Woodend & Pegasus

AN ECONOMIC AND BUSINESS PROFILE FOR WOODEND & PEGASUS AND THE WIDER WAIMAKARIRI DISTRICT 2015
**Introduction**

The Waimakariri District extends from Pegasus Bay in the east to the Puketeraki Range in the west, and is bounded by the Waimakariri River in the south and the Hurunui District in the north. The District has an area of 225,000 hectares and is home to 54,400 residents (in 2014). The vast majority of the District’s population lives in the eastern part.

The wider Woodend Pegasus area forms one of Waimakariri District’s fastest growing urban areas; at a currently estimated population of 5,750 (in 2014), the area’s population is set to grow rapidly over the coming years. Woodend/Pegasus has been identified as one of Greater Christchurch’s Key Activity Centres, recognising its role in the wider area in clustering community, residential and business activities. Key activity centres are defined as existing and proposed commercial/business centres and suitable for more intensive mixed-use development.

With historic and projected growth, a good base of existing businesses, a location that is highly accessible from Christchurch and its Christchurch International Airport, availability of business land and vast planned residential expansion to give demand for rapid development, the greater Woodend Pegasus area presents opportunities for investors, developers and new businesses.

This paper provides a brief overview of the Woodend Pegasus area’s and the wider Waimakariri District’s economic and business environment based on available statistical and other survey information. This includes a discussion of the role of the town centres, the area’s growing customer base, Woodend Pegasus’ and the wider District’s economy and employment situation, perceptions of the Woodend Pegasus area as a place to do business and the District’s resident profile as customers of Woodend and Pegasus. Lastly, this paper touches on opportunities in the Woodend Pegasus area, as well as provides a list of key contacts and resources available that inform business development and investment.

### Quick Facts about Woodend Pegasus Growth & Economy:

- Home to about 5,750 residents; population of wider area could grow to around 10,000. Pegasus alone planned to grow to up to 5,000 people and Ravenswood to another up to 4,000 once developed.
- Currently largely utilised for day-to-day goods and services by local community
- About 930 building consents for new residential dwellings since 2008 – 900 for Pegasus alone
- Abundant undeveloped zoned business land especially at Pegasus and Ravenswood
- Business numbers in area increased by 39% in last 10 years; number of employees almost doubled over same period
- Largest employer in area is construction sector, number of employees increased dramatically in recent years to more than 200 in 2014
- Construction sector also has highest number of business units, followed by finance, professional services and property sector
1. The Role of Town Centres in the Woodend Pegasus Area

Woodend town centre is used as a local service centre for some day-to-day goods and services by the local community. A 2011 Woodend Community Issues Survey identified that 29% of respondents source either some or all of their groceries in Woodend, 35% utilise Woodend’s restaurants and takeaways, 31% use motor vehicle services available at Woodend, 36% get some or all of their garden supplies in Woodend and most (74%) purchase their motor vehicle fuel in Woodend. Other than when sourcing fuel, most goods and services accessed by Woodend residents are generally sourced in Rangiora. At the same time, when asked what new businesses are needed in Woodend, survey respondents most frequently listed supermarkets, pharmacies, cafés and restaurants / takeaways, banking facilities and book shops. This, as well as the wider Woodend area’s significant projected growth, opens up opportunities for new businesses to benefit from the catchment.

A 2012 Pegasus Community Issues Survey revealed that the vast majority of current Pegasus town residents (93%) visit the day-to-day businesses currently established in Pegasus town. In fact, 32% visit these more than once a week, and 59% at least fortnightly. Generally speaking, Pegasus residents utilise the Woodend town centre for accessing some goods and services. Most (59%) typically purchase some or all of their fuel in Woodend, 35% source garden supplies in Woodend, and 20% visit Woodend for restaurants, while another 18% typically visit Pegasus for eating out in restaurants. Woodend is also utilised by some Pegasus residents for motor vehicle services, medical services and purchasing groceries.
Currently zoned for business activity in Woodend town centre are around 2.2 hectares of land along the west of the State Highway 1 which runs directly through the centre of the town. Another 8.8 hectares are zoned for Business 1 use in Pegasus. Ravenswood, at north of Woodend and rezoned from rural to residential to allow for residential land development, has been zoned to contain 0.7 hectares of Business 1 use land and another approximately 10 hectares Business 2 land. The map below depicts the locations of land currently zoned for business activity in and around Woodend and Pegasus, as well as future business land.

