



Papakura Metropolitan Centre Household Sector Activity

Land Use Survey Analysis

16 September 2019 – Final

m.e
consulting



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1 Introduction and Context

Centres play a critical role in the spatial efficiency and sustainability of urban form. They are key nodes of activity for the communities they serve, functioning as important social and economic hubs within the urban landscape. Retail is a fundamental component of this, influencing the viability and vitality of centres, and affecting other patterns of land use.

Auckland has a well-established urban hierarchy of centres where households and communities meet their needs across a range of different centres and centre types. Within this, metropolitan centres are positioned at the top of the hierarchy immediately below the city centre in relation to scale and intensity. They are major commercial development nodes within the metropolitan area where core household sector activity agglomerates to serve expansive geographic catchments.

Retail is a crucial component to the effective operation of metropolitan centres. Comparison goods retailers tend to agglomerate within these larger centres, spatially concentrating into larger nodes across the city. Retail in these centres is typically characterised by greater shares of higher-end retailers and national and even international chain stores that act to attract consumers across larger distances.

Papakura is one of Auckland's metropolitan centres. It is the southern-most metropolitan centre, serving parts of the southern urban and peri-urban area. It is important to understand how Papakura is functioning within the urban centres hierarchy, including in relation to its intended role as a metropolitan centre in order to begin to understand the role that a competing centre at Drury might augment or impact on this centre. Assessing the retail base is a critical component of this given the core role of retail in driving the geographic influence of the centre.

M.E have undertaken a land use survey to examine the types of household sector activity occurring within Papakura metropolitan centre. The objective is to contribute to a better understanding of how the centre is functioning within its intended role as a key hub of commercial development, including retail. We have also undertaken the same survey in Westgate as a comparator metropolitan centre, also located on the outer edges of Auckland's metropolitan area and likely to be more directly similar to any Metropolitan type centre that could develop at Drury.

The following sub-sections describe our approach to the survey and present our key findings from the information obtained in the field. These are then discussed in the context of earlier information on the spatial operation of Auckland's metropolitan centres prepared as an evidence base to support the establishment of Auckland's urban planning framework.



2 Approach

2.1 Land Use Surveys

M.E have conducted land use surveys at Papakura and Westgate to determine the mixture and nature of retail and household sector activity within each centre. The surveys were conducted on the 22nd and 23rd of August 2019 (Papakura) and the 26th of August 2019 (Westgate); and were undertaken during standard retail business daytime trading hours. In addition M.E have utilised tenant information covering the Sylvia Park Mall owned and operated by Kiwi Property to provide a comparison profile of a centre that operates from a more central location and is owned by the developers that are proposing to develop the Drury Metropolitan Centre.

The surveys were spatially comprehensive to cover both the central Metropolitan Centre zones area as well as any immediately adjacent surrounding business zones. This wider coverage (in relation to only the Metropolitan Centre zone) captures the area that forms the effective commercial area of each centre, recognising that these adjacent areas effectively function together with the Metropolitan Centre zoned area as a single node of commercial activity.

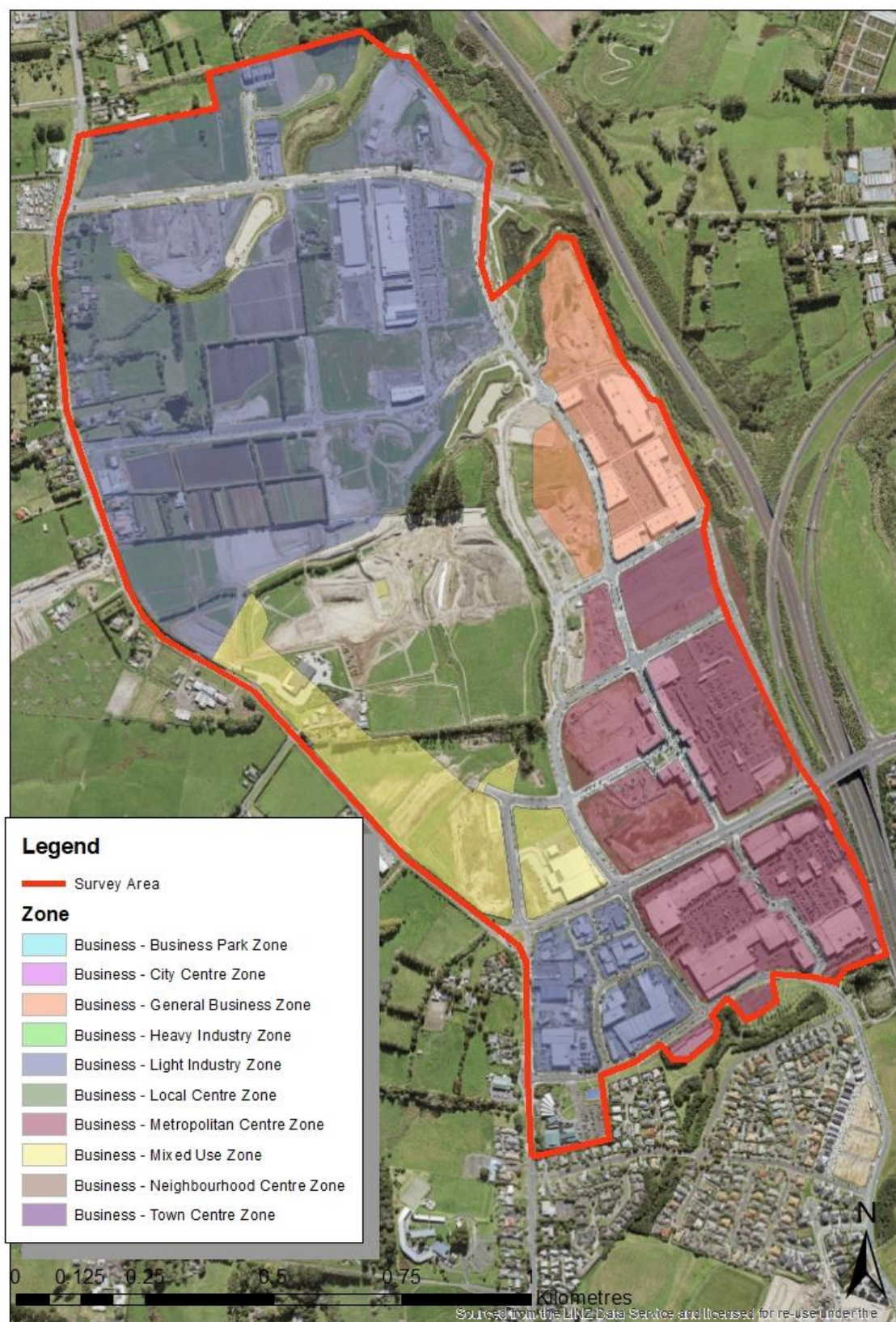
The areas covered by the land use surveys are displayed in Figure 2-1 and Figure 2-2. In Papakura, this includes the Metropolitan Centre Zone, the 3-4 areas of Business Mixed Use Zone immediately adjacent to the Metropolitan Centre Zone and the area of Neighbourhood Centre Zone on the eastern side of the centre. Household sector activity occurring within the Open Space Zone immediately adjacent to the centre area was also recorded.

