

Prebbleton Centre Zoning

Economic Assessment

Prepared for Selwyn District Council

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1 Introduction

Formative Limited has been commissioned by Selwyn District Council (“SDC”) to assess the economic effects of applying a Town Centre zoning (“TCZ”) to the Prebbleton commercial centre area.

1.1 Background

Prebbleton’s commercial centre is proposed to be a Local Centre Zone (“LCZ”) in the notified version of the SDC proposed District Plan (“PDP”). Since the PDP was notified, the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act (“RMA Amendment Act”) passed into law (20 December 2021), and that has required some updates of the National Policy Statement on Urban Development (“NPS-UD”). Together, those two policy documents potentially require SDC to change some aspects of the PDP to better give effect to the RMA Amendment Act.

One way SDC is considering to better give effect to the RMA Amendment Act is to change the notified LCZ at Prebbleton to a TCZ. That change would have the effect of enabling higher density and a wider range of activities in the Prebbleton centre.

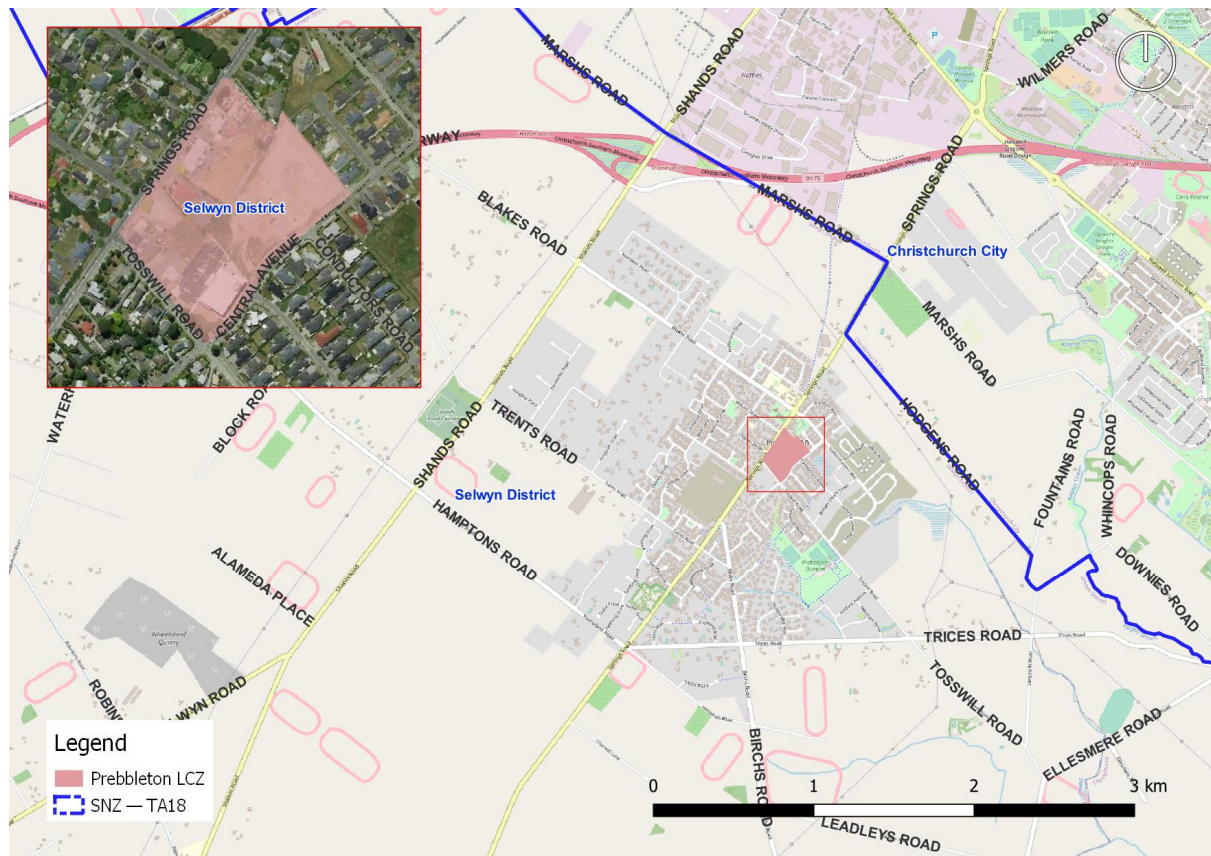
1.2 Objective

The change from a LCZ to a TCZ at Prebbleton would potentially result in economic effects on the Selwyn centres, by increasing the range of activities enabled in the Prebbleton centre, and changing the role of the centre to be more similar to the Rolleston and Lincoln TCZs. The objective of this report is to assess the potential economic effects of applying a TCZ to the Prebbleton centre, including effects on the Lincoln and Rolleston TCZs, as well as the more distant Darfield and Leeston TCZs. Also included for completeness is an assessment of the effects on other centres in the District, and outside the District. This assessment is intended to support a section 32 evaluation of the PPC.

1.3 Location overview

Prebbleton is located in Selwyn District on the periphery of Christchurch’s metropolitan area (Figure 1.1). Prebbleton was one of the earliest settlements established in Canterbury, dating back to 1855, although has long been a small town. While there has been significant growth in the District over the last decade, Prebbleton has been slightly slower to experience similar growth, particularly in its commercial centre. The Prebbleton centre has continued to function as a small rural service centre with a much more limited range of retail and services activities in comparison to the larger centres located at Lincoln (8km south) and Rolleston (13km west) in Selwyn and Hornby (6km north) in Christchurch. Recently the Prebbleton centre has seen the opening of its first full service supermarket, with several other major retail developments in progress, as discussed in section 3.

Figure 1.1: Prebbleton local centre zone location



1.4 Structure of report

This report has been divided into four sections:

- ❖ Section 2 provides an overview of the policy context relevant to this assessment, including both the Operative District Plan (“ODP”) and the proposed District Plan (“PDP”).
- ❖ Section 3 describes the range and nature of existing and consented land uses within the LCZ.
- ❖ Section 4 contains the assessment of the potential economic effects of changing the Prebbleton centre’s zoning from Local Centre to Town Centre, in the PDP.
- ❖ Section 5 summarises and concludes the assessment.

