Economic Assessment – Pegasus West Development Project – Fast Track Referral Application

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m.e consulting

Economic Assessment – Pegasus West Development Project- Fast Track Referral Application

Prepared for

Wolfbrook Developments (Pegasus) Limited

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1 Executive Summary

This report provides an economic assessment of the proposed Pegasus West Development Project, a large-scale (primarily) residential project located on approximately 77 hectares of land between the established communities of Woodend, Ravenswood, and Pegasus in the Waimakariri District. The assessment has been prepared to assist the Minister in considering whether the project should be referred under the Fast-track Approvals Act 2024 (FTAA), having regard to the matters set out in section 22(2) of the Act.

The key economic findings of the assessment are:

- The proposal would significantly increase housing supply and housing choice in a high-growth part of Greater Christchurch, providing additional housing capacity within an area experiencing sustained demand and supporting the wider Canterbury housing market's ability to accommodate future population growth.
- The proposal would generate substantial economic activity and employment through construction, regional supply chains, and ongoing household expenditure generated by the new residential community, giving rise to significant economic benefits relevant to the Minister's consideration under the Fast-track Approvals Act 2024.
- The development would consolidate growth in a strategic location, strengthening connections between Woodend, Ravenswood, and Pegasus and supporting an integrated and efficient pattern of urban development within the northern Greater Christchurch urban area.
- The proposal would support the efficient use of existing and planned infrastructure, community facilities, transport networks, and commercial services by directing growth into a well-connected urban location rather than increasing pressure for less efficient development patterns.
- The identified economic costs are limited and relate primarily to the opportunity cost of potential alternative future uses of the site, rather than the loss of an existing operating activity or a committed alternative development outcome.

The development proposes the redevelopment of the former Pegasus Golf and Sports Club site into a master-planned residential community comprising up to 1,000 dwellings, supported by open space, recreation facilities, stormwater infrastructure, community amenities, and commercial land. The development is structured around several development areas and could accommodate an estimated 2,600 residents, contributing to the continued growth and integration of the Woodend, Ravenswood, and Pegasus urban area.

Waimakariri District continues to experience strong population growth, with Woodend/Pegasus emerging as an increasingly important residential growth node within Greater Christchurch. Between 2020 and 2025, approximately 1,650 dwellings were consented in the wider Woodend/Pegasus area, representing 37% of all residential consents issued within the District over the same period. The area's population increased by approximately 3,000 residents between 2020 and 2025, reinforcing the ongoing demand for housing.

The Waimakariri Residential Capacity and Demand Model – IPI 2023 Economic Assessment identified a technical shortfall in feasible housing capacity within Woodend/Pegasus over the medium and long term. While subsequent planning decisions, including the Partially Operative District Plan have expanded the residential land supply pipeline since 2023, ongoing population growth and housing delivery continue to absorb available development opportunities. Maintaining an adequate supply of well-located housing capacity remains important to support a responsive and competitive housing market.

As discussed in Section 4.3.2, the December 2023 Assessment identified a potential long-term shortfall of approximately 3,050 dwellings within the Woodend/Pegasus area. While additional capacity has subsequently been enabled through the Partially Operative District Plan, including the Gressons Road Development, the Pegasus West Development would make a significant contribution towards addressing this longer-term capacity pressure by providing up to 1,000 additional dwellings in a strategically located growth area.

In addition to the overall quantum of housing supply, the ability of the market to deliver a diverse range of housing options is an important consideration. Growth in household numbers, changing household structures, and demand for different housing types mean that future housing needs are not limited to the provision of additional dwellings alone, but also include providing greater choice in terms of dwelling size, location, and price points. The Pegasus West Development would contribute to this by delivering additional housing capacity within an established and connected urban area, helping to ensure that the housing market can respond effectively to evolving demand. Supporting this objective, the applicant has also committed to directing 5% of the proposed housing towards addressing a housing need identified in relevant regional or sub-regional housing strategies. While the specific housing outcomes have yet to be determined, this commitment provides an opportunity for the development to respond to identified housing needs that may not otherwise be fully met through conventional market-led housing delivery.

The proposal is expected to generate substantial economic benefits through both the construction phase and the establishment of a permanent residential community. Construction of the development is estimated to generate approximately $847 million in direct construction output, $211 million in direct value added (GDP), and approximately 2,155 equivalent job years. When indirect and induced effects are taken into account, the total economic contribution is estimated to increase to approximately $1.35 billion in gross output, $425 million in value added, and approximately 3,936 equivalent job years across the wider economy. These estimates relate primarily to the residential component of the proposal and associated infrastructure works and do not separately quantify the construction and operation of the proposed commercial land and other non-residential activities. They should therefore be regarded as conservative estimates of the project's overall economic contribution.

Beyond the construction phase, the completed development would generate approximately $72 million in annual household expenditure, including approximately $33 million in retail expenditure. This additional population would support local businesses, community services, and infrastructure utilisation, while contributing to the ongoing growth and vitality of the northern Greater Christchurch urban area. The proposal also includes commercial land intended to provide services that meet the day-to-day needs of local residents. These activities are expected to complement, rather than compete with, the existing Ravenswood Key Activity Centre and other nearby commercial centres, with any retail effects likely to be limited. In doing so, the commercial component would generate additional employment, business activity, and local service provision, further strengthening the economic and functional role of the development within the wider urban area.

By redeveloping a strategically located site between established communities, the proposal would strengthen physical and functional connections between Woodend, Ravenswood, and Pegasus, support the efficient use of existing and planned infrastructure, transport networks, and community facilities, reduce urban fragmentation, and support a more integrated and connected northern Greater Christchurch urban environment.

The principal economic consideration on the cost side of the assessment is the opportunity cost associated with alternative future uses of the site, including the potential reinstatement of golf, recreation, or tourism-related activities. However, the former golf course operation has already ceased, and previous resort development proposals have not progressed to a committed development outcome. Accordingly, the relevant counterfactual is not the loss of an existing operating activity, but rather the potential benefits associated with alternative future uses of the site that would be foregone under the proposed residential development.

The wider Greater Christchurch region contains a substantial network of alternative golf facilities, limiting the effect that redevelopment of the site has had on regional access to golfing opportunities. Any future tourism or recreation use would also have remained subject to significant commercial, investment, and implementation uncertainties. Overall, the assessment indicates that the Pegasus West Development Project would deliver significant economic benefits through substantial construction activity, employment generation, increased housing capacity, and the establishment of a new residential community within the northern Greater Christchurch urban area. The project would contribute to the efficient functioning of the wider Greater Christchurch urban system by enabling growth in a strategically located area with strong connections to existing communities, infrastructure networks, and services. It would also generate significant regional economic benefits for Canterbury through construction activity, supply-chain expenditure, employment, ongoing household expenditure, and increased demand for local goods, services, and community infrastructure.

While the redevelopment would foreclose potential alternative future uses of the site, these opportunities remain uncertain and do not represent the loss of an existing economic activity or committed development outcome.

Accordingly, the assessment concludes that the Pegasus West Development Project would deliver significant regional economic benefits through expanding housing capacity, construction activity, employment, and ongoing household expenditure, while also making an important contribution to housing supply, housing choice, and the efficient functioning of the Greater Christchurch urban environment. In doing so, the project is considered to promote the purpose of the Fast-track Approvals Act 2024 and deliver benefits at both the district and regional levels.

2 Introduction

The Fast-track Approvals Act 2024 was enacted with its purpose being to; "facilitate the delivery of infrastructure and development projects with significant regional or national benefits"

2.1 The Fast-track Approvals Act 2024

The Fast-track Approvals Act 2024 (FTAA) came into force on 23 December 2024 to provide a streamlined approvals process for projects that are expected to deliver significant regional or national benefits. Pegasus West Development is the subject of a referral application under the FTAA, and this economic assessment has been prepared to assist in demonstrating the benefits of the proposal.

