

URBACITY

WAIKANAЕ NORTH
REVIEW OF LOCAL CENTRE POTENTIAL
& SCHOOL AGE DEMAND BY SCHOOL
TYPE

MARCH 2026

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Note: This document complies with Environment Court Practice Note 2023 (Code of Conduct for Expert Witnesses)

1. INTRODUCTION

This review relates to land held for development by Waikanae North Developments Ltd. Various Council documents refer to the development area as Waikanae North (WN). The Master Plan proposal provides a connection to Peka Peka Road at a rough midpoint between the beach and the Peka Peka Link Road to the Kapiti Expressway (“A” in Figure 1), and a secondary connection to 7 proposed dwellings from Paetawa Rd (“B”).

Figure 1 - Key Connections



Estimated dwelling yield for WN is approximately 1,200.

However, the site may expand to the north, subject to negotiations with neighbouring landowners. The expansion potential is not on a scale that would affect the status or role of a centre on the site.

This review considers the potential for a local centre and the likely demand for primary school places from the resultant population yield.

2. Catchment & Retail Spend

For retail performance, ease of access from the movement network is fundamental. For urban centres (street-based), the ideal location for a centre is the point where it is most accessible to its catchment with the fewest turns. In the case of a proposed Local Centre, the access point off Peka Peka Road (shown as dotted “A” line in Figure 1) will be one key influence on centre location for the following reasons:

1. It is the only certain link to the project.
2. It provides the best connection for existing Peka Peka residents and visitors.
3. It is relatively central to the known development area.
4. Peka Peka Road is the main connector to Waikanae from Peka Peka (see Figure 2).

“The more connected the street, the more people flow down it. 80% of the world’s commerce exists on 20% the world’s most spatially connected streets.” Prof. Tim Stonor, Space Syntax.

Figure 2 outlines the likely movement pattern for Peka Peka and future catchment area residents to access everyday retail goods at the centre in the proposed Master Plan.