2 Policy context

This section outlines the various planning documents that are relevant in considering the economic effects of up-zoning Prebbleton from LCZ to TCZ, including the ODP, PDP, the Christchurch City Plan, Greater Christchurch Urban Development Strategy (2007), Greater Christchurch Partnership Land Use Recovery Plan (LURP), and the Christchurch Regional Policy Statement.

2.1 Selwyn District Plan

2.1.1 Operative District Plan

The ODP is currently being revised through the PDP process, however it is important to understand the current provisions for centres to help explain why and how centres have developed over time.

The ODP incorporates objectives and policies from the Greater Christchurch Urban Development Strategy (2007) (UDS), including:

- ❖ Encouraging townships to become more self-sufficient, without duplicating the facilities present in Christchurch City.
- ❖ Sets a broad framework for market driven township growth through structure plans and outline development plans in the ODP.
- ❖ Encourages vibrant town centres in Rolleston and Lincoln.

Residential growth was anticipated to consolidate primarily around the existing townships of Lincoln and Rolleston, and to a lesser extent around Prebbleton, reflecting the directions provided in the UDS and the Regional Policy Statement (RPS). Rolleston and Lincoln were anticipated to grow by 5,375 and 4,015 additional households respectively by 2041. Structure plans and OPD areas were designed to provide guidance about the nature and intensities of activities that were desired for each township, including Prebbleton.

Key objectives were to ensure that new areas for residential and business activities were aligned with infrastructure provision, including transport and movement networks (Objective B4.3.4), by consolidating townships through encouraging the use of vacant sites in existing zones and promoting compact town shapes (Policy B4.3.3 and B4.3.6).

It was intended that growth in commercial activities would be concentrated in the Rolleston and Lincoln KACs to meet the economic needs of businesses and communities by providing for access to goods and services, local employment, and opportunities for social interaction (Objective B4.3.8).

For Rolleston, guidelines were provided to ensure that new residential and business zoned land (other than Business 2 and 2A zoning) was not provided to the west of SH1 and the South Island Main Trunk Line (Policy B4.3.70 and B4.3.73) and was adjacent to existing Business zones (Policy B4.3.72).

For both Lincoln and Prebbleton, it was considered important to understand the potential adverse effects of rezoning land for new residential or business development on the 'rural-urban' landscape contrast with Christchurch City as identified in the RPS (Policy B4.3.60 and B4.3.66). The outline development plans provided guidance on the appropriate locations for additional growth. Expansion of Prebbleton was encouraged towards the east and west of Springs Road, with new business development adjacent to existing Business 1 zoning, and discouraged towards the north and south along Springs Road primarily due to the volume of traffic utilising the road (Policy B4.3.64 and B4.3.65).

Town centres were intended to serve as focal points for public and private services and facilities and be the focus of future business and retail development. As the population surrounding town centres grew, the range and diversity of functions, including office and commercial activity was expected to expand.

Neighbourhood and local centres were provided in the outline development plans with the intention of allowing people and communities to access localised convenience needs whilst recognised that those centres should complement the KACs, which are intended to remain the primary focus for commercial, social and community activity (Policy B4.3.11). Local centres are expected to be small, consisting of 1-5 small (up to 450m² tenancies) shops and providing a limited range of community facilities. Figure 2.1 shows the status of a range of activities for the Business 1 zones which currently apply to the Prebbleton centre.

2.1.2 Proposed District Plan

The centres structure in Selwyn is proposed to be changed in the PDP, consistent with the new National Planning Standards. The PDP makes provision for two key zones which are relevant to this assessment: the TCZ and the LCZ.

The TCZ encompasses the main commercial centres. There is a spatial hierarchy with Rolleston being the primary focus, followed by Lincoln, and then Darfield and Leeston. The TCZ enables a wide range of commercial activities, including visitor accommodation, recreation, cultural, community services, civic services, public amenities, and residential activity. Both the Rolleston and Lincoln Town Centres have precinct plans which identify the different functions and focuses of different parts of the town centre.

The LCZ encompasses the main commercial areas within the District's smaller townships. Its purpose is to provide for commercial and community activities that provide for daily and weekly goods and service needs of surrounding catchments, including a range of commercial, visitor accommodation,

recreational, cultural, community activities and public amenities. The wider commercial needs are anticipated to be provided in the commercial zones in the District's larger townships. Therefore, the scale and nature of activities in the LCZ should not detract from the role and function of the TCZs.

The differences in activity status between the TCZ and LCZ are summarised in Figure 2.1 below, and shown alongside rules from the ODP that apply to the Business 1 zone in Prebbleton. Those activity statuses show that the proposed LCZ would make a number of activities less permissive in the PDP than under the operative Business 1 zoning, and that a TCZ would make the range of activities permitted in Prebbleton's centre very similar to under that ODP zoning.

Figure 2.1: TCZ and LCZ activity status*

Activity type	B1	LCZ	TCZ
Commercial or retail <450m ²	P	P	P
Commercial or retail 450-1000m ²	P	RDIS	P
Commercial or retail 1000m ² +	P	NC	P
Supermarkets	P	NC	P
Food and beverage	P	P	P
Offices <200m ²	P	P	P
Offices >200m ²	P	DIS	P
Research activities <200m ²	P	P	DIS
Research activities >200m ²	P	DIS	DIS
Automotive	P	P	P
Trade retail and trade supply <450m ²	P	P	P
Trade retail and trade supply 450-1000m ²	P	RDIS	P
Trade retail and trade supply 1000m ² +	P	NC	P
Visitor accommodation	P	P	P
Community facilities	P	P	P
Education facilities	P	P	P

** subject to rules relating to servicing, fencing, frontages, etc.*

2.2 Key Activity Centres

The Greater Christchurch UDS and LURP designated KACs within Greater Christchurch. Rolleston and Lincoln were identified in Selwyn District and Leeston and Darfield have subsequently been added as KACs but with lower status. Other KACs include Rangiora, Woodend/Pegasus and Kaiapoi in Waimakariri District and Belfast, Papanui, Shirley, New Brighton, Hornby, Riccarton, Linwood, Spreydon, and Halswell in Christchurch City.