In Westgate, the surveyed area included the Metropolitan Centre Zone, which contains one mega centre and the mall development, and a smaller retail area on Westgate Drive. It also included the General Business Zone to that contains another mega centre to the north of the Metropolitan Centre Zone area. Other retail and household sector activity was also included from the adjacent Light Industry Zone in the norther and southeast, the Business Mixed Use Zone and the recreation centre within the Open Space Zone.

Figure 2-1: Papakura Land Use Survey Area and Auckland Unitary Plan Zones



Figure 2-2: Westgate Land Use Survey Area and Auckland Unitary Plan Zones





The land use survey captures all retail and other household sector activity contained within these areas. This includes activity that primarily serves household demand that occupies floorspace within a centre that is generally accessible (in whole or part) by consumers, without appointment, when they access the centre. The types of activity, in addition to retail, captured by the framework include household services (e.g. drycleaners, hairdressers, clothing repair, etc), entertainment and recreation (e.g. cinemas and rec centres), and core pieces of social infrastructure (e.g. public regulatory services, churches, etc). It excludes office-based or light industrial activity that services household demand, such as households accessing small commercial firms (e.g. accountants, lawyers, etc) or trades services (e.g. plumbers, electricians, etc).

These activities have been categorised using the Australian and New Zealand Standard Industrial Classification (ANZSIC 2006). These form the base level activity classification within the land use survey. They have been aggregated up into broader categories for the purposes of analysis to reflect the key types of household sector groupings within centres. A full list of activities is contained within Appendix 1.

Each centre was visited by two surveyors. These consisted of a surveyor experienced in retail economic analysis and an economic analyst. The surveyors travelled around the extent of the survey area within each centre, making visual observations on each household sector business. The location and spatial extent of each business was identified on an aerial photograph¹. Observations were then made on the industry classification type of each business, the floorspace level (ground vs. above/below-ground floor), and the perceptions of quality of the building². It was also determined whether businesses were chain stores as the prevalence of chain stores within a centre provides an indication of the role of a centre within the urban hierarchy as chain stores typically concentrate into the larger retail nodes.

Vacant tenancies and their floorspace were also recorded in the survey. Vacant tenancies are defined as unoccupied ground floor spaces that could otherwise be occupied by household retail and service activities.


The survey field information was then digitised within a GIS mapping system (ESRI ArcMap). The spatial boundaries recorded on the aerial photos were drawn into ArcMap mapping software. This was then used to calculate the floorspace area of each business as the aerial photographs were georeferenced to the New Zealand mapping coordinate system.

Businesses were also spatially categorised in the GIS in relation to their type of location within the centre. In Papakura, this consisted of the mainstreet area, side road areas, and edge of centre locations (see Figure 2-3). The mainstreet area is formed by Great South Road, from around Queen Street in the north to Wood Street in the south. The side road areas consist of business located on roads connected to the main street, as well as business located within city blocks that have an edge on the mainstreet; and businesses located along either side of O'Shannessey Street. All other businesses beyond these areas were classified as 'edge of centre' locations.

In Westgate, the survey areas consisted of the NorthWest shopping mall (including adjacent tenancies on Maki Street and Kohuhu Lane that are within the same ownership structure of the mall), the two mega centre locations, and other businesses located within the survey area (see Figure 2-4). The first mega centre

¹ The businesses contained within the NorthWest shopping mall were instead obtained from the online store listings and mall directory map (dated August 2019). The mall map was georeferenced into ArcMap, enabling the digitisation of individual store outlines.

² The perceptions on the quality of the building were based on the surveyor's visual assessment. This is outlined further in Section 3.5.



is located within the Metropolitan Centre Zone on Fred Taylor Drive; and the second mega centre, located within the General Business Zone in the northern part of the centre. Businesses were also captured within the surrounding Light Industrial Zone, Business Mixed Use Zone and Open Space Zone areas as these included a number of retail and household sector business that also broadly form part of the node of household sector activity in this location.

2.2 Sylvia Park Tenant Mix

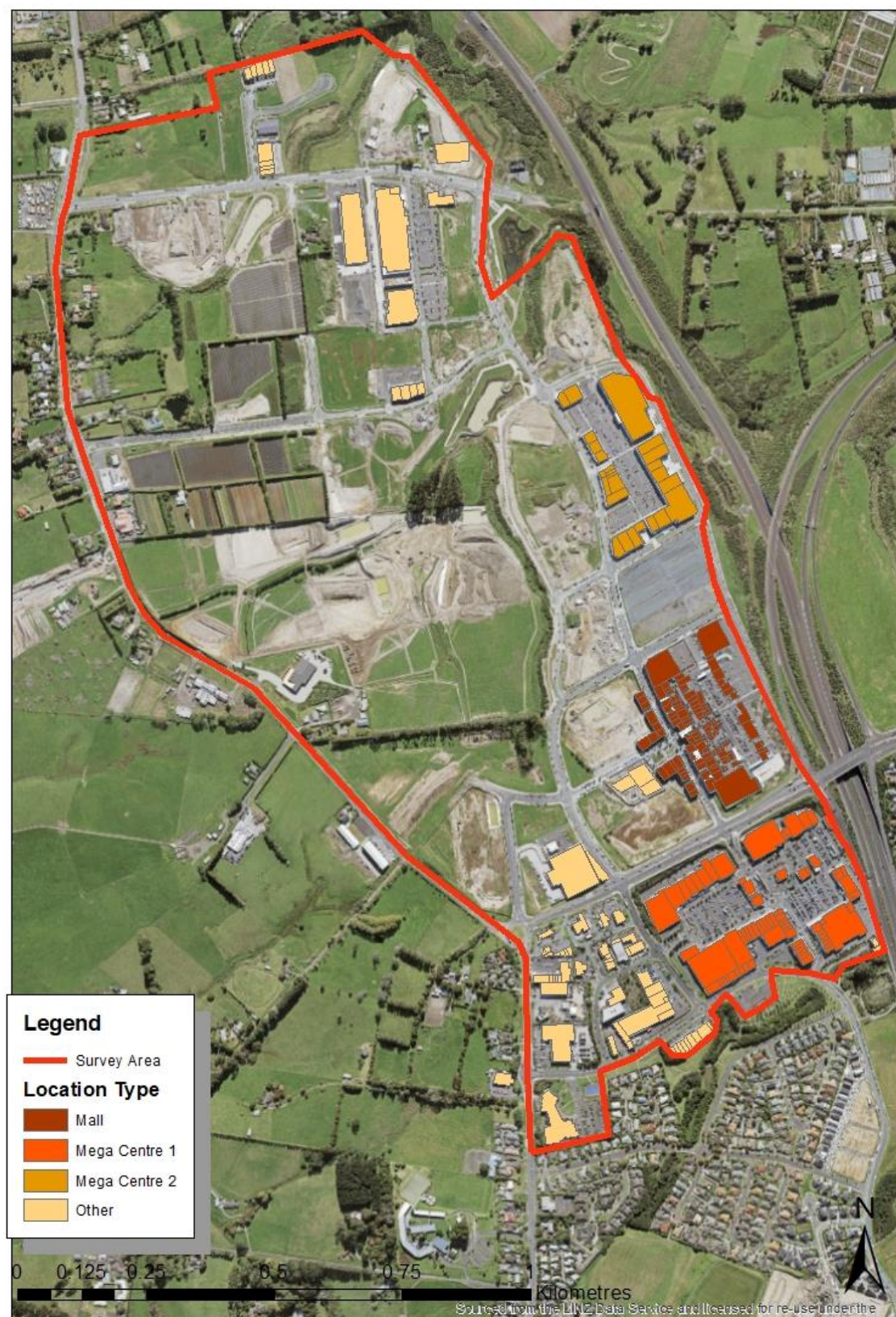
In addition to the detailed land use surveys of Westgate and Papakura, we have compiled a listing of the retail and services that make up Sylvia Park. This is important as Sylvia Park is owned by Kiwi Property so is a likely guides as to the type and nature of retail and service to be available at Drury, also it represents a Metropolitan Centre that is more central, where as both Papakura and Westgate are peripheral.