Section 22(2) of the FTAA sets out a range of matters that the Minister may consider when determining whether a project should be referred into the fast-track process. The criteria most relevant to the proposed development are whether the project:

- **Section 22(2)(a)(iii):** "will increase the supply of housing, 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)(vii):** "will support climate change mitigation, including the reduction or removal of greenhouse gas emissions"; and
- **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".

This assessment addresses these matters by considering the project's contribution to housing supply and urban development in Greater Christchurch, its economic and employment benefits, its support for integrated community infrastructure, and its consistency with the strategic growth framework for the Waimakariri District and wider Canterbury region.

2.2 The focus of this report

This report provides an economic assessment of the proposed Pegasus West Development Project, a large-scale residential project located between Woodend, Ravenswood, and Pegasus in the Waimakariri District. The assessment has been prepared to assist the Minister in considering the matters set out in section 22(2) of the FTAA, including whether the project is regionally significant and whether referral would promote the purpose of the FTAA.

The assessment examines the economic and strategic context within which the proposal is advanced, including population growth, housing demand and supply, and urban development patterns within Waimakariri District and Greater Christchurch. It evaluates the direct and indirect economic effects associated with the delivery of up to 1,000 new dwellings, including construction expenditure, employment generation, GDP, population growth, household expenditure, and local authority revenue.

Beyond these immediate effects, the report considers the proposal's longer-term contribution to housing supply, urban development, and the efficient functioning of the urban land market. The site's strategic location between the established communities of Woodend, Ravenswood, and Pegasus provides an opportunity to accommodate growth within and between existing urban areas, supporting the efficient utilisation of infrastructure, services, community facilities, and transport networks while contributing to a more integrated and connected northern Greater Christchurch urban area.

2.3 Market Economics Ltd

Market Economics Limited (ME) is an independent economic research and consulting firm, that has been engaged by Wolfbrook Developments (Pegasus) Limited (Wolfbrook) to provide an Economic Impact Assessment for the proposed development. This report has been prepared by Dr. Maggie Hong (PhD, Economics) and overseen by Greg Akehurst, Director at ME. Their experience and qualifications are summarised in Appendix 1.

2.4 Report Structure

The remainder of this report is structured as follows:

- Section 3 provides an overview of the Pegasus West Development Project, including a description of the site and the proposed development and subdivision framework.
- Section 4 examines housing demand and development capacity within Waimakariri District and the Woodend-Pegasus-Ravenswood area. It summarises the findings of the Waimakariri Residential Capacity and Demand Model – IPI 2023 Economic Assessment and considers population growth, housing delivery, and planning changes that have occurred since the assessment was completed, including the transition to the Partially Operative District Plan (PODP) and additional residential development opportunities enabled through subsequent planning decisions.
- Section 5 assesses the economic benefits associated with the proposed development, including its contribution to housing supply, construction activity, employment, economic output, and ongoing household expenditure within the local economy.
- Section 6 considers the principal economic costs associated with the proposal, including the opportunity cost of redeveloping the former Pegasus Golf Course and the implications for golf and recreational provision within the wider Greater Christchurch region.
- Section 7 summarises the key findings of the assessment and presents the overall conclusions regarding the economic effects and regional significance of the proposal.

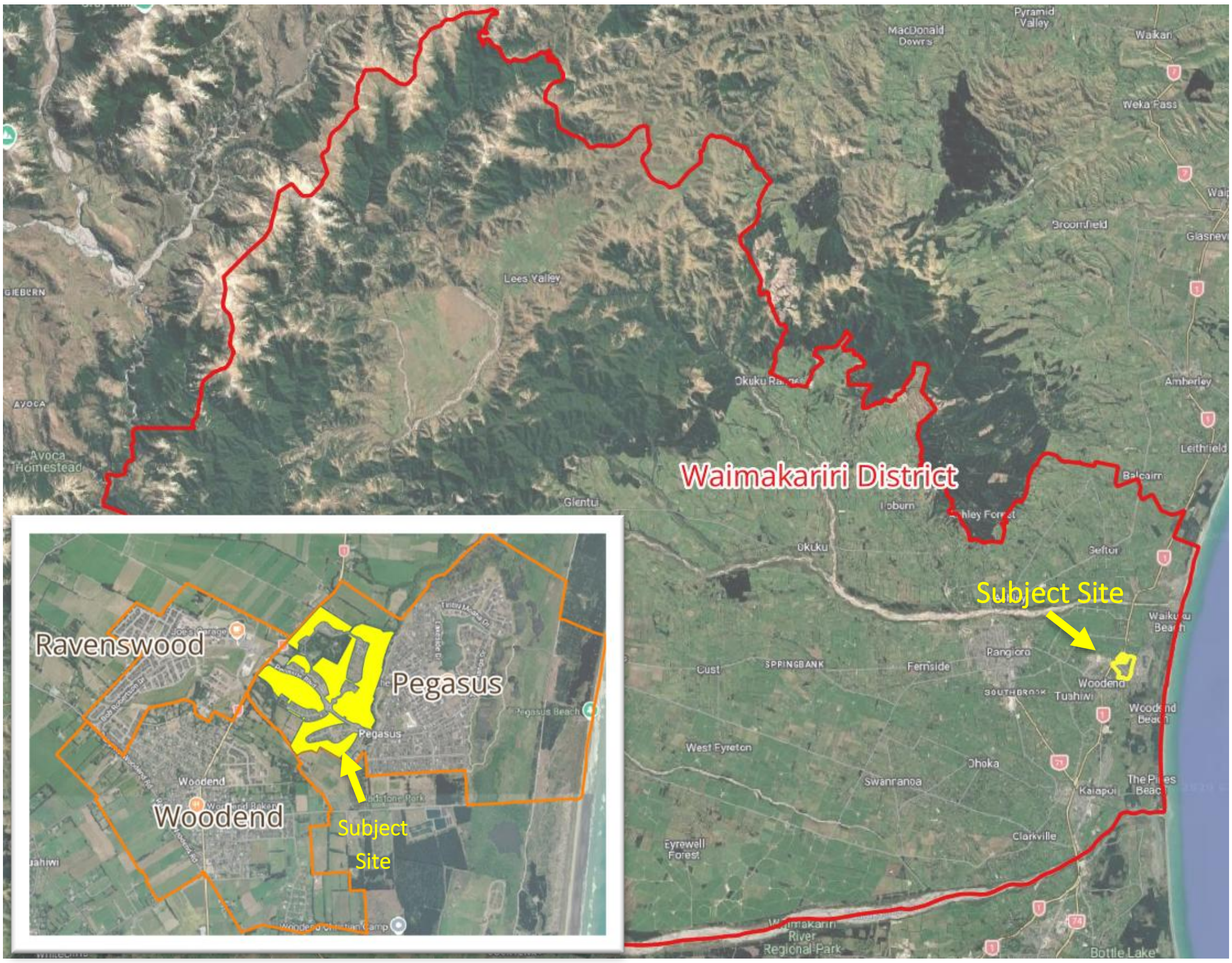
3 Development Proposal Overview

In this section, the site is described in terms of scale and location and the proposed sub-division and indicative masterplan are outlined.

3.1 Site Description

The Pegasus West Development Project is proposed on approximately 77 hectares of land strategically located between the established urban areas of Woodend, Ravenswood, and Pegasus in the Waimakariri District (see Figure 1). The site sits within the northern Greater Christchurch urban area, immediately adjacent to existing residential development, with direct access to the surrounding transport network via Pegasus Boulevard and State Highway 1.

