

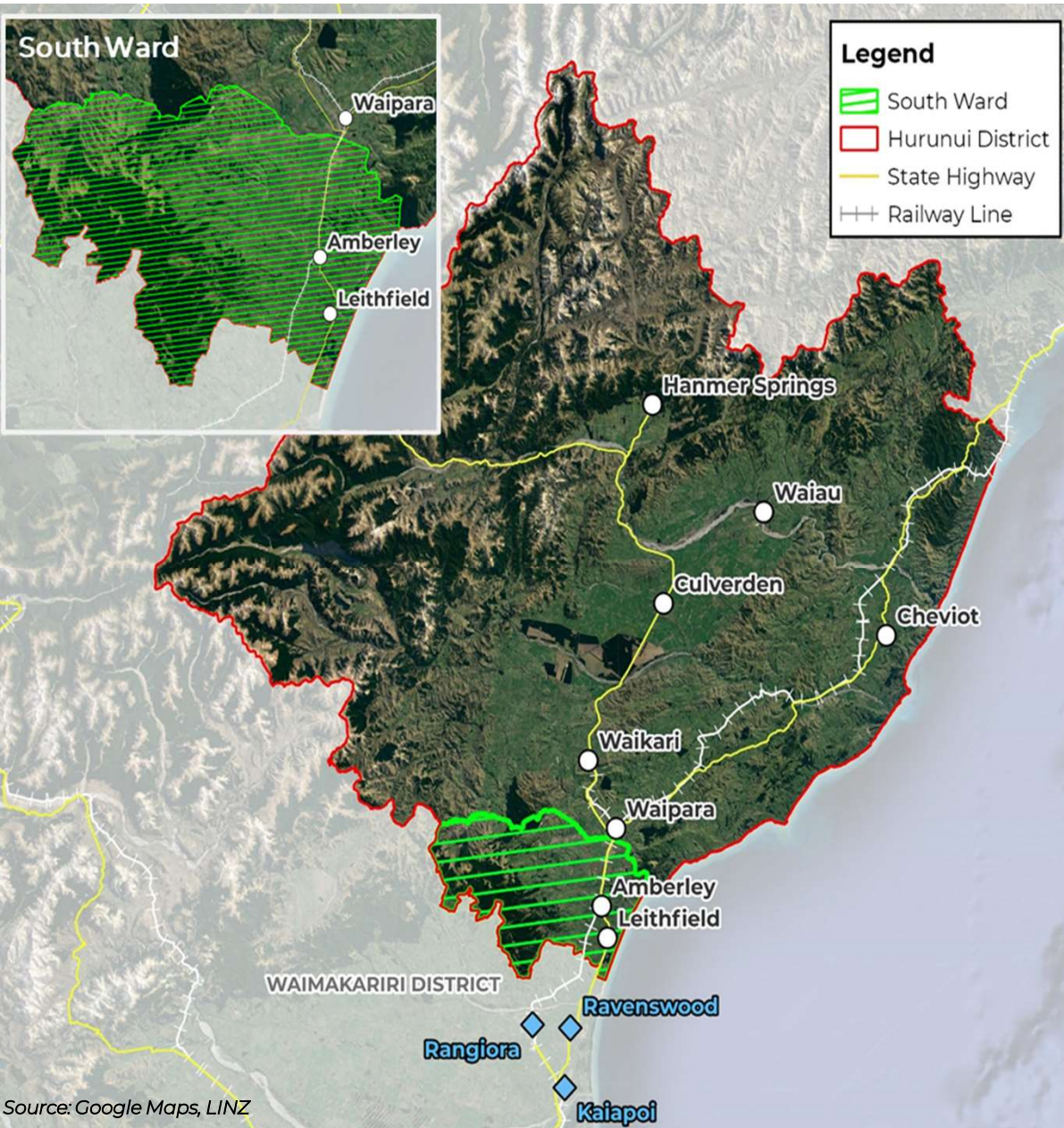
PROPERTY  ECONOMICS



SOUTH WARD SPATIAL PLAN ECONOMIC OVERVIEW

Presentation: Tim Heath - Property Economics





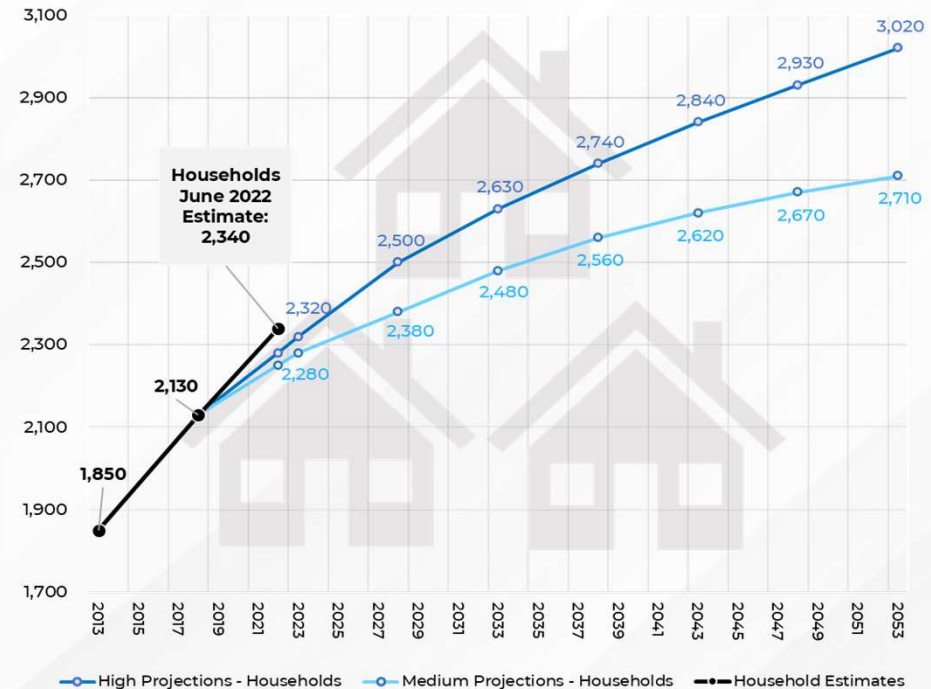
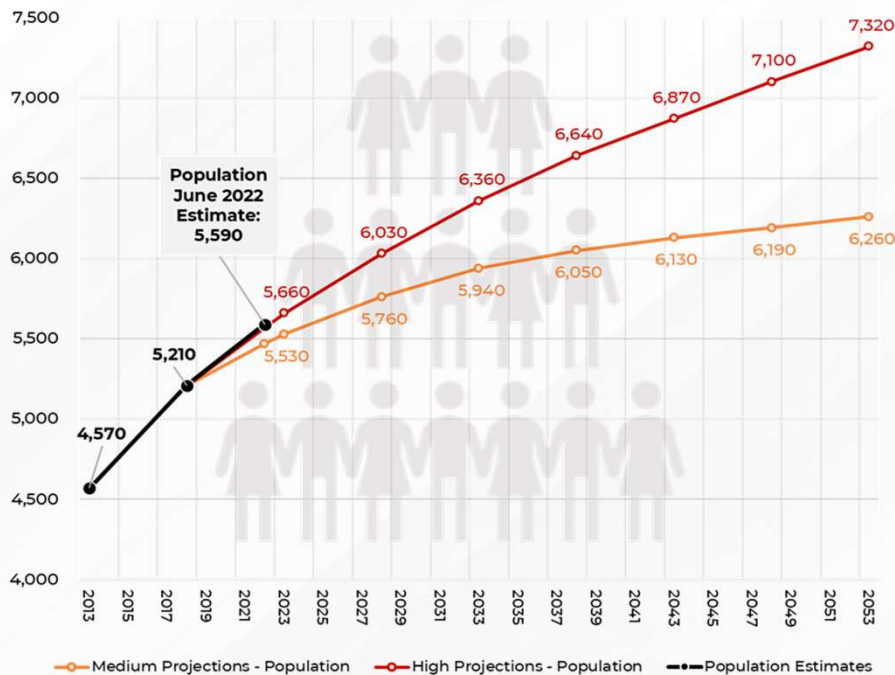
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POPULATION AND HOUSEHOLD GROWTH

