

**BEFORE A BOARD OF INQUIRY  
NORTHERN CORRIDOR IMPROVEMENTS PROPOSAL**

**IN THE MATTER** of the Resource Management Act 1991

**AND**

**IN THE MATTER** of a Board of Inquiry appointed under s149J of the RMA to consider notices of requirement and resource consent applications by the New Zealand Transport Agency for the Northern Corridor Improvements Proposal

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**SUMMARY STATEMENT OF ANDREW MCKENZIE FRASER FOR  
KIWI SELF STORAGE LIMITED**

**DIRECTOR**

**DATED 8 AUGUST 2017**

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MinterEllisonRuddWatts

PO Box 3798, Auckland 1140  
TELEPHONE +64 9 353 9700  
FACSIMILE +64 9 353 9701  
SOLICITOR ACTING: BIANCA TREE  
Bianca.tree@minterellison.co.nz

## SUMMARY STATEMENT OF ANDREW MCKENZIE FRASER FOR KIWI SELF STORAGE LIMITED

1. This statement provides a summary of the joint statement of evidence given by me and Howard Trautvetter dated 25 May 2017.

### My key conclusions / findings are:

2. My evidence provides the context for Kiwi Self Storage Limited's (**Kiwi**) business and operations at 12 Holder Place, Rosedale (**Kiwi Site**), the impacts of the Northern Corridor Improvements project (**NCI Project**) on Kiwi, and the steps that we have taken to try and come up with solutions for NZTA to achieve its project objectives while mitigating the effects on the Kiwi business. In particular, it demonstrates that:
  - (a) Kiwi operates approximately 785 self-storage spaces within two purpose built storage buildings, 24 outdoor vehicle storage spaces and all associated infrastructure, including an office and on-site resident manager's apartment (**Facility**). A photograph of the Kiwi Site is **attached** as **Appendix A**.
  - (b) The visibility of Kiwi's Site is extremely important to the brand awareness and success of our business. The Facility was custom built adjacent to State Highway 1 (**SH1**) because of the high visibility and brand exposure. Kiwi paid a premium for the Kiwi Site due to its location. I have **attached** as **Appendix B** a photograph of the Kiwi Site when it was on the market, the advertising signage stated "Indecent Exposure".
  - (c) If the NCI Project proceeds as it is currently proposed, it would be a disaster for Kiwi Self Storage. Kiwi's Facility will be transformed from a high exposure property to a property with limited visibility and exposure. It would be a mistake to build a large self-storage facility that lacked significant visibility from a main road. It would be a poor performing investment compared to what we currently have, and yet that is what our facility would become under the NZTA proposal. All of our facilities currently have prominent visibility from a motorway or major arterial

route, near an intersection for easy access – they need to in order to perform well.

- (d) Every week at the Kiwi Site customers move out of around 14 units. Over twelve weeks that is 168 units or more than 20% of the total. To keep the facility reasonably full requires us to find new customers to take 14 units every week. That is the hardest part of the business. If we only get say 10 new customers a week then occupancy will steadily decline over time.
- (e) In the year ending 31 March 2017, 19% of all customer enquiries were defined as “drive-bys”. Of all the sales at the site for the same period, 26% were from “drive-bys”. This method of marketing to customers is extremely effective with a resultant 45% conversion of enquiries to sales compared to 19% conversion for internet enquiries, which implies that drive-by customers are less price sensitive. Customers from other sources are more expensive to obtain and we already put significant effort into the other marketing channels so it is hard to believe that we could make up the lost drive-by sales and maintain our current level of pricing and profitability. Loss of visibility to SH1 will significantly affect Kiwi’s business.
- (f) Earlier in this process, NZTA had undertaken to provide visual simulations of the impact of the NCI Project on Kiwi, however, when images were not provided by NZTA, Kiwi engaged Mr Land to provide this evidence. Mr Land’s visual simulations clearly illustrate the impact of the NCI Project on the visibility of the Kiwi Buildings.
- (g) Kiwi also engaged Mr Hall from Traffic Design Group to provide technical transport advice on the alignment of the busway and SUP adjacent to the Kiwi Site. Mr Hall has assisted in showing how the alignment of the busway and SUP can be altered to mitigate effects on Kiwi.
- (h) Kiwi has put forward two alternatives, Kiwi Solution 1 and 2. Kiwi Solution 1 involves lowering the bus lane and SUP bridge over Constellation Drive to provide a clearance of 5.6m instead of the

current design of 6.1m. The maximum gradient under Solution 1 is 5%, the same as the NZTA proposal, but the length of the route at that gradient is reduced. Kiwi Solution 2 involves lowering the Constellation Bridge to 5.6m and increasing the gradient of the bus lane and SUP from 5% to 5.34%. A gradient of 5.34% was chosen because there is another section of the busway at that gradient (Constellation to Sunnynook) and so our proposed gradient will not affect the choice of vehicles used on the route.