KACs were designated to provide for commercial activity needs, and support rejuvenation of damaged areas after the Christchurch earthquakes in 2010 and 2011. The LURP required councils to define the extent of each KAC and ensure district plans enabled recovery of commercial businesses within both

the KACs and neighbourhood centres. KACs act as a focus for commercial activity, medium density housing, community facilities, public greenspace, and public and active transport networks.

The Christchurch CBD is the primary centre for the Christchurch Region and is the focus for re-development and recovery post-earthquake and all other KACs were expected to be subservient to the role and function of the CBD, but are also more important than other smaller centres that have not been identified as KACs. The key objectives of the UDS and LURP were to ensure that most commercial development was located in the CBD and KACs, and that developments outside these areas should not undermine the role and function of these key centres.

Each of the KACs differed in terms of size and form due to their role serving their surrounding communities. It was integral to plan for vibrant and well-functioning town, suburban and neighbourhood centres that provided a range of services and amenities, such as:

- ❖ Public places and spaces to meet for organised events
- ❖ Local shopping
- ❖ Cafes, bars, and restaurants
- ❖ Health, education, recreation, and cultural facilities
- ❖ Council service centres
- ❖ Professional offices
- ❖ Public transport interchanges.

The CRPS (2021) and OurSpace 2018-2048 emphasise that the principles underlying the direction pursued by the UDS and LURP are still relevant and that without forward planning, recovery in the Central City, KACs and neighbourhood centres will be slower and result in inefficient investment decisions being made by infrastructure providers. There would be additional costs associated with wide scale developments occurring outside of these key centres.

By re-zoning Prebbleton as a town centre, rather than a local centre, it would not shift its status to be higher up the order than existing KACs, though there could be some basis for reconsidering its position if KACs are reviewed in the future, although that is not being contemplated now.

3 Prebbleton centre

This section describes the nature and scale of existing and consented activities in the proposed Prebbleton LCZ. The nature of existing activities is important to understand because it provides an indication of the potential for future (re)development of the area to accommodate new activities. The development potential of a greenfields site is much different to the potential of an area that is built out, particularly if existing buildings are new. In the case of Prebbleton, that development potential is relevant to understanding the potential effects on Rolleston and Lincoln if the Prebbleton LCZ becomes a TCZ.

3.1 Centre zoned area

The Prebbleton LCZ is 4.32ha of land, of which some 1,250m² has been used to create a new road (“Coupling Close”) off Central Avenue, to provide access to a new residential area in the eastern-most part of the LCZ. That residential area is a net 0.72ha,¹ leaving a balance of 3.48ha of land in the rest of the LCZ (Figure 3.1).

Figure 3.1: Prebbleton LCZ development areas and zone extent



¹ Excluding Coupling Close, but including internal shared driveways

In this assessment we have categorised parts of the centre by their current, proposed and consented land uses. Apart from the residential areas, there are seven main land use blocks in the assessment that comprise the 3.48ha (Figure 3.1 and Figure 3.2).

Figure 3.2: Prebbleton LCZ development areas (ha)

Land use	Area (ha)
Local shops	0.19
Workshops	0.25
FreshChoice	0.70
Armadillos Restaurant	0.30
Prebbleton Village Shopping Centre	0.76
The Prebbleton Village	0.58
Finnegans Development	0.70
Non-residential uses	3.48
Residential	0.72
Road	0.13
Total LCZ	4.32

The activities occurring on, or proposed for each block are described in detail in the rest of this section. The footprints of the existing and consented buildings described in this section are shown in Figure 3.3, having been digitised from resource consent decisions provided to us by SDC.

Figure 3.3: Prebbleton LCZ development areas, and existing and consented building footprints



3.2 Existing activities

In this subsection we describe the activities that are currently operating within the LCZ. There has been some presence of commercial activities fronting Springs Road for a long time, in a strip of adjacent premises including the tavern on the corner of Tosswill Road, a restaurant, a block of local shops and a service station/mechanics workshop. The formation of Central Avenue in about 2012 opened up the area south of Springs Road to development, with new residential areas either side, and more recent commercial development on the northern side of Central Avenue.

Description of activities located in the Prebbleton LCZ was completed using information collected during site visits in April 2022, and using approved resource consents, from information provided to us by SDC in April 2022.

3.2.1 Springs Road retail

Activity in this block has been operating for many years. Following is a list of activities fronting Springs Road in the LCZ, from west to east:

- ❖ Finnegans Tavern, including two liquor stores and a gravel parking lot. This is consented for redevelopment for a retail complex, as explained in section 3.3.3.
- ❖ Armadillos restaurant.
- ❖ A block of local convenience shops (bakery, Indian restaurant, hairdresser, fish and chips, architectural design, dairy). These are fully tenanted, and provide a relatively typical range of convenience businesses to the local community.
- ❖ A mechanics workshop and farm servicing business.

3.2.2 FreshChoice

The FreshChoice supermarket on the corner of Tosswill Road and Central Avenue opened in June 2020. The store is approximately 2,000m² gross floor area (“GFA”), and has a large car parking area accessed off Tosswill Road.

3.2.3 Other activity outside the LCZ

Although activities outside the LCZ would not be directly affected by a potential change to a TCZ, they may be relevant to assessing the effects on other centres, by virtue of their operation in conjunction with the centre-based businesses to function as a centre/destination with a broader range of activities than only that which is present within the centre zone itself.

However, while there is some such activity outside of the LCZ, it is of very limited scale, being only Prebbleton Dairy, a restaurant in a converted house, and a beauty therapy business, also in a converted house. These businesses are close together to the west/south-west of the LCZ. Due to this

limited scale, we consider that the presence of these commercial businesses outside the LCZ will have no bearing on the potential effects of a change from LCZ to TCZ for the centre.

