INSIGHT ECONOMICS

Final Report: 21 October 2025

Economic Assessment of Proposed Kingseat Village Development for Fast-Track Referral

Prepared for:
Kingseat Village Limited

Authorship

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1. Executive Summary

Context

Kingseat Village Limited, Karaka Centre Limited and Karaka Lakeview Limited (**the applicant)** wish to develop a large tract of land in Kingseat, in south Auckland. The proposed two-stage development comprises approximately 1,955 new dwellings plus a small neighbourhood centre and development of the local centre zone within the site (the **proposal**). To expedite development, KVL is seeking consent for the proposal under the Fast-track Approvals Act 2024 (**FTAA**). To assist, this report provides a high-level assessment of the proposal against Criteria 22(2)(a)(iii-iv) of the FTAA from an economic perspective.

Key Findings

Each stage of the proposal will create significant one-time boosts in GDP, jobs, and incomes, particularly during construction.

Over a five-year period, including flow-on effects, we estimate that **Stage 1 development** could have the following national impacts:

- A one-time boost in national GDP of around $504 million;
- Employment for 3,535 FTE-years (or 707 people employed full-time for 5 years); and
- Additional household incomes of over $300 million.

The corresponding national impacts of **Stage 2 development** are:

- A one-time boost in national GDP of around $390 million;
- Employment for 2,750 FTE-years (or 550 people employed full-time for 5 years); and
- Additional household incomes of over $235 million.

Overall, over a ten-year period, we estimate that the development could have the following national impacts:

- A one-time boost in national GDP of around $894 million;
- Employment for 6,285 FTE-years (or 629 people employed full-time for 10 years); and
- Additional household incomes of nearly $535 million.

In addition, the proposed development will generate the following housing market impacts:

- **Significant Increase in Housing Supply**: The proposal enables approximately 1,955 new dwellings, which will help the market be more responsive to growth in demand, thereby reducing the rate at which local house prices grow over time (relative to the status quo).

- **Supporting Strategic Growth at Kingseat:** The proposal enables Kingseat to grow to a scale consistent with the Southern Rural Strategy's vision of a rural village.

- **Land Market Competition**: The proposal will help to foster competition in the local land market, which is a cornerstone of economic efficiency.

- **Providing a Variety of Dwellings**: The proposal caters to a variety of needs and preferences by providing for a range of dwelling typologies, including retirement units for older residents.

- **Fostering Well-Functioning Urban Environments**: Master-planned communities like the proposal provide a strategic and coordinated approach to urban growth, delivering superior economic and social benefits compared to fragmented development.

Finally, the proposal will generate a range of wider economic and social benefits, including:

- **Improved Local Retail / Service Provision**: As future development enabled by the proposal occurs and new residents move to the area, they will help create critical mass to support greater local retail / service provision.

- **Ongoing Local Economic Support**: In addition, once operational, the proposed local and neighbourhood centres will generate steady, on-site employment.

- **Highest and Best Use of Land**: The proposal enables the subject land to be put to its highest and best use, which is a precondition for economic efficiency to hold in the underlying land market.

- **Investment Signal Effects**: The development will provide a strong signal of confidence in the local economy, which may help spur on, accelerate, or bring forward other developments.

Conclusion

Auckland's population is growing, and a steady supply of new homes is needed to accommodate this growth. This proposal addresses that need directly and each development stage:

- Makes a **significant contribution to regional housing supply**; and
- Generates **significant regional economic benefits**.

The fast-track process ensures these benefits are realised sooner than traditional development pathways would otherwise normally allow. On that basis, we support the proposal on economic grounds.

2. Introduction

2.1. Context

Kingseat Village Limited, Karaka Centre Limited and Karaka Lakeview Limited (**the applicant)** wish to develop a large tract of land in Kingseat, in south Auckland. The proposed development comprises approximately 1,955 new dwellings plus a small neighbourhood centre and development of the local centre zone within the site (the **proposal**). To expedite development, KVL is seeking consent for the proposal under the Fast-track Approvals Act 2024 (**FTAA**). To assist, this report provides a high-level assessment of the likely economic effects of the proposal—particularly its impacts on the housing market, GDP, employment, and household incomes. It also considers a range of wider economic effects arising from the development.