Figure 1: Location of the Pegasus West Residential Development within Waimakariri District



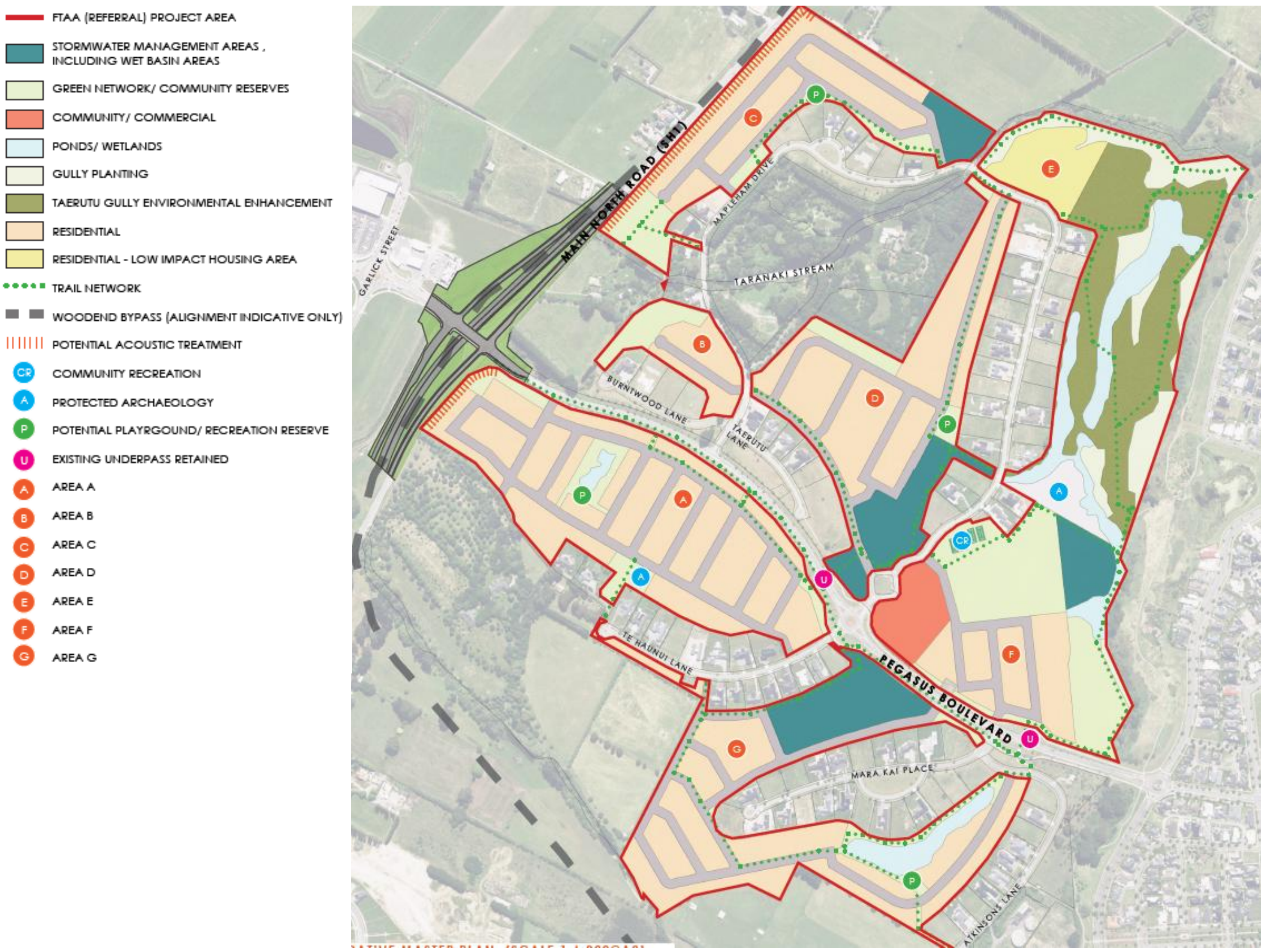
The site currently accommodates the former Pegasus Golf and Sports Club, which includes an 18-hole championship golf course, driving range, clubhouse, and associated open space. The golf course development was approved by way of resource consent in 2006 and included 98 residential lots located adjacent to the course (which increased the size of a previously consented 35 lot rural subdivision on the land granted by the Environment Court in 2002). As a result of this long-standing use, the land is highly modified, being generally flat and characterised by managed open space, artificially created water features, and recreational infrastructure. Existing accessways traversing the site include Te Haunui Lane, Taerutu Lane, and Bob Robertson Drive.

Several artificial ponds and water features, originally established as part of the golf course development, remain on site and are understood to serve both amenity and stormwater management functions. The eastern edge of the site adjoins the Taerutu Gully system and associated wetland and conservation areas, with Pegasus township located immediately beyond.

3.2 Development and indicative masterplan

The Pegasus West Development Project proposes the redevelopment of the former Pegasus Golf and Sports Club site into a master-planned residential neighbourhood incorporating open space, recreation facilities, stormwater infrastructure, community amenities, and supporting commercial activities.

Figure 2: Pegasus West Residential Development- Indicative Master Plan



The development is structured around several development areas, indicatively identified as Areas A to G in Figure 2. Together, these areas accommodate up to 1,000 dwellings and are integrated with the wider open space, recreation, stormwater, and community infrastructure network.

In addition to residential development, the proposal also incorporates a range of supporting land uses and infrastructure intended to create a comprehensive and integrated neighbourhood. These include stormwater management and recreation areas, a green network, community and cultural spaces, commercial land, and recreation facilities.

The development has been designed to integrate with the surrounding urban environment and existing infrastructure networks while providing a substantial increase in housing supply within the northern Greater Christchurch growth area. The proposal also retains and incorporates significant open space, wetland features, and recreation assets that contribute to the character and amenity of the future community.

4 Housing Demand & Capacity Assessment

4.1 Waimakariri Housing Demand and Capacity Context

Waimakariri District has experienced rapid population growth over the last two decades, with its population increasing from approximately 27,100 in 2000 to 69,000 in 2023. Growing at 4% per annum, it is among the fastest-growing districts in New Zealand, with a growth rate surpassed only by Selwyn and Queenstown Lakes. Much of this development is concentrated within the Greater Christchurch urban area, specifically within the towns of Rangiora, Kaiapoi, and Woodend/Pegasus, with Rangiora serving as the District's largest urban centre.

To fulfil the requirements of the National Policy Statement on Urban Development (NPS-UD), the Waimakariri District Council (WDC) regularly assesses housing demand and development capacity, including through the Waimakariri Capacity for Growth Model (WCGM). The most recent iteration of the WCGM is the WCGM22, the findings of which are presented in the Council's December 2023 report, Waimakariri Residential Capacity and Demand Model – IPI 2023 Economic Assessment (hereafter referred to as the December 2023 Assessment). The December 2023 Assessment documents the methodology, assumptions and findings of the WCGM22, which was prepared using the planning framework in place at the time, including the notified Proposed District Plan (PDP) and the notified Intensification Planning Instrument (IPI), which proposed the application of the Medium Density Residential Standards (MDRS) within the District's primary urban areas. Since the assessment was completed, the PDP has become the PODP, and decisions on Variation 1 were released on 24 June 2025. Accordingly, the December 2023 Assessment reflects the planning framework in place at the time of the assessment and does not incorporate these subsequent planning decisions.

For the December 2023 Assessment, the Council adopted a 'High' projection scenario as the basis for modelling future housing demand to ensure that future growth was not underestimated. Under this high-growth scenario, demand (including a competitive margin) is projected to increase by approximately 6,260 dwellings between 2023 and 2033, rising to approximately 14,727 dwellings by 2053. The majority of this demand is expected to be met through standalone dwellings in the District's main urban environments.

The December 2023 Assessment identified a plan-enabled capacity of over 80,000 dwellings, but concluded that only a small fraction of this is likely to be feasible and developable. Feasible capacity (including reasonably expected to be realised) is estimated at 6,480 dwellings in the medium term and 15,348 dwellings in the long term. Most of this feasible capacity is located in greenfield growth areas, as brownfield intensification is often not currently financially feasible due to the high value of relatively new existing housing stock and high multi-level construction costs.