Figure 2 - Site - Indicative Catchment & Access

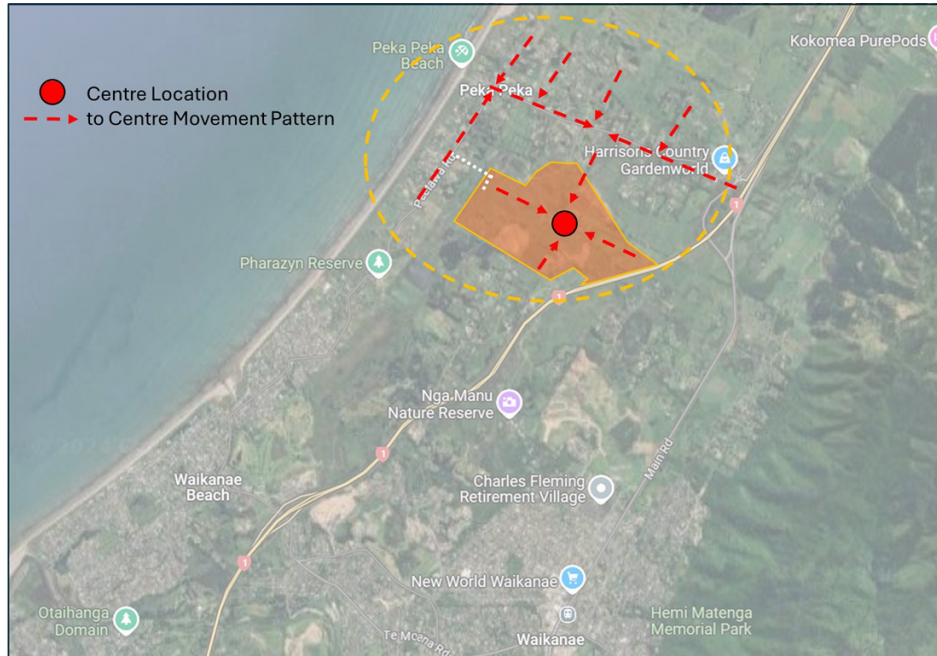


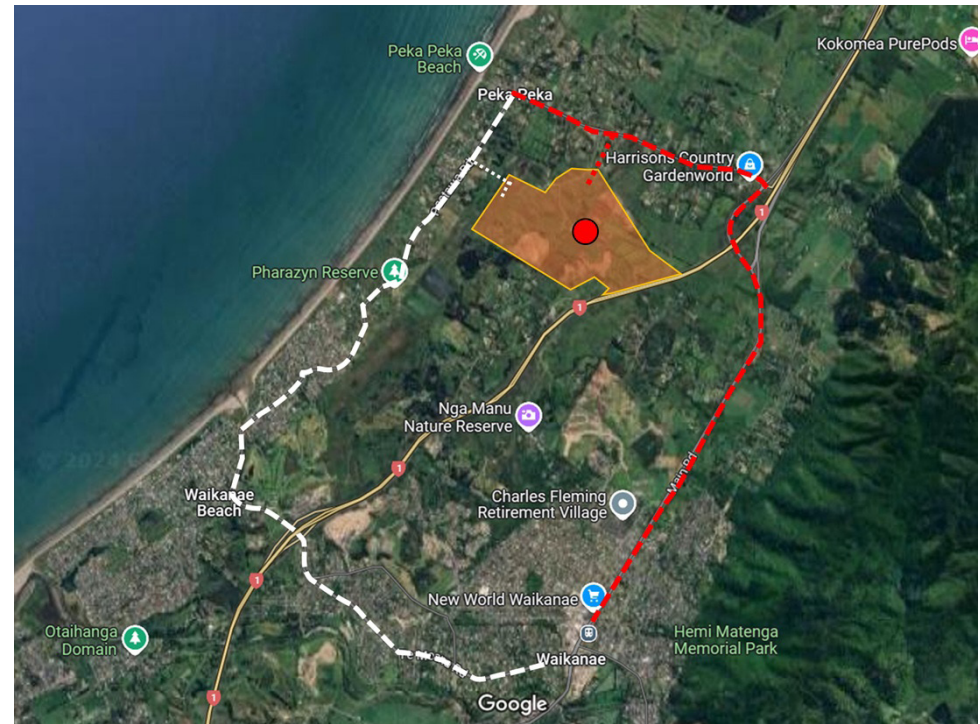
Figure 3 shows the wider pattern of movement for the residents within the defined limited catchment.

The diagram indicates that the journey for Peka Peka residents, represented by the red dashed line, is 1.7 kilometres shorter than the journey defined by the white dashed line. However, Peka Peka residents seeking access further south toward Wellington would generally use the white route to access the Kapiti

expressway to Paraparaumu and Wellington.

Passing trade, exposure, and car parking are supportive elements for neighbourhood retail and help determine centre location.

Figure 3 - Site - Wider Access to Resources for Residents



The location of jobs and services determines the primary direction and volume of movement within the site. For the site and Peka Peka residents, the primary retail movement is southward to Waikanae via Peka Peka Road, then onto High Street. This movement is known as the "Home Domain Pattern

of Flow". People will travel further in that direction than in the opposite direction.

For the WN centre, this means that it needs to be located at the point where most traffic will pass. Given the contained nature of the site, that point will be somewhere in the central portion of the site's link to Peka Peka Rd, as shown in the Master Plan and Figures 2 & 3. Existing residents will drive north to Peka Peka Rd, then head east, and most will head south to Waikanae or Paraparaumu. These behaviours will continue for the larger pool of resources in and around the Waikanae town centre.

Otaki, which is a retail and resources option for Peka Peka and future site residents, is 4.5 kilometres further away than Waikanae, with fewer resources. Paraparaumu, which has more resources than Otaki, is a similar distance from the site, with expressway access possible at Waikanae.

