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Bangor Village Economic Assessment

Fast Track Application

Prepared for: Hughes Development Limited

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Bangor Village Economic Assessment

Fast Track Application

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Executive Summary

The Bangor Village Project is a residential development in the township of Darfield in Selwyn District. Darfield is defined variously in Council planning documents as a Service Township, Key Activity Centre and Strategic Township. Common to those classifications is the important economic and social role that Darfield has in supporting an extensive rural and farming community and providing a hub for housing and economic development. The Project is consistent with the expectation that Darfield will be intensified as it provides for housing growth, which has been steady and accelerating in recent years.

Savvy Consulting has assessed the spatial, economic, demographic and growth context of Darfield and its service catchment. Set against that baseline, the Bangor Village Project is expected to deliver significant regional economic benefits. These benefits include:

- Gross housing supply of 700-800 dwellings in a master planned community, and net housing supply over and above underlying zoning of approximately 540-640 dwellings. The scale of the development is significant in Selwyn and Canterbury terms.
- Supporting a competitive and compact housing market in Darfield in the medium term and a more efficient use of the zoned land resource – reducing pressure to expand the township into highly productive land in the longer term.
- Meeting household needs through provision of a range of section sizes that complements the spectrum of section sizes currently enabled in the township through existing zoning. This includes a range of smaller, compact sections to help meet the needs of single and couple households and larger sections to help meet the needs of family households.
- Supporting more affordable housing options relative to status quo planning provisions for the Site by offering a greater number of smaller sections and reducing the marginal cost of infrastructure.
- Catalysing a minimum of $\$9(2)(b)(ii)$ of total direct, indirect and induced value added for the regional economy (in net present value terms, 8% discount rate), and total employment of between $\$9(2)(b)(ii)$ full time equivalent employment years spread over an estimated 11.5 year development period.

Savvy considers that any costs of the Project on economic wellbeing will be minimal and therefore the net economic benefits for Canterbury will be significant in aggregate. Savvy supports the Bangor Village Project from an economic perspective.



1 Introduction

Hughes Development Limited (“HDL”) is seeking referral to the Fast Track Approvals Act 2024 (“the Act”) for a 130ha master planned residential development called Bangor Village (“the Project”) located in Darfield, Selwyn District. The land is proposed to be developed to a mix of residential section sizes that will significantly increase the dwelling yield relative to the status quo Large Lot Residential zoning (“LLRZ”) and Development Area provisions. This report, prepared by Savvy Consulting,¹ assesses the economic benefits and costs of the Project and its economic significance to inform the assessment of whether the Project will meet the purpose of the Act.

1.1 The Fast Track Approvals Act 2024

The Act came into force on 23 December 2024. Within it, Schedule 2 lists 149 projects that the Government has determined meet the Act’s purpose, granting them direct access to the Fast track pathway without requiring Ministerial referral. This does not include the Project that is the subject of this assessment, hence referral is being sought.

In deciding whether to accept a project for referral, a key consideration for the Minister for Infrastructure is whether the project has significant regional or national benefits.

If a project is successfully referred under the Act, the significant regional or national benefits is also relevant to the Panel’s decision on whether to grant a substantive application (and on what conditions). In addition, under section 85 of the Act, a Panel may only decline an approval if the adverse impacts are sufficiently significant to be out of proportion to the project’s regional or national benefits; taking into account any conditions or modifications that the applicant may agree to or propose to avoid, remedy, mitigate, offset or compensate those adverse impacts.

Section 22 of the Act outlines the key criteria for determining the regional or national benefits of a project under the Act. They include whether a project:

- Section 22(2)(a)(i): Has been identified as a priority project in a central government, local government or sector plan or strategy.

¹ The experience and qualifications of the report author are contained in Appendix 1.



- Section 22(2)(a)(ii): Will deliver regionally or nationally significant infrastructure or enable the continued functioning of existing regionally or nationally significant infrastructure.
- Section 22(2)(a)(iii): Will increase the supply of housing to address housing needs or contribute to a well functioning urban environment (within the meaning of Policy 1 of the National Policy Statement on Urban Development 2020).
- Section 22(2)(a)(iv): Will deliver significant economic benefits.
- Section 22(2)(a)(v): Will support primary industries, including aquaculture.
- Section 22(2)(a)(vi): Will support the development of natural resources, including minerals and petroleum.
- Section 22(2)(a)(vii): Will support climate change mitigation, including the reduction or removal of greenhouse gas emissions.
- Section 22(2)(a)(viii): Will support climate change adaptation, reduce risks arising from natural hazards, or support recovery from events caused by natural hazards.
- Section 22(2)(a)(ix): Will address significant environmental issues.
- Section 22(2)(x): Is consistent with local or regional planning documents, including spatial strategies.

These criteria help to set the context of what economic effects (costs and benefits) are of key relevance to the application. This report focusses on criteria (iii), (iv), (v) and (x). Specifically, the analysis aims to demonstrate how the Project aligns with key criteria of the Act, including:

- Increasing housing supply in a manner anticipated by planning documents and strategies in the long term while addressing housing needs in the short medium term.
- Delivering significant economic benefits (taking into account any economic costs of the Project).
- Supporting primary industries (namely farming and dairy processing)

For clarity, this economic assessment considers economic costs and benefits but does not contain a Cost Benefit Analysis (“CBA”) (formal or otherwise) that captures all effects of the Project (particularly social, environmental or cultural effects). Rather, social, environmental and cultural costs (if applicable) may be treated as negative impacts of the Project if deferred, to be weighed (proportionally) against the significant benefits of the Project, which include (but is not limited to) net economic benefits.



1.2 Report Structure

To meet the requirements of the Act set out above, the approach of this economic assessment considers²:

- The relevant study area for the assessment of the Project and the spatial context of the proposed Site. The socio-economic characteristics and trends of the Darfield catchment are assessed along with an assessment of the Selwyn District and Darfield housing market. This is covered in Section ■
- The contribution of the Project to housing supply, housing needs, GDP and employment (Section ■)
- A summary of economic benefits and costs, with conclusions on the overall net economic significance of the Project is contained in Section ■

A number of appendices are included that contain further detail relied on in the sections listed above.

² As the Project site was (and still is) zoned Large Lot Residential at the time that the NPS-HPL came into effect, the National Policy Statement for Highly Productive Land (“NPS-HPL”) does not apply to the Project.



2 Spatial and Economic Context

2.1 Wider Study Area

The Project is located at 160 Bangor Road in the township of Darfield. The wider study area for this assessment is therefore Selwyn District. Selwyn District is one of 10 territorial authorities that make up Canterbury Region³ (Figure 2.1).

Figure 2.1 – Study Area – Selwyn District and Canterbury



Rolleston is the economic centre of the Selwyn District – at the head of the centre hierarchy. It is defined as a “District Centre” in the Township Network described in the District Plan. Darfield is defined in the District Plan as a “Service Township” in the Township Network along with Prebbleton, West Melton and Leeston. The role of Service Townships is to provide a high amenity residential environment and primary services to “Rural Townships” and surrounding rural areas.

³ Waitaki District is partly within Canterbury Region, and partly within Otago Region.



Of the four Service Townships in Selwyn District, Darfield and Leeston are also classified in the Canterbury Regional Policy Statement as Key Activity Centres (“KACs”), which are focal points for employment, community activities and the transport network, and are suitable for mixed use development. The Future Selwyn Strategy⁴ defines Darfield as a “Strategic Town” (along with Leeston) in which higher density housing (through infill or redevelopment) is anticipated over the long term.

Darfield Township contains a Town Centre Zone (“TCZ”), areas of General Industrial Zone (“GIZ”) and other social infrastructure relied on by Darfield residents and the surrounding rural area and Rural Townships in its catchment. However, residents of Darfield and its wider catchment are still reliant on the larger Rolleston KAC and Christchurch to meet higher order household and business needs.

2.2 The Darfield Catchment

In keeping with the role of Darfield within the Selwyn District and the Canterbury Region, Darfield has an important economic and social function for residents within the township as well as in the surrounding rural area.

Darfield’s service catchment has previously been mapped in the Council’s Malvern Area Plan 2031⁵ and covers 75% of Selwyn District (Figure 2.2). This existing catchment definition aligns with both 2018 and 2023 Statistical Area 2 (“SA2”) boundaries. It does not match the 2023 Malvern Ward boundary, which excludes a portion of land that connects to State Highway 1 west of Burnham and Rolleston, but includes West Melton. The Malvern Area Plan catchment (Figure 2.2) is preferred over the Ward boundary because it excludes West Melton, which is within the Greater Christchurch Urban Environment, and within the service catchment of the Rolleston KAC. The Malvern Area is herein referred to as the “Darfield Catchment”.

⁴ Waikirikiri Ki Tua Future Selwyn is a long-term strategic approach that shapes the strategic direction Selwyn District for the next 50 years. It was published in 2024.

⁵ The report was published in 2016.



Figure 2.2 – Darfield Catchment/Area of Influence (aka Malvern Area)



Figure 2.3 provides a similar map of the Darfield Catchment, showing Statistical Area 1 (“SA1”, 2023) boundaries, including aggregations of those SA1s to cover the effective area of Darfield township (which equates to the Darfield SA2) and the other Rural Townships in the catchment. These include Kirwee, Waddington, Sheffield,⁶ Springfield, Castle Hill Village, Arthur’s Pass, Hororata, Coalgate, Glentunnel and South Malvern Whitecliffs.⁷ The balance of the Darfield Catchment is rural land.

Figure 2.4 shows SA1s included as part of the Darfield environs (i.e. the nearby rural SA1s in addition to the township proper SA1s/Darfield SA2). This area is treated as the Primary Darfield Catchment and the rest of the Catchment is treated as the Secondary Darfield Catchment. The spatial definitions in Figures 2.3 and 2.4 are used to summarise socio-economic data in the following Catchment analysis. Different data is available at different spatial resolutions.

⁶ While these are physically separated settlements, they fall within the same SA1, hence are combined for the purpose of this assessment.

⁷ Ibid.



Figure 2.3 – Darfield Township and Catchment Settlements (SA1 2023 Defined)

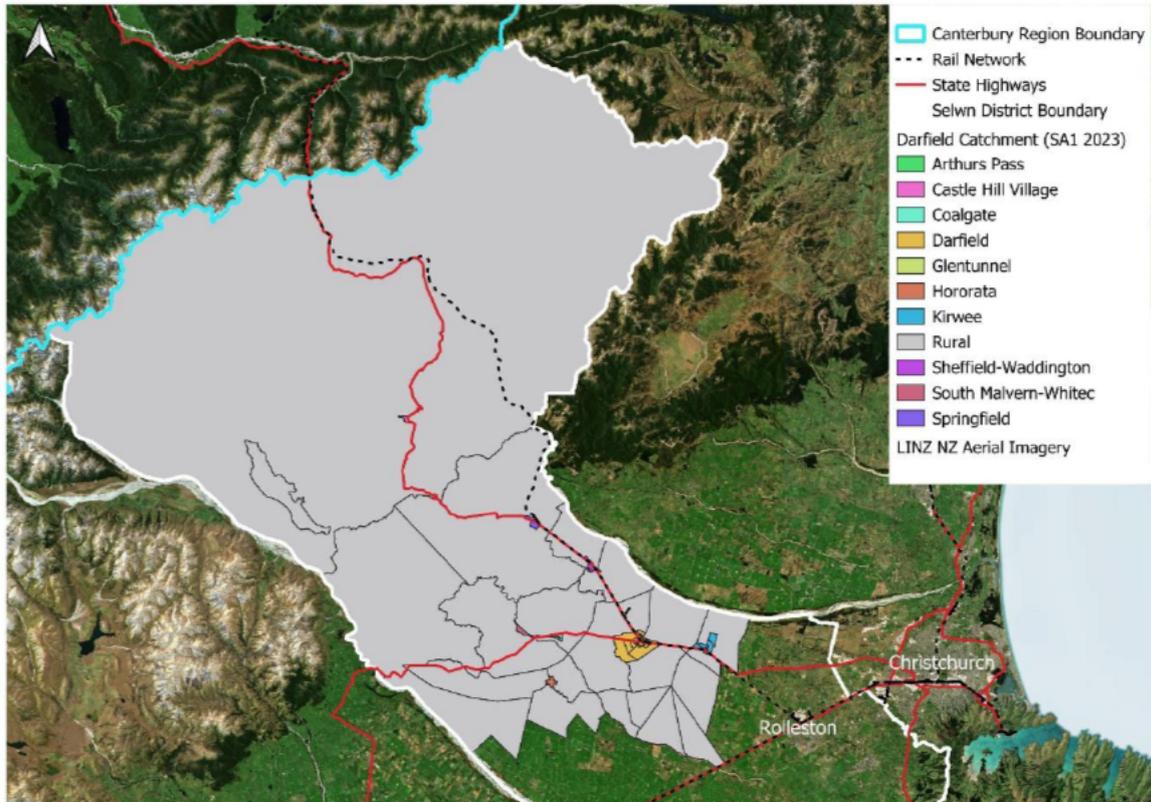
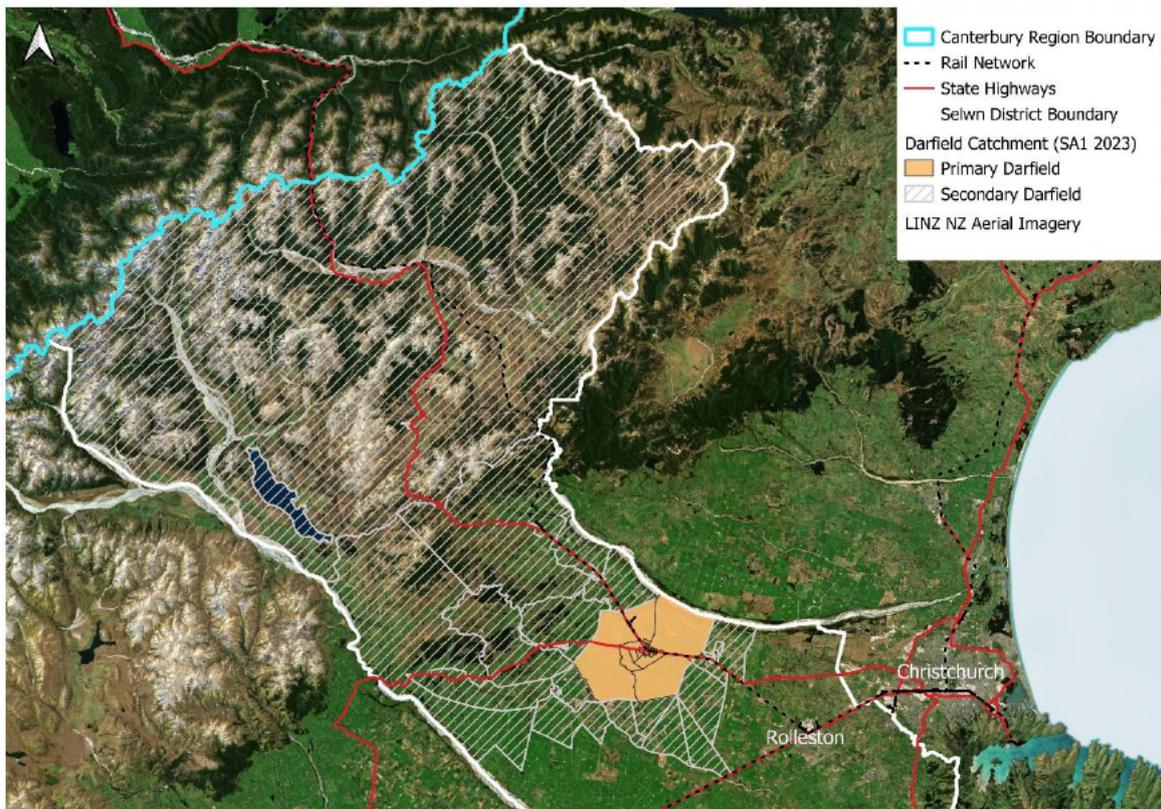


Figure 2.4 – Indicative Darfield Primary and Secondary Catchment



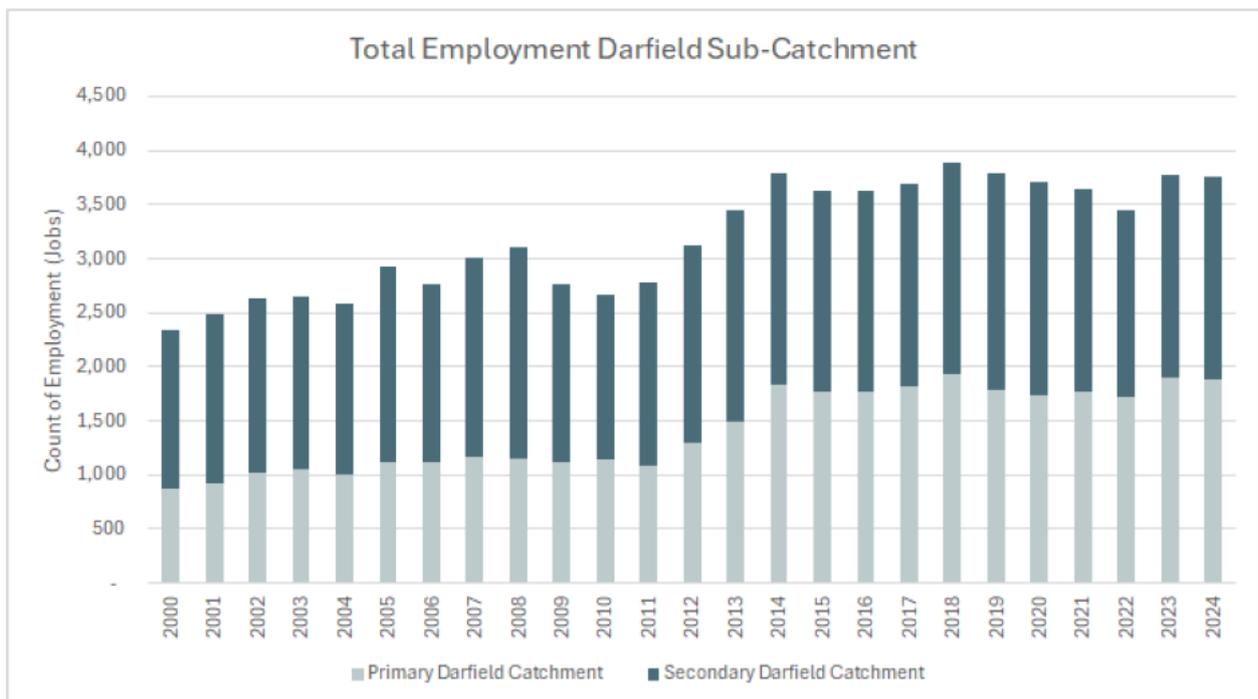


2.2.1 Darfield Catchment Economic Analysis

This section provides an overview of the economic role of the Darfield Catchment in the context of Selwyn District, how that economic activity is changing and its spatial allocation. This helps with understanding the nature of Darfield’s role as a Service Township in supporting its wider rural catchment, including its demand growth.