Overall, the December 2023 Assessment concluded that Waimakariri District has sufficient feasible residential capacity to accommodate projected growth over the medium term. However, the report also highlights potential long-term shortages in specific areas like Woodend-Pegasus and stresses the importance of proactive monitoring and maintaining a supply pipeline to adapt to changing population trends and market preferences.

While the December 2023 assessment remains the Council's most recent assessment of housing demand and development capacity under the NPS-UD, more recent demographic information has become available through the Greater Christchurch Partnership Targeted Update of the Housing Needs Assessment (2026) (hereafter referred to as the Targeted Update 2026). The Update does not replace the WCGM22 or reassess development capacity. Rather, it provides updated population and household projections to inform housing need across the Greater Christchurch sub-region.

For Waimakariri District, the Targeted Update 2026 adopts the Stats NZ 2025 High population projection, consistent with the projection selected by the Council for its 2027 Long Term Plan. The Targeted Update notes that this projection reflects the District's sustained pattern of strong population growth, with recent dwelling consent activity consistently exceeding medium-growth expectations. It also concludes that future growth is likely to be supported by improving economic conditions, strategic transport investment and the additional development capacity enabled through the Partially Operative District Plan. The adopted population and household projections are discussed further in Section 4.3.1.

In addition to the overall quantum of housing required, the December 2023 Assessment identifies the importance of maintaining a diverse housing supply that responds to changing household needs and market conditions. While standalone dwellings are expected to continue to represent the majority of future housing demand, demographic change, affordability pressures and changing household structures are expected to increase demand for a broader range of housing typologies, including smaller and more affordable dwellings. This includes increasing demand for accessible and lower-maintenance housing options as the District's population ages and more households seek to downsize while remaining within established communities.

The Assessment identifies that greenfield development continues to provide an important role in delivering housing that is both commercially feasible and accessible to a range of households. This includes opportunities to provide smaller lot sizes and lower-maintenance housing forms that can improve housing choice for households seeking more affordable options. In this context, the Pegasus West Development Project has committed to directing 5% of housing within the development towards a housing need identified in relevant regional or sub-regional housing strategies. While the specific form of housing has not yet been confirmed, this commitment provides an opportunity for the development to respond to identified housing needs and contribute to a more diverse range of housing outcomes than may otherwise be delivered through conventional market-led greenfield development.

4.2 Woodend-Pegasus Housing Demand and Capacity

Woodend (including Ravenswood) and Pegasus represent the third largest urban area within the Waimakariri District and perform a significant role in meeting housing demand within the Greater Christchurch Urban Environment. The December 2023 Assessment projects that this area will experience substantial growth, with a projected 190% increase in dwellings over the next 30 years, reflecting its importance as a key residential growth node.

Under the high-growth scenario adopted by the December 2023 Assessment, dwelling demand in Woodend-Pegasus is projected to increase by approximately 2,480 dwellings between 2023 and 2033 and by approximately 5,840 dwellings over the period to 2053. These projections incorporate the NPS-UD competitiveness margin and therefore represent the level of housing capacity required to support a responsive and competitive housing market[1].

The December 2023 Assessment identified approximately 2,200 dwellings of feasible residential capacity in Woodend-Pegasus over the medium term and approximately 2,790 dwellings over the long term. This indicates a small technical shortfall of 280 dwellings in the medium term and a potential long-term shortfall of approximately 3,050 dwellings if growth continues in line with the adopted high-growth scenario, with shortages potentially eventuating around 2037 (see Table 1).

Table 1: Woodend/Pegasus Residential Dwelling Demand (Including Competitiveness Margin) and Feasible Housing Capacity

Woodend-Pegasus Dwelling Situation	2023-2033 Short-Medium	2023-2053 Long
Demand +Margin	2,480	5,840
Feasible Supply	2,200	2,790
Sufficiency	**-280**	**-3,050**

Source: Formative Limited (2023), Figure 4-6, Waimakariri Residential Capacity and Demand Model – IPI 2023.

A key finding of the December 2023 Assessment was that future housing supply in Woodend-Pegasus is expected to be delivered predominantly through greenfield development, which accounts for 55% of medium-term feasible capacity. While the IPI enables a substantial theoretical capacity of approximately 15,660 dwellings, much of the multi-level intensification enabled by the Medium Density Residential Zone (MDRZ) is not currently considered commercially feasible. The Assessment identifies that financially feasible redevelopment is largely confined to subdivision and low-density infill on larger residential sites (generally exceeding 300 m²), with densities well below those enabled under the MDRZ. Consequently, future housing supply is expected to comprise a mix of greenfield development and relatively low-density infill redevelopment, rather than widespread higher-density redevelopment envisaged under the MDRZ.

Overall, the December 2023 Assessment identifies a technical shortfall in feasible housing capacity within Woodend–Pegasus and highlights the importance of ongoing monitoring of housing demand, development uptake, and capacity availability. The Assessment indicates that maintaining an adequate pipeline of development opportunities will be necessary to avoid future housing supply constraints and support the continued growth and efficient functioning of the Greater Christchurch housing market.

[1] NPS-UD Objective 2 requires that "Planning decisions improve housing affordability by supporting competitive land and development markets." Policy 1 sets out that planning decisions should contribute to well-functioning urban environments, which includes supporting "the competitive operation of land and development markets" and limiting adverse impacts on them. The competitiveness margin is applied to ensure sufficient development capacity is available to maintain market choice and competition, consistent with these provisions.

4.3 Changes Since the December 2023 Assessment

The December 2023 assessment provides the most recent comprehensive assessment of housing demand and development capacity in Waimakariri District. However, the assessment was based on a 2022 demand baseline and a residential capacity assessment derived from development information available at the time of its preparation. Since then, housing market conditions, dwelling delivery, population growth and development activity have continued to evolve.

This section therefore considers more recent evidence on housing demand, residential development trends and changes in development capacity since the December 2023 Assessment was completed. The purpose of this analysis is not to update or replace the WCGM22, but rather to provide additional context regarding how actual growth and development trends are tracking relative to the assumptions underpinning the December 2023 Assessment.

4.3.1 Residential Growth and Housing Delivery

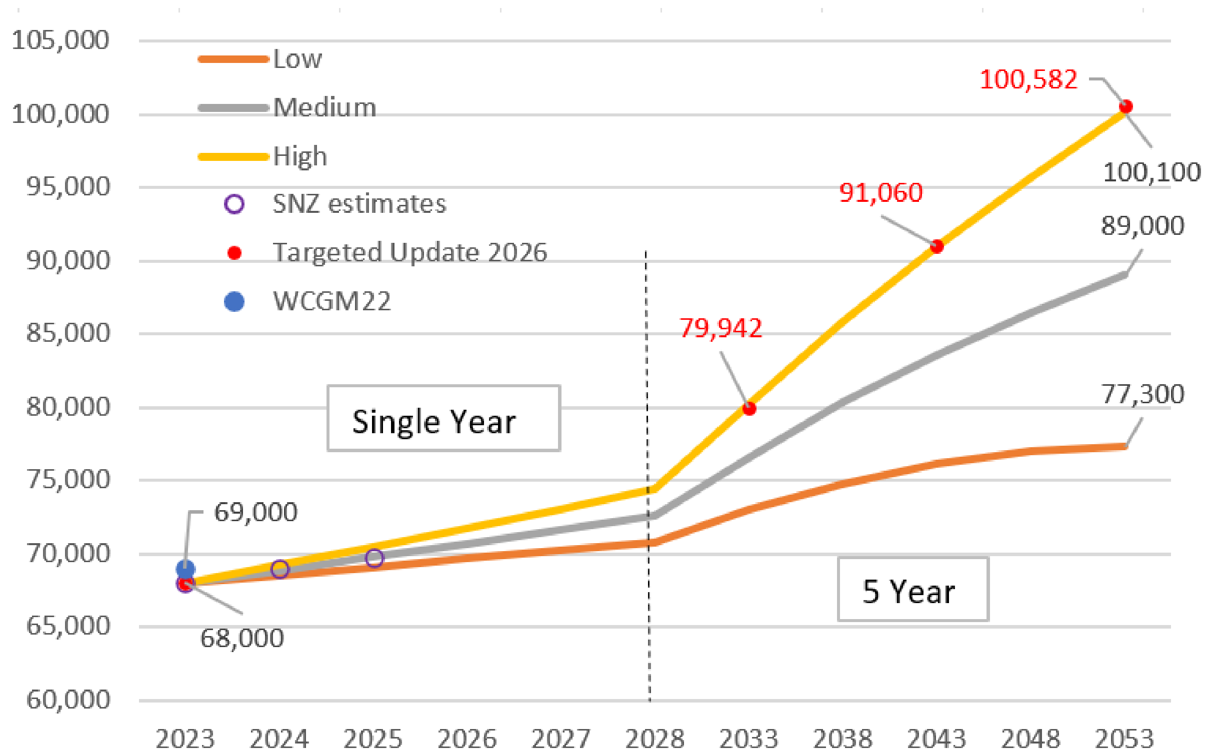
Since completion of the December 2023 Assessment, Waimakariri District has continued to experience strong population growth. Growth has been concentrated primarily within the Greater Christchurch urban environment, with Woodend (including Ravenswood) and Pegasus performing an increasingly important role as a key residential growth area. As the District's third-largest urban area, Woodend/Pegasus is expected to accommodate a significant share of future population and housing growth.