While Sylvia Park was not visited as part of the land use survey, Kiwi have provided a comprehensive tenant listing and footprint of each that allow estimates of the manner in which Sylvia Park meets the Metropolitan retail needs of its catchment. Note that the Sylvia Park information covers the Sylvia Park Mall and not other areas immediately surrounding the centre. Most notably the large format centre across the Mt Wellington Highway that includes; Spotlight, Ezybuy, Torpedo 7, Hunter Furniture, Kitchen things and others.

Figure 2-3: Spatial Classification of Papakura Survey Area



Figure 2-4: Spatial Classification of Westgate Survey Area





The individual record information obtained in the field survey was then brought together and analysed for each centre. Core aspects were examined, including:

- The structure of businesses and floorspace area within each centre.
- The location and nature of businesses and floorspace area within each centre.
- The prevalence of chain stores within each household sector activity type within each centre.
- The size and quality distribution of floorspace by location within each centre.

The analysed field survey results were then further considered within the context of earlier information on the spatial operation of Auckland's metropolitan centres. This earlier information formed part of the evidence based used to inform the development of the Auckland Unitary Plan. It includes detailed spatial information that empirically defines the spatial extent of the catchment areas, as well as the retail productivity within each centre. This information includes spatial spending flow data that shows the relative levels of consumer demand from each catchment area met within each of the metropolitan centres, thus identifying the spending flows between different areas.



3 Land Use Survey Findings

3.1 Household Sector Businesses

The land use survey identified a total of 304 household sector businesses in Papakura, 240 in Westgate and 209 in Sylvia Park (see Table 3-1). In Papakura, these are distributed relatively evenly across the hospitality (23%), household services (23%), other (23%) and comparison retail (21%) categories, with a smaller share (10%) in food retail.

The distribution of businesses across these categories reflects the role Papakura plays in the surrounding catchment area. It contains a mixture of core retail functions as well as household services, hospitality and other social infrastructure activity. A reasonably high share (23%) of activity within the 'other' category is reflective of a relatively sizeable component of social infrastructure and other non-retail/hospitality/household services uses within the centre. Within this, Papakura contains a number of public sector activities including regulatory services and other social infrastructure.

The structure of Papakura's household sector differs substantially to that of Westgate metropolitan centre. Most significantly, Westgate has a much higher share of its activity within the comparison retail sector. Nearly half (46%) of the businesses in Westgate are within the comparison goods retail sector, which reflects the propensity for these types of retail to concentrate into the higher order centres within the hierarchy serving geographically expansive areas. Less than half of this share of Papakura's businesses are within the comparison goods retail sector, with around half of these within the 'pharmaceuticals other store-based retailing' activity type. The comparison goods retailing businesses in Westgate instead have a greater spread across a wider range of retail types.

Westgate has a similar share of businesses within the hospitality sector, with smaller shares of businesses across all other components of the household sector. Within the food retail sector, both centres have a number of supermarkets, although Westgate also includes a Pak 'N Save store, which typically serve wider geographic areas than the other main supermarket brands. Unlike Westgate, Papakura contains a large number of dairies/small grocery stores (11) and other food and beverage retailing (15), which tend to serve smaller, more localised catchment areas.

Sylvia Park shares similarities with Westgate in that it has a very high proportion of activity in the comparison retail sector (54%) – again showing the high proportion of activity in metropolitan centres that is comparison goods in nature. Sylvia Park has a similar share to both the others in terms of hospitality (24%) but a lower share than Papakura of Household Services (16% versus 23%) albeit similar to Westgate (also 16%). Where Sylvia Park differs greatly is in Food Retail. Currently it only has 1 supermarket, meaning less than 1% of outlets are Food retail.

Table 3-1: Businesses by Household Sector in Papakura Westgate and Sylvia Park Metropolitan Centres, 2019

HOUSEHOLD SECTOR CATEGORY		BUSINESSES			SHARE (%)		
		Papakura	Westgate	Sylvia Park	Papakura	Westgate	Sylvia Park
Food Retail	Supermarket	4	3	1	1%	1%	0%
	Dairy	11	-	-	4%	0%	0%
	Other Food and Beverage Retailing	15	4	-	5%	2%	0%
	TOTAL FOOD RETAIL	30	7	1	10%	3%	0.48%
Comparison Retail	Furniture and Floor Coverings	6	15	-	2%	6%	0%
	Houseware and Textile Goods	-	5	9	0%	2%	4%
	Electrical and Electronic Goods	5	11	9	2%	5%	4%
	Hardware, Building & Garden Supplies	3	7	-	1%	3%	0%
	Recreational Goods	3	7	8	1%	3%	4%
	Clothing, Footwear & Personal Acces.	15	39	65	5%	16%	31%
	Department Stores	1	5	3	0%	2%	1%
	Pharmaceutical & Other Store-Base	30	22	18	10%	9%	9%
	TOTAL COMPARISON RETAIL	63	111	112	21%	46%	54%
Hospitality	Takeaways	32	27	3	11%	11%	1%
	Cafes, Restaurants and Bars	38	24	48	13%	10%	23%
	TOTAL HOSPITALITY	70	51	51	23%	21%	24%
Household Services	Household Services	70	38	33	23%	16%	16%
Other	Recreation	12	11	3	4%	5%	1%
	Education	3	4	1	1%	2%	0%
	Medical	30	14	8	10%	6%	4%
	Social and Transport Infrastructure	26	4	-	9%	2%	0%
	TOTAL OTHER	71	33	12	23%	14%	6%
TOTAL HOUSEHOLD SECTOR		304	240	209	100%	100%	100%
Vacant	Vacant	57	33	18			
TOTAL HOUSEHOLD SECTOR + VACANT		361	273	227			

3.2 Household Sector Floorspace

The structure of floorspace within each of the centres is shown in Table 3-2. In total, the land use survey identified 94,400m² of household sector floorspace in Papakura, 133,400m² in Westgate and 71,800m² in Sylvia Park. It also identified a further 14,200m² of ground floor level vacant floorspace in Papakura, 9,600m² in Westgate and 3,000m² in Sylvia Park.

The distribution of floorspace across each activity type within the household sector differs to that of the number of businesses. The largest share of floorspace (39%) in Papakura occurs within the 'other' activity type. This is due to the presence of a number of larger public sector services and recreational facilities. The next largest shares of Papakura's household sector floorspace occur within food retail (14%) and comparison retail (14%). Overall, the vacant floorspace 14,200m² amounts to a similar size of the total comparison retail floorspace (15,600m²) in Papakura. Vacant floorspace is a large share. In total it exceeds Westgate and Sylvia Park combined (14,200m² compared with 12,600m² for the other 2 combined).