Figure 2.5 shows Darfield Catchment’s annual employment growth between 2000 and 2024. Further detail, including equivalent data for business counts is contained in Appendix 2. As with the rest of the district, Darfield has experienced growth in employment and economic activity over the last two decades. The count of businesses in the Darfield Catchment has increased from 1,062 in 2000 to 1,529 in 2024. In the last decade, the growth has been 153 businesses or an 11% increase. The count of employment in those businesses has increased from 2,336 in 2000 to 3,753 in 2024. In the last decade, however, total employment has decreased by a very minor amount (0.3% or 43 less jobs).

Figure 2.5 – Darfield Primary and Secondary Catchment Employment Growth 2000-2024



There was a period of strong employment growth between 2011 and 2014 attributable to the Primary Darfield Catchment (i.e. the township and its environs). The cause of this is discussed further below. In 2000, the Primary Catchment accounted for 37% of total Darfield Catchment employment. This share increased to 48% in 2014 and currently sits at a 50% share. That is, half of all employment in the expansive Darfield Catchment is centred in or around Darfield Township.



Employment in the Primary Catchment has increased by a minor 3% in the last decade (although the increase since 2000 has been 118%). In that same decade, employment in the rest of the Darfield Catchment decreased by 5% (loss of 103 jobs, net). This has been driven by a large reduction in employment in the rural areas of the district, balanced out by some employment growth in most of the townships in that Secondary Darfield Catchment.

Darfield Township has an important economic role within its wider Catchment area. Figure 2.6 shows the scale of Darfield Township employment in 2024 relative to the lower order townships elsewhere in the Catchment.

Darfield contains 30% of total Catchment employment in 2024, with the next largest township being Kirwee with just a 5% share. The extensive rural area still dominates employment at a 57% share. Darfield township, and to a lesser extent the smaller townships in the Catchment, play an important role in servicing the economic/business needs (including workforce and housing needs) of the surrounding rural primary production sector.

Figure 2.6 – Darfield Catchment Employment by Township/Settlement 2024

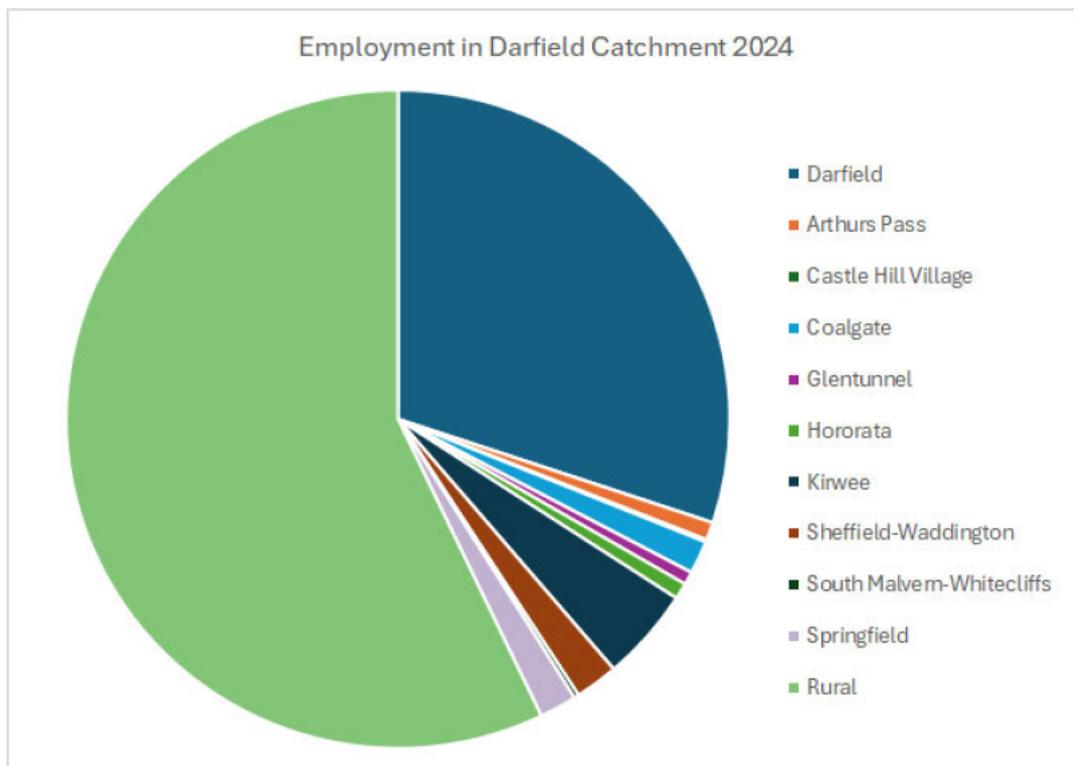


Figure 2.7 provides a breakdown of the district share of employment that is based in the Darfield Catchment by industry group.⁸ There are six industry groups where the Darfield

⁸ Some industries are shown more aggregated than others.



Catchment plays a relatively important role in terms of district-wide employment shares. Three of these are primary industries, as follows:

- Sheep, beef cattle and grain farming – 46% of district employment in this industry occurs in the Darfield Catchment. Of that total (624 workers), 41% is in the Primary Darfield Catchment and 59% is in the Secondary Darfield Catchment – showing that this employment is more intensive within the environs of the Darfield township.
- Dairy cattle farming – 30% of district employment in this industry. Of that total (449 workers), 15% is in the Primary Darfield Catchment and 85% is in the Secondary Darfield Catchment.
- Forestry and logging – 38% of district employment in this industry. Of that total (15 workers), 84% is in the Secondary Darfield Catchment.

The dominance of land-based primary production, and particularly farming, in Selwyn District is not surprising when one considers the large areas of the district, including the Darfield Catchment, that comprise highly productive land (“HPL”).⁹ Further detail of HPL in the district and Catchment is contained in Appendix

Agriculture is the biggest contributor to Selwyn’s Gross Domestic Product (“GDP”) and was the industry with the highest absolute growth in GDP between 2023 and 2024 according to Infometrics (2025). At a regional level, Canterbury is New Zealand’s largest agricultural region by GDP, producing 20% of the country’s total agricultural output. “*The sector accounts for 6% of the region’s GDP and directly employs 20,000 people*”.¹⁰ The Darfield Catchment is therefore making a significant contribution to the district and regional economy through its farming base.

⁹ As defined by Land Use Classification 1-3 at present.

¹⁰ <https://www.thepress.co.nz/nz-news/360656373/canterburys-twin-engines-resilience>



Figure 2.7 – Darfield Catchment Employment as a Share of Selwyn District Employment by Industry Grouping 2024

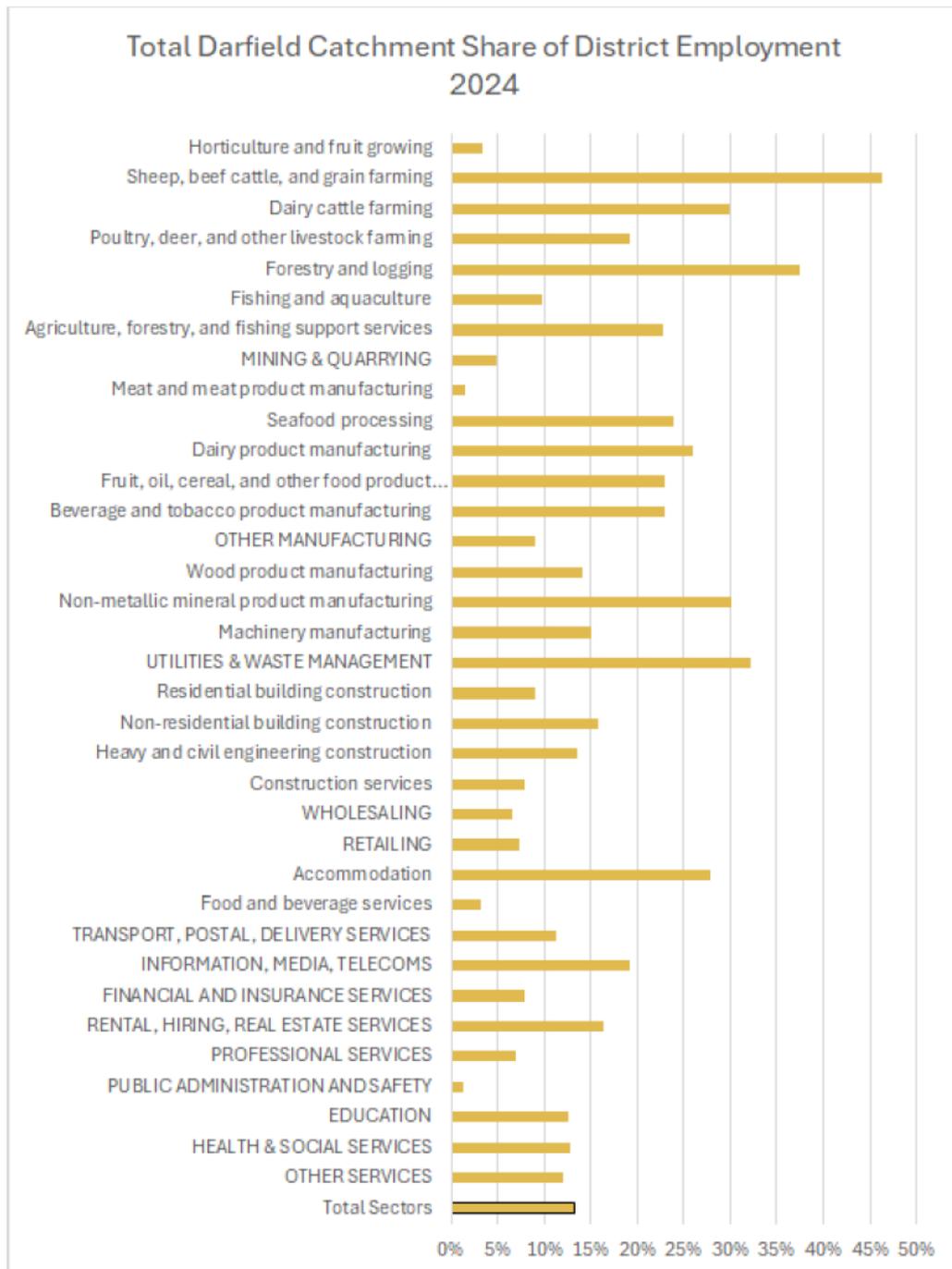
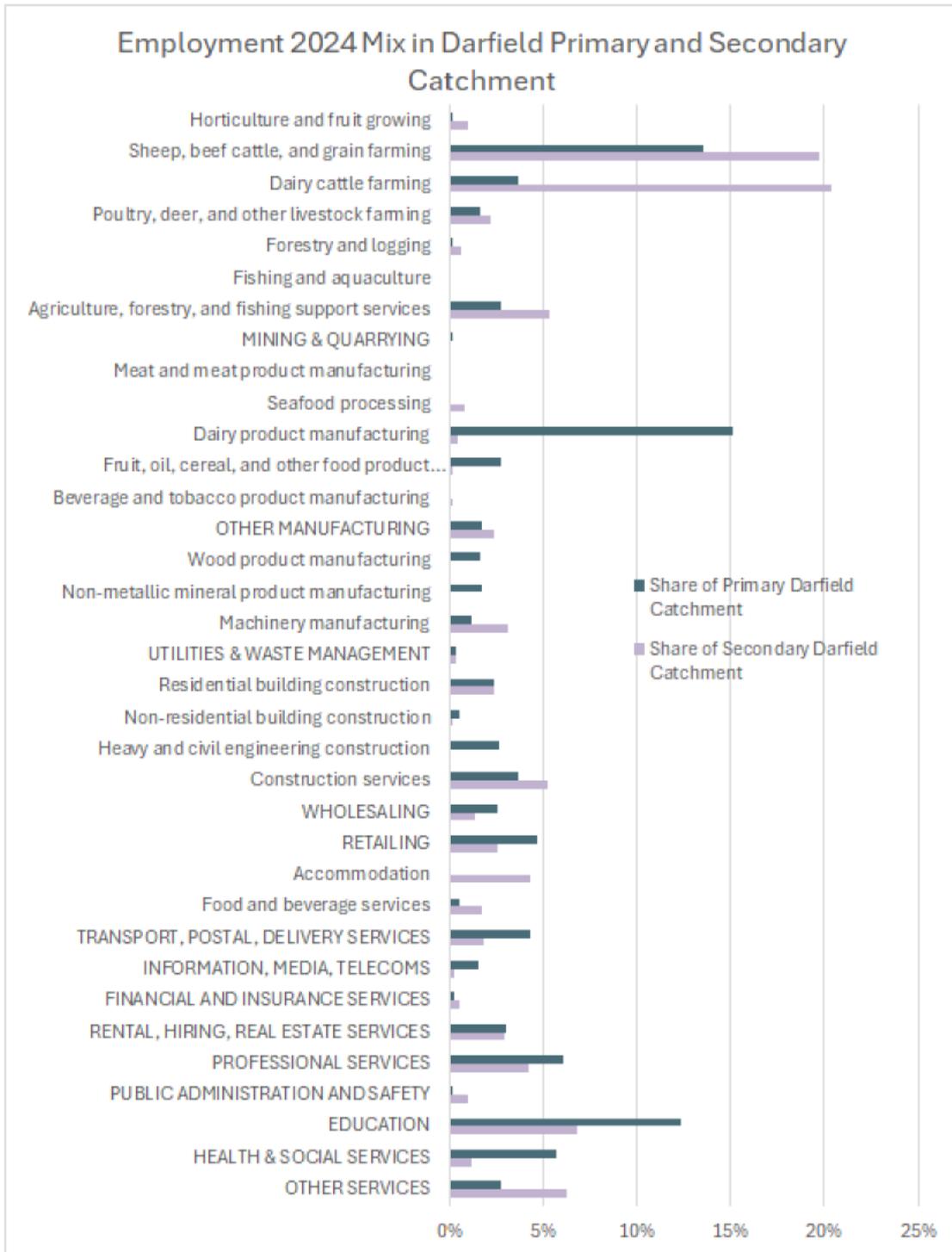




Figure 2.8 – Employment Profile in the Darfield Primary and Secondary Catchment 2024



Despite six industry groups, including primary industries, in Darfield Catchment being relatively important at a district level, the Catchment itself has employment spread across most industry groups while still being dominated by a small number of key industries. This economic profile (Figure 2.8) varies between the Primary and Secondary Catchment areas, as expected with Darfield Township being the location of most employment (and economic diversity).



Figure 2.9 shows that the Darfield Primary Catchment (i.e. Darfield and its immediate rural environs) is dominated by employment in the Dairy Product Manufacturing industry, followed by Sheep, beef cattle and grain farming and then education with 15%, 14% and 12% share of total Primary Darfield Catchment respectively. The Darfield Secondary Catchment (i.e. rest of Darfield Catchment) is dominated by employment in the Dairy cattle farming industry and Sheep, beef cattle and grain farming industry. While the Dairy farming is mainly occurring in the Secondary Darfield Catchment, clearly the processing of that dairy farming output is occurring in the Primary Darfield Catchment.

The fact that Darfield is surrounded by HPL, and because land based primary production and associated downstream processing activities are central to the Darfield Catchment economy, the efficient use of residential zoned land in Darfield is very important – i.e., to avoid unnecessary urban sprawl into HPL that reduces the agricultural activity that the Catchment (and district) economy relies on.

Focussing just on the Primary Darfield Catchment, employment in the last decade (2014–2024) has grown slightly in net terms (3% or 59 additional workers), which reflects a period of relative stability overall following the rapid growth leading up to 2014. However, some industries have been growing while others have been decreasing meaning that there is still a lot of volatility in the local economy as Darfield continues to define its role in the district economy.

Stronger growth industries in and around Darfield Township include Education, Professional services, Health and social services, and Residential building construction. These industry groups are growing commensurate with the local population (i.e. serving growing household demand). Other growth industries more intricately linked to local resources in the Primary and Secondary Darfield Catchment include Other Manufacturing, Primary sector support services, and Dairy product manufacturing.

At the same time, industries that have decreased employment in the last decade in the Primary Darfield Catchment include Heavy and civil engineering construction, Construction services, Retailing, Accommodation, and Transport, postal and delivery services.

While not investigated in detail, some of those industries that have contracted in employment experienced peak employment at the same time as the Dairy product manufacturing employment took a sudden jump. It is the Fonterra Cream Cheese and Milk Powder Plant on the outskirts of Darfield (Figure 2.9) that is a key employer in the Darfield Catchment (currently employing an estimated 286 workers), that is also assumed to have sustained significant construction related employment during the Plant's initial establishment.

The Fonterra Plant opened in 2012, although with only 23 staff in that year according to StatisticsNZ, increasing to 46 staff in 2013 and then jumping to 267 staff in 2014, with slow



growth since it has been fully operational. It is not uncommon for large construction projects such as complex factories, to sustain short term increases in local construction employment, hence Savvy assumes that some of the declines in non-residential construction related employment in the Primary Darfield Catchment are simply a reflection of that construction project ending.