Ideally, the WN site should have an additional entry/exit street, as shown in Figures 1 & 2. It appears that only acquiring additional land will allow this to happen.

There are no apparent options for street connections to the west, and potential connections to the east exist to Peka Peka Link Rd. Such connections may encourage stronger east-west movement through the WN site. However, such a link would require land acquisition by Waikanae North Developments Ltd (or some level of government intervention).

The movement analysis indicates that Waikanae is the primary destination for everyday purchases. Waikanae has two

supermarkets:

New World - 1,500 sq metres
Woolworths - 1,800 sq metres

There is an eclectic range of other stores, including chemists, cafes and restaurants, pubs, hardware and homewares etc. The Waikanae centre primarily serves an area comprising Waikanae Park, Waikanae West, Waikane East, Waikanae Beach and Peka Peka.

The 2023 Census counted 11,200 residents in these Statistical Areas.

Retail Spend Estimate

Assuming 1,200 new dwellings within WN, the Waikanae town centre's catchment would increase by 3,100 persons or 28%. The addition would meaningfully increase the catchment to benefit retail and services in the Waikanae town centre (and beyond), as the population yield is insufficient to support a centre of this scale to challenge Waikanae's retail role.

The estimated 3,100 residents in the WN project would generate \$92¹ million in additional retail spending (2026 dollars), mostly in the proposed WN centre, Waikanae and Paraparaumu. Some \$17.5 million of this figure would be on food and grocery, and \$10.0 on Food and Beverage Services (eating out). These

¹ Sources: Statistics NZ Household Expenditure Statistics; Statistics NZ Inflation data 2024-2026, Retailing Now, Retail NZ, Report; Reserve Bank NZ Consumption (M2) Data Nov24; Urbacity

two spends will be the most important influences on the WN centre's merchandise offer and performance.

The total onsite spend provides the basis for a supermarket of around 1,000 square metres.

Given the competition in Waikanae, we would expect the on-site supermarket to capture of around 60% of this spend (excluding the current 700 residents in Peka Peka, who would increase total expenditure available to the on-site supermarket by \$3.9 million).

This means that the \$3.9 million food and grocery spend currently available from Peka Peka residents, mostly and spent in Waikanae and Paraparaumu, would increase to \$8.5 million with the addition of the Waikanae North population (and its proposed supermarket).²

3. COMPETITIVE FRAMEWORK

The performance of local centres - such as the proposed WN centre relies on four primary factors.

1. Convenience of access (on the way to other major destinations - not a special trip)
2. The merchandise mix of the centre
3. The competitive centre framework

² Note: This additional spend that the additional population will provide to existing food and grocery stores in the area does not include the tens of millions of dollars that the new population will provide to other existing non-food and grocery retail stores and businesses in the area.

4. The centre's urban and built form qualities.

As discussed, ease of access to the site is a primary issue affecting the level of site visitation by existing Peka Peka residents to the centre. The retail scale within the centre also determines the level of on-site and off-site visitation.

The on-site dwelling yield delivers a potential small supermarket of over 1,000 square metres, plus a limited range of support retail, personal and professional services.

The centre, therefore, sits below the Waikanae town centre, acting as a local centre serving the everyday requirements of its limited catchment and reducing the need for travel to access everyday resources. The centre also serves as a social exchange point for residents and visitors. Its capacity to perform that role (as with other small centres in the Wellington region) will depend on its urban and built-form qualities.

Regrettably, the urban and built-form qualities of both Waikanae and Paraparaumu centres are poor. With an urban (street-based) approach to centre design and architecture, the proposed centre can optimise its social role to the benefit of its retailers, especially those in food and beverage services.

Studies across over 100 centres in Australia and New Zealand show that urban centres (excluding CBDs) deliver five times as many non-retail jobs as shopping centres. These characteristics have implications for the scale of non-retail activity in and around the centre.