Table 3-2: Floorspace by Household Sector in Papakura, Westgate and Sylvia Park Metropolitan Centres, 2019

HOUSEHOLD SECTOR CATEGORY		FLOORSPACE (sqm)			SHARE (%)		
		Papakura	Westgate	Sylvia Park	Papakura	Westgate	Sylvia Park
Food Retail	Supermarket	9,800	15,700	6,600	9%	11%	9%
	Dairy	2,000	-	-	2%	0%	0%
	Other Food and Beverage Retailing	3,300	1,000	-	3%	1%	0%
	TOTAL FOOD RETAIL	15,100	16,700	6,600	14%	12%	9%
Comparison Retail	Furniture and Floor Coverings	2,200	11,200	-	2%	8%	0%
	Houseware and Textile Goods	-	1,600	2,300	0%	1%	3%
	Electrical and Electronic Goods	1,000	4,600	3,700	1%	3%	5%
	Hardware, Building & Garden Supplies	400	17,000	-	0%	12%	0%
	Recreational Goods	200	5,600	1,300	0%	4%	2%
	Clothing, Footwear & Personal Acces.	2,600	6,800	19,000	2%	5%	25%
	Department Stores	3,700	22,100	15,300	3%	15%	20%
	Pharmaceutical & Other Store-Base	5,500	6,800	3,200	5%	5%	4%
	TOTAL COMPARISON RETAIL	15,600	75,700	44,800	14%	53%	60%
Hospitality	Takeaways	3,900	2,500	300	4%	2%	0%
	Cafes, Restaurants and Bars	6,500	5,400	4,400	6%	4%	6%
	TOTAL HOSPITALITY	10,400	7,900	4,700	10%	6%	6%
Household Services	Household Services	10,900	6,800	4,200	10%	5%	6%
Other	Recreation	13,300	18,200	10,400	12%	13%	14%
	Education	1,800	2,700	200	2%	2%	0%
	Medical	5,000	3,000	1,100	5%	2%	1%
	Social and Transport Infrastructure	22,400	2,300	-	21%	2%	0%
	TOTAL OTHER	42,500	26,200	11,700	39%	18%	16%
TOTAL HOUSEHOLD SECTOR		94,400	133,400	71,800	87%	93%	96%
Vacant	Vacant	14,200	9,600	3,000	13%	7%	4%
TOTAL HOUSEHOLD SECTOR		108,600	143,000	74,800	100%	100%	100%

The structure of floorspace in Papakura differs substantially to that in Westgate Metropolitan centre and Sylvia Park. In comparison, over half (53%) of Westgate's floorspace is occupied by comparison goods retail. In Sylvia Park, 60% of floorspace is comparison retail. At a total of 75,700m², the comparison goods floorspace in Westgate is nearly five times the size of comparison goods floorspace in Papakura (15,600m²). Sylvia Park is around 3 times the size. This reflects a substantial difference in the composition, and therefore likely role and function, of the centres. The scale of comparison goods retail within Westgate reflects the centralisation of this type of activity into Westgate as a main node of retail activity. Sylvia Park is similar – especially if the larger format retail on the other side of the Mt Wellington highway is included. There is conversely a comparatively minor amount of comparison goods retail floorspace in Papakura, implying that it does not meet the full range of Metropolitan Centre retail needs of households in the South.

Westgate has correspondingly smaller shares of household sector floorspace in all other areas. It also has a smaller share (7%) of total floorspace as vacant in comparison to Papakura (13%). During the land use survey it was noted that a share of this vacant space was newly constructed and not yet occupied by businesses. This contrasts to Papakura where almost all of the vacant space was older building stock, with a higher share as average or poorer quality.

Likewise in Sylvia Park, the vacant retail space is all high quality and mostly between tenancies – rather than being long term vacant space (which is the case with a high proportion of the Papakura vacant space).

This assessment raises questions as to the degree to which Papakura is actually meeting the higher order retail needs that a metropolitan centre meets as a core role within the centres hierarchy.



3.3 Characteristics of Household Sector Activity: Chain Store Operators

The land use survey and subsequent analysis has also considered the characteristics of the household sector activity in each centre. It has calculated the average sizes of each household sector type as well as identified the number and share of chain stores within each category. These are important indicators, particularly about the nature of retail activity, within these centres. At the city-scale, the higher end chain store retailers tend to concentrate into the larger centres as major focal points to serve wider catchment areas. As such, the propensity of a centre to attract these types of retailers can reflect its ability to serve the wider geographic areas.

Across the retail, hospitality and household service component of the household sector³, the land use survey found that only 17% of Papakura's businesses were chain stores/operators. This amounts to a total of 40 businesses. Although the share was higher (at 29%) in the comparison retail component, less than half (18) of these chain stores were within the comparison goods retail sector.

In comparison, over three-quarters (77%) of the businesses in Westgate's retail, hospitality and household services sector are chain stores. There were 159 chain store businesses identified in the land use survey in Westgate. This share is higher, at 83% (92 businesses) within the retail comparison goods sector. Chain stores were present across almost all areas of Westgate centre, although they accounted for the highest relative proportions of businesses within the mall and mega centres.

Westgate has considerably greater representation of the main chain store brands within the marketplace in comparison to Papakura, which has a low level of representation. As an example, Westgate contains four of the five main department store retailers within the Auckland marketplace. In comparison, only Farmers is present within Papakura.

At Sylvia Park the situation is very similar to Westgate. In total three quarters (75%) of the stores are chain stores (in the retail, hospitality and household services sectors). In total 148 stores out of the 197 identified are national or international chain stores. The share in Comparison Retail, by itself is higher – at 86% (or 96 out of 112 stores). Much like Westgate, Sylvia Park has 3 of the 5 main department store retailers operating in Auckland.

3.4 Characteristics of Household Sector Activity: Average Floorspace Size

Many of the larger chain store operators either seek a larger floorspace area or higher quality retail floorspace areas. The land use survey has enabled the calculation of average floorspace sizes within each centre. These are displayed in Table 3-3 for both all (retail, hospitality and household services) stores and, as a sub-set, chain stores.

³ That is, the household sector excluding the 'other' category that includes social and transport infrastructure, recreation, education and medical businesses.

Overall, Papakura has an average floorspace size of 223m² (GFA⁴) per business for retail, hospitality and household services businesses combined. The average size is larger for food retail (at 504m²) due to the influence of the supermarkets within this category. The average size of hospitality business and household services businesses are smaller at around 150m².

When considering the chain store component, the average size of food retailers is larger at around 1,700m² as this includes only the supermarkets. Chain store comparison retailers are also larger with an average of around 450m². However, this is heavily influenced by the presence of the larger Farmers department store, with most other chain store comparison goods retailers at less than 300m².

In comparison, the average store sizes within Westgate are considerably larger than in Papakura. Overall, the retail, hospitality and household services component of the household sector has an average store size of 518m² in Westgate. This is over twice the size of the Papakura average (at 223m²).

