Before the Independent Commissioner Appointed by the Selwyn District Council

Under the Resource Management Act 1991

In the matter of a hearing on submissions to the Partially Operative Selwyn

District Plan, Variation 2: Levi Road rezoning

Foodstuffs (South Island) Properties Limited

Applicant

Statement of Evidence of Fraser Colegrave

7 March 2025

Applicant's solicitors:
Alex Booker | Sarah Schulte
Anderson Lloyd
Floor 2, The Regent Building, 33 Cathedral Square, Christchurch 8011
PO Box 13831, Christchurch 8141
DX Box WX10009 Christchurch
p + 64 3 379 0037
alex.booker@al.nz | sarah.schulte@al.nz



Introduction

- 1 My full name is Fraser James Colegrave.
- 2 I am the Founder and Managing Director of Insight Economics. Prior to that, I was a founding director of another economics consultancy Covec for 12 years.
- 3 I hold a first-class honours degree in economics from the University of Auckland.
- I have worked as an economics consultant for 25 years, and have successfully completed more than 600 projects across a wide range of sectors. During that time, I have helped clients gain planning permission for numerous major projects and developments worth more than \$30 billion.
- I have also completed several retail assessments across Greater Christchurch, including previous work on various Key Activity Centres (KACs), namely Halswell, Northwood, Papanui, Rolleston, Ravenswood, and the Christchurch City Centre.
- Since 2021, I have provided evidence for 11 private plan changes in the district, of which 4 have been specifically residential growth-oriented in Rolleston. As a result, I have a good working knowledge of the district's housing and business capacity and the Greater Christchurch local and sub-regional economies, respectively.
- This evidence is provided in support of Foodstuffs (South Island) Properties Limited (Foodstuffs) request to rezone 157 Levi Road, Rolleston (the Site) from Medium Density Residential Zone (MRZ) to Large Format Retail Zone (LFRZ), and insert a new Outline Development Plan (ODP) replacing DEV-RO1 Variation 2 to the Partially Operative Selwyn District Plan (PODP-V2). My role has been to provide advice in relation to economic matters arising.
- I have visited the Site and I am familiar with the area. I also provided economic evidence for the PAK'nSAVE resource consent on the Site in 2022.
- 9 In preparing this statement of evidence I have considered the following documents:
 - a) Statement of Evidence prepared by:
 - i. Bernard Johnston (Architecture);
 - ii. Tony Milne (Landscape Architecture);
 - iii. Rebecca Parish (Foodstuffs);
 - iv. Murray Smith (Mitre 10); and
 - v. Derek Foy (Economics).

- b) the AEE accompanying the PODP-V2;
- c) submissions relevant to my area of expertise;
- d) the PODP provisions relevant to my area of expertise; and
- e) the Section 42A Report prepared by Craig Friedel dated 28 February 2025.

Code of Conduct for Expert Witnesses

10 While this is not a hearing before the Environment Court, I confirm that I have read the Code of Conduct for expert witnesses contained in the Environment Court of New Zealand Practice Note 2023 and that I have complied with it when preparing my evidence. Other than when I state I am relying on the advice of another person, this evidence is within my area of expertise. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

Context

- 11 Foodstuffs seeks to rezone approximately 7.3 hectares at the Site from MRZ to LFRZ.
- 12 In September 2022, consent was granted to establish a PAK'nSAVE supermarket on the Site (RC216016). This is now under construction.
- 13 A Mitre 10 trade retail store is proposed on the balance of the Site.
- The current zoning is incompatible with both these activities, as supermarkets and trade retail are non-complying activities in the MRZ.
- A similar rezoning request was previously made through Foodstuffs' submission (V1-0111) on Variation 1 to the PDP, but was determined by the Hearing Panel to be out of scope. This current proposal (Variation 2) has since been accepted by Selwyn District Council for consideration.