Wellington has a strong history of small urban centres. Most of these centres are older, some with minor levels of retail but high levels of food and beverage services. The level of food and beverage services is a predictive factor in the level of non-retail employment in a centre. Below is an estimate of the potential merchandise mix of the centre on the site.

Supermarket	1,000 sqm
Cafe/s ³	270 sqm
Takeaway/Restaurant (1)	100 sqm
Restaurant (2)	250 sqm
Hair/Beauty/Health (3)	220 sqm
Liquor	100 sqm
Chemist ³	100 sqm
Real Estate	60 sqm
Medical	200 sqm
Professional Services (5)	500 sqm
Community Centre	200 sqm
Total Estimate	3,000 sqm+/-

The distribution of these activities will depend on the flexibility of the zone attached to the core centre/business zone. The arrival of professional services and the demand for business space tend to occur after the establishment of the centre's urban amenity qualities. In other words, after the retail development is up and running, when (and if) business owners and workers begin to recognise the built and urban qualities

³ Note: Chemists occur for every 23,000 people in New Zealand, and there are reportedly two chemists in Waikanae. Therefore, the centre may not attract a chemist. However, a reasonably sized medical facility within the centre would increase the potential for such an operator.

of the centre. The higher urban qualities of the centre also help improve the social environment for the post-COVID trend of people working from home and those in Home Based Businesses (est. 160 of these people within the project at completion).

This commercial floorspace demand profile is not observed in centres where car parks dominate and all shops are in one building, as shown by Urbacity studies of over 100 centres across Australia and New Zealand.

This pro forma merchandise mix statement conveys the centre's status and role relative to other centres in the wider area. It is a small centre proposed for the following purposes:

- To serve onsite and nearby residents for everyday goods and services,
- To act as an inspiration for housing density and diversity within an easy walking distance of the centre,
- As a social focal point for residents within the catchment,
- In its built form, to interpret the qualities and forms of Kapiti

The mix reflects a mid point range in total floorspace and merchandise type. It also reflects a short-term position and assumes a centre typical of recent local convenience centre development. There are two key outcomes for the centre's development, which, if included, would alter the mix.

1. The centre acts as an inspiration to housing diversity and density within an easy walking distance.
2. As discussed, the centre design recognises that urban

and built form qualities inspire greater levels of visitation, a broader mix of employment⁴ and an enhanced social environment for centre visitors (primarily residents).

As stated earlier, the qualities of the centre influence these outcomes. Kapiti Coast generally lacks centres with a fine-grain form and a high-quality built environment.

If we assume high built and urban form qualities of the centre, we can expect the centre's employment yield to increase. Around 3,000 square metres GLA delivers around 80 jobs. With a view to facilitating non-retail jobs, the cafe/restaurant yield would increase, and non-retail jobs would equal, if not surpass, retail jobs in total. However, as discussed, the difficulty with non-retail jobs is that they tend to occur after a centre establishes its urban qualities, rather than at the same time as the retail component. Seeking such an outcome requires at least one of two strategies:

1. Flexible (commercial-capable) built form on ground floor extending out from the centre's core (linear).
2. Upper level development in addition to ground floor development of shops, or a purpose built but adaptable Co-Work⁵ building within the centre (vertical).

4. SCHOOLS

The estimated dwelling yield of 1,200 would deliver

⁴ Based in studies by Urbacity on over 100 centres across Australia and New Zealand as presented in evidence to the NPSUD hearings for the Wellington region.

⁵ Co-Work includes individual offices, not simply shared space and amenities.

approximately 270 primary school-age children and 180 high school-age children.

The median size of a New Zealand primary school in 2023 was 174 students. Therefore, the dwelling yield onsite likely meets the threshold for a primary school.

However, the need for such a school onsite would be conditional upon occupancy and vacancy rates at existing primary schools within easy reach of the site and timely Ministry of Education planning and support for a school in this area.

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