Figure 2.9 – Aerial Image of the Fonterra Darfield Plant



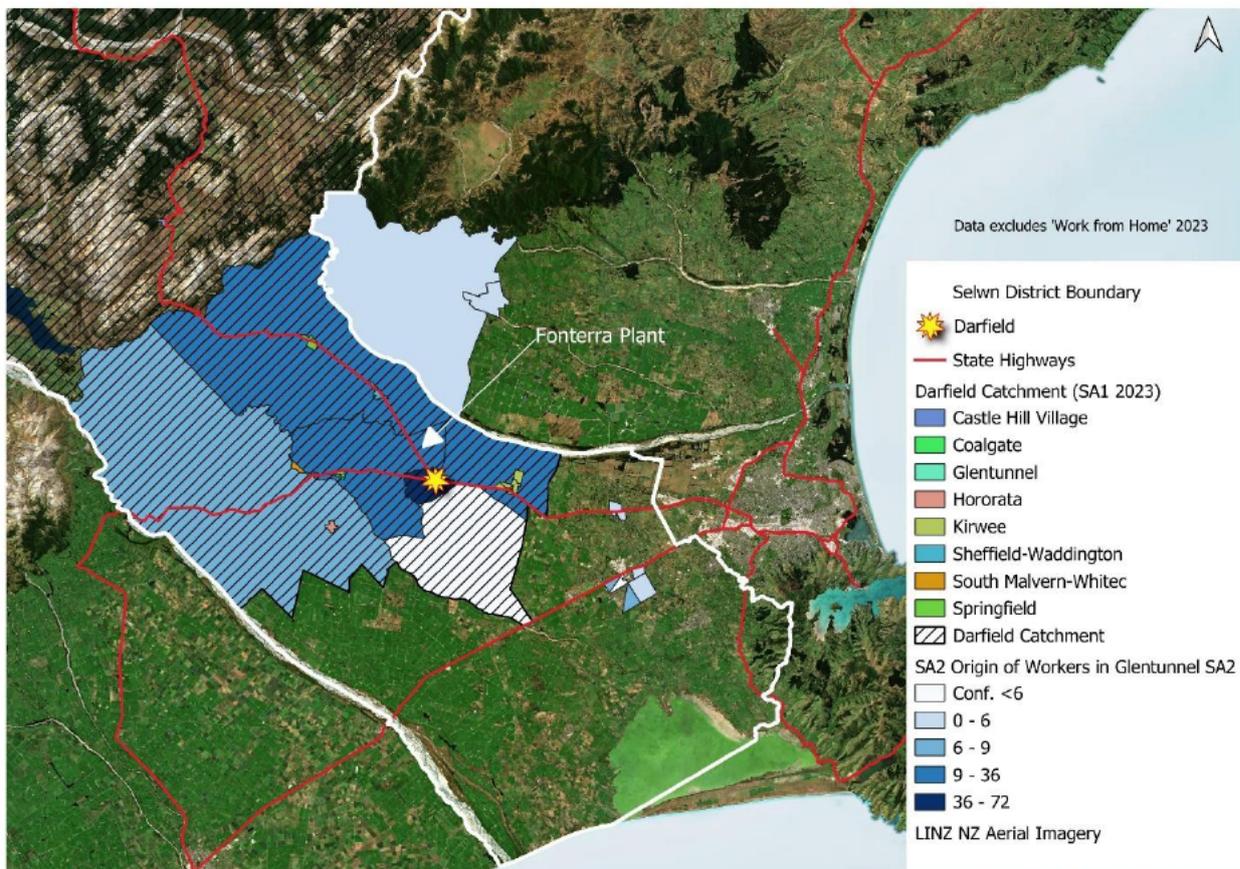
As discussed above, the Fonterra Darfield Plant accounts for 15% of total employment in the Primary Darfield Catchment (and 38% of the employment outside the Township, but within the Primary Catchment). Given its significant role in the local economy (including as a facilitator of dairy farming), the following analysis considers where the Plant's workforce is based using StatisticsNZ Journey to Work data from the 2023 Census.

The Journey to Work data is limited to SA2s. The Plant is located in the 'Glentunnel' SA2 where it is the single largest employer. It is noted that within that SA2 are also the settlements of Coalgate, Glentunnel, South Malvern and Whitecliffs which collectively have 94 jobs in 2024) as well as rural properties, including within the Darfield environs (i.e., Darfield Primary Catchment outside of the Township).



Employment registered to businesses in the Glentunnel SA2 is therefore expected to be dominated by, but not limited to, employment in the Fonterra Plant. To help focus the Journey to Work data on what is most likely to be the origin of workers at the Fonterra Plant, those workers that 'work from home' have been excluded from the data. The balance is, in this case, those that drive to work in a private or company vehicle.

Figure 2.10 – Journey to Work Data 2023 Census – Origin of Workers Whose Workplace is in the Glentunnel SA2 (Excludes Work from Home)



While the Journey to Work data is only a sample of workers' travel patterns,¹¹ Figure 2.10 shows that the majority of workers who travel by car to a workplace in the Glentunnel SA2 (and presumably the Fonterra Plant), reside in Darfield Township (38% of those that responded),¹² followed by those that reside in the Glentunnel SA2 (19%), Torlesse SA2 (8%), and Kirwee SA2 (6%). Smaller shares of the workforce (that commutes) reside in the west of the

¹¹ I.e., the results collected during the Census are not grossed up to account for non-responses.

¹² The Journey to Work data rounds small values to manage confidentiality. Very low values (i.e. less than those that can be rounded to 6) are not reported, and have been mapped, but not counted in the quantitative shares discussed above).



Darfield Catchment, and east in Waimakariri District, with a small number travelling from Rolleston.

Based on this analysis, any further expansion of the Fonterra Plant (further job increases) is likely to directly generate housing demand for workers across the Darfield Catchment, but particularly within Darfield township.

Other analysis of the Journey to Work data also shows that Darfield residents:

- Mainly work locally within the Darfield SA2 (including working from home);
- Followed by workplaces in the Glentunnel SA2 (as discussed above);
- With others commuting to the Rolleston industrial area and town centre, Hornby South industrial area and Christchurch Airport in Christchurch City, and Kirwee SA2;
- Lower shares of the Darfield workforce have jobs in southern parts of the Darfield Catchment, central parts of the Selwyn District and Hornby Central City parts of Christchurch.

These work travel patterns suggest that Darfield is considered a suitable location to commute to jobs across the Darfield Catchment as well as to a wide range of workplace locations outside the Catchment, and that the main Selwyn townships within the Greater Christchurch area are not the only places where commuters to Christchurch City are likely to live. Demand drivers for housing in Darfield are therefore likely to be widespread.

2.2.2 Darfield Catchment Demographic Analysis

This section provides an overview of the resident population and household types within Darfield Catchment, and in the context of Selwyn District. Household type is a key driver of the nature of dwelling need (although not necessarily dwelling preference or dwelling supply). It examines how those demographic characteristics are changing and where that change is occurring. There is a strong link between population and household growth/change and business and employment growth/change discussed above. This includes population increasing in response to job opportunities located within (but not limited to) the Darfield Catchment. The addition of new residents (working or otherwise) in turn creates demand for goods and services which sustains more local jobs and businesses.



Figure 2.11 - Darfield Township (SA2) and Rest of Darfield Catchment Population 2000-2024

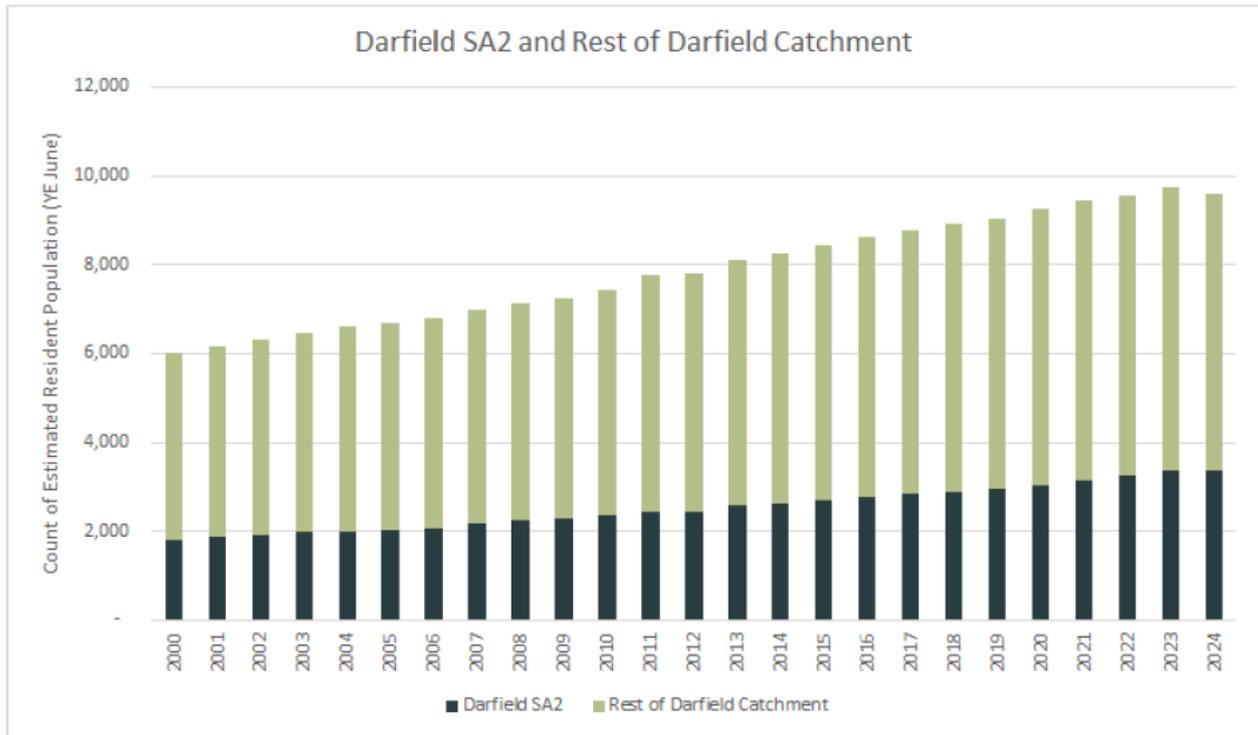


Figure 2.11 shows the growth of the Darfield SA2 (Township) and the rest of the Darfield Catchment. It shows steady growth across the total Catchment over time, although a minor reduction in population in the Rest of Darfield Catchment in the last year (2024) according to the provisional 2024 results.

In the decade 2014-2024, the total population of the Darfield Catchment has increased by 1,340 people to reach 9,590 in 2024 (growth of 16%). More than half of that growth (56% or 750 net additional residents) has occurred within the Darfield Township. The population in the Darfield Township has grown by 29% since 2014 and is now estimated at 3,380 people. While the Rest of Darfield Catchment still, in aggregate, accounts for 65% of the population resident in the total Darfield Catchment, that share has been reducing as more and more growth is concentrated in Darfield Township. If the faster growth rate of Darfield Township continues, its share of the Catchment’s population will continue to rise.

Table 2.1 provides a summary of total resident households in the Darfield Catchment over the last three Census. Total households have increased by 360 between 2018 and 2023 to reach 3,680 (11% growth) – a growth rate slightly faster than population growth in that same period (9%). As of 2023, the Darfield Catchment accounted for 14% of Selwyn District households.

While comprising 33% of the total households in the Darfield Catchment, the Darfield Township accounted for 42% of the household growth since 2018. Darfield Township had 150 additional



households in 2023 than it did in 2018, with a current count of 1,230 at the time of the last Census. That’s an average growth rate of 30 new households per annum.

Table 2.1 - Darfield Township(SA2) and Rest of Darfield Catchment Household Count 2013-2023

	Total Households in Private Occupied Dwellings				
	2013	2018	2023	2018-2023 (n)	2018-2023 (%)
Count of Resident Households					
Darfield (SA2)	920	1,080	1,230	150	14%
Rest of Darfield Catchment	2,000	2,240	2,450	210	9%
Total Darfield Catchment	2,920	3,320	3,680	360	11%
Share of Resident Households					
Darfield (SA2)	32%	33%	33%	42%	
Rest of Darfield Catchment	68%	67%	67%	58%	
Total Darfield Catchment	100%	100%	100%	100%	

Source: StatisticsNZ, Savvy.

Figure 2.12 – Total Darfield Catchment Household Count by Type 2013-2023

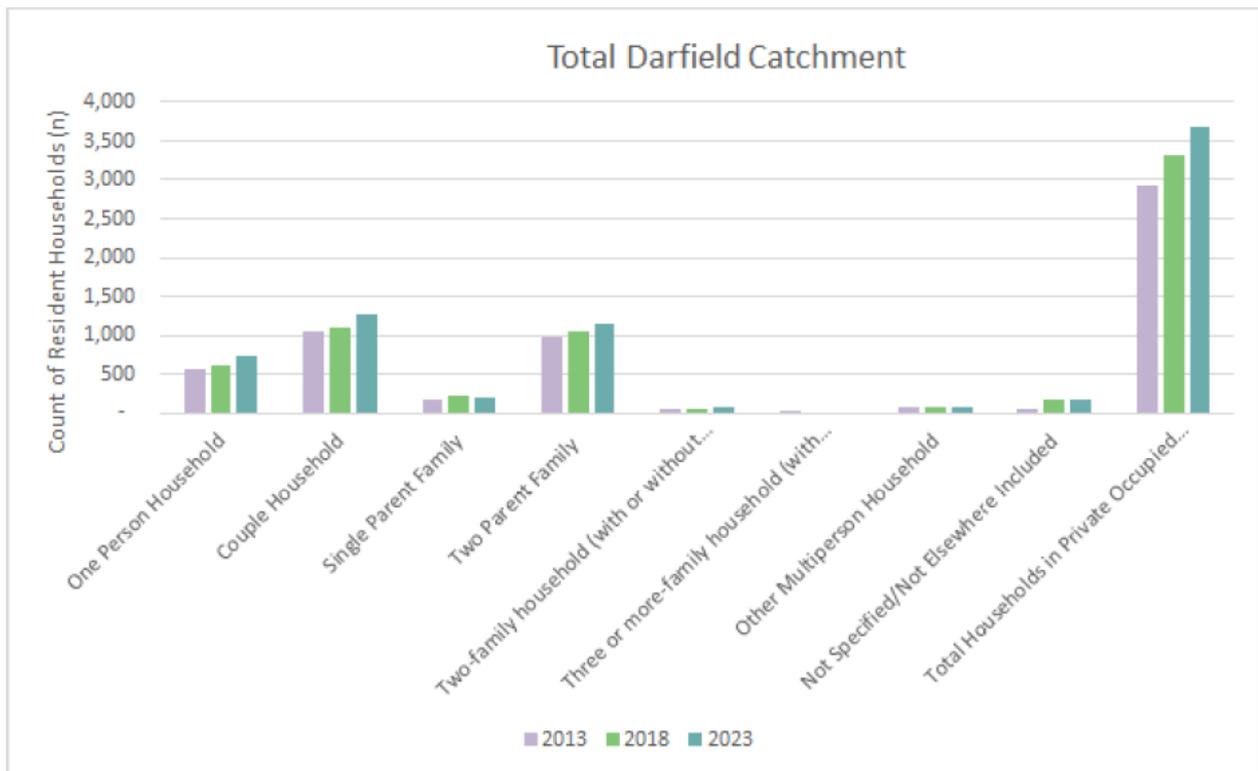


Figure 2.12 shows how households have been growing over those same three Census by type of household for the total Darfield Catchment. The three main household types living in the Catchment (in descending order) are couple households, 2 parent families and single person households. This profile is similar for the Darfield Township and the Rest of the Darfield Catchment in 2023. Relative to the average household mix across the total district, the Darfield



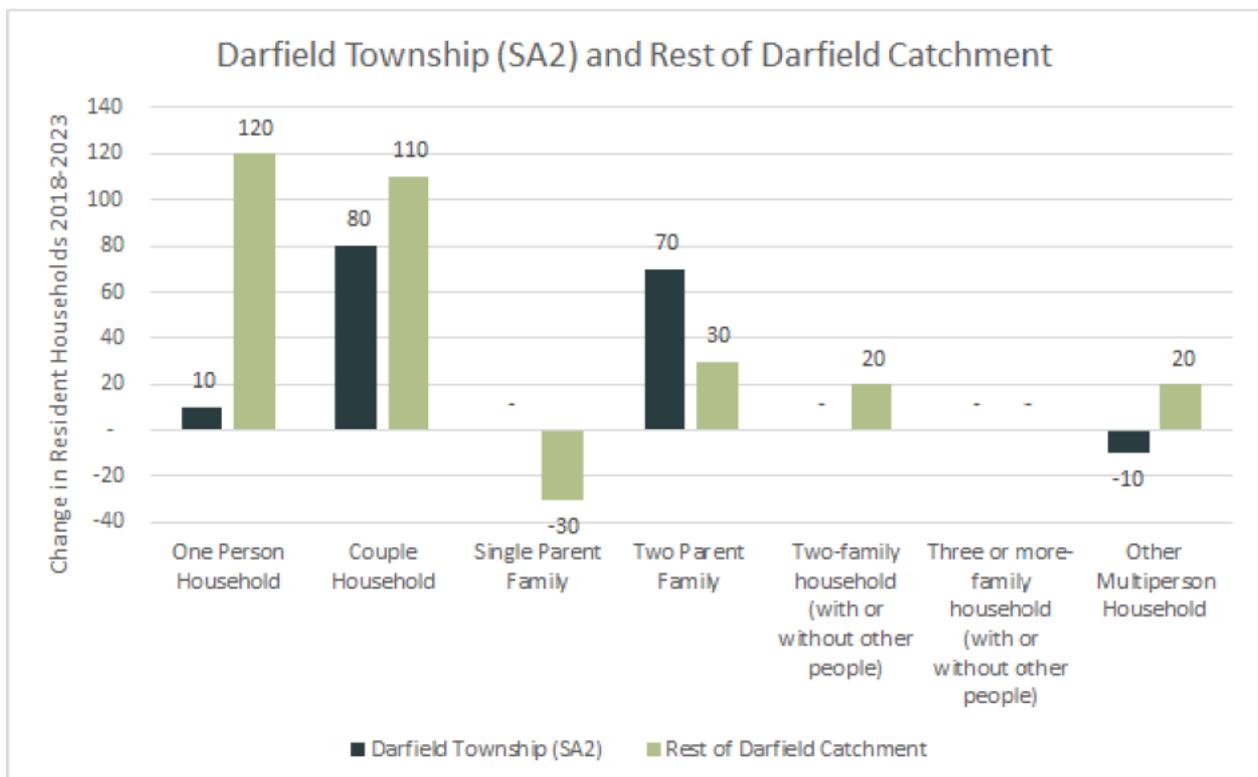
Catchment has an above average share of single and couple households, with these household types making up 20% and 35% of total Catchment households respectively.