1. Stats NZ Medium Projection – growth of 670 residents and 370 households 30-year period 2022 - 2053
2. Stats NZ High Projection – growth of 1,730 residents and 680 households 30-year period 2022 - 2053 → More appropriate scenario
3. Capacity for additional 790 dwellings is required with unoccupied dwellings (i.e., empty or used for holiday homes)

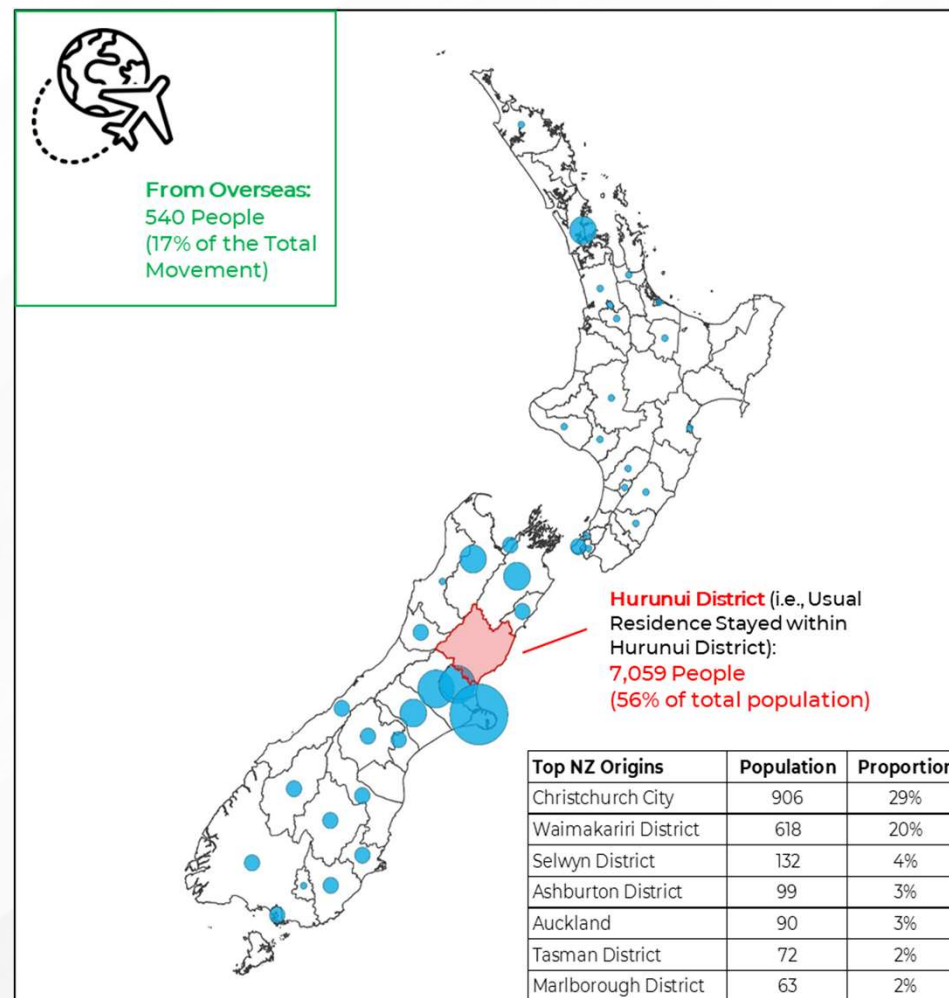


Source: Stats NZ, Property Economics



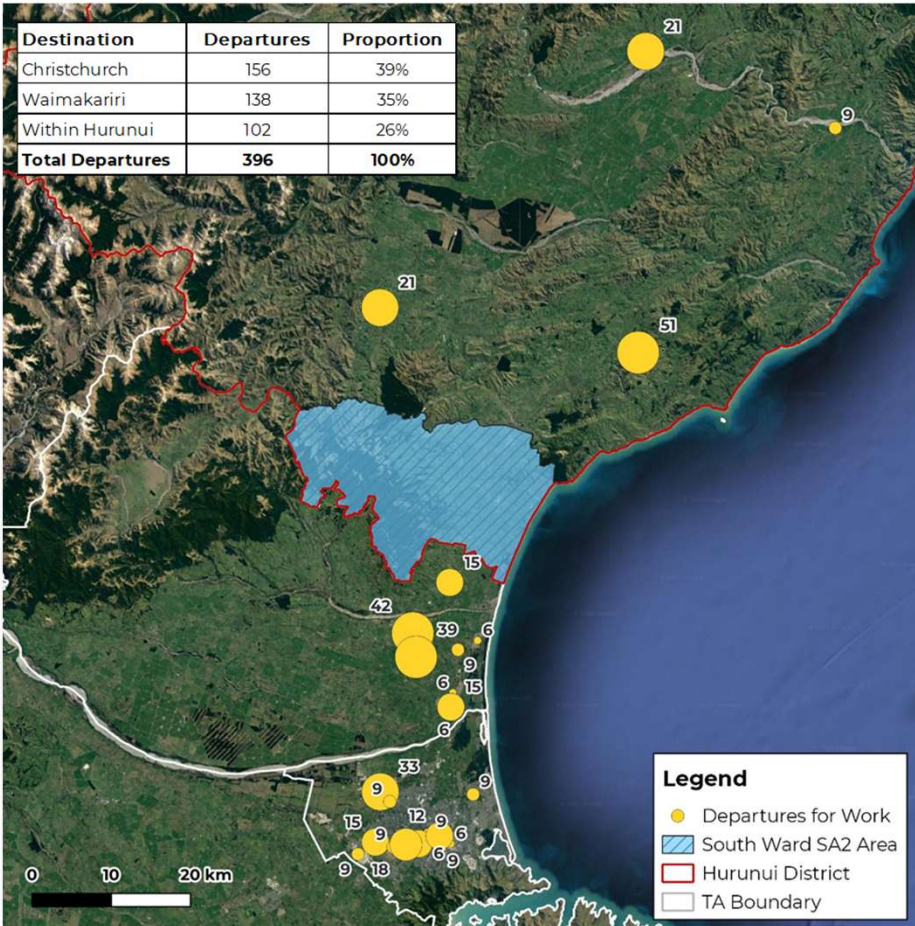
ORIGIN OF NEW RESIDENTS IN HURUNUI DISTRICT

1. Based on Stats NZ 2018 Census data, approx. 12,560 usually residents in the Hurunui district revealed their origin of residence five years ago (i.e., 2013).
2. Of those who identified their 2013 origin, *Elsewhere in NZ* accounting for approx. 42% of total responding residents.
3. The most significant origins include:
 - **Christchurch City** – 906 persons or 29%
 - **Waimakariri District** – 618 persons or 20%
 - **Selwyn District** – 132 persons or 4%



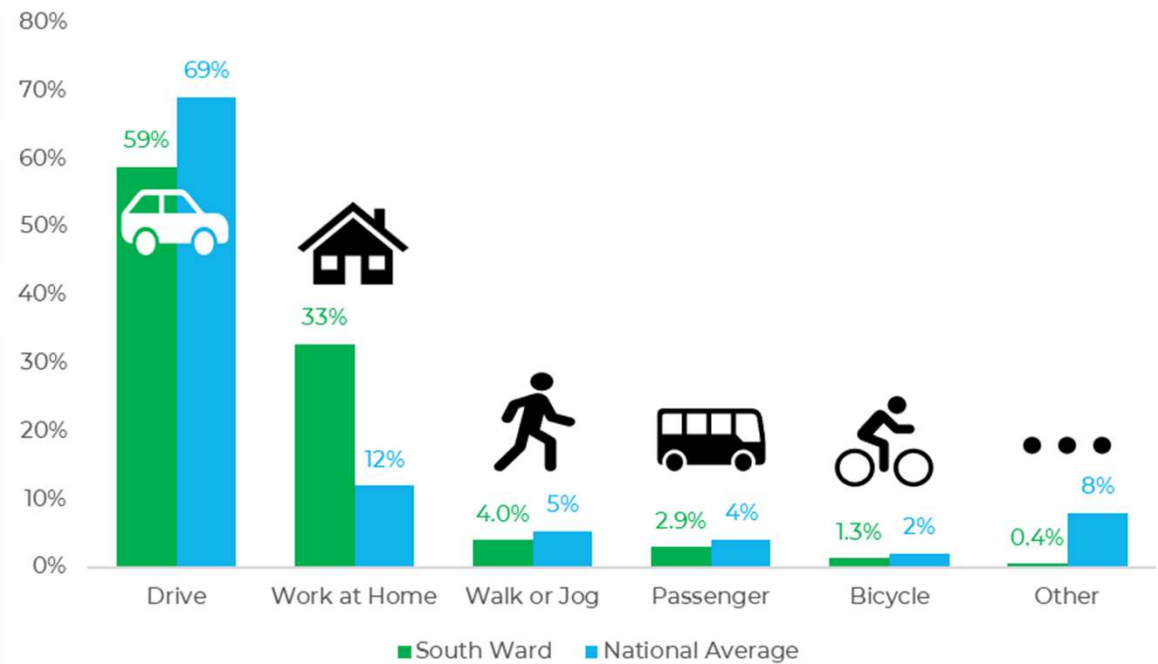
Source: Stats NZ, Property Economics

HURUNUI TRAVEL TO WORK PATTERNS (2018 Census)



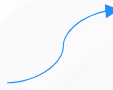
Source: Google Maps, LINZ, Stats NZ

- Based on Stats NZ 2018 Census data, 59% of employed residents living in South Ward drive to work in a private (or company) vehicle — this figure is 69% nationally.
- 33% of employees working at home — this figure is 12% nationally.



RETAIL GROWTH FORECAST

1. South Ward total annual retail expenditure is expected to grow by \$50m (or 62%) to just over **\$130m** per annum by 2053.
2. The total sustainable GFA is expected to grow to around **24,500sqm** by 2053, **9,300sqm** more than currently sustainable.