Scope of Evidence

- 16 In the remainder of this evidence, I address the following key issues:
 - a) The need for the proposal under the National Policy Statement on Urban Development (NPS-UD);
 - b) The likely economic benefits of the proposal;
 - c) The merits of the Site for the proposed development;
 - d) Other potential locations for the proposed development;

- e) The likely impact of the proposal on the Rolleston Key Activity Centre (KAC);
- f) The impact of the proposal on residential land supply.

Executive Summary

- 17 The NPS-UD requires Councils in high growth areas like Selwyn to provide "at least" sufficient development capacity to meet future business demand for different sectors in the short-term, medium-term, and long-term.
- However, according to the latest Business Development Capacity Assessment (BCA), the district has insufficient aggregate commercial capacity in the long term, with medium term sufficiency also dependent on more optimal uses of business land occurring to plug any shortfalls.
- 19 At the same time, I consider there is significant unmet demand for hardware, building and garden (**HBG**) retail stores in the district right now. Indeed, despite being New Zealand's fastest growing district, Selwyn has an inordinately low supply of HBG stores relative to the national average.
- The proposed rezoning acknowledges and directly responds to this acute shortage by enabling a new trade retail / trade supply activity (i.e. a Mitre 10 store) to establish on the Site and meet both pent-up demand today, plus ongoing growth in demand over time. Enabling additional retail capacity (particularly trade retail) in the district will help retain local spending, reduce leakage to adjacent districts, and directly support Rolleston's long-term vibrancy.
- In addition to enabling greater district retail self-sufficiency, the proposed rezoning will also have other enduring economic benefits, including:
 - a) The economic stimulus of store construction and operation, with 65 full-time workers permanently employed over the longer term; and
 - b) Reduced commuting compared to the status quo, in which nearly all district HBG retail needs are met in Christchurch City. By contrast, the proposed new Mitre 10 store would be centrally located within its core customer catchment, thereby significantly improving accessibility and convenience.
- More generally, I note that the Site is also an excellent fit with key site and location criteria for stores like Mitre 10 because it:
 - a) provides a highly visible and easily accessible location on an arterial road;
 - b) is located near its current and future customer base:
 - c) is large enough to meet its operational needs;

- d) is relatively flat, free of contamination, and is a suitable shape;
- e) creates potential for synergies with the PAK'nSAVE under construction because they share similar (i.e. household) customer bases; and
- f) can be developed in a financially viable manner.
- Other theoretically possible locations for the proposed store fail to meet key location criteria, and are therefore inferior from an economic perspective.
- The proposed Mitre 10 store will not undermine the role, function, health, and vitality of the Rolleston KAC because it will neither divert trade from the town centre, nor deprive it of a new store that would have otherwise located there.
- 25 Similarly, although the proposed Mitre 10 will occupy land earmarked for residential development, it will reduce long-term district dwelling capacity by just 0.16% based on a realistic 15 dwellings per hectare scenario. If the Site were instead developed under MRZ provisions at 43 dwellings per hectare, the potential reduction in district capacity would be approximately 0.43%. In either case, I consider its effect on residential land supply to be less than minor.
- For these reasons I consider the bespoke LFRZ provisions promulgated for the Site to be the most appropriate outcome, so I continue to support them on economic grounds.

About the Site and Proposal

- The Site is bound by Levi Road to the north, MRZ land to the east, and Lincoln Rolleston Road to the southwest. It is relatively flat, triangular, and spans about 7.3 hectares.
- The proposal rezones the Site to LFRZ and includes site-specific amendments to the zoning provisions that limit permitted activities to:
 - a) One supermarket, with a minimum gross floor area (GFA) of 6,000m².
 - b) One trade retail / trade supply activity, with a minimum GFA of 6,000m².
 - c) Food and beverage activity that is ancillary to a trade retail / trade supply activity, with a maximum GFA of 250m².
- These bespoke zoning provisions are reflected in the proposed ODP in Figure 1 below, which identifies the indicative building footprints for a supermarket and a trade-based retail activity.