Figure 2.11 looks specifically at the change in households by type in the Darfield Township and Rest of Darfield Catchment between 2018 and 2023. These areas are changing in different ways which will be putting different pressures on dwelling demand.

Couple households are growing in both parts of the Catchment, although the growth is higher in the Rest of Darfield Catchment. Within the Catchment, two parent families are growing faster in the Darfield Township than in the rest of the Catchment. This is likely associated with the improved access to schools and other services demanded by families in the Darfield Township relative to the smaller townships.

Couple and two parent families in the Darfield Township currently account for 37% and 33% of total resident households in the SA2 (70% in total). If these two household types continue to grow at above average rates, then they can be expected to account for an even greater share of Darfield households in the future.

Figure 2.13 – Change in Darfield Township (SA2) and Rest of Catchment Households by Type 2018-2023





Further growth of couples and two parent families in the Darfield Township would indicate increased demand for a mix of smaller, more compact dwellings, as well as larger family homes.

2.3 Darfield Housing Market Assessment

To determine the economic significance of the Project, it is important to understand the current and future housing market that the Bangor Village Project will contribute to (i.e. over and above zoned development capacity in the Darfield Township). This subsection starts by drawing on Selwyn District Council's most recent housing demand, supply and capacity publication, focusing on the Darfield Township results. This is supplemented by analysis of some more recent housing market indicators.

2.3.1 Housing Demand and Capacity Assessment 2024

At the time of preparing this assessment, the Selwyn Residential Capacity and Demand Model 2023 ("SRCDM") published in March 2023 is the most current report responding to the requirements of the NPS-UD for modelling residential demand, capacity and sufficiency in Selwyn District.¹³ The SRCDM is based on a 2022 model developed for Council by Formative.

The base year of the modelling of demand is 2021 with a long term outlook to 2051. The growth projections underpinning district level dwelling growth are the StatisticsNZ 2022 released population projections (high growth outlook).¹⁴ The baseline of existing dwellings and dwelling capacity is a snapshot as of 2022¹⁵, although the planning provisions that impact plan enabled dwelling yield on individual parcels of zoned land have been updated to the Partially Operative District Plan. The following summarises the SRCDM results for Darfield Township and the townships in the rest of the Darfield Catchment.

¹³ This report does not constitute a full Housing [and Business] Development Capacity Assessment (or "HBA") under the NPS-UD – this is reported at the Greater Christchurch level.

¹⁴ It is noted that new population projections have been released for Selwyn District in 2025, and these project stronger long term growth than the 2022 released projections. For example, 30 years' growth from 2018 was 79,900 under the high growth outlook. The latest high growth outlook has 30 years' growth from 2023 as 97,600. Changes to the NPS-UD confirm that high growth projections from StatisticsNZ should be used in future modelling updates.

¹⁵ Some inputs to the modelling are from 2021, inflated to the base year as required.



Dwelling Demand

Dwelling growth projections for Darfield, and other locations modelled, are based on a percentage share of total district urban dwelling growth¹⁶ that is derived from the midpoint of:

- That location's share of population growth projected by StatisticsNZ over the short, medium and long term, and
- That location's average share of total district dwelling consents issued between 2018 and 2022.

Hence, it represents an allocation of urban dwelling growth that is a blend of demand and supply indicators.

The SRCDM estimated that within the residential zones of Darfield Township (which includes the LLRZ), Council would need to plan for demand of 630 additional dwellings between 2023 and 2033 (the medium term), increasing to 1,640 additional dwellings out to 2053 (the long term). This demand includes the competitiveness margin required by the NPS-D. This equates to a need to plan for an average of 63 dwellings per annum in the medium term and slowing to an annual average of 51 dwellings per annum between 2033 and 2053 (or a total long term average of 55 dwellings per annum).

The SRDCM expects all future dwellings in Darfield (and across the wider Darfield Catchment) to be standalone (detached) dwellings throughout the long term.

Dwelling Capacity Feasible and Reasonably Expected

The SRCDM estimates that lots in the General Residential Zone ("GRZ") that are around 700sqm in Darfield will yield commercially feasible and reasonably expected to be realised dwellings in the medium and long term. That is, lots slightly larger than the 650sqm minimum that is plan enabled in the GRZ. In the LLRZ in Darfield, lots around 6,000sqm are also considered to yield commercially feasible and reasonably expected to be realised dwellings. Again, this is an expected lot size slightly larger than the 5,000sqm minimum plan enabled.

Quantifying capacity for dwelling growth in the SRCDM is based on dividing parcel land area by the expected lot sizes above in each zone respectively and subtracting the number of dwellings that were existing at the time (i.e. in 2022). If the parcel was large (i.e., greenfield),

¹⁶ Urban dwelling growth is total district dwelling growth less 6% of dwelling growth assumed to occur in rural and the rural lifestyle zones.



then 25% of the land area is first excluded to account for future roads and other non-developable land areas.

This approach assumes further subdivision of parcels where one or more lots at the respective expected lot size can be achieved. This includes further infill subdivision on qualifying parcels that already contain dwellings. In other words, it relies on further intensification of zoned land until the maximum number of expected lots (already plan enabled) is achieved. This approach may overstate reasonably expected to be realised capacity in the medium term to a minor degree as many properties that could be further subdivided (particularly LLRZ properties in the southwest of Darfield), may not choose to in the medium term if growth can be met (supplied) in zoned greenfield land (i.e. as vacant capacity rather than through infill capacity).¹⁷

The SRCDM estimated (based on a snapshot of capacity in 2022 and current zoning), that there was zoned capacity for 3,050 additional dwellings in Darfield in the medium term (2023-2033). The GRZ accounted for 66% of this capacity (2,010 additional dwellings), with the balance in the LLRZ (i.e. 1,040 additional dwellings). Of the LLRZ capacity, 15% or 159 dwellings relates to further subdivision of parcels less than 6ha in size that already contain one or more existing dwelling in 2022 (i.e. this is the infill component). This same GRZ and LLRZ capacity was assumed in the long term, but with the additional capacity of the Urban Growth Overlay in Darfield (two discrete areas on the current residential zone fringe) adding LLRZ capacity for a further 260 dwellings if those areas are live zoned prior to 2053.

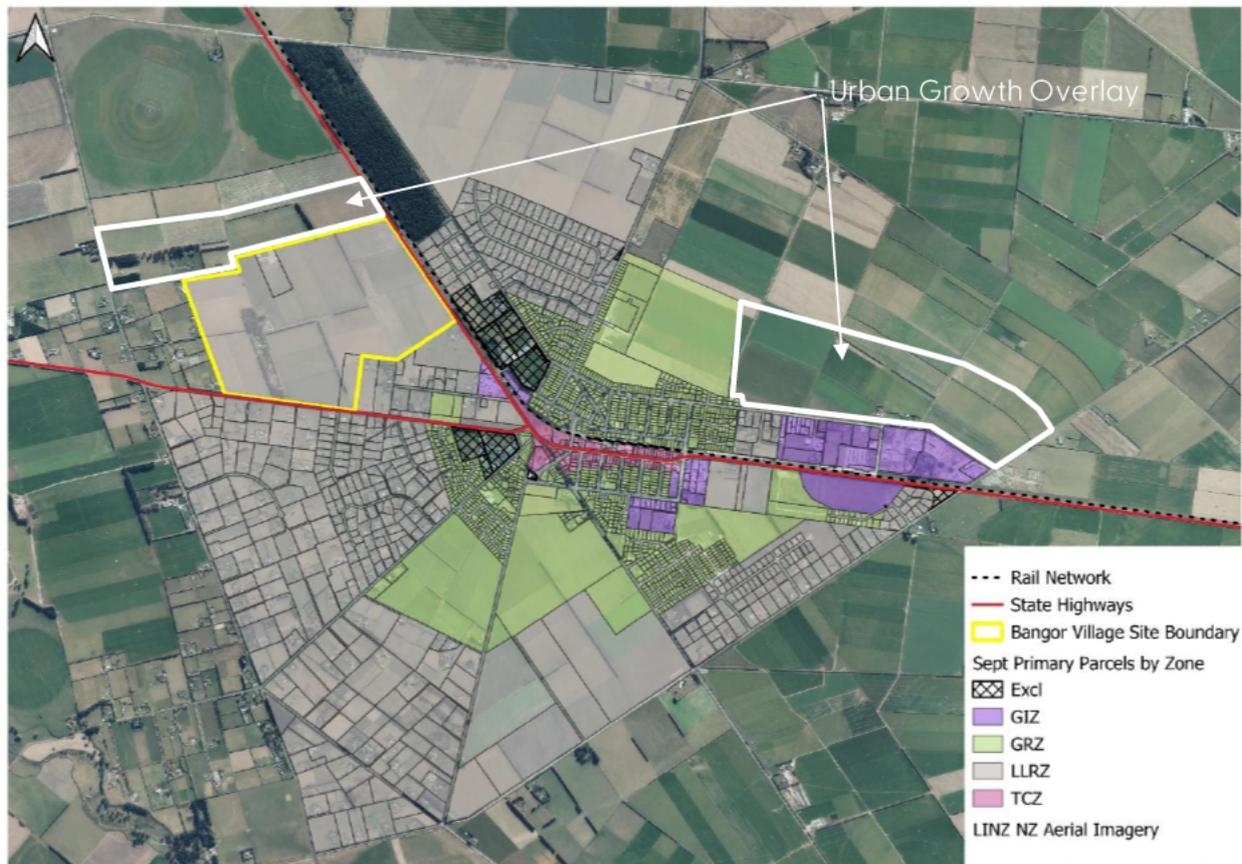
Figure 4 provides a 2025 snapshot of parcel boundaries in the Darfield GRZ and LLRZ and showing the Site (also known as Development Area “DEVA3”). It is beyond the scope of this report to backcast the cadastre to the time of the SRCDM capacity assessment and it is likely that some portions of both residential zones were still greenfield areas (unsubdivided) at that time. Figure 5 also shows (white polygons) the two Urban Growth Overlays identified for Darfield that further increase dwelling capacity in the long term in the SRCDM. The assumed dwelling capacity of the Project Site is 162 standalone dwellings in the medium and long term.¹⁸

¹⁷ Savvy understands that the position of existing dwellings on lots (which affects the ability to provide one or more additional lots through subdivision) has not been taken into consideration. This may preclude some properties from further subdivision in the absence of full redevelopment.

¹⁸ The Site therefore accounts for 16% of total LLRZ dwelling capacity in the medium term in the SRCDM.



Figure 2.14 – Darfield District Plan Zoning Showing Project Site



Sufficiency of Residential Capacity

Table 2.2 summarises dwelling demand and capacity in Darfield in the medium term (to 2033) according to the SRCDM. It shows that there is at least sufficient zoned capacity in the combined GRZ and LLRZ to meet expected demand growth (including the competitiveness margin). The modelled surplus of capacity is significant at 2,420 dwellings. The surplus is such that even a more conservative approach to medium term capacity would still likely be sufficient to meet Darfield's growth needs by 2033 based on modelled demand.

Table [redacted] also has the sufficiency results for the other townships in the Darfield Catchment. It shows that across the Catchment, Darfield accounts for 45% of the projected dwelling growth, but has (as of a 2022 snapshot) 86% of the dwelling growth capacity in the Catchment. It also shows that there is not sufficient zoned capacity to meet expected growth in most of other towns in the Catchment.



Table 2.2 – Dwelling Demand, Capacity and Sufficiency in the Darfield Catchment (Excluding Rural Land)

Township	Medium Term (2023-2033)		
	Demand + Margin	Capacity	Sufficiency
Darfield	630	3,050	2,420
Kirwee	270	100	- 170
Coalgate-Glentunnel-Whitecliffs	110	230	120
Sheffield-Waddington-Springfield	210	70	- 140
Hororata	130	-	- 130
Castle Hill-Arthur's Pass	40	110	70
Lake Coleridge	10	-	- 10
Total Darfield Catchment (Excl Rural)	1,400	3,560	2,160

Source: Selwyn District Council/Formative, 2024.

Formative state that these shortfalls in the other townships are “*not material and within the expected margin of error. Therefore, we consider that there is no need to provide additional capacity in these specific settlements*”, although they recommend monitoring of demand and take-up of residential capacity. Importantly, all of the other townships in the Darfield Catchment have Urban Growth Overlay areas identified in the District Plan that can be live zoned in the future as required. When this identified capacity is included in the long term modelling, relative to long term demand, all other townships except Sheffield-Waddington-Springfield have a modelled surplus of capacity by 2053.¹⁹

If those Overlays are not rezoned in the medium term, then it would be possible for any latent demand growth in those townships experiencing a shortfall of capacity to instead consider a location in Darfield, where there is substantial zoned capacity provided, including in the Project Site. Any transfer of demand to Darfield will, however, increase the rate of demand growth in Darfield township, above what it might otherwise have been expected.

In the long term (by 2053), the SRCDM reports a surplus of housing capacity equivalent to 1,670 additional dwellings in Darfield township. Again, a higher rate of growth, or a lower level of reasonably expected capacity than modelled would still be expected to result in at least sufficient capacity.

¹⁹ The long term shortfall in the combined Sheffield-Waddington-Springfield is 230 by 2053 despite increasing capacity by 250 dwellings.



2.3.2 Latest Housing Market Indicators

- Appendix ■ contains an analysis of key housing market indicators for Darfield and the wider District. This analysis provides an indication of changes in the housing market in recent years, including since the SRDCM analysis. Key findings from that analysis are:
 - Darfield has experienced significant increases in dwelling prices and rents, with price rises consistent with the changes occurring in the rest of the district.
 - However, Darfield represents a slightly more affordable place to live relative to the district as a whole. This contributes to the economic benefits of enabling more dwelling growth in Darfield.
 - Darfield’s residential growth is strongly focused on greenfield zoned land.
 - There has been a real step change in dwelling demand/growth since 2021 in the Township, consistent with the wider district trend.
 - Annual consented dwellings have been as high as 109 recently in 2023 in Darfield Township but have averaged 53 dwellings per annum over the last decade (2015-2025). The average count of consented dwellings in the last four years (2022-2025) has been 86 per annum.
 - Darfield Township is attracting an increasing share of dwelling consent growth in the Catchment over time. Savvy expects that this trend will continue. It accounted for 56% of total dwelling consents issued in the Catchment in the YE August 2025 (and has been as high as a 69% share in 2024).



3 Contribution of the Project

As set out in Section 1, the following four criteria (among others) determine whether a project seeking referral under the Act meets the purpose of creating significant regional or national benefits.

- Section 22(2)(a)(iii): Will increase the supply of housing to address housing needs or contribute to a well-functioning urban environment (within the meaning of Policy 1 of the National Policy Statement on Urban Development 2020).
- Section 22(2)(a)(iv): Will deliver significant economic benefits.
- Section 22(2)(a)(v): Will support primary industries, including aquaculture.
- Section 22(2)(x): Is consistent with local or regional planning documents, including spatial strategies.

3.1 Increasing Residential Land Capacity

Figure 3.1 – Illustrative Master Plan





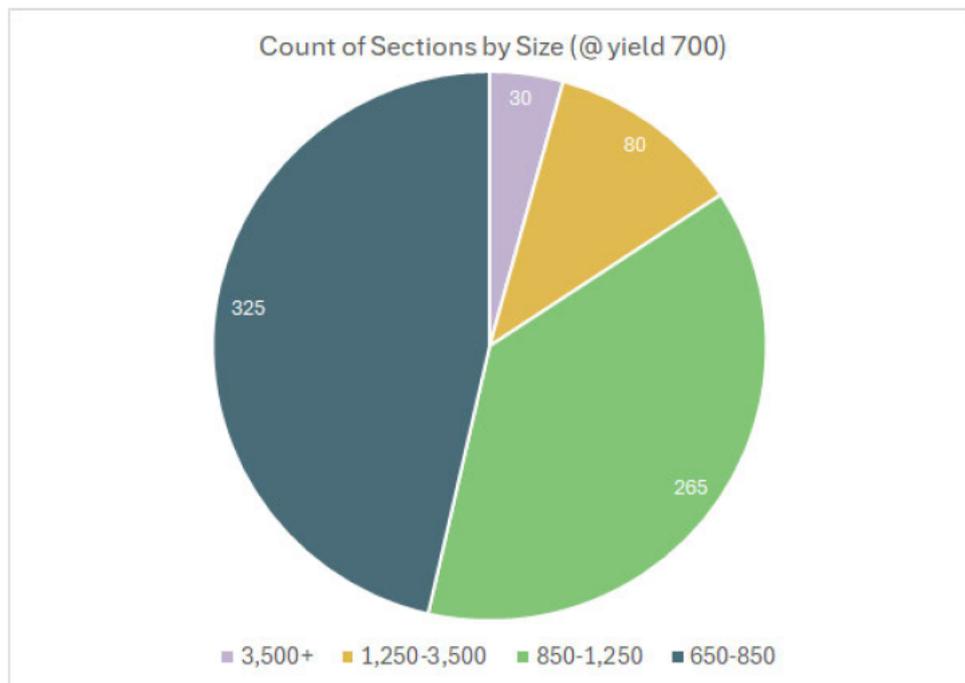
An indicative master plan for the Bangor Village Project is shown in Figure 3.1. Overall, the design provides for a mix of lot sizes with more intensive development akin to the GRZ in the centre of the Site and where it connects to adjacent land relatively closer to the core of Darfield (being the intersection of State Highway 73 and 77). This adjacent land is currently zoned a mix of LLRZ, GRZ and GIZ (Figure 3.1) and comprises two Development Areas (6 and 10) which indicate a range of dwellings densities are to be provided with regard given to adjoining land use and urban character along the main arterials.