ANZSIC Sector	2023	2028	2033	2038	2043	2048	2053	2023-53 Growth	
								sqm	%
Food retailing	4,600	5,000	5,500	6,000	6,400	7,000	7,500	2,900	63%
Clothing, footwear and personal accessories retailing	800	900	900	1,000	1,000	1,200	1,300	500	63%
Furniture, floor coverings, houseware and textile goods retailing	900	900	1,000	1,100	1,200	1,300	1,400	500	56%
Electrical and electronic goods retailing	1,000	1,100	1,200	1,300	1,400	1,500	1,700	700	70%
Pharmaceutical and other store-based retailing	1,700	1,800	2,000	2,200	2,300	2,500	2,700	1,000	59%
Department stores	1,800	2,000	2,100	2,300	2,400	2,700	2,900	1,100	61%
Recreational goods retailing	600	700	800	800	900	900	1,000	400	67%
Food and beverage services	3,800	4,200	4,600	4,900	5,200	5,600	6,000	2,200	58%
Total Retail Sustainable GFA (sqm)	15,200	16,600	18,100	19,600	20,800	22,700	24,500	9,300	61%

4. Based on our grounding truthing, there is room for improvement in the quality of the offer, on average, to better satisfy the modern-day retail needs and maximise tourist / visitor expenditure (i.e., increasing retail inflow).
5. Sufficient commercial land exists to accommodate growth.



ANZSIC Sector	2023	2028	2033	2038	2043	2048	2053	2023-53 Growth	
								\$m	%
Food retailing	\$35.7	\$39.5	\$43.2	\$46.6	\$50.0	\$54.5	\$58.6	\$22.9	64%
Clothing, footwear and personal accessories retailing	\$4.0	\$4.3	\$4.6	\$4.9	\$5.1	\$5.8	\$6.2	\$2.2	55%
Furniture, floor coverings, houseware and textile goods retailing	\$2.4	\$2.7	\$2.9	\$3.2	\$3.4	\$3.8	\$4.1	\$1.7	69%
Electrical and electronic goods retailing	\$3.4	\$3.8	\$4.2	\$4.5	\$4.8	\$5.4	\$5.8	\$2.4	69%
Pharmaceutical and other store-based retailing	\$6.8	\$7.5	\$8.2	\$8.8	\$9.4	\$10.3	\$11.0	\$4.2	61%
Department stores	\$5.1	\$5.5	\$6.0	\$6.3	\$6.7	\$7.6	\$8.2	\$3.1	60%
Recreational goods retailing	\$2.3	\$2.5	\$2.7	\$2.9	\$3.1	\$3.4	\$3.6	\$1.4	60%
Food and beverage services	\$21.1	\$23.5	\$25.6	\$27.5	\$29.4	\$31.4	\$33.5	\$12.3	58%
Total Retail Spend (\$m)	\$81	\$89	\$97	\$105	\$112	\$122	\$131	\$50	62%

Source: Property Economics

COMMERCIAL LAND CAPACITY SUFFICIENCY

1. South Ward commercial employment is forecast to grow by **130 persons** between 2023 and 2053. This growth would require additional **1.7ha** (gross) of commercial land with NPS-UD buffer included.
2. Given the estimated zoned capacity of **4.6ha**, South Ward has **sufficient** commercial land capacity over the next 30 years.
3. Leithfield and the rest of the area (i.e., rural settlements) have no existing commercially zoned land. As these communities grow a commercial zone provision may be required in the future to guide commercial development.

Commercial Sector Forecast	Base year 2023	Short-term 2026	Medium-term 2033	Long-term 2053
Total Commercial Employment	220	230	270	350
Growth in Commercial Employment		10	40	80
Cumulative Commercial Employment Growth		10	50	130
Gross Commercial Land Requirement (ha)		0.1	0.6	1.4
Commercial Land Requirement + NPS-UD Buffer (ha)		0.1	0.7	1.7
Existing Zoned Commercial Capacity (ha)		4.6	4.6	4.6
Commercial Land Capacity Sufficiency (ha)		+4.5	+3.9	+2.9

Source: Property Economics



INDUSTRIAL LAND CAPACITY SUFFICIENCY

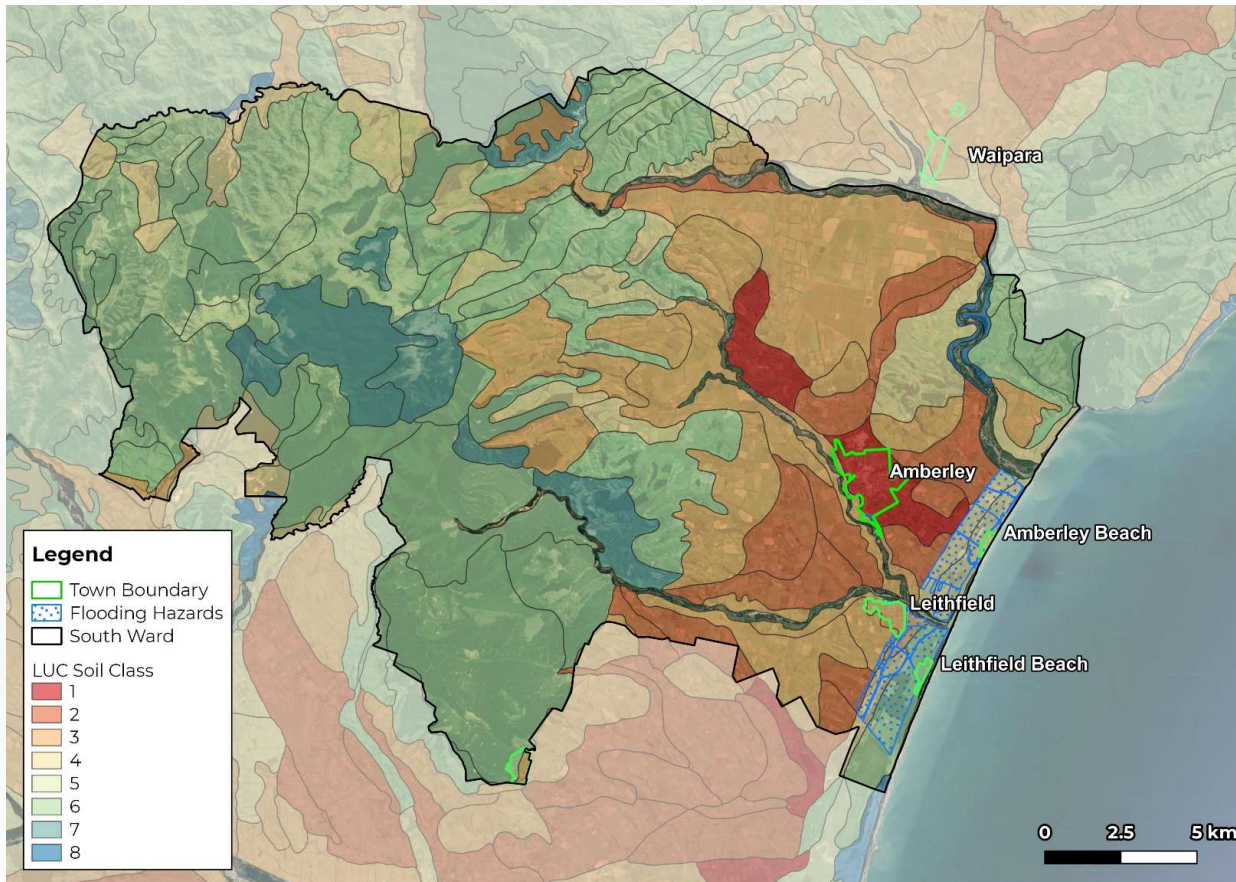
1. South Ward industrial employment is forecast to grow by **380 persons** between 2023 and 2053.
2. This growth would require an additional **11.8ha** (gross) of industrial land with NPS-UD buffer included.
3. Given the estimated zoned industrial capacity of **2.4ha**, South Ward has **sufficient** industrial land capacity in the short term .
4. In the medium to long term, there is a projected **shortfall** in industrial land capacity of **3.1ha** and **9.4ha** respectively as the industrial employment base of the area grows.

