

## Appendix 5: Economics (Derek Foy)



## Memo

**To:** Jon Trewin  
**From:** Derek Foy, Director  
**Date:** 28 March 2023  
**Re:** DPR-0476 response to rebuttal evidence of Shamubeel Eaquad (economics)

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The purpose of this memo is to respond to the rebuttal statement of Shamubeel Eaquad (economics) for the submitter in relation to submissions DPR-0476 (Murray Boyes) and DPR-080 (Kersey Park). Mr Eaquad refers to my peer review, dated 28 February 2023.

I respond below under the key subject headings used by Mr Eaquad.

### Residential sufficiency

Mr Eaquad queries whether the demand estimates in my peer review include the competitiveness margin prescribed in the NPS-UD (20% in the medium term, and 15% in the long term). I confirm that they do, and therefore I maintain the conclusion I reached in my review that “additional residential land is not required in Darfield to enable SDC to adequately provide for projected demand growth in the town.”<sup>1</sup> I also maintain that there is little economic downside of the requested zone change.

### Residential location

I agree with Mr Eaquad’s assessment that if demand is higher in places closer to Christchurch, and lower further away, in places such as Darfield, that would tend to make Darfield residential properties lower priced, adding to housing choice in the District. I also accept Mr Eaquad’s point that Darfield residents will be able to work in Selwyn, and there will be increasing numbers of jobs in Selwyn, particularly as the Rolleston industrial area continues its recent rapid growth.

Mr Eaquad notes that there are benefits arising from the Site being serviced by infrastructure, and I agree that this is an important element of efficiency of development on the Site, and could make that development more efficient than residential developments closer to Christchurch that are not serviced. Overall efficiency would need to take in other factors as well, such as distance travelled to

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<sup>1</sup> “Selwyn Proposed District Plan rezoning request: Boyes and Kersey Park, Peer review of submission expert evidence” Formative Ltd, 28 February 2023, section 3.4, page 12



access goods and services, and employment opportunities. I have not undertaken an assessment of that overall efficiency, nor seen one from any other source in relation to the submission.

Mr Eaub states that while the NPS-UD requires councils to provide sufficient supply for growth, it does not clarify in clause 3.2(1) and 3.2(2) where supply must be placed. I disagree that there is no direction in the NPS-UD about the appropriate location for growth. Clause 3.11 requires that when making or changing plans, councils must consider options to achieve a well-functioning urban environment. I take this to be a strong indication that all locations within an urban environment should not be considered to be equal, and that location, and its influence on how urban environments function, is a core consideration of whether different parts of an urban environment are appropriate to accommodate growth.

### Industrial land sufficiency in Selwyn generally

I confirm that with SDC's decision to approve PC80 (resolved 8 March 2023, publicly notified 22 March 2023), my understanding is that current modelling indicates that Selwyn's future industrial supply would exceed projected demand for at least the next 30 years, and that there is therefore no concern about the district-wide sufficiency of industrial land.

### Industrial land sufficiency in Darfield

In relation to the sufficiency of industrial land in Darfield specifically, I note Mr Eaub's observations about inconsistency between the estimates provided by Mr Baird<sup>2</sup> and my peer review.<sup>3</sup> I have discussed this matter with Mr Baird, and can confirm that Mr Baird's analysis does not include the industrial land that was rezoned by Plan Change 61 (referred to by Mr Eaub as the site at Creyke Road). Mr Baird's analysis does not include that land because it is not industrial land in the notified PDP.<sup>4</sup> Mr Baird's analysis indicates only 7ha of vacant industrial land in Darfield now.

That being the case, the industrial land supply sufficiency situation is as stated in my review (and referred to in Mr Eaub's rebuttal<sup>5</sup>) but only if the rezoning requested by the submitters is approved. If the rezoning request by the submitters is approved, the Boyes and Kersey Park site would have around 12ha of industrial land, together with the 7ha of vacant industrial land, for a total of 19ha. If then 3ha of the 7ha is changed to residential zone as requested by the Ascot Park submission, that would then leave 12ha at Boyes and Kersey Park, plus 4ha elsewhere in Darfield, for 16ha vacant industrial land.

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<sup>2</sup> Referenced in Mr Eaub's rebuttal, footnote 12

<sup>3</sup> Peer review, page 11

<sup>4</sup> Referenced in Mr Eaub's rebuttal, paragraph 22

<sup>5</sup> Paragraph 21



If the 12ha area within the Boyes and Kersey Park site is not approved to become industrial zone as requested, there would be only 7ha of vacant industrial land in Darfield, or 4ha if Ascot Park's requested rezoning is approved. That means that without the industrial zoning requested in the Boyes and Kersey Park submission, there would be a shortfall of industrial land in Darfield within the medium term (7ha or 4ha of industrial land vs 12ha of demand).

**Derek Foy**

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