The Project provides the benefit of increasing housing supply under section 22(2)(a)(iii). The housing supply of the Project is discussed below in gross and net terms.

3.1.1 Gross Housing Supply

The proposed density of lots in Bangor Village (which range from around 650sqm in the core area, and up to 2ha on the rural fringe) will yield an estimated 700 residential lots, expected to be developed as standalone dwellings. Figure 3.2 shows the indicative mix of section sizes by broad size bands (and based on the lower range of lot yield). Overall, 46% of lots would be between 650-850sqm, 38% would be between 850-1,250sqm, 11% would be between 1,250 and 3,500sqm, and 4% (30 lots) would be greater than 3,500sqm, and up to around 2ha.

Figure 3.2 – Indicative Mix of Lot Sizes in Proposed Master Plan (Lower Range)



The Project represents a large and significant residential subdivision in the context of the Darfield Township and the Canterbury Region overall.



To put the contribution of gross housing supply in context, the Project equates to meeting 33%–52% of projected demand for additional housing in the Darfield Township over the medium term (excluding the competitiveness margin), based on demand projections in the Council's SRCDM.²⁰ That is, it provides capacity equivalent to²¹ all of Darfield's projected housing growth between 2023–2033, as well as a portion of long term demand growth (i.e. growth between 2034–2053). Alternatively, the Project equates to meeting 50%–7% of total long term (2023–2053) demand for dwellings modelled for Darfield in the SRCDM excluding the competitiveness margin.²²

An alternative growth metric that differs from the Council's dwelling demand projections is the average count of dwelling consents issued in Darfield Township (SA2) in the last four years (discussed above). This has averaged 86 dwellings per annum. *Should* this average supply rate continue, it would represent a higher growth scenario than the one modelled in the SRCDM. The Project's yield of 700–0 dwellings would equate to 8.1–.3 years of dwelling growth in Darfield Township (if that rate of growth was sustained). This may be likely if Darfield continues to capture an increasing share of population and economic growth within the wider Darfield Catchment.

3.1.2 Net Housing Supply – Short-Medium Term

It is important to account for the status quo dwelling capacity of the Site given that the Fast Track application seeks to increase the density of the Site over and above what is enabled in the District Plan. Under its current District Plan zoning and provisions, the Site would also contribute to housing supply *if* developed.

The underlying zoning of the Site is LLRZ, which has a plan enabled minimum lot size of 5,000sqm. The SRCDM estimated that the Site would, after removing 25% of land area for roading and other infrastructure, be commercially feasible and reasonably expected to deliver sites of 6,000sqm. At this density, the SRCDM assumed dwelling capacity of the Site of 162 lots/dwellings. Based on these assumptions, **the Project increases the potential housing capacity on the Site by a net 538–638 dwellings** (i.e., it increases the reasonably expected yield by a significant 4%).

Alternatively, the SRCDM estimated total feasible and reasonably expected dwelling capacity in Darfield in the medium term of 3,050 dwellings. The net increase generated by the Project (if approved), increases that total housing capacity by a substantial 1%. In reality, some of the capacity modelled in the SRCDM back in 2022 will have been taken up, and so the impact

²⁰ The SRDCM 2023 project dwelling growth of 525 (630 including the margin) in Darfield between 2023–2033.

²¹ Acknowledging that we are already three years into the medium term as modelled in the SRCDM.

²² The SRDCM 2023 project dwelling growth of 1,403 (1,640 including the margin) in Darfield between 2023–2053.



of the Project's net increase in dwelling capacity would be slightly higher in percentage terms (all else being equal).

In net supply terms, and relative to the status quo planning provisions, the Project still delivers significant additional housing capacity in the short- to medium term in the context of Darfield Township and the wider district and region.

3.1.3 Net Housing Supply – Long Term

The DEV-PA3 provisions which apply to the Site are designed to future proof the Site for longer term growth. It states that “*due to potential population growth, low-density residential areas often transition into higher density residential living over time. At the time of subdivision to low-density residential, consideration needs to be made for future-proofing infrastructure for higher densities*”. The District Plan then provides examples of how the developer might facilitate future intensification. These include:

- building in additional capacity in water supply pipes,
- providing wider roads to accommodate higher future traffic flows,
- orienting lots to reduce the number of rear sections formed through future subdivision,
- prescribing building platforms to avoid dwellings being constructed in the middle of sites (which may preclude future subdivision), and
- providing additional reserve space to meet future population needs.

Savvy considers that the transitional density infrastructure and reserve requirements set out for DEV-PA3 which need to be demonstrated with a subdivision plan showing the short- to medium term low- density development and future higher density (intensified) development, will constrain the commercial feasibility of development in DEV-PA3.

This is because the infrastructure/reserve requirements impose additional land development costs on the developer. Unless the developer is compensated for the ‘future’ infrastructure investment (i.e., through reduced or waived development and/or reserve contributions), these additional costs will need to be passed on to the initial section purchasers. This will drive up the cost of the sections sold in what is already a market with rising residential land prices. Given the scale of DEV-PA3 relative to the current and future housing estate in Darfield, this will reduce the overall housing affordability of Darfield in the short- to medium term.

While the lots may be sold on the basis that they may be further subdivided in the future, this is still speculative and the market value of the sections is likely to be based on the larger size of the sections, and not the subdivision opportunity per se. The price achieved for the low-



density sections that are created will also be constrained by competition (pricing) elsewhere in the Darfield market for sections of the same or similar size.

Savvy notes that there is not a material difference in distance from most greenfield zoned land in Darfield to the centre core (TCZ) and so location and accessibility is unlikely to be a strong differentiator of price compared to other larger or multi-modal urban centres. This means that the range of costs/sqm for sections in the LLRZ is likely to be relatively narrow.

It is significant that no other greenfield Development Area in Darfield has the same 'futureproofing' infrastructure requirements in the District Plan. There is not an even playing field. A small premium on the sale price may be achieved in DEV A3 on account of visible differences in the added amenity compared with other locations in the Township (i.e. wider roads and more green space). However, the additional costs of added underground infrastructure, or even the denser and more costly road network required for potentially higher density future development are unlikely to translate into a greater willingness to pay by the market in the short-medium term given other alternative locations. As such, the developer is unlikely to be fully compensated for those additional infrastructure costs when sections are sold, which erodes the profit margin able to be achieved, potentially risking the commercial feasibility of the development.

Savvy considers that the rather than incur those additional costs and financial risk, a landowner in DEV A3 may be inclined to leave the land undeveloped and wait for (or pursue) rezoning as foreshadowed in the District Plan (or apply for a consent as the case may be). This potential unintended consequence of the DEV A3 provisions may have adverse effects, including opportunity costs, on Darfield's urban growth patterns.

Assuming that the landowner does take the risk of a low density development with higher density infrastructure investment, purchasers that are able to pay the higher unit cost for sections in DEV A3 are likely to weigh up:

- the value they place on having higher levels of service in terms of road widths and public space in the short-medium term.
- the reduced flexibility of developing their lot if building platforms are imposed,
- the potential changing character of the neighbourhood in the future (intensification will be ad hoc and uncoordinated and not necessarily pursued by some owners).
- potentially lower levels of visual amenity on private property across the development in the short-medium term and into the longer term. This is because a disbenefit of a transitional density approach is that section owners may take a conservative



approach to property improvements such as landscaping to avoid wasting investment in the longer term if subdivision becomes possible.

The requirement to develop DEV A3 to a low density in the short-medium term also constrains the feasibility of providing shops, schools or even day care centres on the Site (should that be able to be consented under the District Plan). The need to recover higher infrastructure costs from a lower initial section yield will limit the feasibility of retaining some vacant sites for such land uses, which may not be sustainable in the short-medium term but that may be sustainable with future intensification in the long term. It is therefore more likely that no such amenities would be provided on the Site as part of a DEV A3 development.

A further disbenefit of front-loading the infrastructure for future intensification potential is that if roads and reserves are vested to the Council, the Council is then required to maintain that infrastructure but without the expected rates revenue in the short-medium term (or even the long term) that would help cover those Council costs. As well as creating financial risk for the developer, the provisions of DEV A3 may create financial risks for the Council in the short-medium term.

Overall, Savvy considers that relying on the transitional density approach to provide for future growth in the long term is inefficient and uncertain due to compromising commercial feasibility, risking poor urban amenity outcomes and reducing housing affordability. The potential yield of an intensified future subdivision pattern on the Site is highly uncertain and contingent on a future plan change.

By comparison, the Bangor Village Project delivers a higher density development (700-800 sections/dwellings) in the short-medium term with certainty, reduced risk, higher commercial feasibility and at a lower marginal price to the market than would be possible under DEV A3 requirements.

Savvy does not consider it appropriate to attempt to quantify the net yield of the Project relative to some speculative longer term development outcome for DEV A3 – relying instead on the significant net yield of around 540-640 in the medium term discussed above.

3.2 Meeting Household Needs

Meeting housing needs is another criterion that may determine if a project meets the purpose of the Act (Section 22(2)(a)(iii)). The Project provides this benefit.

Section 2.2 above has identified that in the Darfield Township, recent household growth (i.e. between 2018 and 2023) has been concentrated in two household types – couples and 2-



parent families. While one person households showed only minor growth during that period, they still account for the third highest type of households in Darfield, after couples and 2 parent households. One person households were also the largest component of household growth in the rest of the Darfield catchment since 2018. While single person households often reflect single elderly persons, Savvy estimates that the high incidence may also relate to farm workers.

The Journey to Work data shows that Darfield is an efficient location for workers throughout the Darfield Catchment (including in the primary industry sector) to live. As such, Darfield's future housing needs are likely to comprise a diverse mix of housing types over the medium and long term – from larger family homes to smaller compact homes for singles and couples. While retirement villages are not currently a feature of Darfield, this too may be a segment of increasing demand – serving the needs of elderly wishing to stay living in the Darfield Catchment.

Darfield's residential zoning (LLRZ and GRZ) provides appropriate opportunity to deliver a range of sections sizes.²³ Within the context of Darfield's zoning however, the Project proposes to deliver additional sections that fit within the spectrum of lot sizes expected in the GRZ, LLRZ and DEV A (Figure 1). It provides a diverse range of section sizes that add to and complement the wider housing offering in Darfield. In doing so, the Project provides for a range of household needs, and a range of section prices.

Importantly, it provides more small sections (akin to GRZ densities) in the short to medium term than would be possible under current zoning and DEV A3 provisions. As such, it will provide relatively more choice of location (and competition) for the 600-1000sqm housing submarket in Darfield than under the status quo.

Housing need by price is also increasingly relevant in Darfield Township given rising residential dwelling and rent prices. While historically Darfield has provided relatively more affordable (and value for money) housing than in the district overall, median prices and mean rents are approaching (and at times exceeding) the district average. Delivering more smaller sections (including more competition in that submarket) rather than larger sections in the short to medium term is key to mitigating the rate of housing price rises in Darfield. Compared with the DEV A3 provisions for the Site, the Project delivers relatively more affordable residential sections for the current and future Darfield community.

²³ Although not the relatively smaller section sizes available in the main townships of the District like Rolleston, which are more likely to encourage smaller, compact homes, or attached housing typologies.



3.3 Construction Economic Impacts on the Economy

This section quantifies the economic impact associated with the development of the Project, if approved. Core tangible economic impacts arising from the Project are the GDP or Value Added²⁴ and employment impacts of:

- completing any further/final engineering designs, compliance checks and Council approvals (a short term impact indicatively taking 6 months prior to land development being initiated),
- completing the land development of the Site over a number of civil construction stages (a short to medium term impact indicatively spread over 10 years), and
- completing the construction of 70-100 dwellings (each a short term impact but cumulatively spread over an estimated 10 years in total as land development stages are completed, and beginning one year after completion of stage 1 of the land development).

As such, the construction economic impacts of the Project will accrue over an indicative period of around 11.5 years.

Savvy acknowledges that GDP/Value Added and employment impacts are not 'economic benefits' in a strict economic sense. Aspects of GDP/Value Added and employment contribute to wellbeing, but not all aspects. Further detail is provided in Appendix 1 which contains a framework setting out (at a high level) how the different components of GDP generated by a residential development can enhance or detract from wellbeing. These aspects (costs and benefits) are discussed further in Section 2.

However, for the purposes of this section, MfE has indicated²⁵ that GDP (or Value Added) and employment *are* the metrics they are looking for when considering the economic significance of applications seeking referral under the Act. It is therefore assumed that these same metrics would also be relevant to substantive applications and contribute to the sorts of economic benefits Government was anticipating from projects approved under the Act. Estimated Value Added and employment impacts of the Project have therefore been quantified.

²⁴ Value added refers to the additional value created at each stage of production, while GDP measures the total market value of all final goods and services produced within a country during a specific period. Value Added is useful for understanding the economic contribution of specific sectors or industries without risk of double counting and is often used in productivity analysis.

²⁵ RMLA Fast Track Act Roadshow, response to questions at the Queenstown fixture.



The following assumptions have been used to quantify the indicative economic impacts of the land and housing construction stages of the Project:

- 70 [REDACTED] lots delivered and all lots contain a dwelling. Savvy has calculated an average building size²⁶ of 215sqm across all the section sizes and an average residential construction cost of [REDACTED] s 9(2)(b)(ii).
- Any further design, planning work and local council approvals (if relevant) take place indicatively over 6 months following Fast Track approval. The land development takes place indicatively over 8 years (in 10 civil construction stages) and the construction of buildings occurs indicatively over 10 years.²⁷ Total development period of [REDACTED] years.
- Savvy has applied land development costs incurred on the Site that have been provided by the applicant, and assumed that any further planning, design and local approvals indicatively equate to 1% of estimated land development costs. Offsite infrastructure investment (to be covered by the applicant) has not been included at this time due to insufficient detail on those costs.

Further explanation, assumptions and caveats of Savvy's approach are set out in Appendix 6. In summary, using multiplier analysis, Tables [REDACTED] and [REDACTED], and Figure [REDACTED] show the indicative direct, indirect, induced and total economic impacts of the land development and dwelling construction of the Project. All impacts are expressed in 2020 dollar terms. It is estimated that the Project could:

1. Contribute [REDACTED] s 9(2)(b)(ii) in total value added²⁸ to the Canterbury economy over an indicative [REDACTED] years depending on the final dwelling yield. This has an estimated net present value ("NPV") of [REDACTED] s 9(2)(b)(ii) at an 8% discount rate.²⁹
2. As a component of value added, generate total wages/salaries for Canterbury households to the value of [REDACTED] \$ s 9(2)(b)(ii). This has an estimated net present value of [REDACTED] s 9(2)(b)(ii) at an 8% discount rate.
3. Sustain total employment for around [REDACTED] s 9(2)(b)(ii) [REDACTED] years³⁰ across a broad range of sectors in Canterbury (or equivalent to around [REDACTED] s 9(2)(b)(ii) full [REDACTED] me workers (on average) for [REDACTED] years).

²⁶ With input from the applicant.

²⁷ This may be longer or shorter, but the economic impacts will be the same when undiscounted.

²⁸ Total economic contributions include direct, indirect and induced impacts.

²⁹ Although the Project is not a public investment project, discounting is based on the current recommended public investment discount rate of 8%, with sensitivity testing at 2% (Treasury).

³⁰ Full Time Equivalent job.



Table 3.1 – Direct, Indirect, Induced and Total Economic Impacts of the Development of the Project on the Canterbury Economy (\$2020, Undiscounted)

<i>Yield Scenario:</i>	<i>Low (700)</i>	<i>Low (700)</i>	<i>Low (700)</i>	<i>Low (700)</i>	<i>High (800)</i>
	Direct Impact	Indirect Impact	Induced Impact	Total Impact	Total Impact
Design/Planning/Consents					
FTEs (annual average)	s 9(2)(b)(ii)				
Value Added (\$ ₂₀₂₀ m)					
Gross Household Income (\$ ₂₀₂₀ m)					
Land Development					
FTEs (annual average)					
Value Added (\$ ₂₀₂₀ m)					
Gross Household Income (\$ ₂₀₂₀ m)					
Building Construction					
FTEs (annual average)					
Value Added (\$ ₂₀₂₀ m)					
Gross Household Income (\$ ₂₀₂₀ m)					
Total Project (Undiscounted)					
FTEs - Years					
Value Added (\$ ₂₀₂₀ m)					
Gross Household Income (\$ ₂₀₂₀ m)					

Source: StatisticsNZ, Sawy Consulting, Client Inputs. Results are in \$2020 and employment terms.

A large share of these economic impacts is expected to be felt in the Selwyn District. The district has a large construction sector (on account of the strong population growth) and a constant stream of development projects are needed to sustain that industry. The Project is expected to make a significant contribution to the short- to medium term construction pipeline in Darfield and will contribute to sustaining the sector in the district more generally.



s 9(2)(b)(ii)



Savvy acknowledges that depending on when the development of the Site occurs, it may be transferring economic impacts that would have been generated on other residential development sites (i.e. it is sustained by a transfer of demand). This occurs when the development competes for demand at the same time as other developments. However, competition in the market is considered positive in economic terms, and as such, transfer effects of construction impacts are not considered to detract from the economic impacts or significance of the Project.



While the economic impacts generated by the Project are not necessarily net additional to the economy, as far as a large scale residential developments go the impacts are considered significant in absolute terms.³¹

The economic context is also relevant. GDP in Selwyn District is at an all-time high of \$4,040.8 million in the YE March 2024 and in most years, out performs economic growth rates at the national average.³² However, growth between 2023 and 2024 was just 2.4%, the lowest annual growth percentage in the district since 2008-2009, and a steep drop in growth compared to the growth between 2022 and 2023 (5.6% growth).

This has been followed a further reduction of growth in the YE March 2025 (just 0.8% growth)³³. While this was still better than the 1.1% decline in GDP nationally in that year, any further declines will result in Selwyn's economy stalling and potentially contracting. Attracting investment, such as proposed by the Project, will be important in sustaining GDP, and stimulating economic growth across a range of industries.

³¹ In percentage terms, they equate to only 1% of the GDP of Selwyn District and a lower share again of the Canterbury Region GDP.