The December 2023 Assessment adopted a high-growth projection scenario in recognition of the District's exceptional growth performance, which had consistently exceeded earlier forecasts. The Assessment noted that the District's population increased by approximately 1,500 residents per annum over the preceding six years, reaching approximately 69,000 residents in 2023. Growth has been driven primarily by strong net internal migration, with more than 80% of population growth attributable to people relocating to the District from elsewhere in New Zealand, particularly Christchurch.

Since completion of the December 2023 Assessment, updated population estimates and projections have become available. As shown in Figure 3:

- Stats NZ 's estimated resident population indicates that Waimakariri District's population increased from approximately 68,000 residents in 2023 to approximately 69,800 residents by June 2025, representing growth of around 1,800 residents, or 2.6%, over the two-year period.
- Stats NZ’s latest 2023-based subnational population projections indicate that population growth is expected to continue over the long term. Under the High Projection, Waimakariri District's population is projected to reach approximately 100,100 residents by 2053, while the Medium Projection forecasts a population of approximately 89,000 residents.

Figure 3: Waimakariri District Population Projection – WCGM22, Targeted Update 2026, Stats NZ Projections & Population Estimates



The 2025 estimated resident population of approximately 69,800 residents aligns closely with Statistics New Zealand's Medium Projection (69,804 residents) and remains only around 1% below the High Projection (70,491 residents). This suggests that recent population growth continues to track towards the upper end of projected growth outcomes and supports the continued use of higher-growth planning assumptions when assessing future housing requirements.

Consistent with this, the Targeted Update 2026 adopts the Stats NZ 2023-based High population projection as the basis for assessing future housing need in Waimakariri District. The High population projection was also adopted by the Council for its 2027 Long Term Plan. Under this projection, Waimakariri District's population is expected to increase from approximately 68,000 residents in 2023 to 79,942 by 2033, 91,060 by 2043 and 100,582 by 2053[2]. Correspondingly, household numbers are projected to increase from approximately 26,400 in 2023 to 31,800 by 2033, 36,300 by 2043 and 40,500 by 2053, reflecting continued demand for additional housing across the District.

These projections reinforce the expectation that Waimakariri will remain one of New Zealand's fastest-growing districts and will require a continued pipeline of residential development opportunities to accommodate future growth.

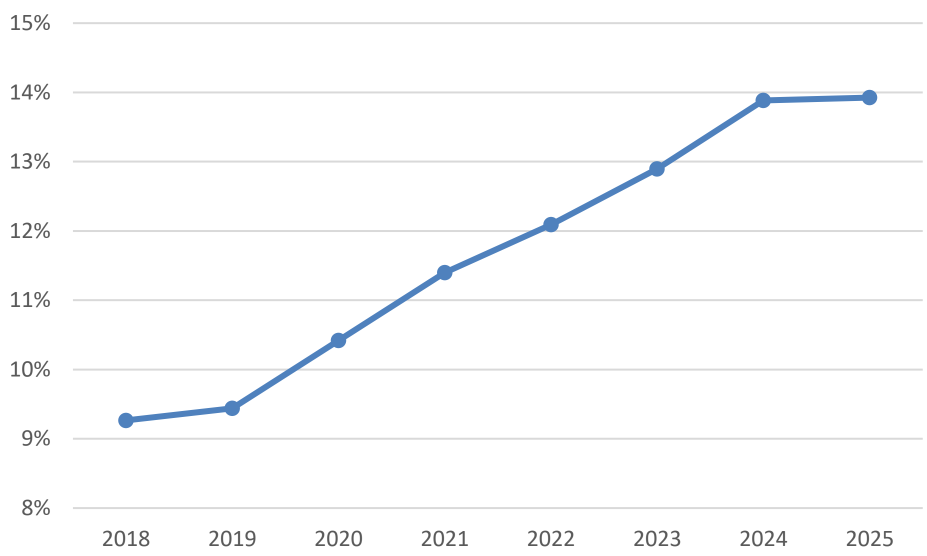
A notable feature of recent growth has been the increasing concentration of population within the Woodend/Pegasus area (see Figure 4). This reflects both the substantial greenfield residential

[2] The small differences between these figures and the corresponding Stats NZ High population projections are likely attributable to rounding and do not affect the overall growth outlook.

development enabled in the area and the strong market uptake of new housing, resulting in Woodend/Pegasus accommodating an increasing share of the District's population growth. Statistics New Zealand estimates indicate that the population of Woodend/Pegasus increased from approximately 5,680 residents in 2018 to approximately 9,720 residents in 2025, representing growth of around 4,040 residents, or 71%, over the seven-year period. As a consequence, Woodend/Pegasus's share of the District's population increased from approximately 9.3% in 2018 to 13.9% in 2025.

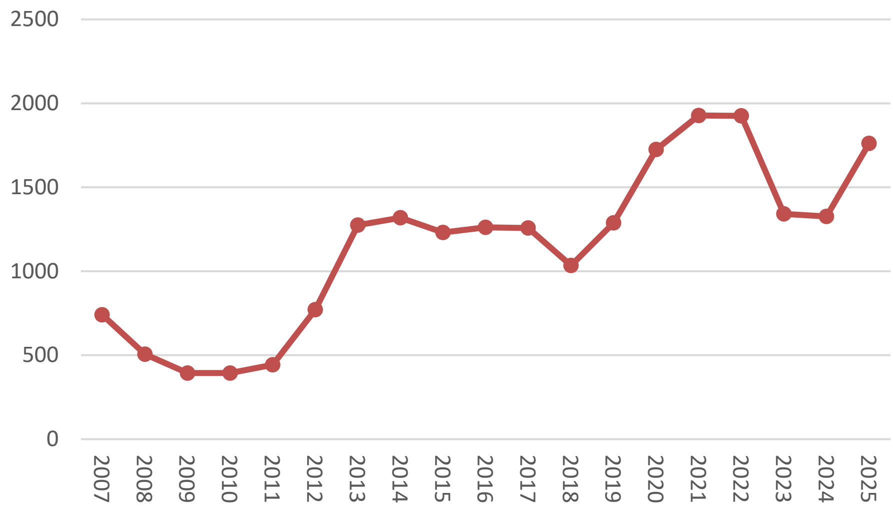
This trend highlights the growing importance of Woodend/Pegasus as a residential growth location within Waimakariri District. Continued population growth within the area will require an ongoing supply of development-ready land and housing capacity to ensure future demand can be accommodated and to support the efficient functioning of the Greater Christchurch housing market.