Industrial Sector Forecast	Base year 2023	Short-term 2026	Medium-term 2033	Long-term 2053
Total Industrial Employment	560	620	730	940
Growth in Industrial Employment		60	110	210
Cumulative Industrial Employment Growth		60	170	380
Gross Industrial Land Requirement (ha)		1.6	4.6	10.3
Industrial Land Requirement + NPS-UD Buffer (ha)		1.9	5.5	11.8
Existing Zoned Industrial Capacity (ha)		2.4	2.4	2.4
Industrial Land Capacity Sufficiency (ha)		+0.5	-3.1	-9.4

Source: Property Economics



HIGHLY PRODUCTIVE LAND ANALYSIS



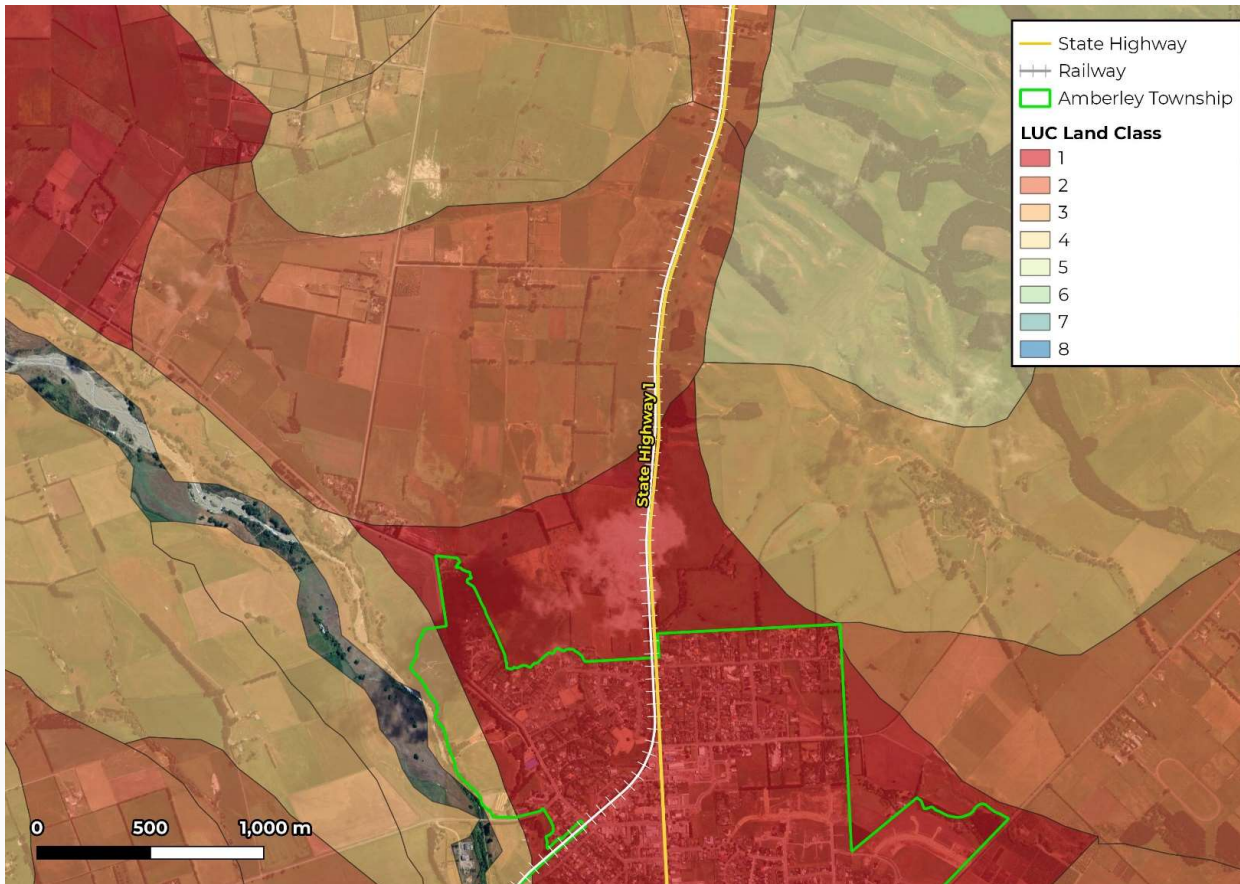
Source: LRIS, Property Economics

1. High-class productive soils are primarily located in the eastern extent of the area, encompassing the main townships of Amberley and Leithfield.
2. This essentially means that future urban zonings near the townships need to be cognisant of the NPS-HPL and economic criteria.