The Waimakariri District Plan explains that Business 1 Zones are intended to be the dominant location of, and to be dominated by business, administrative, and cultural activities so as to:

- help ensure an effective and efficient business sector by concentrating activity;
- maintain and enhance the centres’ roles as the dominant community focal points;
- retain nominated areas as more appropriate to pedestrian-related activity; and
- retain business activity that can support public services, facilities and amenities that will provide for the needs of workers, residents and visitors, in a quality, safe environment.

Business 2 zones on the other hand typically provide for commercial and industrial activity and low density of development.
2. A Growing Woodend Pegasus Area Customer Base

The number of households in the wider Woodend Pegasus area is expected to grow significantly. Statistics New Zealand predicts that the population in the Woodend Pegasus area will grow to approximately 6,750 by 2021 and to 8,740 by 2031, as shown in the following graph.

However, the June 2011 Government announcements regarding red zoning of earthquake damaged land where land remediation was considered inappropriate, meant approximately 1050 households in Waimakariri District and at least 5000 homes in east Christchurch needed to find another place to live. This, combined with the number of new sections available could mean the population of the Woodend Pegasus area will grow faster than predicted by Statistics New Zealand. Also considering the number of new sections coming on-stream over the next few years means the population of the Woodend Pegasus area could rapidly grow to around 10,000 residents by 2031.

An assessment of Key Activity Centres in the Waimakariri undertaken in 2014 suggested growth in Waimakariri District in the future will be fastest in the areas that are closest to Woodend, especially Ravenswood and Pegasus, resulting in a projected increase of the Woodend Pegasus area catchment households of 2,500 by 2028 and 3,100 out to 2036, more than double the current households.

In addition to Pegasus, in March 2010 the Council approved rezoning of land at Ravenswood at north Woodend from rural to residential. Together with Pegasus and other areas at Woodend within the greater Christchurch urban limits, this presents opportunities for rapid development and a very substantial increase in the number of people living in the area.

In total, Pegasus is envisaged to be home to approximately 4,500 to 5,000 people once fully developed, depending on the number of people per household. The Council’s building consent records show that since 2008, 900 consents for new dwellings had been issued for Pegasus, and if all occupied by mid-2015, there could be in the vicinity of 2,300 residents living at Pegasus at that date.
At Ravenswood, up to 1,500 sections (according to the most recent plans) could be available for development adding another 3,750 to 4,000 residents to the area.

The following map shows original development plans for Pegasus and Ravenswood.

In addition, some 450 or more residential lots are planned to the immediate east of the existing Woodend built area, north and south of Parsonage Road.

The following graph shows the number of residential building consents issued for the District’s towns over the last 3 years.
There are significant numbers of potential lots within areas already zoned for residential development which could be available for development during the next ten year period. The Land Use Recovery Plan, gazetted by the Minister for Earthquake Recovery in December 2013 and developed in partnership between strategic partners including local Councils, NZTA, CERA and others, identified priority areas for growth over the next 10 to 15 years. The following map shows the District’s current and greenfield priority residential and business development areas surrounding main towns. In addition of these are rural residential areas.
Population growth in the Waimakariri District will have a positive impact on businesses in the Woodend Pegasus area. The estimated population of the District is expected to increase from 50,000 at the 2013 Census to about 76,000 people by 2031, representing a rise in population of about 52% since the 2013 Census.
This solid growth is evident in the District’s building activity, particularly post the Canterbury earthquakes of 2010 and 2011. The Waimakariri District Council has processed and approved a significant number of residential building consents since 2011, topping 1,000 per annum in 2012, 2013 and 2014. Historically the Council has averaged processing 400 to 500 building consents per year.

The Waimakariri District Council had approved higher numbers of residential building consents in the 2011/12 and 2012/13 financial years than any other District Council in New Zealand. In the 2013/14 year, the Council slotted into second place after Selwyn District Council.
3. Woodend Pegasus Area’s and Waimakariri District’s Economy

The number of businesses in the Woodend Pegasus area has grown strongly over the past decade – up 39% to 384 in 2014 (these include many businesses with no employees). The number of employees has almost doubled in the past decade, up 91% to 492 in 2014.

![Woodend Pegasus Business Units & Employee Count since 2005](image)

A review of the shopping and services available in the Woodend town centre shows that despite the town’s proximity to Kaiapoi and Rangiora, there is a reasonably wide range of services based in the town. These include, but are not limited to, bar, bistro and function facilities, a motel, café and takeaways, a grocery store, bakery and fruit and vegetable retailer, a service station and an enterprise selling and servicing ATVs, a garden shop, plant nursery, a hairdresser and a few shops selling antiques, crafts and craft supplies. In addition to these in Woodend town are home-based businesses.