The larger store sizes within Westgate, relative to Papakura, are predominantly driven by the food and comparison goods retail sectors. Larger supermarkets, together with the absence of any dairies in Westgate, mean that the average floorspace of food retailers (2,400m²) is nearly five times larger than that of Papakura (and over two times larger when considering only chain stores).

Table 3-3: Average Floorspace Size (m²) by Household Sector Category in Papakura and Westgate, 2019


STORE TYPE	ALL STORES (Avg. sqm)			CHAIN STORES (Avg. sqm)		
	Papakura	Westgate	Sylvia Park	Papakura	Westgate	Sylvia Park
Food Retail	504	2,393	6,599	1,674	3,949	6,599
Comparison Retail	246	682	399	455	755	441
Hospitality	148	156	90	172	140	76
Household Services	156	178	129	250	199	141
Other	598	795	968	187	553	2,463
Vacant	249	292	168	-	-	-
Retail, Hosp., Hhld Serv. Combined	223	518	305	550	1,294	870
TOTAL	301	524	329	255	299	212

Source: M.E Land Use Survey, 2019.

Comparison goods retailers are also substantially larger on average in Westgate than Papakura. Westgate comparison goods retailers have an average size of nearly 700m², increasing to around 750m² when only chain stores are included. However, these averages mask the presence of a number of larger format comparison goods retailers within the Westgate mega centres that differ to the types of comparison goods retail offered within Papakura. The overall averages for the comparison goods retailers are brought down by the presence of a high number of comparison goods retailers with smaller shopping mall-based tenancies within the North West Mall.

Sylvia Park sits somewhere between the other two. On average it's retail hospitality and household services sector outlets average 305m². Although this figure would be higher if the larger format retailers across the

⁴ All floorspace estimates contained in this report are expressed as the gross floor area (GFA) to include the net trading space for each store, as well as the back of shop storage areas. The exception are stores within the NorthWest Mall where common floorspace area (e.g. indoor pedestrian areas) have been excluded. This means that the average GFA sizes of Westgate stores are likely to be understated.



road where included. In total, the average footprint is around 329m² – which is little more than Papakura's 301m². The very small food-court footprint of the hospitality offer at Sylvia Park influences this figure as does the small household service outlets – some of which are very small drop off and collect type operations.

3.5 Quality of Floorspace

The land use survey also made observations on the quality of floorspace within each centre. The quality of floorspace is based on the relative appearance of the building containing the floorspace. It is a high-level indicator that reflects the apparent age and condition of the building and does not consider the location of the building. Specific information on the age of the building was not sought and this was based on the impressions of the surveyors only.

Poor quality ratings were used to describe buildings that were relatively run-down, had the appearance of lower quality construction or were older without significant maintenance. Average quality buildings typically reflected older building stock that was maintained, without renovation or improvement, to a tidy standard. Good quality buildings are characterised by newer buildings or existing older buildings that had obvious improvement or renovation.

The land use survey identified a wide range of building quality levels within Papakura. It appears that the building stock has been constructed gradually and incrementally through time, resulting in a mixture of different building ages and types. This contrasts to the main retail areas of Westgate where each component has been constructed as an overall combined development (i.e. a mega centre or a mall). The building stock at Westgate is also considerably more recent than Papakura, resulting in an overall higher quality profile. Using the survey measure, all of the floorspace for the retail, hospitality and household services businesses in Westgate was categorised as either average to good or good quality.

The number of businesses by building quality level is summarised in Table 3-4 for the retail, hospitality and household services businesses component of Papakura (and vacant ground-level floorspace). Overall, it has a considerably lower quality to Westgate where only around one-quarter (27%) of the buildings were categorised as 'average to good' or 'good' quality. Of note, over half of the 'good' quality businesses were located in the newer developments in the edge-of-centre locations. A large part of this quality profile is due to the age of the buildings as nearly half (45%) were rated as 'average' quality, which corresponds to older buildings that are only maintained to their age (i.e. without renovation or unmitigated deterioration).

Table 3-4: Retail, Hospitality and Household Services Businesses by Building Quality and Centre Location in Papakura, 2019

BUILDING QUALITY	LOCATION			TOTAL
	Mainstreet	Side Road	Edge of Centre	
	NUMBER			
Poor	9	32	3	44
Poor to Average	7	19	12	38
Average	68	43	18	129
Average to Good	13	15	4	32
Good	13	8	25	46
TOTAL	110	117	62	289
SHARE BY LOCATION				
Poor	8%	27%	5%	15%
Poor to Average	6%	16%	19%	13%
Average	62%	37%	29%	45%
Average to Good	12%	13%	6%	11%
Good	12%	7%	40%	16%
TOTAL	100%	100%	100%	100%
SHARE BY QUALITY TYPE				
Poor	20%	73%	7%	100%
Poor to Average	18%	50%	32%	100%
Average	53%	33%	14%	100%
Average to Good	41%	47%	13%	100%
Good	28%	17%	54%	100%
TOTAL	38%	40%	21%	100%

Source: M.E Land Use Survey, 2019.

The land use survey found that a substantial proportion (28%) of Papakura's businesses were in buildings that were of 'poor' to 'poor to average' quality. Most of these were located on side roads adjacent to the mainstreet.

Overall, the quality profile of the mainstreet is higher than the side roads adjoining the mainstreet, but lower than that of the edge-of-centre businesses. It should be noted however that there are a number of 'poor' quality buildings in the edge-of-centre locations, but the overall profile is skewed upward due to the presence of a couple of newer edge-of-centre developments.

The quality profile of businesses on the side roads is lower, with nearly half (44%) of businesses in buildings of 'poor' to 'poor to average' quality. Note also that a floorspace quality assessment was not carried out for Sylvia Park.

The spatial distribution of businesses by quality is shown in the map in Figure 3-1.

Figure 3-1: Location of Retail, Hospitality and Household Services Businesses by Building Quality in Papakura, 2019





4 Observations within the Context of the Spatial Role of Auckland's Metropolitan Centres

The key findings of the land use survey suggest that Papakura has a varied role where it contains a diversified range of land uses, with a reasonably significant level of social infrastructure. However, the results also show that it has a relatively low retail role, particularly in relation to its comparison goods retail sector. This is important, as a major effect of the core retail component of metropolitan centres is to attract consumers from across expansive geographic catchment areas.

The land use survey found that Papakura has a limited number of comparison goods retailers, making up only a minor share of the overall retail, hospitality and household services component of the centre. This suggests that Papakura centre does not contain the larger concentrations of comparison goods retail that is characteristic of metropolitan centres. Furthermore, it has not attracted a large number of chain store retailers that tend to seek a centralised location in the larger centres that serves geographically expansive catchment areas. Observations from the land use survey suggest that the presence of these retailers in Papakura may be constrained by the availability and size of building stock in the centre where many of the buildings are older and/or of a lower quality and smaller size than that typically preferred by these types of retailers.

These findings have been further considered within the context of earlier evidence on the spatial operation of Papakura in relation to other metropolitan centres in Auckland. The evidence was obtained from Auckland Council's Retail Evidence Base (REB)⁵ that was used to inform the Auckland Unitary Plan as well as an earlier report⁶ on individual centres within the urban area. While this evidence relates to older data (2011/2012), these patterns are generally relatively well-established and stable through time in the absence of significant additional floorspace construction and can therefore be used as a guide within this context.