LUC Class	Hurunui District Land Area (ha)	South Ward Land Area (ha)
Class 1	1,460	1,290
Class 2	40,620	4,640
Class 3	87,400	11,070
Class 4	84,900	4,930
Class 5	2,460	0
Class 6	302,280	23,830
Class 7	115,060	3,560
Class 8	224,110	160
High Class Soil (1 - 3) (ha)	129,480	17,000
High Class Soil Proportion (%)	15%	34%
Low Class Soil (4 - 8) (ha)	728,810	32,480
Low Class Soil Proportion (%)	85%	66%



POTENTIAL FUTURE INDUSTRIAL LAND LOCATION



Source: LRIS, Property Economics

Below are some key industrial activity locational criteria:

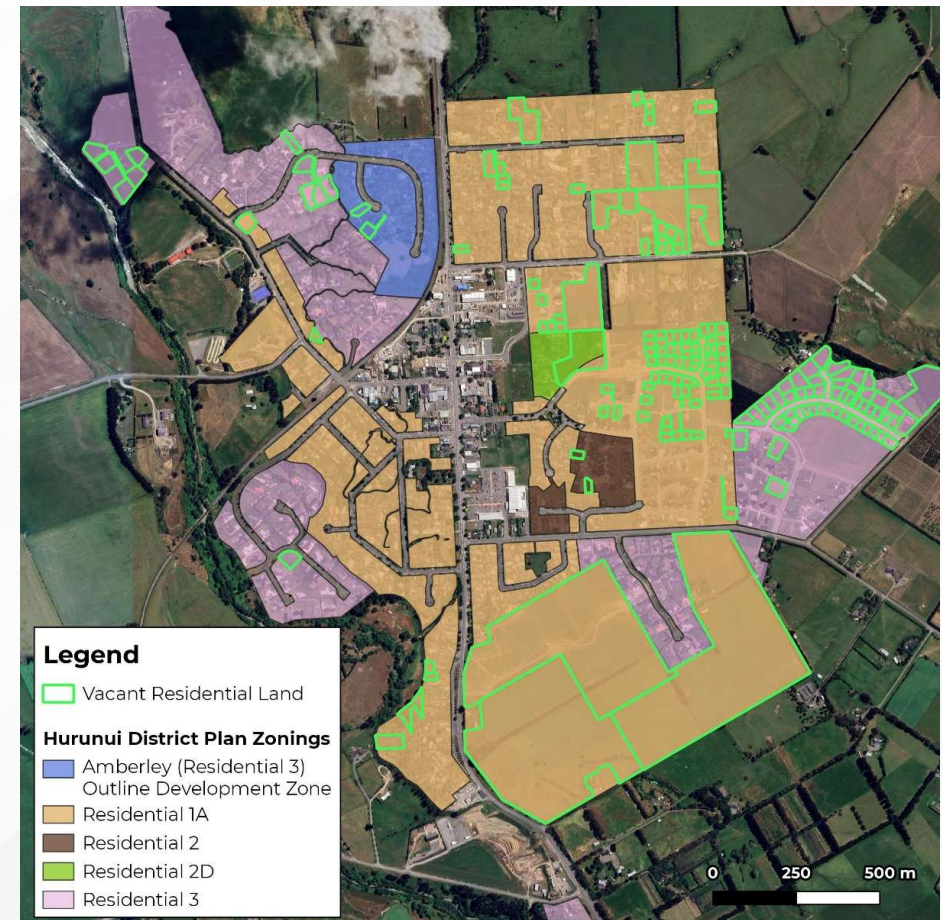
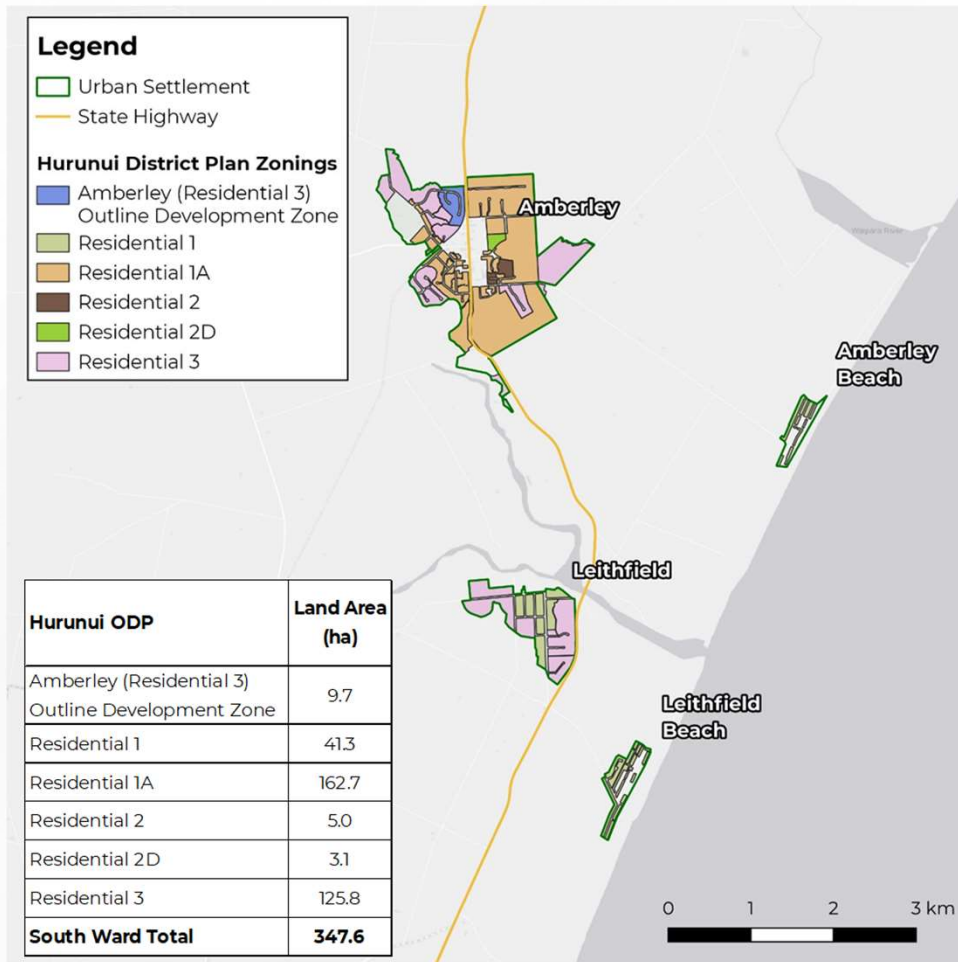
- Access to Utilities
- Good Transport Links
- Proximity to Labour Base
- Proximity to Suppliers / Clients
- Expansion Potential
- Competitive Land / Rent Pricing
- Exposure / Profile
- Protection from Reverse Sensitivity
- Low Land Gradient
- Increased Market Certainty