A number of businesses are currently operating in Pegasus town centre with more planned to take up land within the Business 1 zoned area in the centre of town. Existing businesses include a café, a general store, a restaurant and bar, a golf course and a gym. In addition to these in Pegasus town are home-based businesses. The Pegasus Bay School opened in 2014, relocating the previous Waikuku School on a new 3 hectare site. The planned capacity of the school is ultimately 600. Woodend School also has plans for expansion.

Construction was the largest industry in the Waimakariri District in 2014, measured as contribution to the District’s GDP, followed by agriculture, forestry and fishing. About 2,500 people worked in the construction sector in the District in 2014.

Commercial and public sector investment in the District has been significant over recent years. The annual total value for non-residential building consents in 2013 and 2014 rose dramatically.
compared to previous years, reaching a ten year peak of $89 million in the year to June 2014. This compares to a ten year average of $39 million per annum.

Retail trade in the Waimakariri District increased by 14% over 2013/14, compared to 3% nationally.

The BERL (Business and Economic Research Ltd) Regional Rankings 2013 identified Waimakariri as the second Local Authority in the country in terms of economic performance. BERL’s survey ranks New Zealand’s 66 local authorities on economic activity, including population, employment, GDP, business units, and the Relative Openness Index, which measures each region’s economy toward export sectors.

Waimakariri’s GDP continues to grow at an accelerated rate (up 4.1% in the year to September 2014 compared to New Zealand as a whole, up 2.7%). Overall, GDP has grown strongly over the past decade – annual growth peaking in the year to September 2012 at 12%. While the Canterbury region and New Zealand have at times seen reductions in GDP (negative percentage growth) since 2006, Waimakariri District GDP has generally grown at rates above the region and country continuously. For the year to September 2014, GDP in the District was $1,350 million (2010 prices). The following provides a picture of GDP growth in the District, Canterbury Region and New Zealand since 2006.

Waimakariri’s property market growth has been significant in recent years, partly as a result of the housing shortage in Christchurch. Immediately following the Canterbury earthquakes, house sales lifted by 44% over 2011, compared to a 5% decrease across Canterbury and a 9% rise across New Zealand as a whole, and by 52% in the year to June 2012. More recently, the year to September 2014 still showed growth (up 2.3%) in the District’s house sales while numbers for Canterbury and New Zealand as a whole decreased. The following depicts the trend in house sales in Waimakariri, noting in particular the strong consistent growth since the Canterbury earthquakes.
Growth in house prices in the District peaked in the year to September 2012. The median house price in Waimakariri in the year to September 2014 was $404,750, compared to $399,332 in Canterbury.

The Waimakariri District has seen solid growth in the number of businesses and employees over the last decade. At 6,121 business units in 2014, Waimakariri’s businesses have climbed by 47% since 2000, compared to a 28% increase in business units at a national level. The number of employees in the District has grown by 74% over the same period to 12,980 in 2014, while the employee count nationwide has increased by 25%.

![Waimakariri Business Units & Employee Count 2000-2014](image.png)

Business Demography Statistics, Statistics New Zealand

4. Employment in Woodend Pegasus and the Waimakariri District

The largest sector in the wider Woodend Pegasus area by the number of business units is the construction sector, partially explained by the amount of new building activity being undertaken at Pegasus town. The number of businesses has increased dramatically in the last 5 years – to 117 in 2014. The second largest sector in the Woodend Pegasus area is the finance, professional services and property sector, with 101 business units in 2014, also seeing a significant increase in recent years. This is in part likely due to the rising number of home-based professional consultancy and other service businesses being run by individuals, which play an important part in creating the District’s wealth. The construction sector is also the largest employer in the Woodend Pegasus area, spiking dramatically to 207 in 2014, more than two and a half times the 2009 figure of 65.
Waimakariri District suffers from ‘employment leakage’ with many leaving the District for work every day. Close to 11,000 residents work in Christchurch and another 3,700 in ‘other’ locations (outside of Waimakariri District). Council surveys reveal that around three quarters of those District residents who work in Christchurch would prefer to work locally, if suitable work was available for them.

Currently, the majority of the Woodend Pegasus area’s employed population works in Christchurch – a trend that has been consistent over previous Census years. Given the above survey results, this means the Woodend Pegasus area offers a substantial potential local labour pool for businesses locating to the area.

At over 50% of Woodend Pegasus’ employed population working in Christchurch, the area’s out of the District ‘employment leakage’ is proportionately higher than that of the District as a whole.