2.2. Criteria for Assessing Referral Applications

The FTAA is a new, permanent fast-track approvals regime for projects of national and regional significance. It aims to remove barriers that have historically made it difficult to deliver the infrastructure and development New Zealand needs. Under section 22 of the Act, proposals may be referred to an expert panel for fast-track consenting where the Minister is satisfied that the project meets the purpose of the Act and has the potential to deliver significant regional or national benefits.

In considering whether to refer a project, the Minister may consider a range of factors set out in Section 22(2)(a). To assist decision makers, this report provides an assessment of the proposal against two of those criteria from an economic perspective. Specifically, it considers whether the project:

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).

iv. Will deliver significant economic benefits.

2.3. Structure of this Document

The remainder of this document is structured as follows:

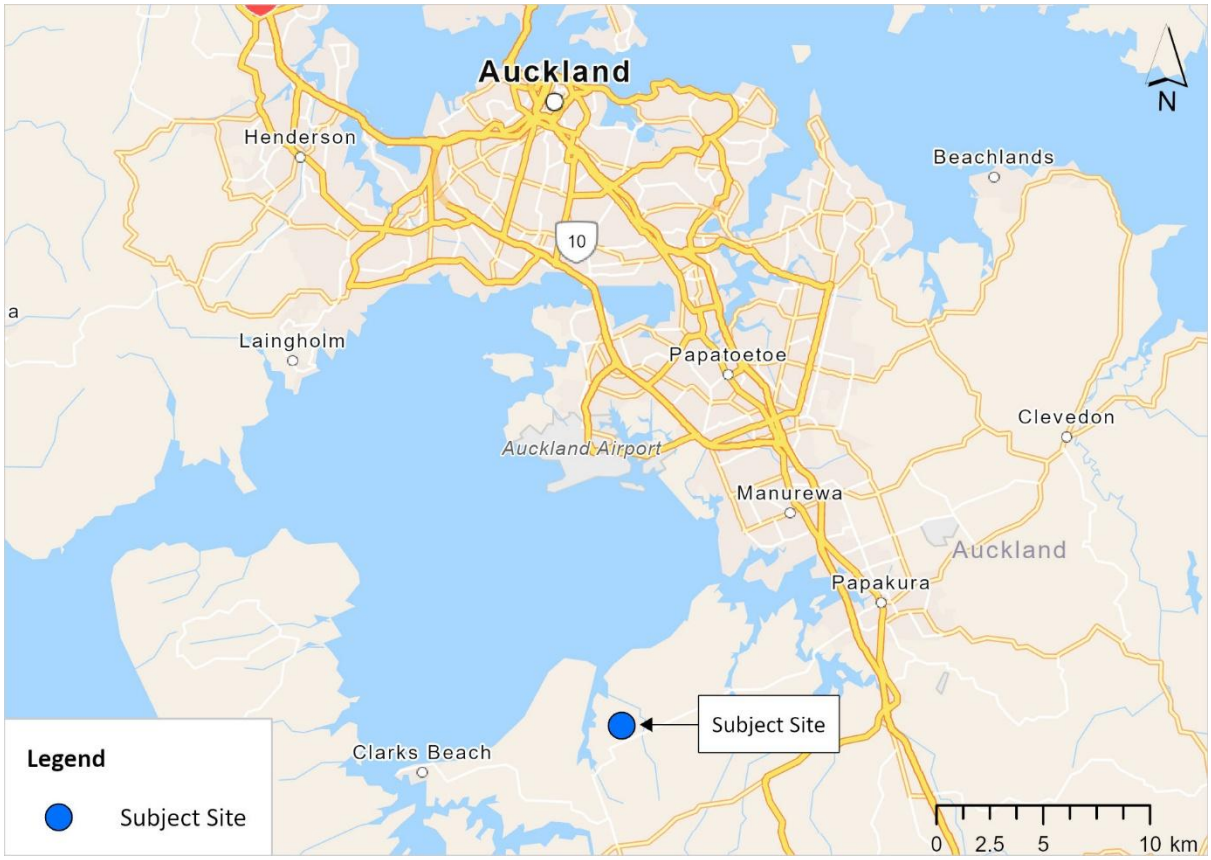
- **Section 3** identifies the subject site and provides indicative development yields.
- **Section 4** estimates the one-time impacts of the proposal's future development.
- **Section 5** estimates the annual impacts of non-residential activities sustained on-site.
- **Section 6** provides context on the local housing market.
- **Section 7** assesses the likely impacts of the proposal on the local housing market.
- **Section 8** considers a range of wider economic impacts of the proposal.
- **Section 9** provides a checklist against the FTAA referral criteria.