LFRZ (PREC 13) "" INDICATIVE PEDESTRIAN CONNECTIVITY (INTERNAL) SITE BOUNDARY PRINCIPAL ENTRANCE WITH ROAD LINKS INDICATIVE CYCLE / PEDSTRIAN ROUTE
 (AS PART OF FUTURE RESIDENTIAL ACTIVITY) SUPPLE/JENTARY ENTRANCE /// 37.1 (7.NNN.1U7.1) LANDSCAPE TREATMENT SUPER/ JARKET SERVICE ENTRANCE ONLY /// 57.1 (J.NNIJ.1U/.1) LANDSCAPE TREATILIENT 10/A LANDSCAPE TREATIAENT AND ACQUISTIC TREATIAENT [2/A FENCE ON BOUNDARY AND 2.5/A FENCE APPROX. 6/A FRO/A BOUNDARY]

Figure 1: Proposed ODP for the Site

Focus of this Assessment

This assessment considers the likely economic effects of development enabled by the proposal over and above the consented supermarket. To reflect the most likely development outcome under the proposal, I hereafter assume this will be a new Mitre 10 store.

Need for the Proposal Under the NPS-UD

31 The NPS-UD requires Councils in high growth areas like Selwyn to provide "at least" sufficient development capacity to meet the expected demand for business land from different sectors in the short-term, medium-term, and long-term.

- In April 2023, the Greater Christchurch Partnership published its latest Business Development Capacity Assessment (**BCA**) for its three partner Councils: Christchurch City, Selwyn District, and Waimakariri District.¹
- Among other things, the BCA assessed projected demand for commercial land² against wholly vacant plan-enabled supply³. It found that, in aggregate, Selwyn had:
 - a) Sufficient commercial land in the short term;
 - b) A projected undersupply of three hectares in the medium term; and
 - c) A shortfall of 31 hectares in the long term.
- According to page 57 of the BCA, vacant potential supply⁴ may provide additional capacity sufficient to meet medium term needs, although that is dependent on more optimal uses of business land occurring over time.
- In my experience, future market supply (which is ultimately tasked with meeting demand) is only ever a fraction of plan-enabled capacity, particularly over the short to medium term. This is due to various market factors that naturally limit supply, such as developer intentions, land banking, site constraints and so on.
- Not only is there a shortfall in aggregate commercial capacity in the medium-long term, but there is also a pressing specific need for additional HBG retail supply.
- Despite being New Zealand's fastest growing district by a clear margin, Selwyn has an anomalously low level of HBG retail supply. This is illustrated in the charts below, which plot (respectively):
 - a) The number of HBG employees per \$100 million of buildings consented in 2024 (Figure 2); and
 - b) The number of HBG employees per 1,000 residents in 2024 (Figure 3).

_

¹ Greater Christchurch Partnership, Business Development Capacity Assessment, April 2023

² i.e. excluding industrial land.

³ Vacant supply includes the properties that have no building footprint or floorspace at 2016

⁴ Properties that have low levels of floorspace and for which capacity has been identified based on their redevelopment potential

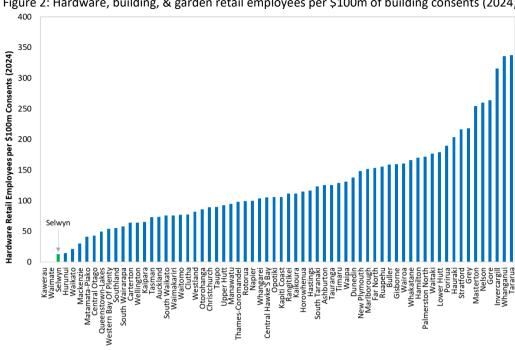
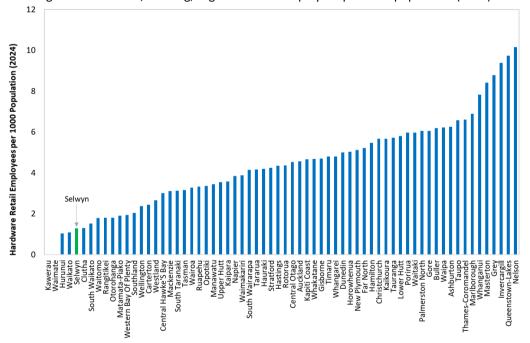


Figure 2: Hardware, building, & garden retail employees per \$100m of building consents (2024)





- 38 In fact, the district's current provision of HGB retail supply⁵ is:
 - seven times lower than the national average relative to building activity; and a)
 - four times lower than the national average relative to population size.