It is important to acknowledge that given the Waimakariri District’s proximity to Christchurch, many professionals choose to live in the District for lifestyle reasons, while continuing to work in the city,
particularly following the effects of the 2010/11 Canterbury earthquakes and the population influx into the Waimakariri District. However, the increasing population is also likely to generate increasing demand for goods and services that can be supplied locally, thus providing opportunities for businesses to establish in the District and provide local employment.

District-wide, the labour market has strengthened in response to the recovery in economic activity. At 2.6% in the September 2014 quarter, the Waimakariri unemployment rate was significantly lower than the national rate at 5.8% or the Canterbury region rate at 3.2%. Approximately 13,000 people are employed in the Waimakariri District. Historically, the wholesale and retail sector was the largest employer in the District. However in 2014, it was the construction sector employing the greatest number of people at 2,490, accounting for 19% of total District employment.

Overall, employment projections for the Waimakariri District predict a significant increase in total employment counts by 2031 – in the order of 53% to 78% depending on employment ‘retention’ scenarios between 2011 and 2031. All things being equal in current employment retention levels, estimated population and household growth numbers are predicted to mean significant growth for most sectors. Employment counts will grow even higher if an increased level of employment retention in the District is achieved.

At the same time, the local labour force, that is people living in the Waimakariri District who work (as opposed to the number of people working in the District) is predicted to increase to almost 34,000 by 2031, a 42% increase from the 2006 Census base.

5. Woodend Pegasus as a place to do business

In 2010, the Waimakariri District Council conducted a Business Survey, which saw questionnaires directed to all businesses that have a physical address in the Waimakariri District. Questionnaires were distributed to businesses located in Woodend Business Zone 1. Questions focused on how businesses perceive Woodend as a place to do business, what the outlook for their business or business branch is, what they thought of businesses in Woodend and the District generally, and how they perceive Enterprise North Canterbury as well as Council’s Woodend town centre services. Eleven of the 15 surveys were returned, with most respondents representing the retail and/or wholesale sector.

The most common reason given by respondent businesses for why they located their business in Woodend is the high profile location on the main road, putting them in a prime position to service both locals and travellers passing through Woodend. Aspects identified as particularly liked include Woodend main street’s high visibility as well as the fact that the town is well established and growing.

There is immense support for more and a better range of businesses in Woodend, as identified by respondent businesses; all respondents agreed it is important that the range of businesses based in Woodend increases.

More and a greater range of businesses in Pegasus is also sought by the Pegasus community as identified by the 2012 Pegasus Community Issues Survey, particularly for a supermarket / deli / butcher / bakery / fruit and vegetable market, more bars / cafes, restaurants and takeaways, a
pharmacy, retail shops for clothing, books, giftware or hardware, as well as medical facilities. There is also some support for other businesses at Pegasus, including a petrol station, a leisure centre, a bank and post office, schools, a library, visitor accommodation and more.

6. Waimakariri Resident Profile

Waimakariri District’s estimated resident population as at June 2014 is 54,400, an increase of 4,400 from the 2013 Census. This is among the highest ever annual proportional gain, reflecting the major increase in house building in 2013. This now makes the District the third largest District in the South Island (by population) Territorial Authority after Christchurch and Dunedin, and the second fastest growing Territorial Authority in New Zealand after Selwyn District.

Like the rest of the country, Waimakariri District has an ageing population, however has an overrepresentation of those aged over 40, compared to New Zealand as a whole, and an underrepresentation of people in their 20s and 30s. Children aged 5 to 14 are slightly overrepresented compared to New Zealand as a whole, also reflected in growing local school rolls.

![Waimakariri District and New Zealand 2013 age distribution](image)

2013 Census of Population and Dwellings, Statistics New Zealand

Most residents are married (54%) and are either living as a couple (46%) or in a two parents with dependent children household (35%).

Half of all residents aged 15 and over are in full-time employment and another 16% are in part-time employment (at 2013 Census). Seventy-six per cent work for wages / salaries, 13% are self-employed and another 8% are employers themselves.

Home-ownership is high in Waimakariri. In 2013, 63% of homes were directly owned rather than through a Family Trust (compared with 52% in Canterbury).

Waimakariri District households have relatively high disposable incomes, with those earning more than $70,000 per annum overrepresented compared to Canterbury and New Zealand as a whole, as shown in the graph below. The median income for Waimakariri District households in 2013 was...
$68,800, compared to $65,000 in Canterbury and $63,800 in New Zealand as a whole. The median household income increased substantially since 2006, when it was $50,900 as households with incomes of over $70,000 and over $100,000 increased dramatically.