3.3 Consented activities

There have many multiple resource consents issued for the Prebbleton LCZ within the last few years. Those consents relate to the areas identified above in Figure 3.3, and are described below.

3.3.1 The Prebbleton Village

Consent for “The Prebbleton Village” was issued in April 2021,² and enabled the development of some 2,100m² GFA of floorspace behind the local shops and automotive workshop, accessed off Springs Road. Construction is now nearly complete, and the complex is likely to open sometime in mid-2022.

Figure 3.4: Consented plans for The Prebbleton Village

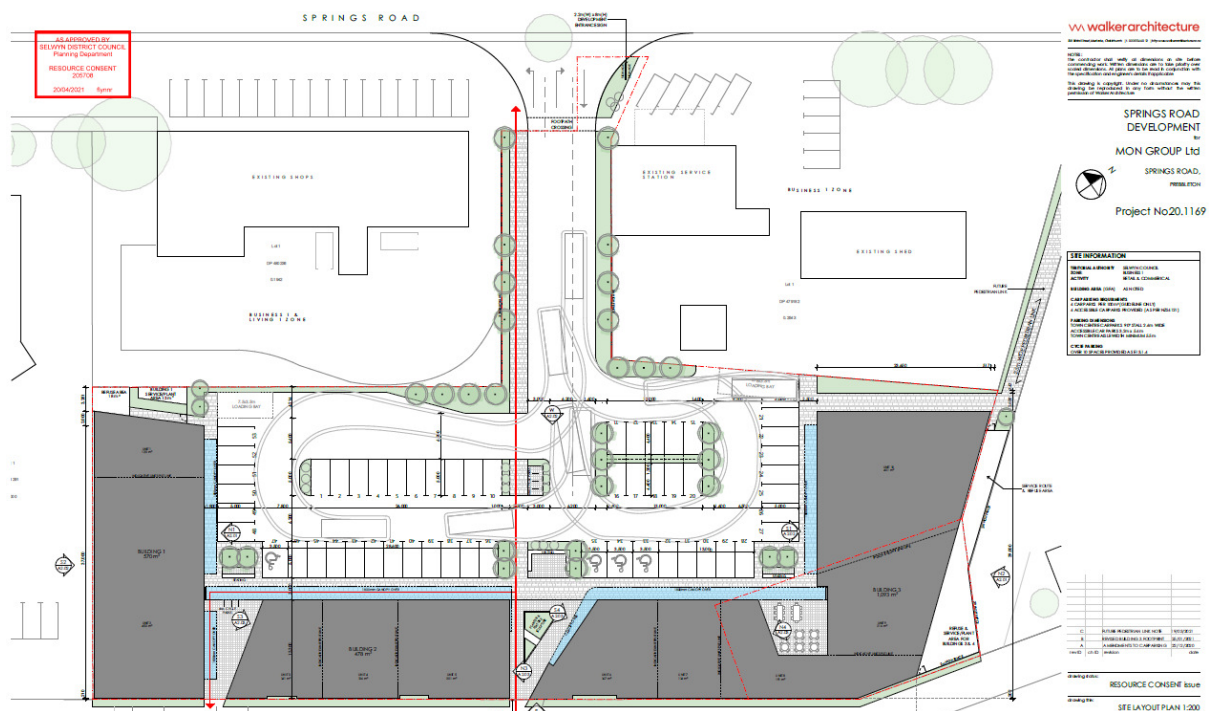


Figure 3.5: Visualisation of The Prebbleton Village

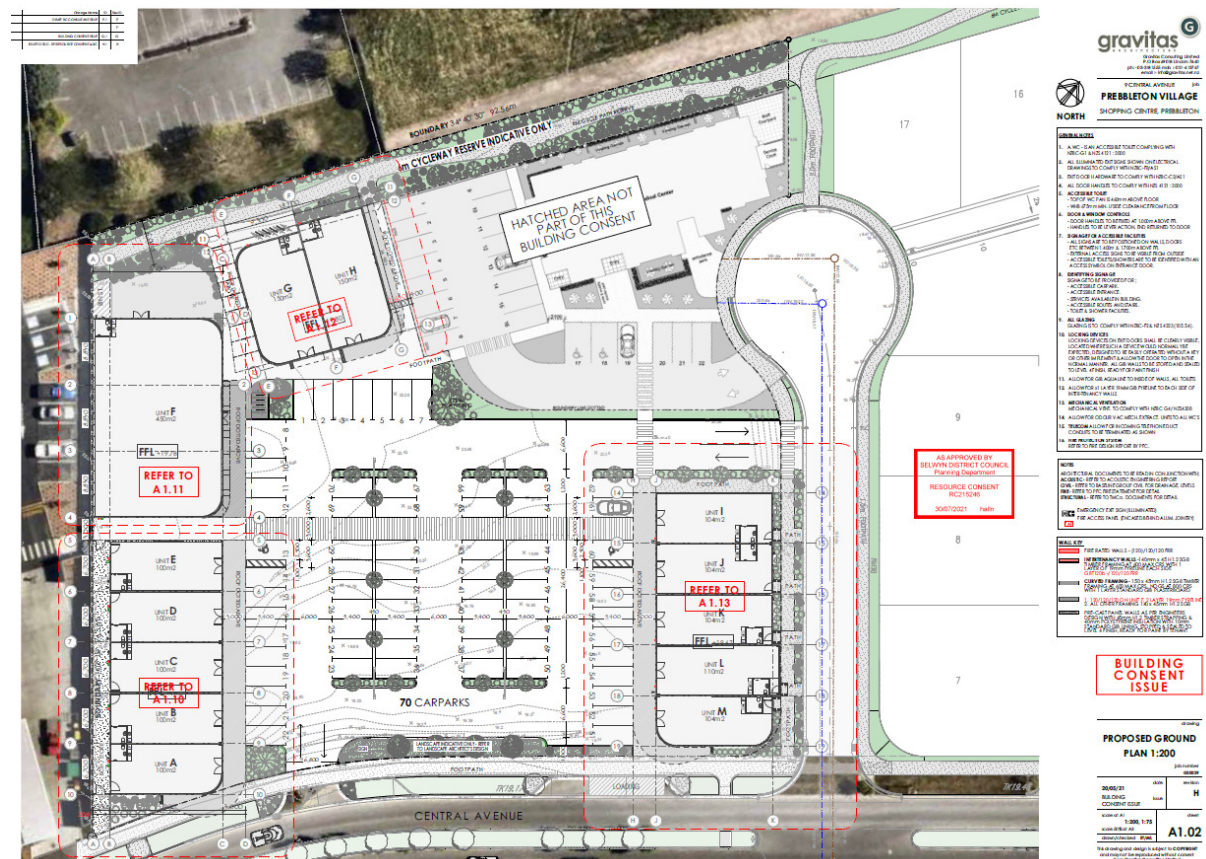


² RC205708

3.3.2 Prebbleton Village Shopping Centre

The Prebbleton Village Shopping Centre ("PVSC") is also under construction, although is less advanced than The Prebbleton Village. The PVSC was consented in two parts, firstly the bulk of the development (July 2021, 1,780m², Figure 3.6)³ and secondly as a consent for the medical centre alone (September 2021).⁴ The development occupies part of a formerly larger parcel that was subdivided to yield a new road (Coupling Close) and the residential lots east of that road.

Figure 3.6: Consented plans for PVSC



At the time of our site visit in April 2022, the exterior form of the buildings had been largely completed, with internal fitout and cladding remaining to be done.

³ RC215246

⁴ RC215495

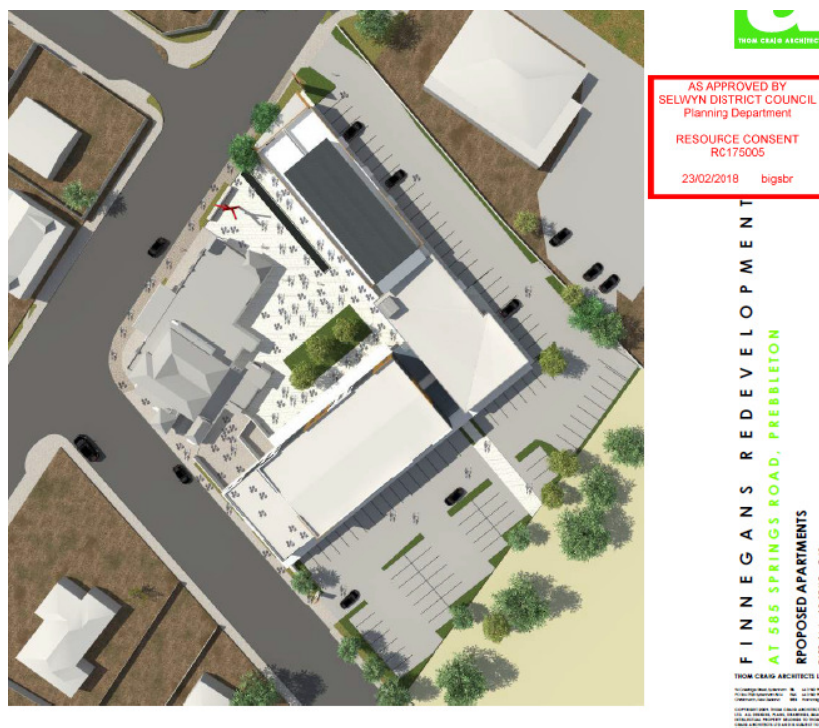
Figure 3.7: Visualisation of PVSC



3.3.3 Finnegans Development

The Finnegans Development is located on the site of the existing tavern, on the corner of Tosswill and Springs roads. Consent was issued in February 2018,⁵ although has not yet been given effect to. The consent is for retention of the existing tavern building, and construction of three new buildings and carparking areas. The new buildings would provide 1,567m² GFA of ground floor space, plus 30 motel units and two residential units above ground (1,446m² on the first floor, and 1,166m² on the third floor).

Figure 3.8: Consented plans for Finnegans Development



⁵ RC175005

Figure 3.9: Visualisation of Finnegans Development



3.3.4 Residential

Approximately 0.72ha of the LCZ has now been subdivided for residential dwellings. A number of dwellings were under construction at the time of our site visit, with other lots vacant.