³² Source: <https://rep.infometrics.co.nz/selwyn-district/economy/growth?compare=new-zealand>

³³ Source: <https://www.chrislynchmedia.com/news-items/selwyn-defies-national-downturn-with-strong-economic-growth-across-key-sectors/>



4 Conclusions

This section brings together the baseline assessment of Darfield and its wider Catchment and the assessment of the Bangor Village Project's contribution in that context, to draw conclusions on the economic benefits and costs of the Project and their significance. While costs and benefits have been identified, not all are able to be quantified or expressed in monetary terms.

The focus is on benefits and costs to economic wellbeing that are over and above the status quo in the medium term. This includes changes that apply to the Site and/or at the Darfield/wider district level that are attributable to the Project. This approach helps to avoid over stating economic benefits and costs.

For completeness, the following economic 'impacts' are associated with the Project but are not necessarily net additional to the economy or wholly attributable to the Project as they arise from investment that responds to projected housing demand that is assumed in this case to be able to be met elsewhere in Darfield, if not on the Site. These economic impacts are however an indicator of the **significant** scale of the development proposed (in gross terms) and reflect the economic activity that is expected to occur in Canterbury Region if approval is granted under the Act. That is, they are the economic impacts catalysed by approval of the Project.

- Investment associated with the Project supports the economic viability and growth of local and regional businesses (with total direct, indirect and induced value added estimated at **s 9(2)(b)(ii)** spread over 11.5 years (or **s 9(2)(b)(ii)** in net present (2020) value terms).
- Supports jobs (estimated at an annual average **s 9(2)(b)(ii)** direct, indirect and induced FTEs for around 11.5 years) and household incomes in Canterbury Region (estimated at **s 9(2)(b)(ii)** spread over 11.5 years (or **s 9(2)(b)(ii)** in net present (2020) value terms)³⁴ that support household consumption.³⁵
- To the extent that there may be additional investment in off-site infrastructure to facilitate the development (with further detail pending), this would stimulate further value added and employment than quantified above. As such, the economic impacts of the project can be considered a minimum of economic stimulus.

³⁴ At an 8% discount rate.

³⁵ Household incomes form part of value added, so these two impacts are not additive. They do however contribute to economic wellbeing in different ways.



4.1 Economic Benefits Attributable to the Project

Based on the assessment carried out for this report, Savvy considers that the Project will deliver a range of economic benefits. The economic benefits of the Project are summarised as follows:

- Significantly Increasing standalone housing supply in Darfield to help meet housing needs and support a more competitive housing market generally, and specifically in the greenfield low density housing market in the short-medium term. The Project achieves this by providing significantly more commercially feasible housing development capacity in the short-medium term compared with the status quo planning provisions (an indicative 540³⁶ net additional dwelling capacity based on Savvy's assumptions, out of a gross housing yield of 700³⁶).
- Supporting the supply of more affordable housing (to buy and rent) relative to status quo planning provisions in the short-medium term in a district facing steady increases in median house prices and mean rents, by avoiding costs associated with investment in potential future infrastructure being added to section prices in the short-medium term and by supplying a mix of smaller sections with associated lower land prices.
- Contributing to a well-functioning urban environment by encouraging higher density development/intensification in the short-medium term (i.e. more efficient use of the land resource relative to the status quo planning provisions) in a location where households will have good accessibility to employment (including agricultural and agricultural product processing jobs), shops and services, schools, recreation and open space.
- While not examined in this report, the Project provides the opportunity for some of the convenience retail and schooling needs of the future Bangor Village community to be met within the Site, which will reduce reliance on car-based travel if they are developed in future.³⁷ These facilities would also benefit the wider community in that part of Darfield Township, as well as households from the wider Darfield environs/Catchment for whom that supermarket or school would be the closest to their point of entry to Darfield. Savvy considers that this opportunity benefit would be

³⁶ Net effects assume that Development Area 3 would, in the counterfactual, have been developed despite the risks to commercial feasibility associated with a requirement to front-load infrastructure capacity to provide for potential future intensification. An alternative scenario is that the land is not developed in the short-medium term to await a plan change to increase the density.

³⁷ The capital and operational expenditure impact of these potential activities has not been captured in the scope of this report and would be net additional to the land development and dwelling construction impact estimated.



unlikely if the Site was developed under the existing provisions of DEVPA or reasons discussed in Section 4.1.

- Savvy considers that the master planned development will result in a more cohesive community within the Site and a more attractive neighbourhood relative to the status quo planning provisions in the short to medium term. The development approach required for DEVPA may lead to underinvestment on private property and more sparsely located dwellings, particularly if future subdivision potential is anticipated (although not guaranteed).
- More intensive development of the Site in the short to medium term also reduces the marginal costs of the infrastructure and reserves planned within the Site, and the infrastructure upgrades required beyond the Site boundary (i.e., the proposed higher density increases the benefits of that new infrastructure relative to the cost of that investment).
- At the time of drafting this report, the approach to connecting the Site to the Wastewater Treatment Plan had yet to be determined. Savvy understands that depending on which option to adopted, this investment by the Applicant may have wider benefits for the Darfield community but facilitating the development of other greenfield land. Such potential benefits are not yet quantifiable.

Savvy considers that the economic benefits delivered by the Project (if approved) will, in aggregate, be significant at the local, district and regional level. Some of those benefits will continue to have a positive effect on economic and social wellbeing over the long term.

4.2 Economic Costs Attributable to the Project

Savvy has considered the actual and potential economic costs of the Project, again relative to the status quo development anticipated on the Site in the short to medium term. This includes regard to the components of GDP and employment impacts that do not enhance economic wellbeing (as set out in Appendix 4 and considered relevant to the Project).

While the Site is LUC the land is already zoned for residential development and so the provisions of the NPS PL do not apply and there is no change in the loss of HPL for future generations that is not already anticipated by the District Plan. Nor is there any change in the loss of existing agricultural activity on the land relative to the status quo.

As residential development that will respond to housing demand, whether this occurs on the Site as currently enabled in DEVPA3 or as proposed, or met elsewhere in Darfield, the



consumption of resources during the construction stages is likely to be the same (or similar) and so the development does not materially increase the consumption of resources (sustainable or otherwise) over the medium to long term.

To the extent that any negative wellbeing effects arise from employment associated with the Project (directly, indirectly or induced), these too are likely to apply under the status quo scenario.

Infrastructure costs on and off the Site will be met upfront by the applicant (and ultimately borne (equitably) by the purchasers of the sections who will directly benefit from that infrastructure). This is a neutral effect on economic wellbeing at the Darfield or wider Selwyn District level.

Overall, Savvy does not consider that there are any material adverse effects on economic wellbeing attributable to the Project.

4.3 Conclusions on Economic Significance

Primary industries (specifically farming) in Canterbury Region contribute more to GDP than any other region in New Zealand. Agriculture is the foundation of Selwyn's economy. Darfield is a Service Township whose role is to support, and provide a hub for, the Rural Townships and the surrounding rural farming area in its extensive Catchment (that covers three quarters of the Selwyn District's land area).

Housing growth in Darfield is first and foremost driven by growth in the primary production industry (including linked processing activity) in its Catchment, with that growth in households then stimulating additional rounds of growth (to meet the needs of a larger workforce and population). The growth prospects of Darfield Township are strongly tied to the growth prospects of the district's primary industries.

This pattern of economic growth and housing demand is expected to continue over the medium and long term and will see Darfield Township play an increasingly important role within the wider Darfield Catchment (as has already become evident in recent years). Ensuring a competitive and unconstrained housing market in Darfield that is aligned with household needs will increase the opportunity for workers in primary industry to live close to their workplaces and find suitable and affordable accommodation with the added benefits of the functional and social amenity provided by a KAC.

The Project will make a significant contribution to that housing market over the short to medium term, and the role it plays in supporting primary industry. The Project is a large scale residential



development that will deliver a range of section sizes to meet household needs. It provides a commercially feasible solution to realise more intensive residential growth in DEVDA without the investment risks and adverse effects that are likely to arise from a 'lower density with future proofed infrastructure' development approach that speculates on future intensification being enabled and taken up.

Savvy considers that the Site is an efficient location for the proposed densities of housing development in the context of Darfield's existing and planned urban form. It does not extend the current urban boundary of the township and by ensuring more intensive use of already zoned land, it extends the time when rural Urban Growth Overlay areas located on HPL will need to be upzoned (reducing primary production activity that the economy relies on).

Savvy considers that the Bangor Village Project can be supported from an economic perspective. Actual and potential economic benefits and costs that are attributable to Project (and over and above the status quo development scenario) have been assessed. Although not all economic benefits and costs are quantified, the costs on economic wellbeing are considered to be minimal. Savvy concludes that the Project delivers significant net economic benefits including but not limited to additional housing supply to the Selwyn District. Housing supply and the efficient growth of Darfield KAC is a regional issue, albeit one that is addressed at the district level. On that basis, the Project is considered to meet the significant regional benefits test.



Appendix 1 – Author CV

I (Natalie Hampson) am the owner and director of Savvy Consulting, which was established in November 2023. Prior to establishing Savvy, I was a director at Market Economics Limited. I have worked in the field of economics for over 20 years for commercial and public sector clients with a particular focus on economic assessment within the framework of the Resource Management Act (RMA). Since 2001 I have specialised in studies relating to land use analysis, assessment of demand and markets, the form and function of urban economies and growth, policy analysis, and evaluation of economic outcomes and effects, including costs and benefits.

I have considerable experience assessing economic costs and benefits of proposed plan changes, district plan reviews, structure plans, resource consents, fast track applications and policy proposals throughout New Zealand. I have been heavily involved in the preparation of HBAs in Rotorua and Queenstown. I have been contracted to provide inputs to (and peer review of) future development strategies. I was the co-author of the Section 32 assessment and Cost Benefit Analysis (CBA) for the proposed NPS-HPL. I was the author of the CBA for the proposed NPS-Indigenous Biodiversity and amendments to the NES-Plantation Forestry.

I have considerable experience carrying out economic assessments within Queenstown Lakes District (QLD) over the last 20 plus years and have been a resident in the district for 10 years. As such, I have a sound knowledge of the district's economic growth pressures and development patterns.

My private sector work in the district has included assessments in relation to plan changes, submissions and appeals in Frankton Flats (Plan Change 19), Remarkables Park (Plan Change 34), the Wakatipu Basin, and Wanaka. I provided economic assessment to support the Silverlight Studios Fast Track (Covid-19 Recovery) consent application. Recently, I have been involved as an expert witness in the Land Valuation Tribunal case regarding RPL's claim for compensation under the Public Works Act 1981 in respect of some Remarkables Park Limited (RPL) land taken by the Queenstown Airport Corporation (QAC) ("Lot 6"). I am also providing evidence for RPL for the change of a covenant that applies to land adjoining the Queenstown Airport.

My recent experience in Greater Christchurch includes (but is not limited to):



- Evidence on behalf of 5 submitters in the Waimakariri PDP hearings.
- Evidence on behalf of 2 submitters in the Christchurch City PC14 hearings.
- Evidence on behalf of 2 submission on the Selwyn District PDP hearings (industrial and LFRZ)
- Evidence on behalf on an appellant on the Selwyn District PDP (residential and commercial).
- Resource consent applications for Halswell North and North West Belfast commercial centres. Various other commercial and residential consent application in Christchurch including the recent Woolworths consent application for Madras Street in St Albans.
- Multiple industrial plan changes and one residential plan change in Christchurch City.
- Assessment/evidence/advice to Christchurch International Airport Limited, including on property portfolio matters, regional policy frameworks and economic assessment to support resource consent applications.
- Assessment/evidence/advice to Lyttelton Port Limited.
- Advice to Ngai Tahu in relation to investment opportunities in Selwyn District.

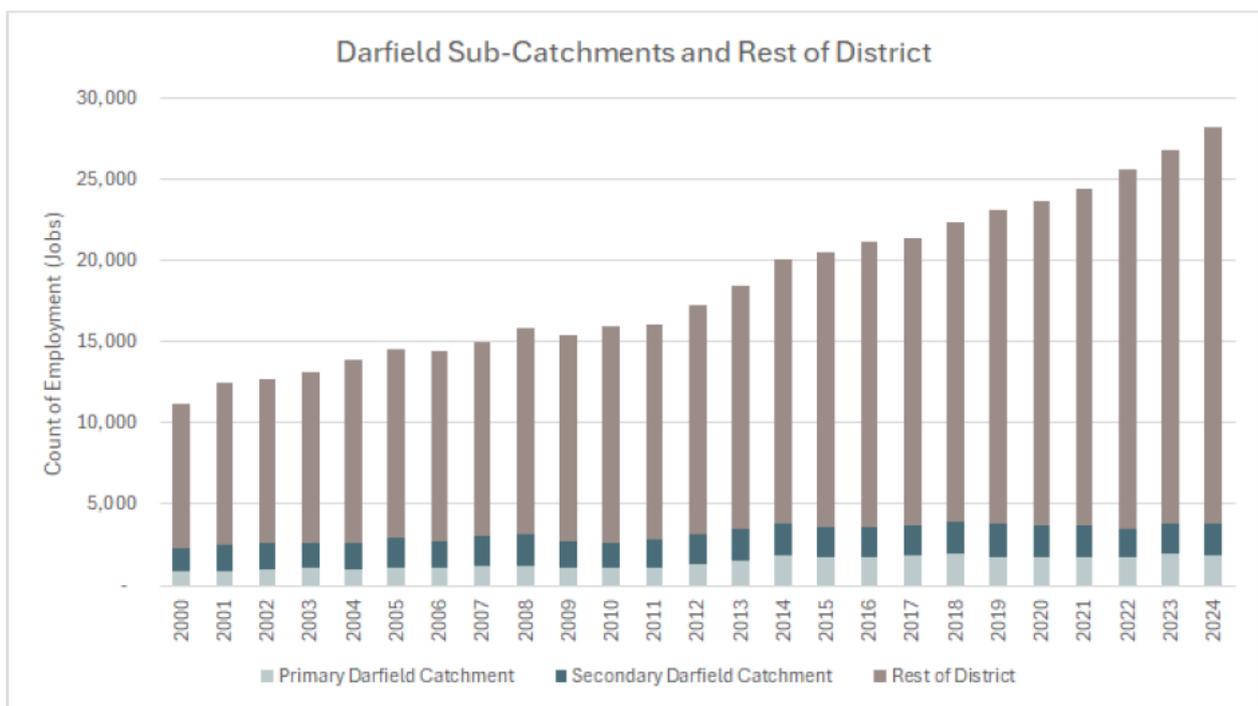
Savvy is providing economic assessment support to a range of development and infrastructure Fast Track applications in the South Island. This includes peer review roles for local government commentators. Natalie is also on the Fast Track Expert Panel for the Taranaki VTM project.



Appendix 2 – Business & Employment Analysis

The figure below illustrates Selwyn District’s strong growth path, with this employment data series beginning in the year 2000. As expected, this growth is largely occurring in the Rest of District, but particularly Rolleston as the main economic hub of the district. The Darfield Catchment plays only a small role in total employment activity in the district but has also experienced growth since 2000.

Figure 1 - Darfield Catchment Employment - Selwyn District Context 2000-2024



The following tables provide a breakdown of employment and business growth in the Darfield Catchment, by township and balance rural areas.



	Count of Businesses			Change in Businesses		Share of District			Share of Darfield Catchment		
	2000	2014	2024	2014-2024 (n)	2014-2024 (%)	2000	2014	2024	2000	2014	2024
Primary Darfield Catchment	355	444	549	105	24%	9%	7%	6%	33%	32%	36%
Darfield	222	244	329	84	34%	6%	4%	4%	21%	18%	21%
Rural	133	200	221	21	11%	3%	3%	3%	13%	15%	14%
Secondary Darfield Catchment	707	932	980	48	5%	18%	15%	11%	67%	68%	64%
Arthurs Pass	6	6	9	3	52%	0%	0%	0%	1%	0%	1%
Castle Hill Village	2	3	9	6	207%	0%	0%	0%	0%	0%	1%
Coalgate	9	24	27	3	12%	0%	0%	0%	1%	2%	2%
Glentunnel	2	9	12	3	34%	0%	0%	0%	0%	1%	1%
Hororata	6	9	18	9	101%	0%	0%	0%	1%	1%	1%
Kirwee	35	62	114	51	82%	1%	1%	1%	3%	5%	7%
Sheffield-Waddington	15	24	33	9	38%	0%	0%	0%	1%	2%	2%
South Malvern-Whitecliffs	2	6	21	15	254%	0%	0%	0%	0%	0%	1%
Springfield	18	36	30	-6	-16%	0%	1%	0%	2%	3%	2%
Rural	613	753	708	-45	-6%	15%	12%	8%	58%	55%	46%
Total Darfield Catchment	1,062	1,376	1,529	153	11%	26%	22%	18%	100%	100%	100%
Rest of District	2,972	4,808	7,134	2,325	48%	74%	78%	82%			
Total District	4,034	6,184	8,663	2,479	40%	100%	100%	100%			

Source: StatisticsNZ Business Demography Data, Savvy

	Count of Total Employment			Change in Employment		Share of District			Share of Darfield Catchment		
	2000	2014	2024	2014-2024 (n)	2014-2024 (%)	2000	2014	2024	2000	2014	2024
Primary Darfield Catchment	866	1,829	1,889	59	3%	8%	9%	7%	37%	48%	50%
Darfield	750	1,110	1,129	19	2%	7%	6%	4%	32%	29%	30%
Rural	116	719	759	40	6%	1%	4%	3%	5%	19%	20%
Secondary Darfield Catchment	1,470	1,967	1,864	-103	-5%	13%	10%	7%	63%	52%	50%
Arthurs Pass	37	33	33	-4	-1%	0%	0%	0%	2%	1%	1%
Castle Hill Village	2	4	5	1	31%	0%	0%	0%	0%	0%	0%
Coalgate	15	46	61	15	33%	0%	0%	0%	1%	1%	2%
Glentunnel	3	4	24	20	445%	0%	0%	0%	0%	0%	1%
Hororata	16	21	30	9	40%	0%	0%	0%	1%	1%	1%
Kirwee	43	113	172	59	52%	0%	1%	1%	2%	3%	5%
Sheffield-Waddington	56	98	79	-18	-19%	1%	0%	0%	2%	3%	2%
South Malvern-Whitecliffs	4	3	9	6	230%	0%	0%	0%	0%	0%	0%
Springfield	45	59	68	9	16%	0%	0%	0%	2%	2%	2%
Rural	1,248	1,586	1,384	-203	-13%	11%	8%	5%	53%	42%	37%
Total Darfield Catchment	2,336	3,796	3,753	-43	-1%	21%	19%	13%	100%	100%	100%
Rest of District	8,839	16,260	24,457	8,196	50%	79%	81%	87%			
Total District	11,175	20,057	28,210	8,153	41%	100%	100%	100%			

Source: StatisticsNZ Business Demography Data, Savvy. Total employment includes the employee count and estimated working proprietors.