7. Opportunities for the Woodend Pegasus Area

Recognising the Woodend Pegasus area’s role as one of the District’s fastest growing urban areas, the Waimakariri District Council prepared and adopted the Woodend Pegasus Area Strategy in October 2013. The importance of developing a wider Strategy for the area was heightened by the Government’s June 2011 decision to purchase land damaged properties in the Kaiapoi and eastern Christchurch areas, meaning demand for residential development created the potential for rapid population growth in the Woodend area, including Pegasus and Ravenswood at north Woodend. This required attention to be paid to all aspects of managing growth. Issues addressed and directions approved in the Woodend Pegasus Area Strategy focus around connectivity, business, community and open space.

The Strategy confirms the need to appropriately connect the centres of Woodend, Pegasus and Ravenswood. In February 2013, the NZTA announced that the “short-eastern” route had been chosen as the future bypass for State Highway 1 at Woodend. The new alignment is scheduled to be built in about 15 years. A better entrance to Pegasus town from State Highway 1, a link between Woodend and Pegasus via Gladstone Road, upgrading Gladstone Road, ensuring good connectivity of Ravenswood once developed, changes to Preeces and Kaiapoi Pa Roads, enhancing cycling opportunities in the area and advocating for good public transport are all signalled in the Strategy.

Strengthening the Woodend town centre is a key strategic direction and works to enhance the streetscape and public amenity in the Business 1 Zone will take place in mid-2015. A clear continuous footpath, new landscaping including street furniture and rationalised vehicle access points will provide a uniformity and sense of identity to the centre, and improve its walkability. Enhancing the centre’s focal point and sense of arrival are also explored, as is continuing to increase the area’s business stock through the work undertaken by Enterprise North Canterbury.

Fostering community infrastructure, liaising with local schools, providing community facilities and developing greenspace areas are remaining strands of the Strategy.
Woodend and Pegasus’ proximity to Christchurch including to Christchurch International Airport, and the area’s accessibility via the Christchurch Northern Motorway makes it an ideal location for business development servicing both the local community as well as the Christchurch and Canterbury market. Just 14 kilometres to north Christchurch and a 20 minute drive to Christchurch International Airport, the Woodend Pegasus area is highly accessible. As NZTA’s major projects are completed, including the upcoming Western Belfast Bypass, Woodend Pegasus will become even more accessible from the airport.

Significant recent public investment has taken place in Woodend town centre with the expansion of the Woodend Community Centre. This Council facility, which is used for a range of recreational and community functions, was extended in 2012/13 to provide two additional rooms, upgraded changing rooms, kitchen and mezzanine floor and additional car parking. Funding is also committed for 2015/16 to 2017/18 to further develop Gladstone Park, an important community asset adjacent to Pegasus town, home to major sports grounds and community buildings. Such significant public investment creates an attractive, user-friendly environment for the current and future community and businesses, triggering other investment in the wider area.

Pegasus town is proving of great appeal to both the local community and visitors. Built around a designed lake and extending to the shores of Pegasus Bay, Pegasus offers recreational features that draw major events including sporting tournaments. There are significant opportunities for commercial development at Pegasus, with 8.8 hectares of land zoned for Business 1 activity in the centre of the town. Current and future new developments provide opportunities for new business tenants in this progressing town. Ravenswood at north Woodend provides significant space for commercial development, with 0.7 hectares of land zoned for Business 1 use and another approximately 10 hectares zoned for Business 2 activity. Its proximity to Woodend and Pegasus and plans for development of up to 1500 households, the opportunities for businesses, investors and developers are immense. In addition, provided for under the Regional Policy Statement for Greater Christchurch business land allocation are another 8.7 hectares of land at the corner of Woodend Beach Road and State Highway 1, which to date has not been taken up by development proposals.

With a rapidly growing population in the Woodend Pegasus area and the demand for new businesses and services, coupled with the availability of readily zoned business land, particularly at Pegasus and Ravenswood, significant public investment into the local area and the willing and committed local labour pool, the Woodend Pegasus area provides significant commercial opportunities for businesses, developers and investors to establish.
Key Waimakariri District Council / Enterprise North Canterbury Contacts:

For town centre / economic development enquiries:
  Trevor Ellis, Senior Planner – Policy, trevor.ellis@wmk.govt.nz
  Heike Downie, Senior Policy Analyst, heike.downie@wmk.govt.nz

For Business Development Advice and Support:
  Enterprise North Canterbury, office@enterprisenc.co.nz
  Tom McBrearty, Economic Development Manager, tom@enterprisenc.co.nz (for information and advice about setting up a business)

For Council property enquiries:
  Gary Saunders, Property Manager, gary.saunders@wmk.govt.nz

Useful Resources:

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