Figure 4: Increasing Concentration of Population Growth in Woodend/ Pegasus, 2018–2025



Housing delivery within Waimakariri District has remained relatively strong over recent years, despite broader fluctuations in the residential construction market. Between 2020 and 2025, the District consented approximately 4,430 new residential dwellings, averaging around 740 dwellings per annum (see Figure 5). While consent activity moderated from the elevated levels experienced during 2021 and 2022, residential construction activity remained above historical averages in 2025, indicating that demand for new housing continues to support ongoing development across the District.

Figure 5: Residential Building Consents in Waimakariri District, 2007–2025



The wider Woodend/Pegasus area has accounted for a significant share of this activity. Between 2020 and 2025, approximately 1,650 new residential dwellings were consented in this area, equivalent to an average of around 275 dwellings per annum. This represents approximately 37% of all residential consents issued within Waimakariri District over the same period, highlighting the area's growing importance as a residential growth location.

Recent consent activity reinforces this trend. Between 2023 and 2025 alone, approximately 700 dwellings were consented in the Woodend/Pegasus area, accounting for a substantial proportion of residential construction activity across the District. This level of housing delivery has supported rapid population growth and contributed to maintaining housing supply within the Greater Christchurch housing market.

Detached housing remains the dominant form of development within Woodend/Pegasus, accounting for approximately 1,550 dwelling consents between 2020 and 2025. However, retirement village units, townhouses, flats, units, and other medium-density housing forms have also contributed to housing delivery, albeit much more slowly than its neighbours in Christchurch and Selwyn.

4.3.2 Additional Housing Capacity Enabled Since the December 2023 Assessment

Since completion of the December 2023 Assessment, the planning framework has also evolved. In June 2025, the Council's Partially Operative District Plan came into effect, replacing the notified Proposed District Plan that informed the December 2023 Assessment. The PODP incorporates decisions made through the hearing process and provides the current planning framework for significant residential growth in Rangiora, Kaiapoi, Woodend and Oxford..

Of particular relevance to the Woodend/Pegasus area is the Gressons Road Development, which is now zoned Medium Residential Zone (MRZ) under the PODP. The site forms part of the District's planned urban growth area and has the potential to make a significant contribution to future housing supply within the northern Greater Christchurch urban environment (c1,500 dwellings). However, while the land is now appropriately zoned for residential development, implementation remains subject to the necessary approvals and development processes, including the Fast-track Approvals Act 2024 process currently underway.

While these planning decisions increase the potential supply of residential land available within the District, it is important to distinguish between plan-enabled capacity and housing that is capable of being delivered within the timeframes required to meet demand. The December 2023 Assessment identified a significant difference between theoretical development capacity and feasible capacity, noting that the delivery of housing is influenced by a range of factors including infrastructure provision, landowner intentions, development feasibility, financing, market demand, and staging requirements.

Furthermore, much of the development capacity reflected in the PODP had already been considered through the December 2023 Assessment. An exception is Gressons Road, which represents a more recent addition to the District's residential development pipeline and was not incorporated into the Assessment. Accordingly, while the PODP provides greater planning certainty and enables additional residential development opportunities, its adoption does not, in itself, necessarily represent a material increase in feasible housing capacity beyond that already contemplated in the December 2023 Assessment. However, Gressons Road represents a specific opportunity that may increase the supply of feasible and deliverable housing capacity as it progresses through the relevant approval and development processes.

At the same time, strong population growth and sustained housing delivery continue to absorb available development opportunities. As noted in the previous section, approximately 1,650 dwellings were consented within the wider Woodend/Pegasus area between 2020 and 2025, while the area's population increased by approximately 3,000 residents over the same period. This demonstrates the ongoing demand for housing within the area and highlights the important role that Woodend, Pegasus, and Ravenswood continue to play in accommodating growth within both Waimakariri District and the wider Greater Christchurch urban environment.

The inclusion of Gressons Road within the future housing pipeline therefore improves the outlook for housing supply in Woodend/Pegasus relative to the December 2023 Assessment. However, that Assessment identified a potential long-term shortfall of approximately 3,050 dwellings in feasible housing capacity under the adopted High growth scenario. While the proposed delivery of approximately 1,500 dwellings at Gressons Road would make a significant contribution towards addressing this gap, it would not fully offset the long-term capacity pressure.

Overall, the evidence indicates that Woodend/Pegasus remains a high-demand growth location, with recent housing delivery being absorbed by continued population growth. While the PODP and developments such as Gressons Road provide additional capacity and strengthen the future housing pipeline, ongoing monitoring and further development opportunities will remain important to ensure that housing supply can continue to respond to projected demand over the longer term.

5 Economic Benefits of the Pegasus West Residential Development

The Fast-track Approvals Act 2024 establishes a fast-track regime to facilitate the delivery of infrastructure and development projects with significant regional or national benefits.

This section quantifies and summarises the economic benefits of developing the Pegasus West Development Project. These benefits are then evaluated against the regional and national economies to assess their overall significance.

The Pegasus West Development Project will generate a range of economic, social, and community benefits at both the district and regional level. The project involves the redevelopment of the former Pegasus Golf and Sports Club site into a master-planned residential community comprising up to 1,000 dwellings, supported by open space, recreation facilities, community amenities, stormwater infrastructure, and associated commercial activities.

The project will make a significant contribution to housing supply within Waimakariri District and the Greater Christchurch urban environment, supporting the continued growth of Woodend, Ravenswood, and Pegasus as an important northern growth node. In addition to increasing housing availability, the development will facilitate the more efficient use of existing and planned infrastructure, services, and community facilities, while strengthening the physical and functional connections between these neighbouring urban areas.

The development will also generate substantial economic activity through both its construction and operational phases. Construction of the development is expected to support significant employment, generate value added throughout the regional economy, and create new housing opportunities for a growing population. Once completed, the additional households accommodated within the development will support local businesses, community services, and the wider economy through ongoing household expenditure and population growth.

The following sections outline the principal economic benefits associated with the project.

5.1 Housing Supply and a Well-Functioning Urban Environment

The Pegasus West Development Project will make a significant contribution to housing supply within Waimakariri District and the wider Greater Christchurch urban environment. The proposal provides for up to 1,000 dwellings within the Woodend–Pegasus area, one of the District's and Region’s primary growth locations and an area that has experienced sustained demand for new housing over recent years. While the direct housing supply benefits will occur within Waimakariri District, the proposal contributes to the efficient functioning of the wider Greater Christchurch urban area and the Canterbury regional housing market by providing additional housing capacity in a strategically located growth area.

The development would accommodate an estimated 2,600 additional residents, based on the average household size within Waimakariri District. This represents a meaningful contribution towards accommodating projected population growth and supporting the continued expansion of the northern Greater Christchurch urban area.

The proposal also contributes to the efficient functioning of the urban environment by enabling development within a strategically located area between the established communities of Woodend, Ravenswood and Pegasus. By consolidating growth within an established and planned urban area, the development would strengthen physical and functional connections between neighbouring communities and support the efficient use of existing and planned infrastructure, community facilities, transport networks and commercial services.

Importantly, the development provides an opportunity to accommodate future urban growth in a location that is well connected to existing urban areas, rather than increasing pressure for expansion into less optimal locations, including areas that may have higher infrastructure servicing costs, greater exposure to natural hazards, weaker connections to existing urban services, or higher-value productive land uses. In this respect, the proposal supports a more integrated and efficient pattern of urban growth within northern Greater Christchurch and contributes to the efficient functioning of the wider Canterbury urban system.

The December 2023 Assessment identified potential future capacity pressures within Woodend/Pegasus under its adopted growth scenario. Since that assessment, additional housing capacity has been enabled through the PODP, including new growth areas, intensification provisions and other development opportunities. However, as discussed in Section 4.3.2, even allowing for additional opportunities such as the Gressons Road Development, Woodend/Pegasus is expected to continue experiencing longer-term demand pressures under higher growth scenarios. Accordingly, the Pegasus West Development should not be characterised solely as a response to an identified housing shortage. Rather, its contribution lies in providing additional feasible housing supply in a well-located growth area, helping to maintain a responsive and competitive housing market, improving housing choice, and supporting the efficient functioning of the wider Greater Christchurch urban area and Canterbury regional housing market.