Empirical spending data was used in the REB to calculate floorspace productivities in each of Auckland's metropolitan centres. The data also contains a linkage to the customer residential origin within each spending flow. This creates a detailed picture of how each centre operates spatially within the Auckland market, including the catchment area it serves and the spending flows from each part of the catchment to the different centres. Useful metrics from this data for understanding the spatial operation of Papakura (in relation to other metropolitan centres) are outlined in the following sub-sections.

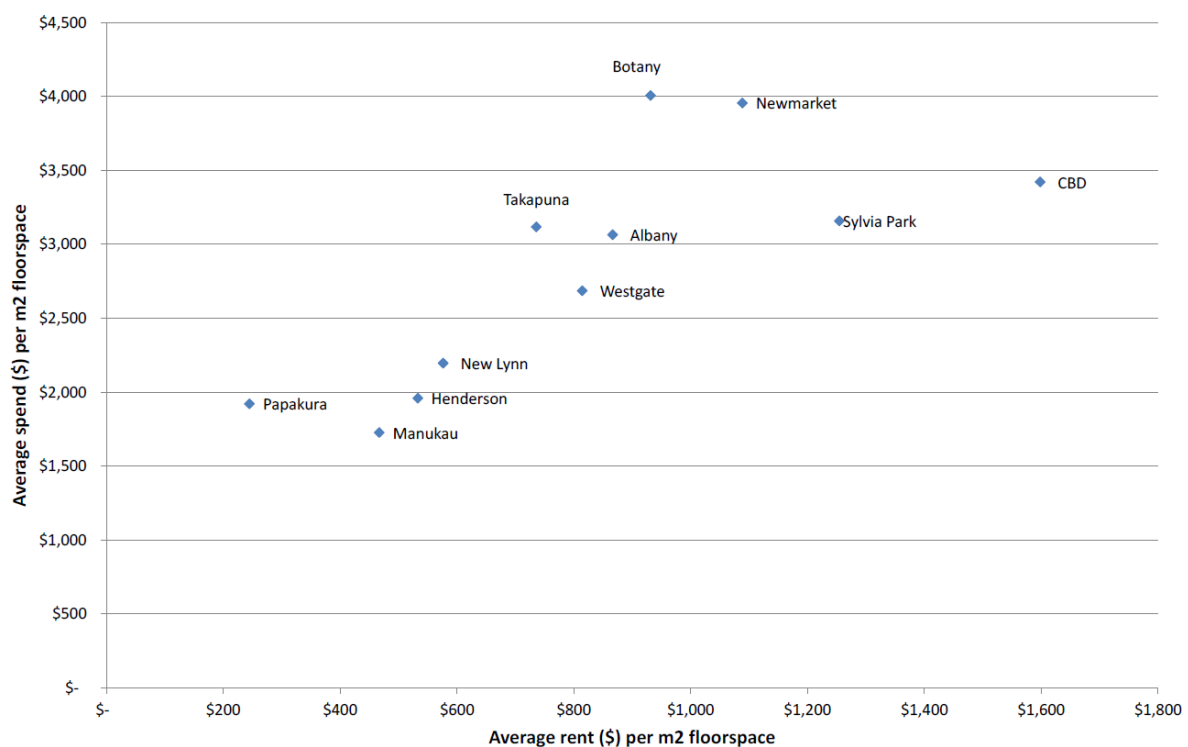
⁵ Fairgray, S. 2013 *Auckland retail economic evidence base*, Auckland Council technical report, TR2013/046.

⁶ Fairgray, S. 2012 *Understanding the geographical relationships between households and retail/services centres across Auckland's urban structure: Centre/area-specific information*, Auckland Council Internal Report 2012/003.

4.1 Floorspace Productivity

The REB contains information on the average floorspace productivity of each metropolitan centre in Auckland. This is shown in Figure 4-1 where floorspace productivity is expressed as the average sales per m2 of floorspace. It also shows the average rental value within each centre, expressed as rent (\$) per m2.

Figure 4-1: Auckland REB: Average Rent and Electronic Sales per m2 of Floorspace in Auckland Metropolitan Centres and the City Centre, 2012/2013



Data source: Colliers International Ltd, Marketview Ltd, and floorspace base established in section 5.

Figure 4-1 shows that Papakura has one of the lowest average floorspace productivities of Auckland's metropolitan centres. At less than \$2,000 per m2 (in 2012), it is less than half that of Botany, the highest performing centre, with sales of around \$4,000 per m2. Manukau has a slightly lower level of floorspace productivity, but this is partly due to the high level of lower productivity floorspace (at the time) in the wider area surrounding the centre.

Figure 4-1 also shows an important correlation of floorspace productivity to average rent, which is an indication of the value of the area. It shows that the higher value areas achieve higher sales turnover, where more successful locations achieve higher rates of trade. Papakura also has a lower average rental value than other metropolitan centres, indicating the lower value of this centre as a major retail location.

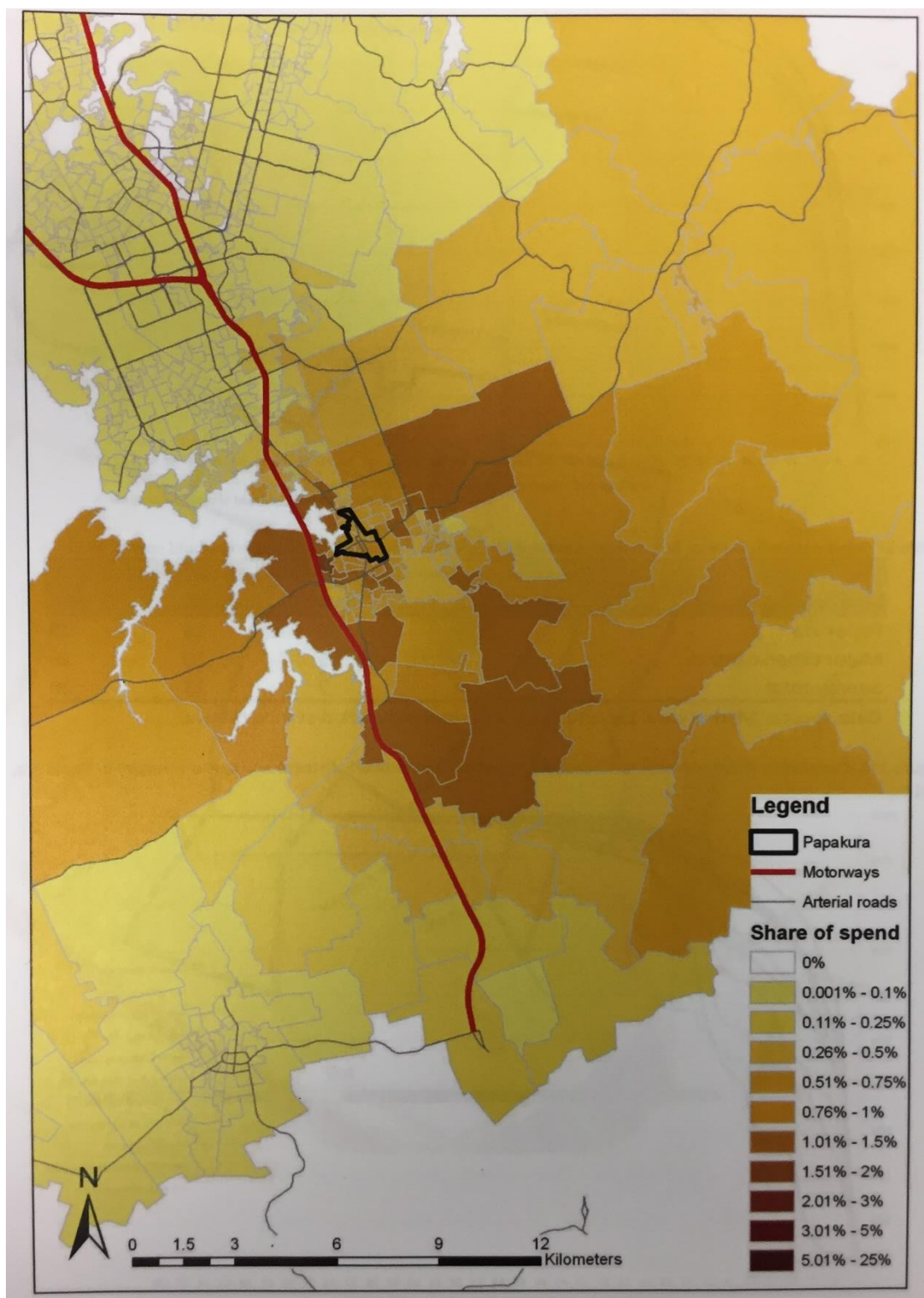
4.2 Distance Metrics of the Catchment Area