3.4 Development potential

The existing and consented activities will constrain how the Prebbleton LCZ might be developed in the future. As discussed earlier, it will not be economic to replace some existing buildings, particularly those that are newer and more substantial. It will be most financially viable to demolish and replace older, smaller and less significant buildings, or to develop on greenfields or vacant sites. Taking those observations into account, we provide below a broad indication of the existing development potential of the Prebbleton LCZ:

3.4.1 Little or no potential for redevelopment

It is very unlikely that it will be financially viable to redevelop buildings that have been recently constructed, or are nearly finished construction. All of these buildings would likely have been in use for some time when any potential TCZ becomes operative. Buildings we consider fall into this category are:

- ❖ The Prebbleton Village development
- ❖ The Prebbleton Village Shopping Centre (and medical centre)
- ❖ FreshChoice
- ❖ The residential area to the east of Coupling Close, which, having been subdivided and with around half the dwellings under construction is unlikely to change to any non-residential use now.

3.4.2 Moderate potential for redevelopment

Some potential for redevelopment exists in the following buildings:

- ❖ The local shops on Springs Road. These could be redeveloped, and potentially to become integrated with The Prebbleton Village (which is to their rear), although they are fully tenanted, make reasonable use of the site they are on, and have excellent street exposure. A constraint of this site is that its size (1,940m²) and dimensions (only c.35m wide) limit the types of building that might be built on the site, although integration with The Prebbleton Village site would broaden the redevelopment opportunities for that site.
- ❖ Armadillos restaurant. This is an older building, but an established and long-standing restaurant in Prebbleton. It is on a relatively large site (c.3,000m²) but again only 30-45m wide, and located between the proposed (but not yet started) Finnegans development and the southern/back edge of The Prebbleton Village. Some redevelopment of the Site would be possible, and again would yield most optimal configuration if able to be integrated with neighbouring sites.