- (i) Kiwi Solution 1 results in reducing the height of the retaining wall at the north western corner of the Kiwi Building B from 5.2m to 3.5m. This makes a significant difference to the visibility of the Kiwi Buildings and the on-site amenity.
- (j) Kiwi Solution 2 results in a reduction of the height of the retaining wall at the north western corner of the Kiwi Building B from 5.2m to 3.1m. This further reduction in height is critical as it enables more of the Kiwi Buildings to be seen. In particular, the units behind the glazing on the upper level become visible to cars on the motorway and off-ramp such that viewers can recognise the buildings as a self-storage facility and understand and remember what we have to offer them. In particular, they see we have small units as the popular misconception is that all units are large. A further half a metre reduction in the height of the retaining wall will also be a substantial improvement to the amenity of the Kiwi Site along the length of the western boundary.
- (k) Reducing the height of the retaining wall and ensuring there is greater visibility of the Kiwi Site is also important from a security and safety perspective.
- (l) Mr Land has also updated his visual simulations to identify the height of the 1.8m fence required along the boundary of the SUP. The material of the fence is also important to Kiwi to ensure that good visibility of the Kiwi Buildings is maintained through the fence. Kiwi has agreed with NZTA the material for the fence for the SUP from 100m south of the

Kiwi Site to 600m to the north of the Kiwi Site. This has been addressed in a side agreement between Kiwi and NZTA.

- (m) In respect of the other construction related effects raised in Kiwi's submission, these have also been addressed in a side agreement between NZTA and Kiwi.
- (n) Notwithstanding reaching agreement on the majority of construction related effects, the impacts of the NCI Project on the Kiwi Site are significant and Kiwi has been disappointed at the position of the NZTA to fail to undertake the internal deviation process to assess the appropriateness of Kiwi Solutions 1 and 2.

### **Conclusion**

- 3. Overall, we consider that the notices of requirement should be withdrawn in part and / or modified and / or conditions imposed to ensure that the adverse effects on Kiwi's Site are avoided or mitigated.
- 4. In particular, Kiwi seeks additional conditions to be imposed on the notice of requirement and resource consents for the NCI Project to ensure that the deck of the busway and SUP is at a specified height adjacent to the Kiwi Site to provide that sufficient visibility of the Kiwi buildings is maintained.
- 5. The conditions sought are **attached** as **Appendix C**.

**Andrew Fraser**

8 August 2017

**Appendix A**

**Photo of the Kiwi Self Storage site**



**Appendix B**

**Photograph of the Kiwi Site when it was on the market**



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## Appendix C

### Conditions sought to be imposed on the notice of requirement and resource consents for the NCI Project

1. New conditions on the notice of requirement to provide for Kiwi Solution 1, with a maximum bridge clearance of 5.6m while retaining a gradient of 5%:
  - (a) The Requiring Authority shall design and construct the Project to ensure that the clearance of the bridge over Constellation Drive for the busway and shared use path is a maximum of 5.6 metres.
  - (b) The Requiring Authority shall design and construct the Project to ensure that the height of the deck of the busway and shared use path at the point directly adjacent to the north west corner of Building B (chainage 3740, [plan reference]) on the Kiwi Self Storage Site at 12 Holder Place, shall be no greater than 49.713 relative level and that the busway barrier be no higher than the standard 1.1m.
2. In the alternative to 1 above, new conditions on the notice of requirement to provide for Kiwi Solution 2, of providing a maximum bridge clearance of 5.6m while slightly increasing the gradient of the busway and SUP to 5.34%:
  - (a) The Requiring Authority shall design and construct the Project to ensure that the clearance of the bridge over Constellation Drive for the busway and shared use path is a maximum of 5.6 metres.
  - (b) The Requiring Authority shall design and construct the Project to ensure that the height of the deck of the busway and shared use path at the point directly adjacent to the north west corner of Building B (chainage 3740, [plan reference]) on the Kiwi Self Storage Site at 12 Holder Place, shall be no greater than 49.30 relative level and that the busway barrier be no higher than the standard 1.1m.