⁵ As measured by number of employees

As a result, the proposal not only helps to address looming shortfalls in district commercial land supply, but it also directly responds to significant unmet (i.e. pentup) demand for HBG retail by enabling a new Mitre 10 store to establish onsite.

Economic Benefits of the Proposed Mitre 10 Store

- The retail supply boost enabled by the proposal will generate significant and enduring district economic benefits.
- First, the process of planning for, designing, constructing, and stocking the new Mitre 10 store will draw in workers from a diverse range of fields and thus create hundreds of (temporary) jobs for district workers, while lifting household incomes.
- Second, once operational, the new store will provide permanent employment for approximately 65 full-time equivalent staff.
- Third, the new store will significantly reduce the need for households and tradespeople to commute to and from the city to source hardware and building supplies. This effect is greatly enhanced by the Site's central location relative to its core residential catchment.
- With more than 30,000 new dwellings needing to be built in Selwyn over the next 30 years⁶, these reduced commuting distances will confer significant and enduring benefits. Specifically, they will directly lower:
 - a) Vehicle kilometres travelled (and hence vehicle wear and tear);
 - b) Fuel consumption;
 - c) Harmful emissions:
 - d) Travel time and cost;
 - e) Congestion; and
 - f) Accidents.

I have not attempted to quantify these benefits because they depend on several assumptions, many of which I cannot reliably gauge ex-ante. However, I expect them to run into the tens of millions of dollars over time (relative to the status quo).

⁶ Selwyn District Council, Selwyn Residential Capacity and Demand Model – 2023: Post DPR and IPI Decision Update (Formative, 2024).

- For example, I estimated that the PAK'nSAVE on the Site would generate nearly \$7 million of benefits annually due to the impacts of reduced commuting.
- I don't expect the proposed Mitre 10 store to generate the same magnitude of benefits on its own, because supermarkets are frequented more often than hardware stores. However, the combination of a Mitre 10 and PAK'nSAVE within close proximity means that a greater share of local households' retail needs can be met in one trip, thereby amplifying the benefits associated with a reduction in commuting. Moreover, Mitre 10 is visited more often than other hardware stores due to its above average share of domestic customers, who shop more frequently than tradespeople.
- Finally, by reducing the share of hardware spend that leaks out of the district, the proposal will help the district to become more self-sufficient over time.

Fit with Site and Location Criteria

- 49 Retail is a very demanding business, with longevity requiring stores to be highly visible, readily accessible, and attractive to customers. Thus, new stores must be optimally located to maximise the chances of long-term success.
- While retailer site and location criteria invariably differ, not least due to differences in their target markets, I consider the key **location criteria** for a new HBG retailer like Mitre 10 to be:
 - a) Distances from competing stores;
 - b) Distances from other stores in the same chain to minimise the potential for sales cannibalisation;
 - c) Proximity to complementary stores like PAK'nSAVE and hence scope for the realisation of agglomeration benefits;
 - d) Proximity to customers;
 - e) Projected future building activity (new builds & alterations/additions); and
 - f) Current and projected future catchment spending power
- 51 In addition, I consider the key **site criteria** to be:
 - a) Accessibility and visibility from the street;
 - Size large enough to accommodate the store plus roading, customer and employee car parking, landscaping, stormwater management, yards, setbacks, landscape buffers, and so on;