3.4.3 High potential for redevelopment

The remaining parts of the centre are those that we consider offer high potential for redevelopment:

- ❖ The tavern site has been consented for the “Finnegans Development”, although that has not yet begun, despite receiving consent three years ago. The low intensity use of much of the site, and fact that development plans for the site already exist, indicate that it is very likely that some form of redevelopment will occur in the future. That redevelopment may take a different form to the consented activity, and plans could be revisited if a TCZ is applied to the site.
- ❖ The mechanics workshop in the north of the centre is a yard-based activity with what appear to be low value industrial-type buildings. As for the local shops block, a constraint of this site is that its size (2,500m²) and dimensions (only c.40m wide) limit the types of building that might be built on the site, although integration with The Prebbleton Village site would broaden the redevelopment opportunities for that site.

3.4.4 Redevelopment potential summary

In aggregate then large parts of the LCZ offer limited or no potential for redevelopment, with most potential existing in the parcels fronting Springs Road. With some coordinated approach to these parcels there could be the potential to accommodate larger format retail stores there, particularly on the joint 1.2ha of the LCZ which takes in the contiguous Finnegans, Armadillos and local shops blocks, which together have around 160m of street frontage to Springs Road.

Those three blocks could accommodate around 3,500-4,500m² GFA of retail space at ground floor level, if redeveloped together in a coordinated way. That space could be configured to include larger and smaller format tenancies, including tenancies of larger than 450m² that would not be permitted in the LCZ, but which would be permitted in the TCZ. There is already 1,567m² GFA of ground floor

space consented within these blocks (the Finnegans Development), and therefore a consented baseline that implies additional space of the type consented is acceptable (in RMA effects terms) in the area.

Redevelopment of the automotive workshop site (1,940m² land area) might yield a further 700-800m² of GFA, for a total development potential of say 4,300-5,300m² of retail space at ground floor level in the Prebbleton LCZ, if redeveloped together in a coordinated way. The Central Avenue side of the LCZ offers essentially no redevelopment potential.

4 Economic effects assessment

This section draws on the observations and assessment contained above to assess the effects of a potential change from LCZ to TCZ for the Prebbleton centre.

4.1 Economic growth context

The need for centres-type activities, that is, commercial, retail and services activities, is broadly linked to the size of a population. As that population grows, it supports, and demands, a larger local provision of supply for convenience, and to provide efficient access to businesses. In Selwyn the fast growing population has supported a large increase in local centre activities over the last decade, and that provision is continuing to increase.

In 2018, Selwyn District Council (SDC) and Greater Christchurch Partnership (“GCP”) conducted research into the quantum of urban land demanded and supplied, across the District and the wider Greater Christchurch Urban area.⁶ This research suggested that there could be a shortage of urban land in Selwyn District, which may eventuate in the later part of the 2020s. As a result, the GCP released a Future Development Strategy (“FDS”) that updated settlement patterns in Selwyn District.⁷

Since the FDS was completed, the growth in residential dwellings in Selwyn has increased beyond what was anticipated. Annual new dwelling building consents issued in the district increased from 1,000 in 2018 to 1,600 in 2020,⁸ and the GCP’s 2021 housing capacity assessment shows that high growth is anticipated to continue, and at faster rates than were anticipated even as recently as 2018. This high level of demand is reflected in the large number of private plan changes that have been requested in Selwyn, with 17 of these recent requests having residential development as a core component, together enabling an additional 11,700 dwellings to be constructed in the district.

To provide for this growth, an increased range of retail and service activity will be required. There is some such additional activity in the pipeline, including the consented retail activities in the Prebbleton LCZ (as discussed in section 3), as well as large new (recent and imminent) developments in Rolleston and Lincoln. These new developments are discussed in section 4.2.

This high growth means that an expanded range of commercial and retail activity in Prebbleton’s centre will not necessarily take away from other centres in Selwyn, because it will be required, at least to a large extent, to support growth.

⁶ Greater Christchurch Partnership (2018) Greater Christchurch Housing and Business Capacity Assessment.

⁷ Greater Christchurch Partnership (2019) Our Space 2018-2048: Greater Christchurch Settlement Pattern Update Whakahāngai O Te Hōrapa Nohoanga.

⁸ Statistics New Zealand (2021) Building Consents issued – August 2021.

4.2 Role and function of Selwyn centres

4.2.1 Centre hierarchy

As discussed in section 2, Selwyn's centres are part of a hierarchy, with the Rolleston TCZ as the primary focus of the District's retail and commercial activity, followed by the Lincoln TCZ, with the Darfield and Leeston TCZs playing a secondary role to Rolleston and Lincoln.⁹

The PDP also proposes a number of smaller centres through the provision of Neighbourhood Centre Zones ("NCZ") in Rolleston and Lincoln, and a single Large Format Retail Zone (in Rolleston). Together, these centres will accommodate a much broader range of retail and service activities than has historically been provided. These centres and the LFRZ will facilitate the provision of new large format retail space (which is now relatively constrained as to location options given the limited vacant land available in the TCZs) and neighbourhood based convenience centres to provide good local access to frequently purchased goods and services (such as dairies, takeaways and hairdressers).

In the rest of section 4.2 we describe the location and nature of these centres, as input to the effects assessment in section 4.3.

4.2.2 Rolleston and Lincoln KACs

The Rolleston KAC is the primary focus of the District's retail and commercial activity with a significant node also in the Lincoln KAC. The Rolleston KAC employs nearly 800 workers in retail and hospitality businesses, with just under 400 engaged in Lincoln, and currently (2021) only 70 in Prebbleton (Figure 4.1). Rolleston and Lincoln have similar services employment (around 400 workers), and again both have far more than Prebbleton. The miscellaneous ("other sectors") group takes in employment in a wide range of business types, including part of the University in Lincoln, due to how the statistical areas are defined.