Locational attributes of the northern Amberley:

- Proximate to main population and employment base
- Proximate to SH1 and main trunk railway line
- Generally flat landform
- Provide cost-effective industrial land (relative to existing business zoned land)
- Provide economic efficiencies and market certainty



EXISTING RESIDENTIAL CAPACITY



Source: Hurunui District Council, LINZ, Property Economics

SOUTH WARD RESIDENTIAL CAPACITY SUFFICIENCY

Zone	Zoned Land (ha)	Estimated Vacancy (ha)	Net Developable Land (ha)	Estimated Capacity (Dwellings)
Amberley (Residential 3) Outline Development Zone	10	0.3	0.2	3
Residential 1	41	2.9	2.0	29
Residential 1A	163	64.8	45.4	648
Residential 2	5	0.2	0.1	4
Residential 2D	3	1.3	0.9	23
Residential 3	126	24.1	16.9	84
South Ward Total	348	94	66	790

- Existing residential zones within the South Ward area encompass a total of 348ha.
- 73% (i.e., 256ha) of this provision is in Amberley and 71ha is in Leithfield.
- In total, it is estimated that approx. 66ha of land in South Ward is currently vacant and net developable, which would provide for additional 790 dwellings in the future.

4. Net additional dwelling requirement increases from 790 dwellings to approx. 910 dwellings over the next 30 years (2023 - 2053) when NPS-UD margins are included.

5. Short – Medium Term (2023 – 2033): **Sufficient**.

6. Long Term (by 2053): **Shortfall** of around **120** dwellings.

7. This shortfall would require circa **8.4ha** (net) of residentially zoned land based on a one dwellings per 700sqm assumption.

	Base Year 2023	Short-term 2026	Medium-term 2033	Long-term 2053
South Ward Population	5,660	5,880	6,360	7,320
South Ward Households	2,320	2,430	2,630	3,020
South Ward Dwellings	2,605	2,730	2,955	3,395
Net Additional Dwellings Requirement	-	125	350	790
Net Additional Dwellings Requirement + NPS-UD Buffer	-	150	420	910
Total Zoned Residential Capacity	790			
Dwelling Sufficiency	-	+640	+370	-120

Source: Property Economics



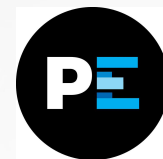
AMBERLEY & LEITHFIELD RESIDENTIAL SUFFICIENCY

	Base Year 2023	Short-term 2026	Medium-term 2033	Long-term 2053
Amberley Population	2,330	2,420	2,590	2,890
Amberley Households	1,000	1,050	1,130	1,260
Amberley Dwellings	1,125	1,180	1,270	1,415
Amberley Net Additional Dwellings Requirement	-	55	145	290
Net Additional Dwellings Requirement + NPS-UD Buffer	-	70	170	330
Amberley Total Zoned Residential Capacity	720			
Amberley Dwelling Sufficiency	-	+650	+550	+390

	Base Year 2023	Short-term 2026	Medium-term 2033	Long-term 2053
Leithfield Population	660	700	770	910
Leithfield Households	270	290	330	380
Leithfield Dwellings	285	305	345	400
Leithfield Net Additional Dwellings Requirement	-	20	60	115
Net Additional Dwellings Requirement + NPS-UD Buffer	-	20	70	130
Leithfield Total Zoned Residential Capacity	70			
Leithfield Dwelling Sufficiency	-	+50	+0	-60

Source: Property Economics

1. Amberley: **Sufficient** over the next 30 years.
2. Leithfield: **Sufficient** in the short to medium term; Minor **shortfall** of 60 dwellings in the long term (by 2053).
3. The remaining shortfall of 60 dwellings therefore is captured by the rest of the South Ward area (i.e., Ashley Forest and the remainder of Balcairn).



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QUESTIONS?



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Residential 3	126	24.1	16.9	84
South Ward Total	348	94	66	790

- Existing residential zones within the South Ward area encompass a total of 348ha.
- 73% (i.e., 256ha) of this provision is in Amberley and 71ha is in Leithfield.
- In total, it is estimated that approx. 66 of land in South Ward is currently vacant and net developable, which would provide for additional 790 dwellings in the future.