- c) Appropriate site shape, topography, and geotechnical conditions;
- d) Freedom from contamination;
- e) Proximity to main roads/highways:
- f) Road frontage onto an arterial road with highly visible car parking;
- g) Land price; and
- An ing and consenting considerations.
- I consider the Site and its broad location to both be excellent fits with the key criteria identified above because it:
 - a) provides a highly visible and easily accessible location on an arterial road;
 - b) is located near its existing domestic customer base;
 - is located near the bulk of future growth and hence both building activity and its future domestic customer base;
 - d) is large enough to meet its needs;
 - e) is relatively flat, free of contamination and a suitable shape;
 - f) can be developed in a financially viable manner; and
 - g) also accommodates an emerging PAK'nSAVE supermarket, creating an opportunity for cross-shopping synergies.
- This last point is particularly important because Mitre 10 and PAK'nSAVE tend to serve similar customer bases so that co-locating with the emerging PAK'nSAVE provides agglomeration benefits that would not be realised if Mitre 10 established in, say, an industrial area that is frequented predominantly for business purposes instead.
- This is demonstrated by the two stores choosing to co-locate elsewhere recently, including four locations where they are adjacent⁷, and a further 13 instances where they are located within 500 metres of one another.

-

⁷ In Papamoa, Henderson, Te Awamutu, and Queenstown.

Other Potential Locations for the Proposed Mitre 10

- I understand that Mitre 10 assessed several potential locations for the proposed store in and around Rolleston using similar criteria to me, but the Site was a superior fit with its requirements and therefore emerged the best choice overall.8
- For completeness however, and as envisaged by Section 32 of the RMA, I now evaluate the relative economic merits of locating the proposed Mitre 10 store elsewhere in and around Rolleston.
- To begin, I note that trade retailers like Mitre 10 are permitted activities in two commercial zones other than the LFRZ, specifically the Town Centre Zone (**TCZ**), and the General Industrial Zone (**GIZ**).
- Accordingly, I consider the options and merits of locating the proposed Mitre 10 store either in the:
 - a) LFRZ area on Jones Road;
 - b) GIZ north of the state highway; or
 - c) TCZ underlying the Rolleston Town Centre.

Locating at the Jones Road LFRZ

- The PODP rezones approximately 13.1 hectares as LFRZ on Jones Road, north of the state highway. It is the only area zoned as LFRZ in Rolleston and, notably, is also the only LFRZ area in the district.
- In theory, the proposed Mitre 10 could locate there because it would be a permitted activity. However, the entire area is owned by a subsidiary of the Carter Group who have been granted resource consent for a comprehensive development of the entire site. This is represented by the approved plans below. 10

page 11

⁸ Evidence of Murray Smith at paragraph [12]

https://www.selwyn.govt.nz/ data/assets/pdf_file/0009/950580/021008-IPORT-LFR-Centre-RC-07072022-FINAL-complete.pdf

https://www.stuff.co.nz/business/property/129246076/south-islands-biggest-bulk-retail-centre-planned-forrolleston

MOSATOR ROAD

MO

Figure 4: Consented Development of the Existing LFRZ in Rolleston

- The consented development provides for one large format HBG retailer, which has now been consented and confirmed as a Bunnings hardware store.¹¹
- Further, because the consented development illustrated above consumes the entire area zoned for LFRZ, there is no remaining LFRZ land at Jones Road, nor anywhere elsewhere in the district, to accommodate the proposed new Mitre 10 store.

Locating in the General Industrial Zone

- Like the Jones Road LFRZ area, all GIZ land in Rolleston is located north of the State Highway. Moreover, because most GIZ land that is visible from the State Highway has already been developed, the Mitre 10 would need to locate even further north, which would reduce its visibility and accessibility even further.
- That GIZ land is therefore an inferior location for a new Mitre 10 store than the Site because, as discussed above, most customers are located south of the State Highway, where the bulk of future building activity will also occur. Accordingly, it is less convenient, less accessible, and less visible than the Site, all of which are crucial to long-term retail success.
- Accordingly, I consider it highly unlikely that a Mitre 10 store would be economically viable in this location.

-

¹¹ RC07072022

- The main exception is the recently rezoned PC80 GIZ area, which abuts the State Highway west of the established GIZ area.
- While that land is more visible and slightly more accessible than other GIZ land, the Rolleston West Industrial Precinct (PREC6A) ODP indicates that it is largely designed for industrial businesses needing or wanting a rail siding. Since Mitre 10 does not require a rail siding, this land is not only a poor fit with its site and location criteria, but would also lead to a suboptimal utilisation of infrastructure by displacing future industrial users for whom it is a better site and location fit.