Figure 4.1: Selwyn centres' employment and business composition (2021)

Activity type	Rolleston		Lincoln		Prebbleton	
	Businesses	Workers	Businesses	Workers	Businesses	Workers
Retail and hospitality	26	790	23	390	6	70
Services	57	410	79	410	7	30
Other sectors	49	240	39	840	5	30
Total	131	1,440	140	1,640	18	130

Source: Statistics NZ and Formative Limited

This data shows that Prebbleton is currently a much smaller centre than both Lincoln and Rolleston, in all respects, although employment in the centre will increase significantly when the developments

⁹ PDP TCZ-Overview

that are currently under construction are tenanted. Prebbleton has a much more limited role, range of businesses, amount of built floorspace, and a smaller zoned area than the larger KACs, both of which are located in high growth towns where new residential growth will continue to demand and support an expansion of existing retail and services supply.

Some of the main activities present in the Rolleston and Lincoln KACs, relevant to assessing potential effects on those centres, include:

- ❖ Rolleston: two large supermarkets (New World and Countdown), The Warehouse department store, a new civic complex (Te Ara Ātea), council offices, electronics store, gyms, a small range of comparison retail, medical professionals, automotive parts, hospitality outlets such as cafes, restaurants and takeaways, professional offices. A large new mixed use development (Rolleston Fields) is underway on former reserve land, which will significantly expand the amount and range of activities in the centre.
- ❖ Lincoln: one large supermarket (New World), hair and beauty services, medical professionals, hospitality outlets, a library and the SDC service centre.

Lincoln's KAC is significantly smaller than Rolleston's, and while the Lincoln KAC includes a number of residential dwellings that could be redeveloped for commercial activities, neither centre has much vacant land that makes immediate development easy. The Rolleston KAC includes a transitional precinct that is envisaged to change from residential to non-residential uses over time, and development underway and likely in the Rolleston KAC will help to achieve the PDP's objectives of Rolleston remaining the primary focal point for retail and commercial activity in the District.

4.2.3 Darfield and Leeston TCZs

The Darfield and Leeston TCZs are smaller centres than the Rolleston and Lincoln TCZs, but are still significant commercial centres within Selwyn, and with a broad range of retail, commercial and services activities. Darfield and Leeston function as rural service centres for large catchments, providing the following range of activities:

- ❖ Supermarkets (albeit smaller than the Rolleston and Lincoln supermarkets) and other food retailers
- ❖ Pharmacies and convenience retailers
- ❖ A limited range of comparison retail such as clothing and giftware
- ❖ Hardware and rural supply stores
- ❖ Hospitality outlets such as cafes, restaurants, and takeaways
- ❖ Service providers such as hair and beauty, medical and real estate
- ❖ Council service centres and libraries.

Darfield and Leeston both have a very limited presence of higher order activities such as specialist retailers (electronics, footwear, sporting goods etc.) and offices (accountants, lawyers, architects) which are beginning to appear in Rolleston and Lincoln, and are more common in larger centres.

4.3 TCZ effects

Using the context and description of the existing environment provided above, we next assess the potential economic effects of the proposed change in zoning of the Prebbleton centre from LCZ to TCZ.

4.3.1 General comments

One important consideration is that the proposed LCZ would have introduced a more restrictive range of activity statuses for the Prebbleton centre, than those that apply under the ODP's Business 1 zoning. The Business 1 zoning is very permissive as to retail, services, and commercial activities, whereas the PDP's LCZ would make a number of activities (including commercial, retail, research, trade retail, trade supply and offices) not permitted above various maximum tenancy size limits. The TCZ would not have that size restriction, and would therefore be more similar to the ODP's Business 1 rules.

That means that the TCZ is consistent with what is enabled in the Prebbleton centre now, and would not enable a broader range of activity than is currently permitted in the centre. The effect of this is that activities that might establish in the Prebbleton centre under a TCZ already have the opportunity to establish in the centre under the operative Business 1 zoning. If those activities have not yet established in the centre, it is not through restrictive activity statuses, but presumably some other reason such as non-viability or there being no willing proponent of them. Those reasons would not change under a TCZ, although they may change as Prebbleton's (and Selwyn's) population continues to grow.

4.3.2 Nature of effects from a TCZ

As assessed in section 3.4 there is some potential for additional floorspace to be established in Prebbleton's centre, under either a LCZ or TCZ zoning (or the operative Business 1 zoning). The effects arising from a change to a TCZ from the proposed LCZ would arise predominantly as a result of the enablement of larger format businesses under a TCZ, because smaller format businesses (retail, trade retail and commercial <450m², offices and research facilities <200m²) are permitted under both the LCZ and TCZ.

The marginal change then arises from the nature of effects generated by potentially larger format businesses in the TCZ. It is unlikely that all of the potential additional 4,300-5,300m² GFA of retail space that might be developed in the Prebbleton centre (as discussed in section 3.4.4) would be larger format activities, but the assessment below assumes that it could be, so as to assess the 'worst-case' scenario arising from a change to TCZ. If that new space were to be occupied by smaller format

activities that were permitted, there would be no marginal increase in effects relative to a LCZ zoning, because those activities are permitted under both the LCZ and TCZ.

4.3.3 Effects on Rolleston and Lincoln

Taking into account the matters identified above in section 4.3, following is our assessment of the potential effects on Rolleston and Lincoln of applying a TCZ to the Prebbleton centre.

A key influence on the scale of potential effects on Rolleston and Lincoln will be the limited (re)development potential within Prebbleton. The potential additional 4,300-5,300m² GFA of retail space that could be supported in Prebbleton, would, if all configured into large format tenancies, equate to a relatively small net addition to both total and LFR supply enabled in Selwyn. The PDP has identified an LFRZ at Rolleston that is some 13-14ha gross land area, that might yield 45,000-55,000m² of total retail GFA at 35-40% site coverage. At approximately 10% of that, the Prebbleton centre's (potential) LFR would be a small marginal increase in LFR enabled in the District, and therefore a small marginal increase in retail distribution effects on the Rolleston and Lincoln KACs.