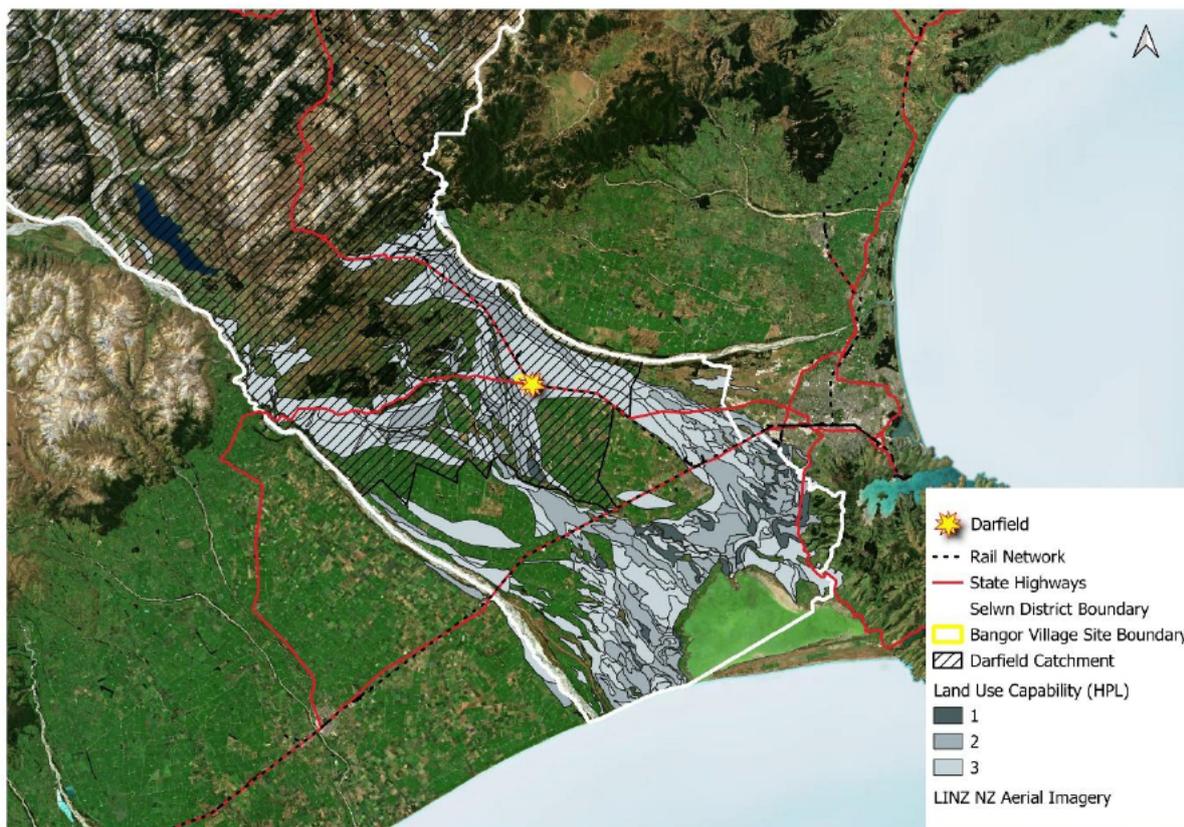


Appendix 3 – Highly Productive Land

Highly Productive Land (“HPL”) as currently defined in the NPS HPL³⁸ equates to all land that is categorised Land Use Capability (“LUC”) 1, 2, and 3 in the Land Resource Inventory dataset. HPL is a significant feature of Selwyn District and the Darfield Catchment and is covered here briefly as it provides relevant context for why the Darfield Catchment is strongly focussed on land based agriculture (discussed further in the economic analysis).

Figure 1 below shows that Darfield Township is located in a large cohesive area of LUC 3 land, with some fringe residential zone areas located on pockets of LUC 2 land. Extensive areas of the wider Darfield Catchment that form part of the Canterbury Plains (i.e. excluding the Malvern Hills and ranges further inland) are also covered extensively by LUC 2 and 3 land. While agriculture is likely to be more productive on HPL, areas that are on lower class land (i.e. LUC 4) do not preclude farming activities.

Figure 1 - HPL in Selwyn District, Including in the Darfield Catchment



³⁸ Until such time as the Canterbury Regional Council maps HPL and this becomes operative.



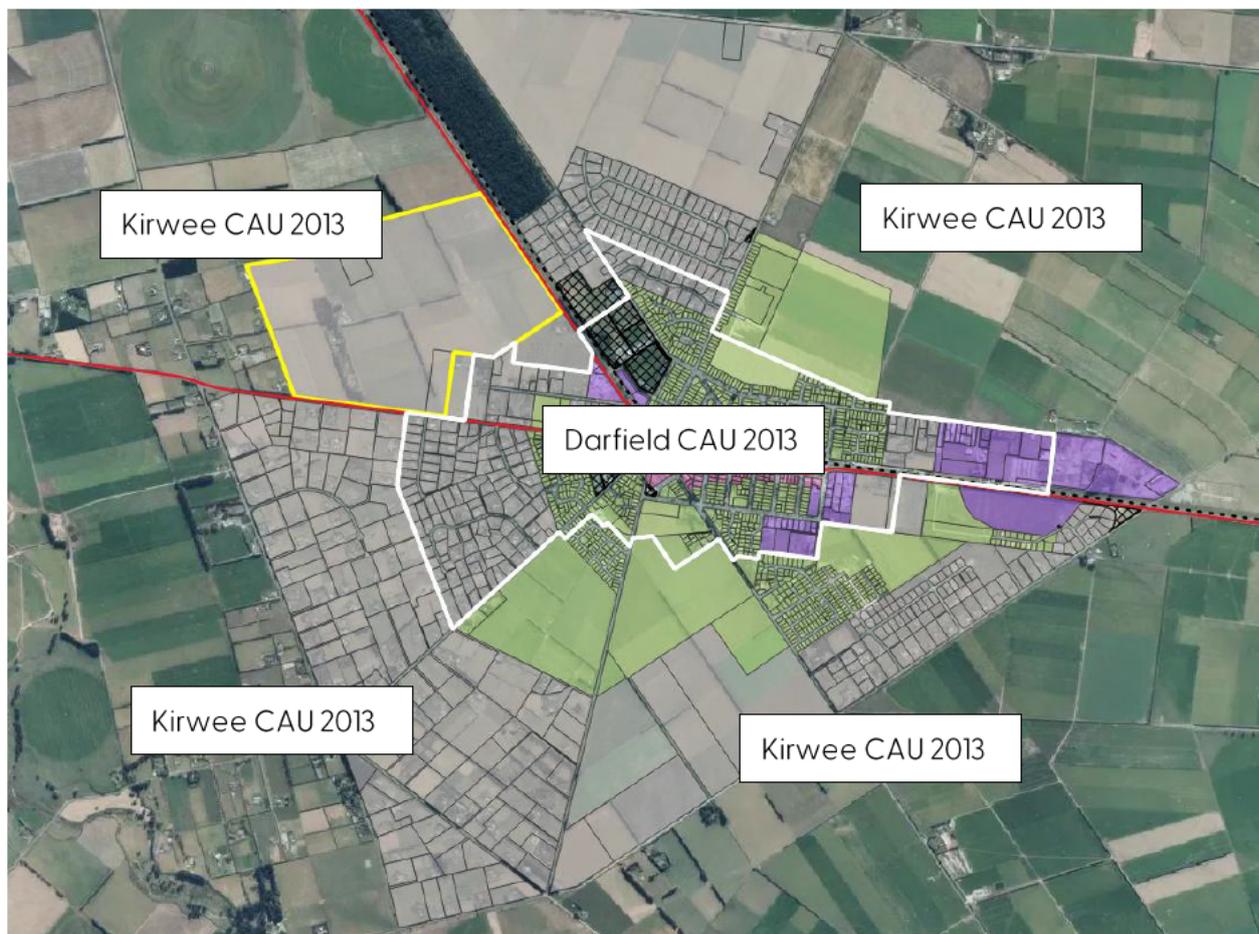
Appendix 4 – Housing Market Indicators

This appendix examines selected housing market indicators in the Darfield Township and wider Selwyn District in the period between 2022 and 2025. It shows the direction of change that has occurred in the housing market since the SRCDM 2023 modelling took place. The following housing market indicators are taken from the MHUD³⁹ Urban Development dashboard as well as StatisticsNZ dwelling consents data.

Housing Market Indicators

Unfortunately, the MHUD Urban Development dashboard uses old 2013 Census Area Unit (“CAU”) boundaries for data at the sub-district level and the Darfield CAU captures only the older core of the Township and not the newer growth areas of Darfield which fall within the surrounding Kirwee CAU (Figure 1).

Figure 1 – 2013 Darfield CAU Boundary Relative to Urban Area Extent

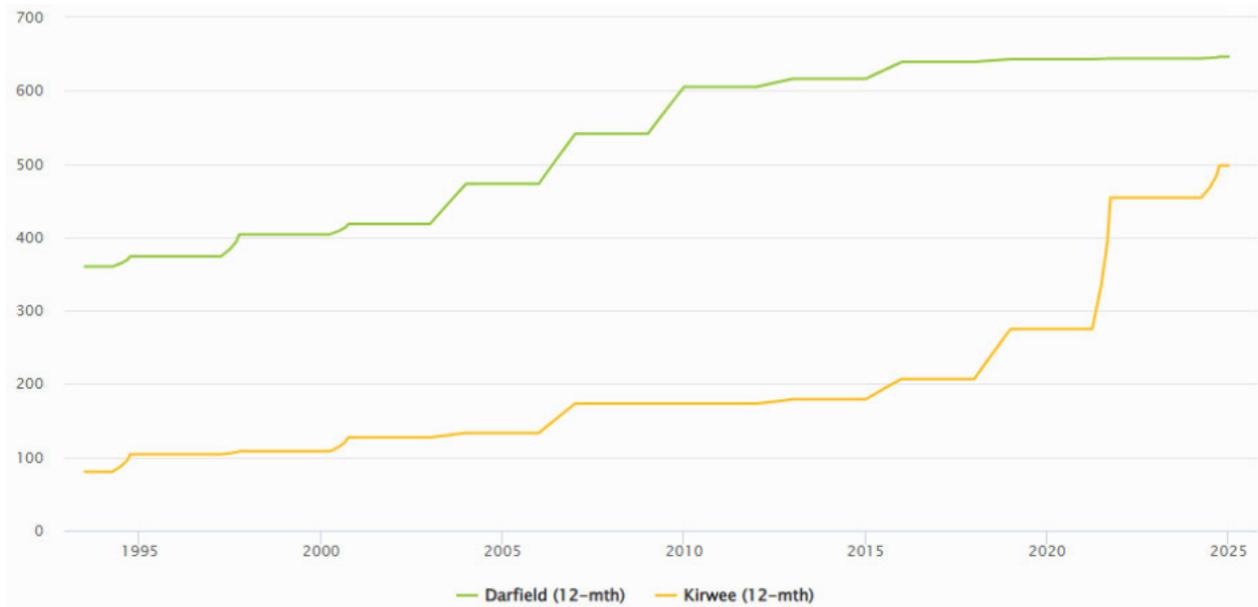


³⁹ Ministry for Urban Housing and Development.



While the Kirwee CAU includes the smaller Kirwee township and an extensive rural area, it is expected that most of the change evident in that CAU over time is attributable to the new growth areas in Darfield Township. Both CAUs are presented in the following analysis, and it is expected that the Darfield Township proper sits somewhere between the results for both CAUs when referring to mean or median prices.

Figure 2 - 12 Month Rolling Dwelling Stock by CAU



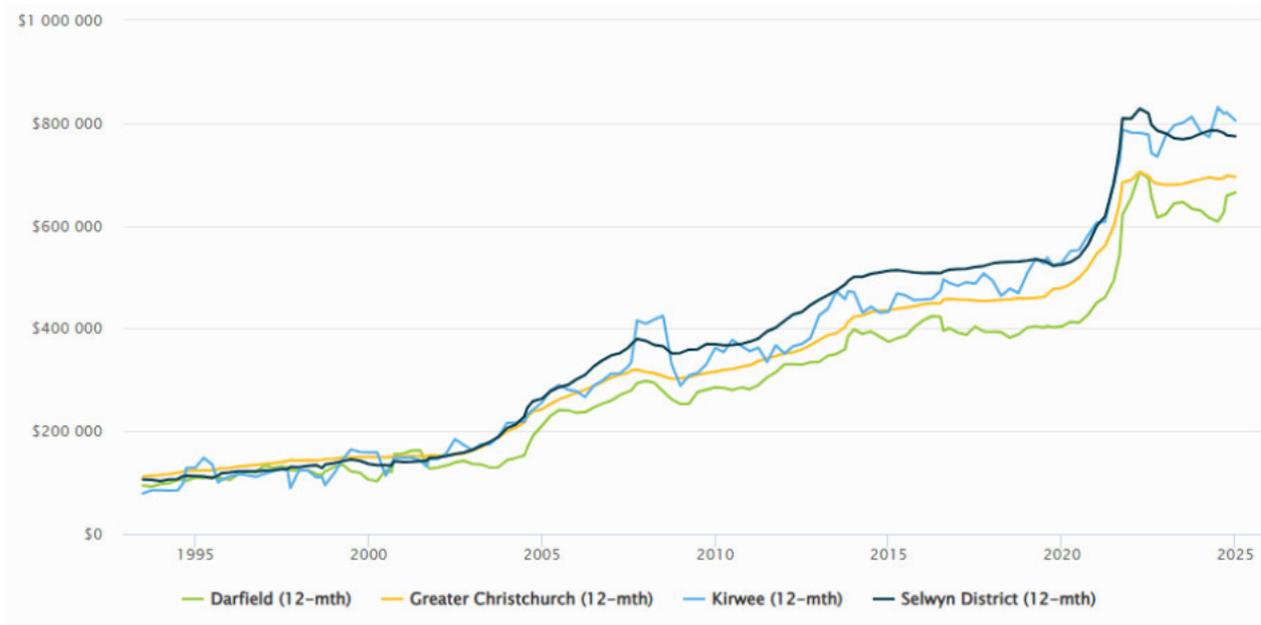
To illustrate the effect of the old CAU boundaries, Figure 2 summarizes the cumulative count of dwellings in the Darfield CAU (older core area of Darfield Township) and the surrounding Kirwee CAU. While there remain some vacant parcels (including parcels that could be further subdivided), there has been extremely limited growth in the Darfield CAU since the end of 2015 (change from 639 dwellings to 646 dwellings, or an increase of 7 dwellings). At the same time as growth substantially slowed in the Darfield CAU, growth in dwellings in the Kirwee CAU started to take off – with significant additions to the dwelling count over the last decade as zoned greenfield land is progressively developed. The dwelling count in the Kirwee CAU has increased from 207 in the end of 2015 to 498 at the end of 2024 (more than doubling). This data shows that Darfield’s residential growth is strongly focused on greenfield zoned land.

Figure 3 shows that median dwelling prices across Selwyn District, and to a lesser extent across the whole of Greater Christchurch, experienced a rapid surge in median prices starting in early 2020 through to early 2022. Dwelling sales prices in both the Darfield CAU and surrounding Kirwee CAU followed the district-wide trend during that period, with significant increases in dwelling prices.



According to MHUD data, Darfield CAU currently has a median dwelling price of \$665,000 (December 2024) and the Kirwee CAU is higher at \$805,500 – higher than the district median price. This is expected to be driven by more LLRZ properties included in the Kirwee CAU (with larger sections costing more but also supporting larger dwellings). Across the Darfield township, median house prices are expected to be somewhere between these two CAU values. This compares with \$774,500 for Selwyn District overall in December 2024, and \$695,400 for Greater Christchurch. Overall, Darfield represents a slightly more affordable place to live relative to the district as whole. This contributes to the economic benefits of enabling more dwelling growth in Darfield. Median house prices have been generally stable in the last three years.

Figure 3 - 12 Month Rolling Median Dwelling Sales Price (Actual Prices) – Darfield CAUs, Selwyn District and Greater Christchurch



Since June 2023 (the indicative base year of the demand projections in the SRCDM) average rent in the Darfield CAU has increased from \$495/week to \$515/week in December 2024 (growth of \$20/week or 4%), while in that same period, average rents in the Kirwee CAU, which includes the newer areas of Darfield, have decreased from \$572/week to \$561/week (■%) (Figure 4). This was however preceded by a rapid increase in weekly rents in the Kirwee CAU during 2022. At times during late 2023 and early 2024, average rents in the Kirwee CAU were higher than the district average and peaked at \$639/week. It is expected that across the Darfield township, average weekly rents currently sit somewhere between \$515■61/week ■ slightly below the district average but above the average for Greater Christchurch.



As with home ownership, Darfield provides opportunities for relatively more affordable housing rents compared with some parts of Selwyn District, but rental costs continue to rise across the board.