5.2 Construction and Development Economic Effects

The principal economic benefits associated with the Pegasus West Development Project arise from the investment required to convert the site from its current use into a new residential community. These benefits are generated primarily during the development and construction phase through expenditure on subdivision works, civil infrastructure, residential construction, and associated development activities.

The development aims to deliver up to 1,000 dwellings together with supporting infrastructure, open space, stormwater management facilities, recreation areas, community amenities, and associated commercial land uses. Delivering this level of development will require substantial investment in earthworks, roading, three waters infrastructure, landscaping, professional services, and residential construction. This expenditure generates demand for labour, materials, plant, equipment, and a wide range of supporting services across the wider economy.

Based on current development assumptions and average dwelling sizes for the proposed lot configuration, together with residential construction cost estimates derived from the latest Quotable Value (QV) Cost Builder information, the project is estimated to generate approximately $847 million in direct construction sector output over the build period. This activity is estimated to generate approximately $211 million in direct value added (GDP) and support approximately 2,155 equivalent job years within the construction sector.

The economic contribution of the development extends beyond activity occurring directly on the site. Construction projects generate demand for a broad range of goods and services supplied by other sectors of the economy, including building materials, manufacturing, transport and logistics, engineering, surveying, planning, architecture, finance, and other professional services. These supply chain relationships generate indirect economic effects as businesses respond to increased demand for their products and services.

In addition, income earned by workers employed directly and indirectly through the development supports further expenditure throughout the economy on household goods and services. These induced effects create additional economic activity and employment beyond the construction sector itself.

When these wider flow-on effects are taken into account, the total economic contribution associated with the construction phase is estimated to increase to approximately $1.349 billion in gross output, generating approximately $425 million in value added (GDP) and supporting the equivalent of approximately 3,936 job years across the wider regional economy (see Table 2).

Table 2: Estimated Construction-Phase Economic Effects of the Pegasus West Residential Development

New Residential Dwellings		1000
Construction Sector Effects		
Total Gross Output Shock ($m)	$	847
Value Added Component ($m)	$	211
Direct Employment (equivalent job years)		2,155
Multiplier Effects		
Total Gross Output ($m)	$	1,349
Total Value Add ($m)	$	425
Total Employment (equivalent job years)		3,936

It should be noted that the economic impact estimates presented above relate primarily to the residential development component of the proposal and the supporting infrastructure required to service up to 1,000 dwellings. While the proposal also incorporates commercial land and other non-residential activities, these components have not been separately quantified as part of the construction impact assessment. Accordingly, the estimated construction expenditure, GDP, and employment effects should be regarded as conservative estimates of the overall economic contribution associated with the project.

The inclusion of commercial and other non-residential activities has the potential to generate additional economic benefits beyond those quantified above. Depending on the ultimate scale, timing, and nature of these activities, further construction expenditure, employment, and business investment may occur. The potential economic contribution associated with the future resident population and local commercial activities is discussed further in the following section.

5.3 Local Centre and Household Expenditure Effects

Beyond the construction phase, the completed development will establish a substantial residential community that will generate ongoing economic activity through household expenditure, population growth, and increased demand for local services and facilities.

The proposed (up to) 1,000 dwellings are expected to accommodate approximately 2,600 residents. This additional population will generate demand for a broad range of goods and services, including retail, hospitality, health care, education, recreation, personal services, and professional services. The resulting expenditure supports local businesses, contributes to employment opportunities, and assists in maintaining the viability of existing commercial centres and community facilities including the function of the directly adjoining Ravenswood Key Activity Centre.

Based on average household expenditure patterns, the future residents of Pegasus West are estimated to generate approximately $72 million in annual household expenditure, including approximately $33 million in annual retail expenditure. While this expenditure will be distributed across a range of locations throughout the wider Greater Christchurch area, a significant proportion is expected to be captured within nearby centres, including Pegasus, Ravenswood, Woodend, Rangiora, and other parts of northern Greater Christchurch.

The proposal also incorporates commercial/community land intended to support local retail and service activities. While the scale and nature of future commercial development has not been separately assessed, the additional resident population generated by the development will assist in supporting the viability of local businesses and services. The concentration of additional households within a single master-planned community provides opportunities for local commercial activities to capture a share of resident expenditure, reducing the need for some day-to-day trips and contributing to the overall functionality of the neighbourhood.

In addition to supporting local businesses, the increased resident population will contribute to the utilisation and viability of existing community facilities, schools, recreation assets, and public services. Population growth of this scale can also assist in supporting future investment in community infrastructure and transport services by increasing the number of residents served by such facilities.

The completed development will also expand the Waimakariri District Council rating base, providing an ongoing source of revenue to assist with the funding, operation, and maintenance of local infrastructure and community facilities. In addition, the development has the potential to contribute to the Council's eligibility for funding under the Government's new Incentives for Growth Fund, which provides financial incentives to councils based on the number of new dwellings consented to help meet the infrastructure and service costs associated with housing growth. While the value of any future payments cannot be quantified at this stage, the scheme represents an additional fiscal benefit associated with enabling residential development. Together, these ongoing economic and fiscal effects represent an important component of the project's long-term contribution to the Waimakariri District and wider Greater Christchurch economy.

6 Economic Cost

6.1 Opportunity Cost of Retaining the former Golf Course and Resort Development Potential

The principal economic cost associated with the Pegasus West Development Project is the loss of the opportunity to retain or redevelop the site for golf, recreation, or tourism-related activities.

Historically, the site operated as the Pegasus Golf and Sports Club, comprising an 18-hole championship golf course, driving range, clubhouse facilities, hospitality activities, and associated recreational services. Revenue was derived from a range of activities including golf subscriptions, green fees, food and beverage sales, cart hire, driving range activities, and gym memberships. Available financial information indicates that the business generated annual trading income of approximately $1.9 million to $2.1 million during normal operations.

Based on reported wage expenditure, the operation appears to have sustained the equivalent of approximately 13 to 15 full-time jobs during normal operations, in addition to supporting employment and business activity through its supply chain. From an economic perspective, the golf course generated an estimated annual gross output of approximately $2 million and between $1 million and $1.3 million in annual value added (GDP).

However, the historical operation of the golf course was subject to commercial challenges over an extended period and the facility ceased operating prior to the proposed redevelopment. Available information indicates that the golf course business entered voluntary liquidation, meaning that the economic activity associated with its previous operations is no longer being generated from the site.

The principal opportunity cost is therefore not the loss of an operating golf course, but rather the loss of the potential future redevelopment of the site as a golf-based tourism and leisure destination. A previous proposal contemplated the redevelopment of the site into an integrated golf resort incorporating visitor accommodation, hot pools, hospitality, retail, entertainment, and associated commercial activities. Publicly available information indicated that the proposal could involve up to 500 visitor accommodation units and approximately $90 million of capital investment.

While such a development had the potential to generate economic benefits through both construction activity and ongoing tourism expenditure, the realisation of those benefits was contingent on securing investment, obtaining approvals, delivering the resort facilities, attracting sufficient visitor demand, and achieving commercially sustainable operating performance over the long term. The previously proposed acquisition and redevelopment of the site did not proceed, and at the time of writing no alternative purchaser, operator, or confirmed resort development proposal has been publicly identified.

Accordingly, the opportunity cost associated with the Pegasus West Development Project is best characterised as the loss of a potential future tourism and recreation development opportunity, rather than the displacement of an existing operating business or a committed development outcome. While the former golf course represented an established recreational use of the site, the alternative tourism development remained uncertain and had not progressed to a stage where its economic benefits could be considered reasonably assured.