It is likely that not all of the additional space that could be developed within the Prebbleton centre would be larger format tenancies, and therefore much of that space is permitted to be developed under the LCZ. Further, the TCZ enables a range of activities quite similar to those permitted under the operative Business 1 zoning, so relative to that baseline there would be no increase in economic effects on the Rolleston and Lincoln KACs if the centre changes from a Business 1 to a TCZ zoning.

Another key point is that significant population growth is projected to occur in Selwyn within the life of the PDP. Much of that growth will be accommodated in plan change areas that have been recently approved or are being processed now, and more growth will be accommodated within new residential areas that would be created by the PDP. That growth will support a broader range of retail activities in Selwyn, and as a critical mass of population is reached different types of retail, and new brands that have previously not seen Selwyn as a viable store location, will choose to locate in Selwyn.

This critical mass applies also to non-retail activities, and more commercial and office space will become sustainable in Selwyn, including in larger format (>200m² per the PDP) tenancies. It is unlikely that many if any large offices would seek to establish in the Prebbleton centre, but if they did the presence of a small amount of office space would generate less than minor adverse effects on the Rolleston and Lincoln KACs.

Another key factor is that Prebbleton would not become a KAC under the potential TCZ zoning, there would remain some distinction between the primary (Rolleston), secondary (Lincoln) and smaller Leeston and Darfield KACs and a Prebbleton TCZ.

In summary, the Rolleston and Lincoln KACs would be expected to experience less than minor adverse economic effects from the change to a TCZ for the Prebbleton centre. The very large and growing amount of space in the Rolleston centre will mean any adverse effects on that centre will be very small, and Rolleston is very likely to continue to be the primary retail and service destination in the District. Lincoln's established role providing for its local community will strengthen as growth occurs around its periphery, and the addition of a relatively small amount of new space at Prebbleton will not create any more than minor adverse economic effects for the Lincoln KAC.

4.3.4 Effects on Darfield and Leeston

The potential effects on Darfield and Leeston of the proposed TCZ at Prebbleton will be limited by three main factors:

- ❖ Their relatively large distance from Prebbleton, with Darfield being 40km north-west, and Leeston 30km south-east. Rolleston (13km) and Lincoln (8km) are much closer, and therefore more likely to be affected by the potential TCZ change.
- ❖ The more localised, rural service centre role of Darfield and Leeston, and limited presence of higher-order activities such as would be enabled by the potential TCZ change.
- ❖ The limited presence of activities in Darfield and Leeston that would be likely to compete with the type of activities that might establish in larger format tenancies in Prebbleton.

If Prebbleton's centre were to become a TCZ rather than a LCZ, the change in activities enabled in the centre would likely serve to distinguish the Prebbleton centre from Darfield and Leeston. The magnitude of that distinction would be quite small, given the limited capacity of Prebbleton's centre to change, due to the small development capacity remaining in Prebbleton, as assessed in section 3.4. For that reason, and given the large distance to those centres from Prebbleton, and the fact that larger format activities in Prebbleton are unlikely to compete much with the convenience-oriented activities in Darfield and Leeston, it is highly unlikely that changing the Prebbleton LCZ to a TCZ would have any effect on the Darfield and Lincoln town centres.

4.3.5 Effect on other Selwyn centres

There are also other centres in Selwyn, including the LCZs at Dunsandel, Southbridge, West Melton, Coalgate, Castle Hill, and NCZs in Rolleston and Lincoln. Those centres serve quite specific roles, with a heavily local focus providing for the community living nearby, and offering a very small range of (predominantly convenience) retail goods and services. As discussed in section 2.1.2, the wider commercial needs of populations in and around these towns are anticipated to be provided in the commercial zones in the District's larger townships. Therefore, the scale and nature of activities in the LCZ should not detract from the role and function of the TCZs.

Changing the Prebbleton LCZ to a TCZ would not be expected to have any effect on these LCZs and NCZs, because of the local focus of those centres, and the very limited extent to which they would provide for similar activities to the additional activities provided in a Prebbleton TCZ compared to a LCZ.

4.3.6 Effects on Christchurch centres

Also included here for completeness is the potential effect on centres in Christchurch. It is highly unlikely that changing the Prebbleton LCZ to a TCZ would induce Christchurch residents to redirect their centre patronage from their (closer) Christchurch centres to Prebbleton. Further, there are a large number of centres in Christchurch, even around the south-western fringe of the city across which any adverse economic effects would be spread, meaning that the effects on any single Christchurch centre would be negligible.

5 Conclusions

Changing the zoning of the Prebbleton centre from LCZ to TCZ would enable a slightly broader range of activities in the centre, although that range would be similar to that enabled in the operative District Plan. Because the Prebbleton centre is largely developed, and much of the built form is recent, even to the extent of nearing completion only now, there is limited scope for additional retail or commercial activity in the centre.

The areas where there is potential for (re)development are predominantly the older parts of the centre that front Springs Road, and while some of those blocks, particularly the Finnegans tavern block, are relatively large, the aggregate potential retail and service floorspace that might be developed on those parcels would be limited to around 4,300-5,300m² GFA of ground floor space. That space would be permitted to establish under the PDP's proposed LCZ, with maximum size limits for some activities, including retail, office and commercial activities.

The economic effects of changing from a LCZ to a TCZ in the centre would then arise only from the enablement of larger activities in the centre. Relatively few larger activities could be developed in the centre due to the limited redevelopment area available, however a TCZ might accommodate some large format retail and office space, for example, which would not be permitted in the LCZ. Because the Selwyn population is growing rapidly, there is a need for additional retail and services space, and different types of space, to better provide for the community's needs. If new, larger activities were to establish in the TCZ, they would be sustained largely by growth in the Prebbleton and Selwyn population, and would not be reliant on drawing custom away from existing centres to be viable.

This assessment has found that any adverse economic effects on the Rolleston and Lincoln KACs are likely to be less than minor, and effects on other Selwyn and Christchurch centres would be even smaller. On that basis we conclude that there is no economic reason not to apply a TCZ to the Prebbleton centre, and we do not consider that any additional standards or measures will be required to address any economic effects associated with the rezoning beyond the application of the default TCZ rules and standards.