Locating in the Rolleston Town Centre

- In my view, it is neither practical nor desirable for a new Mitre 10 store to establish in the Rolleston Town Centre because:
 - a) Most TCZ land is already developed or is in the process of being developed, with all remaining parcels being too small for a Mitre 10; and
 - b) A Mitre 10 store is unlikely to align with Council's vision for a human-scaled built form that prioritises people over cars, due to the significant land requirements and operational demands. As noted in Mr. Johnston's evidence:
 - i. The store's standard design and configuration require a total enclosed floor area of approximately 11,400m² (including retail hall, drivethrough, garden centre, café, and covered yards), plus around 4,000m² of uncovered yard area. External walls typically reach about 11m in height, with parapets rising to around 12m at the entry vestibule. This bulk and scale can be at odds with a pedestrianfocused streetscape.
 - ii. Approximately 200 car parks are needed to accommodate customers' and staff vehicles, and these are generally located in front of the store for ease of access. Delivery trucks and service vehicles also require a separate circulation route (including covered loading/yard areas) to accommodate the higher rates of heavy vehicle trips.
 - iii. To meet operational requirements—particularly drive-through lanes, inwards-goods corridors, and safe public entry—large setbacks and yard areas are required. Although these can be landscaped or buffered, it still results in a more vehicle-centric environment than is typically envisaged for a human-scale town centre.

Potential Adverse Effects on Existing Commercial Areas

- I now consider the likelihood of retail distribution effects arising on the Rolleston Town Centre, which is the closest commercial area and is the district's largest Key Activity Centre (**KAC**).
- In my view, the single trade retailer enabled by the rezoning, which I assume to be a Mitre 10 store, poses no threat to the role, function, health, or vitality of the Rolleston Town Centre because:
 - a) The town centre does not contain any hardware stores whose trade would be affected by the proposed new Mitre 10;
 - b) Instead, the new store's trade impacts will be felt almost exclusively by hardware stores in Christchurch City;
 - Furthermore, if the proposed new Mitre 10 could not locate on the Site, it would not otherwise move to the town centre for the reasons outlined above;
 - d) Accordingly, the new store will neither divert trade from the town centre nor deprive it of a store that would otherwise have located there.
- 71 Conversely, by locating on the Site, the proposal keeps the TCZ available for more suitable uses.
- At the same time, the proposed site-specific zoning provisions effectively mitigate the risk of alternate development scenarios occurring that could potentially affect the role, function, health, and vitality of the TCZ. Comfort can be taken from the fact that development of the Site would be limited to one large supermarket and one large trade retail outlet.
- Another consideration is whether the proposal will encourage other commercial activities to establish along Masefield Drive between the Site and the TCZ, which might detract from the town centre's role as the focal point for commercial activities.
- 74 Overall, I perceive no material risk of this occurring because:
 - a) Most of Masefield Drive is zoned MRZ under the PDP, where commercial activities are non-complying;
 - b) The area is already substantially built out¹², with over 90% of homes built in the last 20 years;

¹² Comprising 56 residential properties, 3 commercial properties, and one reserve.

- c) This relatively new building stock, combined with the fragmented ownership of individual residential parcels, makes comprehensive commercial redevelopment highly improbable for the foreseeable future; and
- d) The PODP contains provisions to protect the primacy of the TCZ, with any commercial activities outside this zone requiring resource consent as non-complying activities.