The earlier individual centres report shows the catchment area served by Papakura centre in 2011. This is displayed here in Figure 4-2. It shows the share of the centres sales originating from customers living within



each neighbourhood area. Darker shaded areas represent areas where customers make up a higher share of Papakura's sales, and lighter areas, where smaller shares of the demand originate from.

Figure 4-2: Geographical Origin of Auckland Household Spend in Papakura, 2011 (Auckland Council Internal Report)






Figure 4-2 shows that the main trading area of Papakura serves the immediately surrounding residential areas, with its catchment extending out to serve the households located within the peri-urban areas to the south of the centre. It shows limited northern extent of the catchment, which is likely to be due to the presence of other larger centres within the southern part of Auckland's urban area, most notably Manukau.

It is useful to compare the spatial extent of Papakura's catchment area. The same report provides quantitative information on the distance decay effect of each centre where its influence (in terms of market share) decreases with distance from the centre. The report identifies the distance from which different shares of the centres spend originate from⁷. Larger distances represent either centres that have more geographically expansive catchments, drawing customers from across a larger area, or centres that serve more dispersed households in peri-urban/rural areas. Conversely, smaller centres that tend to serve a more local role, typically have a higher share of their sales to customers living more locally to the centre. This would result in lower distances from within which 50% of their spend would originate.

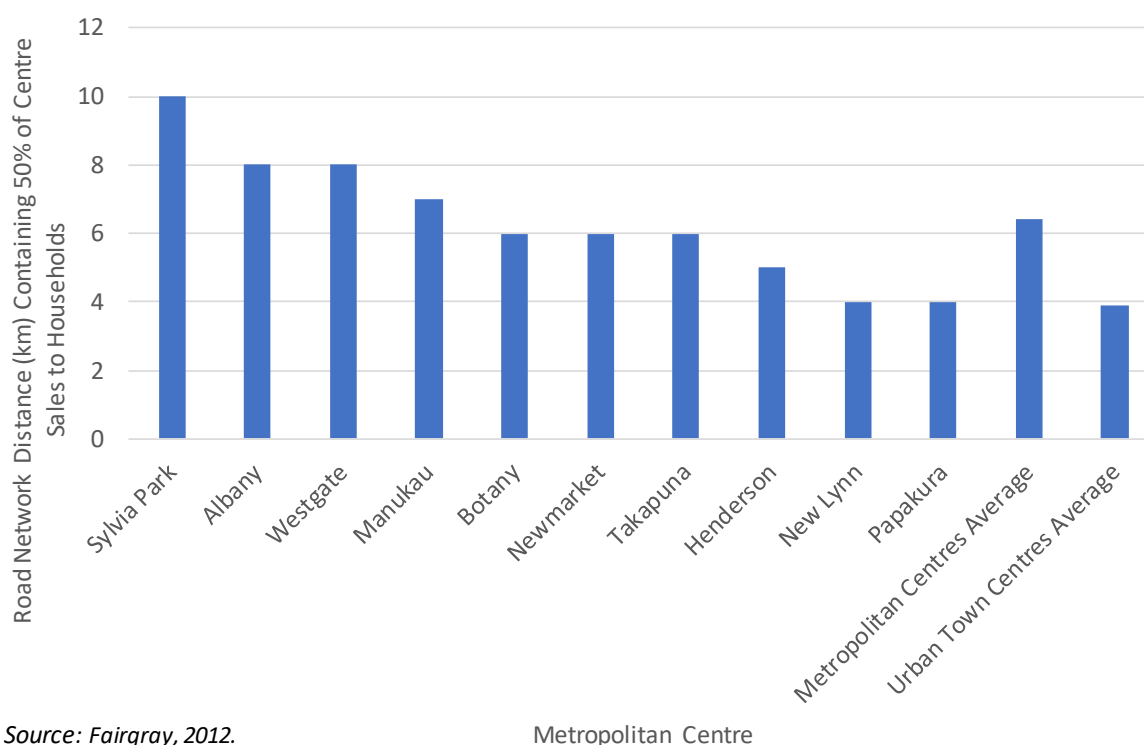
The road network distance from within which 50% of the spend from each of the metropolitan centres originates (as sales to consumers) is shown in Figure 4-3. It shows that 50% of the sales in Papakura centre (in 2011) were to consumers who live within 4 kilometres road network distance of the centre. This is significantly below the average of 6.4 kilometres across all Auckland metropolitan centres. As a further comparison, on average, 50% of the spending at Auckland's urban catchment town centres originates from consumers living within 3.9 kilometres road network distance of the centre.

These distance metrics suggest that Papakura is serving a more localised catchment than other metropolitan centres on average. The distance from which 50% of the consumer spend originates is significantly smaller than metropolitan centres overall, and is similar to the overall urban town centres average.

⁷ For example, the report calculates that customer residential area from which 50% of a centres spend originates – i.e. where the customers live that spend 50% of the sales within a centre. It is calculated on an outward-moving basis from the centre to calculate the distance moving outward from the centre that accounts for 50% of the customer sales. It also provides distances from which 60%, 80% and 90% of customer spend originates.



Figure 4-3: Road Network Distance (Kilometres) Containing Consumers that Represent 50% of Centres Sales (Auckland Council Internal Report)



Source: Fairgray, 2012.

4.3 Spending Flows Between Metropolitan Centres and Catchment Areas

The REB contains further analysis of the spatial spending flows between Auckland's metropolitan centres and their surrounding residential catchment areas. It shows the share of household metropolitan centre spend that occurs at the closest metropolitan centre and the share of spend that occurs in other metropolitan centres.

