negative impacts of anti-social behaviour associated with the supermarket.
- 49 Foodstuffs propose a number of security and crime prevention strategies for PAK'nSAVE Rolleston. Foodstuffs will install high definition megapixel CCTV cameras to provide complete surveillance coverage of car parks and external entry and exit access points. These cameras are mounted externally and operate and record 24 hours a day in both day and night conditions. Camera signage will be erected within the car park advising of the presence of security cameras. We will ensure that our cameras do not invade the privacy of residents. On site security is employed during trading hours and outside of trading hours off-site security surveillance will be employed which includes security site visits.
- 50 Past peak trading hours, and later at night, staff will be encouraged to park closer to the supermarket building. Safety of the staff, customers and neighbourhood is important to Foodstuffs. Balanced with this the car park will have security lights installed to comply with the appropriate standards for car park areas while ensuring there will not be adverse impacts on residential amenity.
- 51 Foodstuffs CCTV strategy is to reduce risk in our stores through the installation of a visual and extensive CCTV system which protects all entry and exit points, all cash collection and sales points, any blind spots, and trading and operational areas. We also install electronic article surveillance anti-theft systems and have

integrated our CCTV with our eftpos transaction data for early fraud identification. Whilst these are internal risk prevention steps, coupled with store design concepts, we believe they minimise the potential for undesirables to be regularly drawn into our stores to commit crimes.

- 52 Foodstuffs deploy sophisticated and reliable intruder alarm and access control systems that are an effective deterrent to prevent burglary and other crimes being committed on the premises. This system will be integrated with Foodstuffs' extensive internal CCTV system. The alarm will be monitored remotely with backup systems.
- 53 Foodstuffs' security objective is to eliminate risk, minimise other risks, and promptly identify and action risk causing events and incidents. These include the unauthorised gatherings of persons and vehicles and prevention of disorderly conduct; Lighting will be provided within the carpark in order to discourage loitering. The company adopts a proactive approach to such matters as a normal part of running a good business.
- 54 It is important to note that Foodstuffs owns the Application Site, but it will not be a managed store. It will be run by the owner of the business which is a very important difference when compared to just having a manager. The Owner/Operator will work but also live in and be available to the community.

Other matter – managed Application Site access

- 55 The previous landowner (now tenant) currently occupies the Application Site. We have been careful to manage access of consultants on a limited basis as an expression of goodwill to ensure the full enjoyment of the Application Site is available for the tenant for her remaining time there.

Conclusion

- 56 Foodstuffs wish to bring increased supermarket competition to this catchment. Affordable housing is only one component of affordable living. An equally important component is an affordable grocery offering accessible to all the community. PAK'nSAVE will deliver this benefit by providing a discount supermarket offering designed to service the wider communities from Rolleston.
- 57 Foodstuffs have not chosen the subject site lightly. It has taken many years to find it. Supermarkets frequently co-exist alongside residential areas. The key to success is careful design, selecting the appropriate location for the building on the Application Site and using landscaping, setbacks and on-site management to minimise any impact on neighbours. PAK'nSAVE Rolleston has been designed with surrounding residential areas, both current and future, in mind and I am

confident it will integrate well into the residential environment and be an asset to the community.

58 Thank you for your time, if you wish to ask me any questions I am more than happy to answer them for you.

Rebecca Parish

18 July 2022