Likely Impact on Residential Land Supply

- I now consider the extent to which the proposal reduces the supply of residential land in and around Rolleston.
- To begin, I note that the proposal translates to the loss of approximately 45 new dwellings, assuming:
 - a) 40% of the Site's land area is foregone for residential purposes under the proposal (i.e. over and above the consented supermarket)¹³; and
 - b) A gross development density of 15 dwellings per hectare. 14
- 77 To put this loss in context, the latest Housing Capacity Assessment (**HCA**) by Formative for SDC¹⁵ estimates long-term district feasible capacity to exceed 29,000 dwellings. Consequently, the proposal will reduce long-term district capacity by just 0.16%.
- Since the HCA was prepared, additional land has been rezoned for residential purposes, further increasing district capacity. This includes 298 hectares of land west of Dunns Crossing Road in Rolleston that enables the staged development of 3,500 additional homes over time. When these are included, the percentage loss of residential capacity due to the proposal is even lower.
- 79 Accordingly, I consider the loss of 45 homes in this context to be less than minor.
- As an alternative scenario, if the Site were to be developed under MRZ provisions, the enabled gross development density would be approximately 43 dwellings per hectare. Applying the same assumption that 40% of the Site's land area is foregone

page 15

¹³ Based on the Site ODP.

¹⁴ While the MRZ theoretically enables higher densities, there is currently limited demand for higher-density typologies such as apartments and duplexes in the district. The assumed density of 15 households per hectare reflects realistic development outcomes, and is broadly in line with indicative yields for proposed MRZ developments such as the Carter Group rezoning in West Rolleston.

¹⁵ Available here: https://www.selwyn.govt.nz/?a=2143007

- for residential purposes, this would result in a potential loss of approximately 125 dwellings.
- Using this higher density scenario, the loss of residential capacity due to the proposal would increase to approximately 0.43% of the 29,000 dwellings estimated in the HCA. Even at this higher density, the percentage loss remains less than minor, particularly in light of the additional residential capacity enabled by the recent rezonings discussed in paragraph 78.
- On this basis, I consider that the loss of residential capacity under both scenarios remains less than minor and does not materially impact the overall housing capacity of the district.

Most Appropriate Zoning for the Site

- Based on the analysis and discussion above, I consider the proposed bespoke LFRZ provisions to be the most appropriate zoning outcome for the Site because they:
 - a) Limit development to one supermarket and one trade retailer, which leaves limited (if any) scope for other activities;
 - Provide certainty in outcome that allows effects to be assessed / managed;
 and
 - c) Reflect the ongoing and proposed future development on the Site, both of which would be permitted activities under rule LFRZ-R8.

Matters raised by submitters

- Several submitters have identified economic benefits likely to arise from a Mitre 10 locating at the Site, including increased retail choice, improved accessibility, reduced travel times, greater district employment, and the ability to meet the future demands of the district's growing population. I acknowledge and agree with these submissions.
- Other submitters (submissions 4, 5, 14, 15 and 21) have suggested a Mitre 10 is mislocated and would be better establishing at iZone. I disagree with this position for the reasons set out in paragraphs 63 to 67.

Matters raised by the Officer

I have read the relevant sections of the Section 42A Report, plus the underlying economic peer review by Derek Foy of Formative. I note that there is substantial alignment between my economic assessment and the opinions expressed by Mr. Foy on behalf of Council.

- 87 Both Mr. Foy and I agree that the proposal will not give rise to any significant retail distribution effects or adversely impact the role and function of the TCZ.
- We similarly conclude that removing a portion of plan-enabled residential land in this location will have no material effect on the district's overall residential land supply.
- 89 Mr. Foy's assessment confirms that positive economic outcomes are likely to result from the rezoning.
- 90 Regarding Mr. Foy's concern in paragraph 7.36 of the Section 42A Report, I accept the Officer's recommendation to manage the number of ancillary food and beverage activities on the site, by limiting them to a maximum of two outlets that have a total maximum GFA not exceeding 250m².
- I acknowledge that the Section 42A Report is largely consistent with my evidence and does not raise any additional economic issues that require further comment.

Summary and Conclusion

This evidence has considered the economic merits of rezoning the Site as LFRZ to better recognise the consented PAK'nSAVE and enable a new Mitre 10 store to establish there. Overall, I consider the proposed rezoning to be the most appropriate for the Site, and I also expect the proposed development enabled by it to generate significant and enduring economic benefits. Accordingly, I support the proposal on economic grounds.

Fraser Colegrave