Figure 4 – 12 Month Rolling Mean Dwelling Rents (Actual Weekly Prices) – Darfield CAUs, Selwyn District and Greater Christchurch

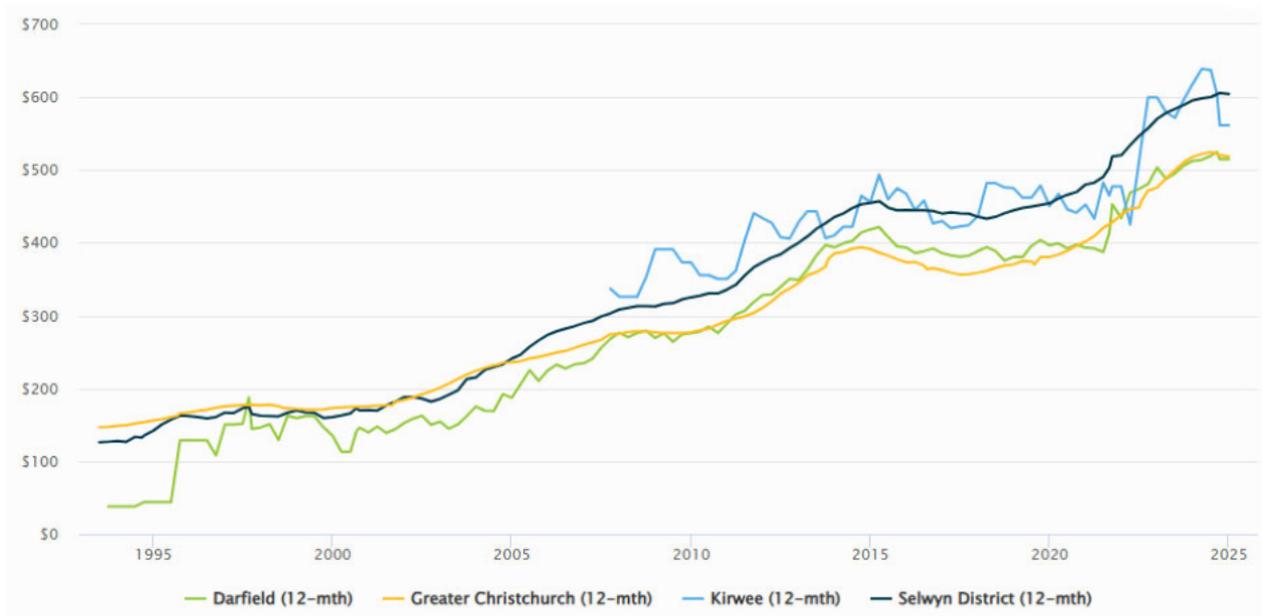
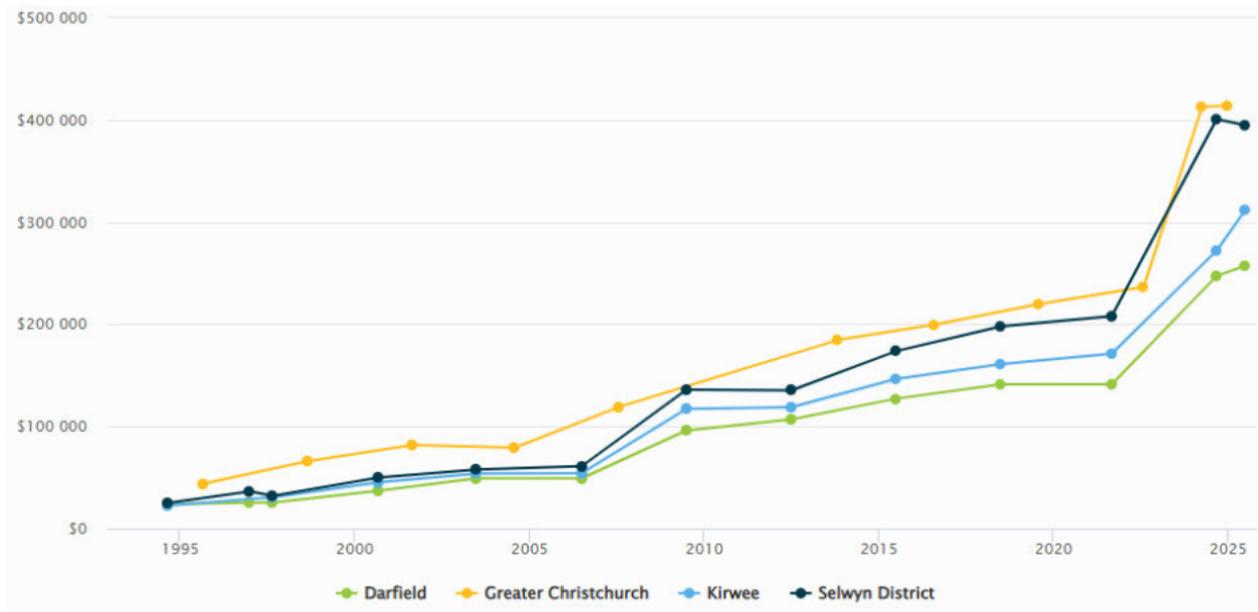


Figure 5 graphs the mean land price of dwellings at each valuation period. Residential land values in the Darfield CAU have increased from around \$141,100 in August 2021 to \$257,200 in June 2025 (an 82% rise). In the Kirwee CAU, residential land prices have increased from \$171,100 to \$312,100 (also an 82% increase). Across Selwyn District overall, residential land prices have increased by 90% in that period to reach \$394,800. While land prices are increasing in Darfield Township, they are still relatively more affordable, at between 65-69% of the district average.



Figure 5 – Mean Land Price of Dwellings by Valuation Period – Darfield CAUs, Selwyn District and Greater Christchurch



Rising residential property values – which may or may not be a result of factors within Council’s control (i.e. due to planning or infrastructure) – can create issues for housing affordability, particularly when household incomes are not rising commensurate with house prices. Overall, Selwyn performs relatively well compared to other territorial authorities on housing affordability indicators monitored by MHUD and the above analysis indicates that Darfield is relatively more affordable than the district average. Nonetheless, several housing indicators are trending upwards and it will remain important in Selwyn District to ensure an ample amount of zoned and infrastructure served residential land is provided relative to demand to maximise the potential for competition in the housing land market and to avoid any constraints on land supply that could contribute to rising prices. Ensuring a range of housing typologies and housing locations are enabled is also necessary to meet housing needs and provide opportunities for relatively lower cost housing for those most in need.

Recent Supply Trends

The following analysis examines recent supply trends in Darfield Township in the form of residential dwelling consents. This data from StatisticsNZ is available at SA2 (2023) level.



Figure 6 – Total Dwelling Consents by Type Issued in Darfield Township SA2 2000–2025

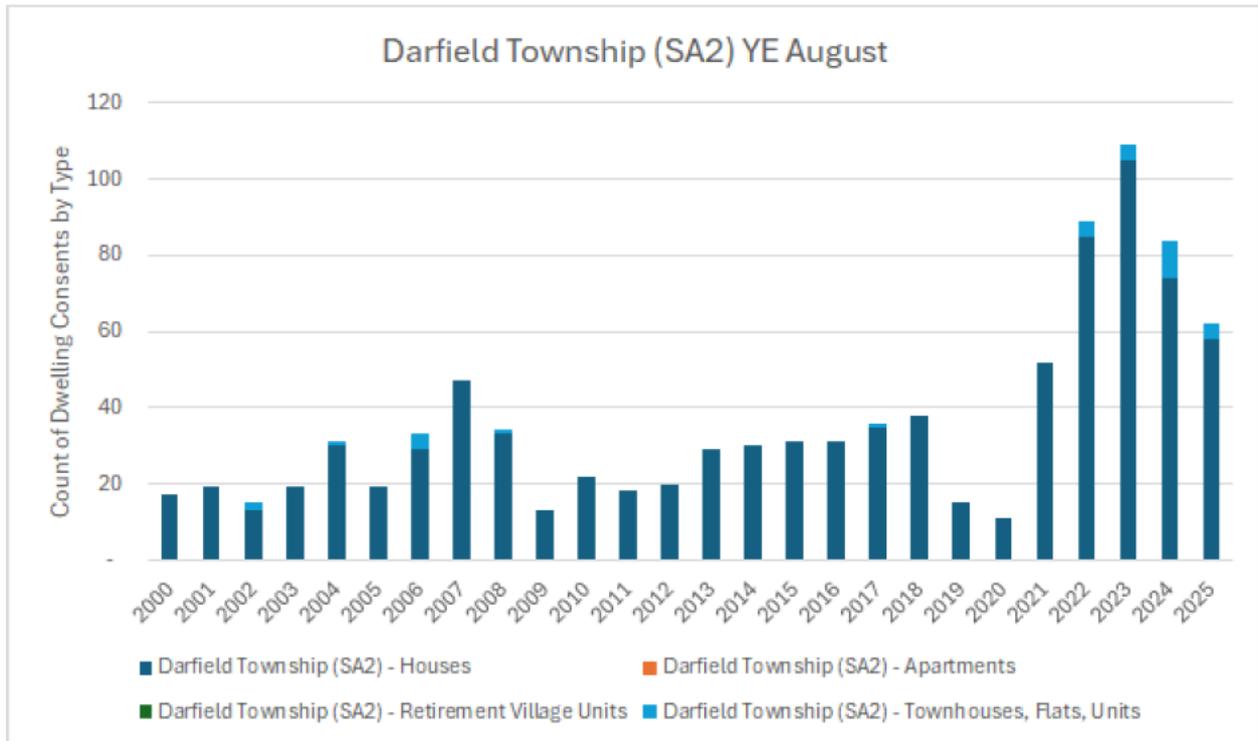


Figure 6 shows the annual count of dwellings consented in Darfield Township (SA2) since the year ending (“YE”) August 2000 through to the YE August 2025. Dwelling supply is influenced by the staging of development across the residential zones, the number of sections released by developers at any one time and housing demand (including wider economic factors). Annual consented dwellings have been as high as 109 recently in 2023 in Darfield Township but have averaged 53 dwellings per annum over the last decade (2015–2025).

If this average supply continued over the period 2023–2033 (i.e. to represent demand), then it directly aligns with the medium term dwelling demand modelled for Darfield in the SRCDM (i.e. 63 per annum excluding the competitiveness margin). However, there has been a real step change in dwelling demand/growth since 2021 in the township. The average count of consented dwellings in the last four years (2022–2025) has been 86 per annum. If this higher growth rate were to continue over the period 2023–2033 (103 per annum including the competitiveness margin), it would mean that the SRCDM medium term dwelling projections for Darfield could prove to be too conservative by 2033. As discussed however, the housing capacity of Darfield Township is sufficient to accommodate higher demand growth than modelled.

Figure 6 shows that the Darfield Township has delivered almost entirely standalone dwellings. There has been a total of 31 “multi-unit” dwellings (townhouses/flats/other) consented since



2021, with multi-unit housing⁴⁰ a regular, but minor, share of total dwellings delivered annually since 2022.

Relative to the total Darfield Catchment, the consent data also shows that Darfield Township is playing an increasing role in economic growth. Back in 2000, dwelling consents in Darfield Township accounted for a third of all consents issued in the total Catchment. By 2025, it accounted for 56% (and has been as high as a 69% share in 2024). Savvy expects that this trend will continue, with Darfield attracting an increasing share of growth in the Catchment over time.

There is a strong correlation between the pattern of dwelling consents issued in Darfield Township and the wider district – with similar peaks and troughs (and likely reflecting the influence of external economic factors on the wider housing market).

⁴⁰ Which could include minor dwellings not attached to the standalone house according to StatisticsNZ consent data.



Appendix 5 – GDP Impact vs Wellbeing Framework Example

The following example is tailored to a residential development project.⁴¹

GDP Impact	Wellbeing Impact
Benefits to Wellbeing	
Increased investment: Construction activity boosts the 'investment' component of GDP	New housing increases the supply of dwellings, potentially improving affordability, choice and living conditions.
Job creation: Employment in construction, engineering, architecture, and related services. Indirect and induced employment creation.	Jobs that are safe, fairly paid and meaningful and allow work-life balance enhance wellbeing. Income generation supports household consumption and reduces underemployment and unemployment.
Infrastructure development: Roads, utilities, and public amenities built alongside housing.	Enhances accessibility, safety, and community cohesion.
Long term consumption: New residents contribute to local economic activity (e.g., retail services).	Supports vibrant communities and local businesses.
Environmental Improvements: Investment improves ecological areas or addresses contamination or risk.	Enhances ecosystem services, human health and enables sterilised land to be utilised.
Costs to Wellbeing	
Increased investment: Defensive expenditure (to offset negative effects of development) are a component of GDP.	While these may mitigate harm, they do not enhance wellbeing. <i>This is more neutral than a 'cost'.</i>
Environmental degradation: Not subtracted from GDP.	Loss of rural character, productive land, biodiversity, increased carbon emissions etc can reduce long term health and ecological stability.
Job Creation:	Opportunity cost of the time people spend working (rather than time spent with family, at

⁴¹ Savvy has used AI to help inform and test aspects of this framework.



Employment in construction, engineering, architecture, and related services. Indirect and induced employment creation.	leisure, on personal development or on community engagement), particularly if work hours are excessive, stressful or poorly compensated.
Resource depletion: Use of material (timber, concrete, energy) adds to GDP.	Unsustainable resource use can threaten future generations access to natural capital.
Urban sprawl and infrastructure strain: More spending on transport and utilities boosts GDP.	Development can lead to traffic congestion, longer commutes, and pressure on public services and infrastructure. Bringing forward or diverting local government funding to address infrastructure may create opportunity costs on other investment or lead to increased rates.
Speculative development: High value developments inflate GDP.	If housing is unaffordable or left vacant, it doesn't improve social outcomes.



Appendix 6 – Economic Impact Terminology & Assumptions

Multiplier analysis is a commonly used modelling technique for measuring economic impacts. Direct, indirect and induced economic impacts can be estimated using multipliers derived from regional or national input-output tables. Multipliers are summary measures of the economic interdependence between industries and final demand. The contribution of an industry to an economy is not limited to the value it creates directly. This is because an increase in final demand for an industry has repercussions throughout the whole economy, causing increases in output beyond the initial change in demand. This is known as the multiplier effect. The higher the multiplier the more far-reaching the local value added and employment impacts are likely to be from an increase in demand.

The most common limitations of all input-output based modelling (including multiplier analysis) is the historical and fixed nature of multipliers which are typically calculated from input-output tables from surveys undertaken several years earlier. Therefore, they may not accurately reflect the relationships between sectors in the current economy.⁴² This assessment relies on the latest national input-output table prepared by StatisticsNZ⁴³ which reflects the economy in the year ending June 2020. While the construction sector has faced significant cost increases since 2020, it is considered that the supply chain structure of all industry sectors (including the construction sector) is still broadly relevant today.

This assessment includes the following types of economic impacts:

- a) Direct effects – which capture onsite and offsite activities directly engaged by the proposed project;
- b) Indirect effects – which arise when businesses working directly on the project stimulate the creation of further demand through the purchases that they make in other sectors of the economy; and

⁴² In the real world, technical relationships will change over time. These changes are driven by new technologies, relative price shifts, product substitutions and the emergence of new industries. For this reason, input-output analysis is generally regarded as suitable for short-run analysis, where economic systems are unlikely to change greatly from the initial snapshot of data used to generate the base input-output table.

⁴³ Accessed, with thanks, from Insight Economics.



- c) Induced effects – which arise from the increased demand for goods and services made by households who have received increased income as a result of the direct and indirect effects of the project.

These economic impacts have been measured in terms of:

- Contributions to value added (akin to GDP). Value added is the principal measure of economic activity, and is estimated as operating surplus, wages and salaries paid to staff and working proprietors, depreciation, taxes and subsidies. It measures the contribution of individual sectors, industries, or firms to the economy.
- The number of FTEs employed – which is measured in terms of full-time equivalent workers (FTEs) for a 12-month period.
- Total wages and salaries paid to workers, which are often labelled 'gross household incomes'.

Assumptions and Modelling Inputs

For simplicity, Savvy has adopted the multipliers from the following industry sectors contained in the national input-output table (where applicable):

- Design/planning/consents – 100% to the 'Scientific, architectural and engineering services' sector.
- Land development – 100% to the 'Heavy and civil engineering construction' sector.
- Residential construction – 110% to the 'Residential building construction' sector.
- Commercial construction – 100% to the 'Non-residential building construction' sector.

Other key assumptions for the modelling are as follows:

- Anticipated expenditure is deflated to June 2020 prices prior to applying the June 2020 multipliers. This is done using the Producers Price Index.
- Economic impacts are expressed in 2020 dollar and employment terms. It is not appropriate to re-inflate economic impacts to dollars of the day.
- The national multipliers are assumed to represent the multipliers that applied in the Project's district and region in June 2020. That is, it is assumed that industries in the district/regional economy have the same interdependencies with other industries as they do nationally. Savvy acknowledges that using national multipliers is not as accurate as applying multipliers specific to the district/region, such as can be sourced



from multi-regional input-output (MRIO) tables. However, national level multipliers are considered adequate for the purposes of this report.

- All or most direct expenditure on the proposed development, including indirect and induced spending, is assumed to be with business located in Project's region. That is, 100% (or close to 100%) of the impact is assumed to accrue to the regional economy, with no/limited leakage to other regions.

Caveats

These assumed district/region economic impacts apply to the proposed development. It is important to acknowledge that these same or similar impacts would arise from a development of a similar scale and composition in another location in the district or region and are not entirely unique to this proposal/site.

Furthermore, some of these impacts would be a result of expenditure that is transferred from other locations in the district/region. Specifically, if the proposal was not approved for development, one would typically expect that the demand for activities proposed on the site would be satisfied in another location in the same housing market. This means that at a district/region level much of the economic value associated with the proposal may not be net additional or new, as this value would occur regardless of whether the proposed development occurs or not.

That said, to the extent that the proposal addresses a shortfall in zoned capacity in the locality of demand, that may not necessarily be addressed through other planning processes or market based development (including profit driven development) in a timely manner, then more of the economic impact can be considered net additional. This is because a shortfall of zoned capacity in the locality may result in some growth being directed elsewhere (or being suppressed) or delivered in a less efficient, sustainable or affordable manner. In this light, the proposed development can be seen as enabling projected growth.

Development is also contingent on available land in suitable locations for urban growth, landowners willing to develop that land, and landowners having the financial capability and experience to develop – such as the applicant. These combined attributes are rare in any district and do not always align temporally. When these factors do not align, this means that more, rather than less, of the estimated economic impacts can be treated as net additional and specific to the proposal.