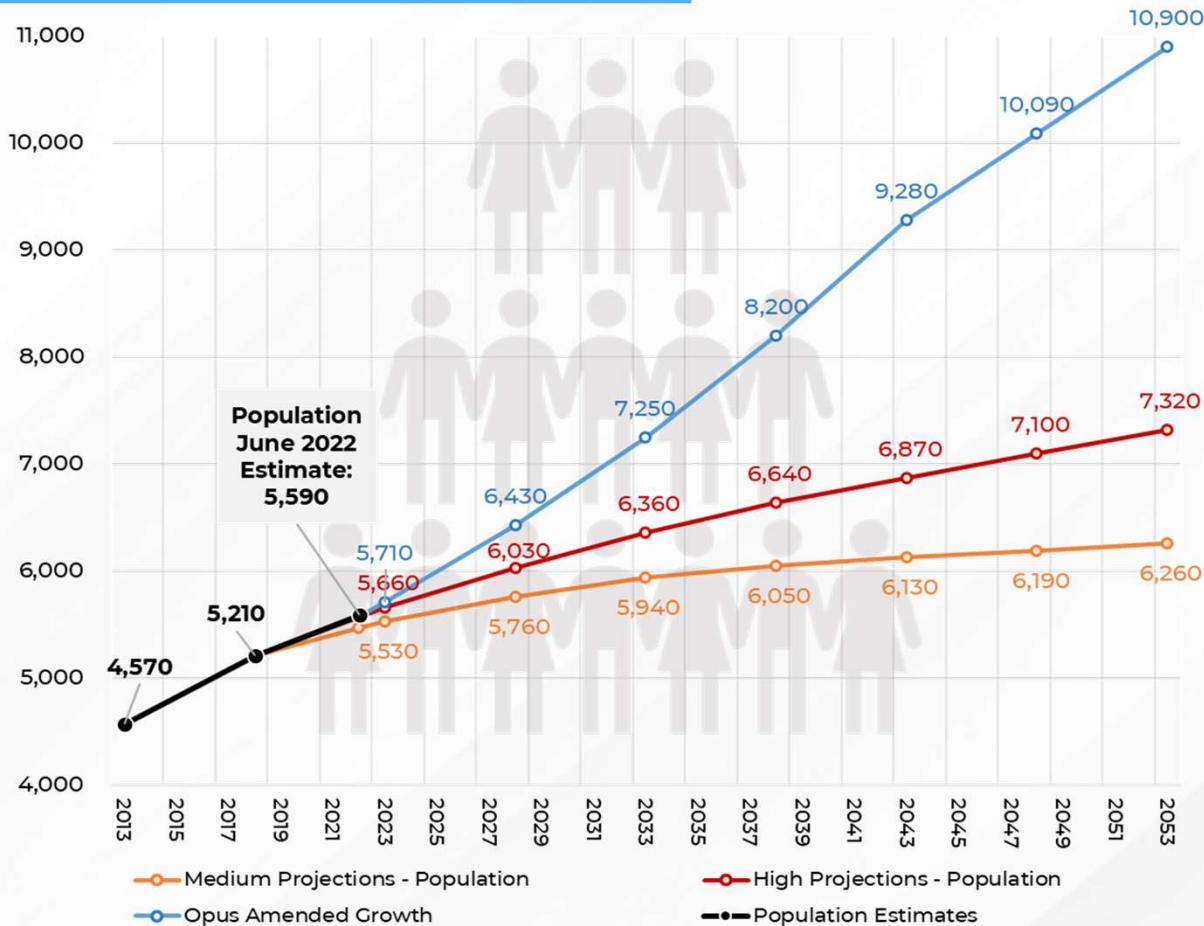
- Net additional dwelling requirement increases from 790 dwellings to approx. 910 dwellings over the next 30 years (2023 - 2053) when NPS-UD is included.
- Short – Medium Term (2023 – 2033): **Sufficient**.
- Long Term (by 2053): **Shortfall** of around **120** dwellings.
- This shortfall would require circa **8.4ha** (net) of residentially zoned land on a one dwellings per 700sqm assumption.

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Source: Property Economics



STATS NZ VS OPUS POPULATION GROWTH SCENARIOS



Source: Opus, HDC, Stats NZ, Property Economics

1. The **Stats NZ** and **Opus** growth scenarios reveal a substantial disparity in the anticipated future population of the South Ward area.
2. The Opus Amended Scenario predicts a population base of approximately 3,600 residents, which is almost 50% higher than the Stats NZ High growth scenario.
3. The Economic Assessment utilised Stats NZ High growth scenario as the forecast input.

IMPLICATIONS OF THE OPUS POPULATION SCENARIO 1)

	Scenario 1 (Full Report)			Scenario 2 (Addendum)			Scenario 3 (Addendum)		
Forecast Inputs	700sqm/Dwelling in Res. 1A			700sqm/Dwelling in Res. 1A			400sqm/Dwelling in Res. 1A		
	AND			AND			AND		
	Stats NZ High Growth			Opus Growth			Opus Growth		
Timeframe	By 2026	By 2033	By 2053	By 2026	By 2033	By 2053	By 2026	By 2033	By 2053
Dwelling Sufficiency in South Ward	+640	+370	-120	+530	-100	-2,000	+1,020	+390	-1,510
Net Land Requirement (ha): 400sqm per site			+4.8		+4.0	+80.0			+60.4
Net Land Requirement (ha): 700sqm per site			+8.4		+7.0	+140.0			+105.7
Dwelling Sufficiency in Amberley	+650	+550	+390	+560	+140	-1,170	+1,050	+630	-680
Net Land Requirement (ha): 400sqm per site						+46.8			+27.2
Net Land Requirement (ha): 700sqm per site						+81.9			+47.6
Dwelling Sufficiency in the Balance of South Ward	-10	-180	-510	-30	-240	-830	-30	-240	-830
Net Land Requirement (ha): 400sqm per site	+0.4	+7.2	+20.4	+1.2	+9.6	+33.2	+1.2	+9.6	+33.2
Net Land Requirement (ha): 700sqm per site	+0.7	+12.6	+35.7	+2.1	+16.8	+58.1	+2.1	+16.8	+58.1

Source: Opus, HDC, Stats NZ, Property Economics

IMPLICATIONS OF THE OPUS POPULATION SCENARIO 2)

1. South Ward has **sufficient** commercial land capacity over the forecast period 2023 – 2053 under both scenarios. However, monitoring commercial land uptake moving forward is required over a more extended period given that only 0.6ha commercial land capacity remains under the Scenario 2 / Opus growth scenario.
2. South Ward has **insufficient** industrial land capacity under both the Stats NZ High and Opus growth scenarios in the medium (by 2033) and long term (by 2053).
3. Overall, given that the Opus population growth projections is significantly higher than the Stats NZ High projection, there are material additional land requirements for industrial and residential zoned land provisions over the next 30 years.

South Ward Total	Scenario 1 (Full Report)			Scenario 2 (Addendum)		
Growth Scenario Used	Stats NZ High Growth			Opus Growth		
Timeframe	By 2026	By 2033	By 2053	By 2026	By 2033	By 2053
Industrial Land Sufficiency (ha)	+0.5	-3.1	-9.4	-0.5	-6.3	-23.7
Commercial Land Sufficiency (ha)	+4.5	+3.9	+2.9	+4.3	+3.4	+0.6

Source: Opus, HDC, Stats NZ, Property Economics



QUESTIONS?