6.2 Assessment of Economic Costs

The significance of the Pegasus Golf Course should be considered within the context of the broader golf market across Greater Christchurch. A review of the Canterbury Golf directory identifies 29 golf clubs located across Christchurch City, Waimakariri District, and Selwyn District, comprising:

- 17 clubs within Christchurch City;
- 4 clubs within Waimakariri District (including Pegasus); and
- 8 clubs within Selwyn District.

The directory also identifies a further seven golf clubs located elsewhere within Canterbury's wider North Canterbury catchment, including facilities at Amberley, Hanmer Springs, Hawarden, Cheviot, Culverden, Amuri, and Scargill, bringing the total number of affiliated clubs listed by Canterbury Golf to 36.

In this context, the closure of the Pegasus Golf Course has already occurred and therefore does not represent a future economic effect attributable to the Pegasus West Development Project. Rather, the relevant consideration is whether the proposed residential development would result in the loss of a realistic opportunity to reinstate golf activities or establish an alternative recreation or tourism use on the site.

While Pegasus was recognised as a high-quality course, the wider regional golf network provides a range of alternative facilities within reasonable travelling distance of Woodend, Pegasus, and Christchurch. Accordingly, the opportunity cost associated with the development is considered to relate primarily to the potential future alternative uses of the site, rather than the loss of an existing operating golf facility. From a regional economic perspective, redevelopment of a single golf course is therefore unlikely to materially reduce access to golfing opportunities or significantly affect participation levels across the wider market. To the extent that golf expenditure is displaced, much of that expenditure would be expected to transfer to alternative golf courses and associated hospitality businesses within the region rather than being lost from the regional economy. This may provide a positive contribution to the financial sustainability and ongoing operation of other golf facilities by supporting membership levels, green fee revenue, and related visitor expenditure.

The availability of a large number of alternative golf facilities also provides important context when considering the previously proposed golf resort scenario. While a golf-based tourism development may have generated additional economic benefits, its success would have depended on attracting demand from existing facilities or creating new visitor demand within an already well-supplied market. Together with the financial difficulties experienced by the historical golf course operation and the failure of the previous resort proposal to proceed, these factors suggest that the realisation of the forecast resort benefits was subject to a significant degree of commercial and delivery risk.

Accordingly, while the loss of the private golf course and associated redevelopment opportunities represents a genuine opportunity cost, the overall magnitude of this cost is considered relatively modest when viewed in the context of the wider Greater Christchurch golf market and the substantial housing, construction, population, and economic benefits associated with the Pegasus West Development Project.

7 Conclusions

This report has assessed the economic effects of the proposed Pegasus West Development Project and considered the extent to which the proposal contributes to housing supply, economic activity, and the long-term functioning of the Greater Christchurch urban environment.

The proposal would facilitate the redevelopment of approximately 77 hectares of land located between the established communities of Pegasus, Ravenswood, and Woodend. The development would provide up to 1,000 dwellings together with supporting open space, recreation areas, stormwater infrastructure, community facilities, and commercial land, creating a substantial new residential neighbourhood within one of Waimakariri District's primary growth locations.

The assessment confirms that Waimakariri District continues to experience strong population growth and that Woodend, Ravenswood, and Pegasus have emerged as an increasingly important residential growth node within the Greater Christchurch urban environment. Recent population growth, housing delivery, and development trends demonstrate the ongoing demand for housing in the area and the important role that additional residential capacity will play in supporting a well-functioning urban environment.

The most recent publicly available housing capacity assessment identified a potential long-term shortfall of approximately 3,050 feasible dwellings within the Woodend/Pegasus area. The Pegasus West Development, together with the Gressons Road Development, would make a significant contribution towards addressing this longer-term capacity pressure by providing additional housing in a strategically located area contiguous with the existing urban area and centred around the Ravenswood Key Activity Centre.[3].

The proposal is expected to generate significant economic benefits. Construction of the residential development is estimated to generate approximately $847 million in direct construction output, $211 million in direct value added (GDP), and approximately 2,155 equivalent job years. When indirect and induced effects are taken into account, the total economic contribution is estimated to increase to approximately $1.35 billion in gross output, $425 million in value added, and approximately 3,936 equivalent job years across the wider economy.

These estimates relate primarily to the residential development component of the proposal and associated infrastructure works. Consequently, they should be regarded as conservative estimates of the project's overall economic contribution, as they do not separately quantify the construction and operation of the proposed commercial land and other non-residential activities incorporated within the master plan.

Beyond the construction phase, the completed development would accommodate an estimated 2,600 residents and generate approximately $72 million in annual household expenditure. This additional population would support local businesses, community services, and infrastructure utilisation while contributing to the ongoing growth and vitality of the northern Greater Christchurch urban area. The proposed commercial land also has the potential to generate additional employment, business activity, and

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[3] Formative 2023

local service provision, further strengthening the economic and functional role of the development within the wider urban area.

The principal economic consideration on the cost side of the assessment is the opportunity cost associated with alternative future uses of the site, including the potential reinstatement of golf, recreation, or tourism-related activities. However, the former golf course operation has already ceased, and previous resort development proposals did not progress to a committed development outcome. Accordingly, the relevant counterfactual is not the loss of an existing operating activity, but rather the potential economic benefits associated with alternative future uses of the site that would be foregone under the proposed residential development.

Overall, the assessment indicates that the Pegasus West Development Project would deliver significant economic benefits through increased housing capacity, substantial construction activity, employment generation, and the establishment of a new residential community within one of Greater Christchurch's key growth areas. The proposal would also support the efficient functioning of the northern Greater Christchurch urban area by strengthening connections between existing communities and making efficient use of existing and planned infrastructure and services.

While the primary housing and urban development benefits of the proposal will occur within Waimakariri District and the Greater Christchurch urban area, the project will also generate wider Canterbury regional economic benefits through construction activity, supply-chain expenditure, employment, ongoing household expenditure, and support for the functioning of an integrated regional labour and housing market.

Accordingly, it is concluded that the Pegasus West Development Project has the potential to deliver significant district, sub-regional, and Canterbury regional economic benefits and would promote the purpose of the Fast-track Approvals Act 2024. These benefits are relevant matters for the Minister's consideration under section 22 of the Act.

Appendix 1: Expertise & Experience of Report Authors

Dr. Maggie Hong joined Market Economics in late 2023 and brings over 15 years of experience in both the public and private sectors in New Zealand. Prior to joining ME, she was a Principal Analyst in Waikato District Council's Growth and Analytics Team, where she provided economic advisory and analytical support to the Executive Leadership Team and elected members. In recent years, Maggie has worked extensively on projects related to the National Policy Statement on Urban Development (NPS-UD) monitoring, demographic analysis, and business and residential land use analysis. She holds a PhD in Economics from the University of Canterbury and has published research in edited books and international peer-reviewed journals, including Applied Economics and the Journal of Economic Surveys. Maggie has expertise in econometrics, cost-benefit analysis, geographic information systems (GIS), and spatial analysis. She is highly proficient in working with large datasets and analytical tools such as SQL, Power BI, QGIS, and Python.

Greg Akehurst (BA/BCom) has degrees in Geography and Economics and is a founding Director of ME. He has 29 years of experience in the fields of Urban Economics and Development Economics. He has specialised in developing models that are used to assess the economic effects of developments such as proposed at 104 Ryans Rd. He has prepared and presented expert evidence in Council Hearings, the Environment Court and prepared affidavits and given evidence in the High Court on behalf of developers and Councils. Greg has headed up ME's Housing and Business Development Capacity Assessment (HBA) work and authored the National Policy Statement on Urban Development Capacity 2016 (NPS-UDC) guidance document advising Councils how to carry out business and residential land sufficiency assessments. ME have carried out HBA studies for Auckland council, Future Proof, Tauranga, Rotorua Lakes District, Hastings District, Selwyn District and Waimakariri District, Nelson /Tasman, Queenstown and Dunedin City over the past 6-9 years.