The REB metropolitan spending flow analysis is summarised in Table 4-1. The analysis allocates each household to its closest metropolitan centre. The table row totals show the total spend from households in each area made across all metropolitan centres in total – e.g. households that live closest to Albany metropolitan centre spend \$238m in total across all Auckland metropolitan centres.

Table 4-1: Auckland REB: Spend Flows from Household Catchments to Auckland Metropolitan Centres (\$m 2012)

Catchment of spend origin	Centre of spend destination										Total	Share of household catchment spend at closest centre
	Albany	Botany	Henderson	Manukau Central	New Lynn	Newmarket	Papakura	Mt Wellington / Sylvia Park	Takapuna	Westgate		
Albany	\$ 197	\$ 3	\$ 2	\$ 3	\$ 1	\$ 11	\$ -	\$ 4	\$ 14	\$ 3	\$ 238	83%
Botany	\$ 2	\$ 158	\$ 1	\$ 22	\$ 1	\$ 13	\$ 1	\$ 29	\$ 1	\$ -	\$ 227	69%
Henderson	\$ 5	\$ 2	\$ 67	\$ 2	\$ 14	\$ 6	\$ -	\$ 3	\$ 1	\$ 14	\$ 115	58%
Manukau Central	\$ 1	\$ 21	\$ 1	\$ 110	\$ 2	\$ 4	\$ 3	\$ 17	\$ -	\$ -	\$ 159	69%
New Lynn	\$ 6	\$ 4	\$ 27	\$ 7	\$ 72	\$ 20	\$ -	\$ 9	\$ 2	\$ 4	\$ 151	48%
Newmarket	\$ 13	\$ 14	\$ 4	\$ 10	\$ 5	\$ 184	\$ 1	\$ 59	\$ 7	\$ 2	\$ 299	61%
Papakura	\$ 1	\$ 18	\$ -	\$ 53	\$ 1	\$ 7	\$ 32	\$ 15	\$ -	\$ -	\$ 128	25%
Mt Wellington/Sylvia Park	\$ 2	\$ 9	\$ 1	\$ 15	\$ 1	\$ 14	\$ -	\$ 45	\$ 1	\$ -	\$ 88	51%
Takapuna	\$ 58	\$ 2	\$ 1	\$ 5	\$ 1	\$ 16	\$ -	\$ 4	\$ 47	\$ 1	\$ 134	35%
Westgate	\$ 19	\$ 1	\$ 18	\$ 1	\$ 3	\$ 5	\$ -	\$ 2	\$ 2	\$ 45	\$ 95	47%
Total	\$ 305	\$ 231	\$ 121	\$ 229	\$ 100	\$ 281	\$ 37	\$ 186	\$ 75	\$ 70	\$ 1,633	59%
Share of centre spend from local catchment	65%	68%	55%	48%	72%	65%	86%	24%	63%	64%		
Net balance of centre	\$67	\$4	\$6	\$70	-\$51	-\$18	-\$92	\$99	-\$59	-\$26		

Within each row, the table shows how the household spend is distributed across the metropolitan centres⁸. As such, it shows the market share of each metropolitan centre within its surrounding household base. It also shows the metropolitan centre spending that is “leaking” out of each metropolitan centre area into other, more distant, metropolitan centres.

Overall, Table 4-1 shows that in 2012 there was some \$1,633m⁹ in spending at Auckland metropolitan centres. It shows that 59% of household metropolitan centre spending occurred at the closest metropolitan centre. The last row on the table shows the net balance for each centre, which shows the net balance between the total sales at each centre and the total spending at all metropolitan centres from households that are located closest to each centre.

It can be seen from Table 4-1 that Papakura is performing significantly below other metropolitan centres. At \$37m in sales, it is around half of the size of Westgate (\$70m), the next smallest centre; and less than one-eighth the size of Albany (\$305m sales).

Papakura only attracts 25% of the metropolitan centre spend from the households to which it is the closest metropolitan centre. This is substantially below all other metropolitan centres where the shares range from 35% to 83%. Larger net spending flows (\$53m) from the households surrounding Papakura go instead to Manukau, with significant shares of demand also being met in Botany (\$18m) and Mt Wellington/Sylvia Park (\$15m). In addition, Papakura attracts only very small shares (total \$5m) of spending from the catchments of other metropolitan centres, with 86% of total sales coming from its immediate catchment – by far the highest share of all centres.

Overall, Papakura has a net balance of -\$92m in relation to the balance of metropolitan centre spend. This is below that of all other metropolitan centres.

⁸ For example, it shows that \$197m of the \$238m spend by Albany households occurs as sales in the Albany metropolitan centre, and \$14m as sales in the Takapuna metropolitan centre.

⁹ This figure represents that electronic transactions from households recorded on the Paymark Eftpos network. This should not be used as an estimation of total sales at each centre as other sales occur through cash, from businesses and tourists, and from other parts of the electronic card network. Rather, it should be used to identify the spatial spending flow patterns and the relativities between different centres.



5 Concluding Comments

Overall, the land use survey has identified a wide and varied range of retail and other household sector activity within Papakura metropolitan centre. It has a significant retail and hospitality function together with a sizeable amount of social infrastructure.

However, the land use survey has also found that the comparison retail component of Papakura is relatively small, making up only 14% of the total household sector floorspace within the centre. This differs to other metropolitan centres where the comparison goods component typically makes up a larger share of the centres, centrally serving geographically extensive catchment areas. It makes up over half (53%) of the household sector floorspace in Westgate, and 60% in Sylvia Park.

Unlike other metropolitan centres, Papakura metropolitan centre has not attracted a high level of comparison goods retail. The land use survey found there were few chain stores that have located within Papakura, which are the stores that typically seek a location in the main urban nodes of retail activity. This is important as the comparison retail function of a metropolitan centre is critical for drawing consumers into a centre from across geographically expansive areas.

The limited nature of Papakura's comparison retail sector may be constrained by the availability of suitable floorspace within the centre. The land use survey found that large shares of the buildings were of 'poor' or only 'average' quality. Meanwhile, higher end retailers that attract customers from the wider geographic areas instead typically seek higher quality floorspace, in some cases, with larger floorspace areas.

The land use survey findings of Papakura's retail sector as consistent with earlier information on Papakura's spatially functioning within Auckland. The REB found that Papakura, as a retail node, performed poorly in relation to other Auckland metropolitan centres. It attracted customers from across a comparatively smaller geographic areas, with a similar catchment extent to Auckland's urban town centre average.

The earlier evidence also found that Papakura had a lesser relative role for surrounding households than other metropolitan centres. Larger shares of retail demand was instead being met in the larger adjacent retail centres.

5.1 Implications for Drury

This has a number of implications for development at Drury, including;

- Drury has the opportunity to provide the range of comparison goods, national and potentially international chains that are not provided in Papakura – and are unlikely to be provided there.
- Due to the very significant leakage and mismatch between what is provided at Papakura and the provisions of other metropolitan centres, development of a Metropolitan scale centre at Drury will have limited impact on Papakura – rather it is likely to meet the needs that are currently flowing out of the Papakura catchment to other Metropolitan Centres across Auckland.
- Papakura's role as a social services centre with significant social infrastructure available is likely to be complimentary to the role that a Metropolitan Centre will play at Drury. Once the Drury centre evolves and the FUZ surrounding Drury is more fully developed, it will be appropriate to provide a complete range of these services at Drury as well.