3. About the Proposal

3.1. Site Location and Description

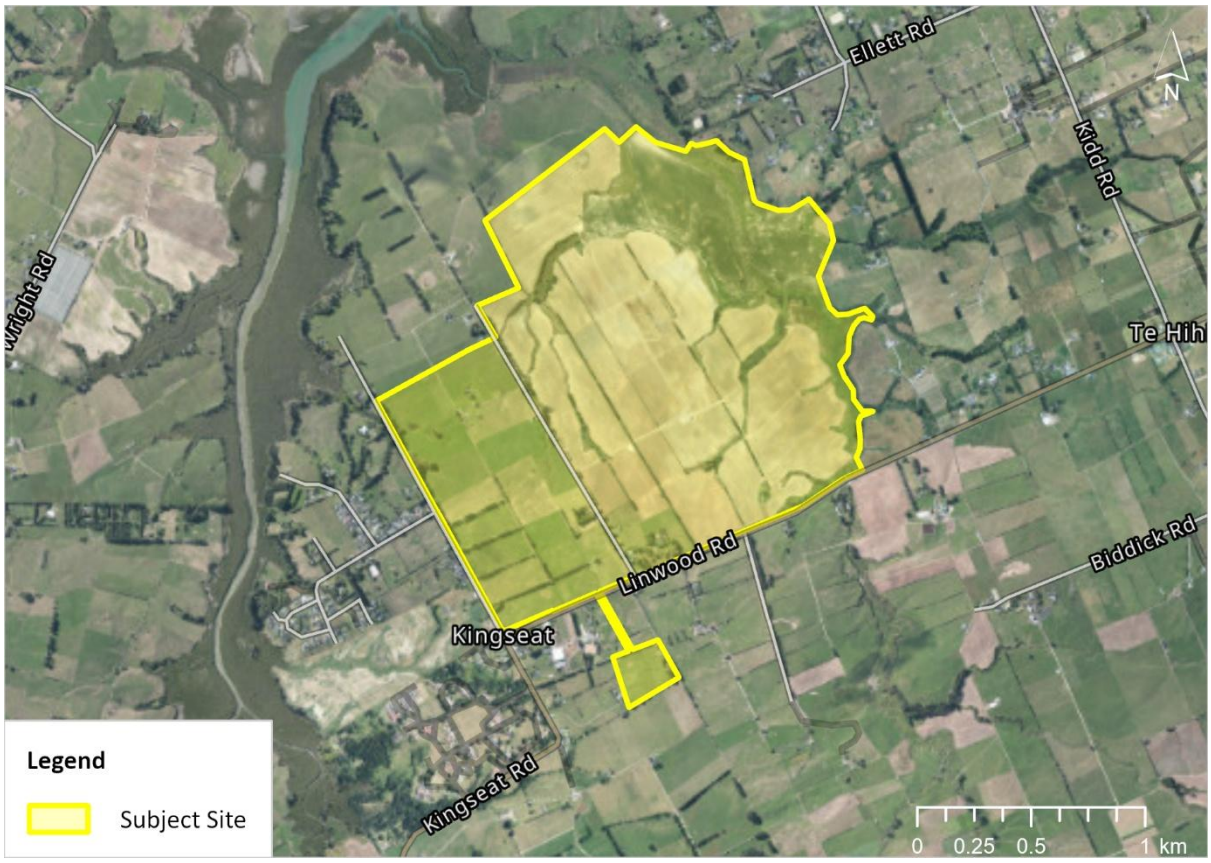
The subject site is located in Kingseat, in south Auckland. Its location is denoted by the blue dot in Figure 1 below.

Figure 1: Location of Subject Site



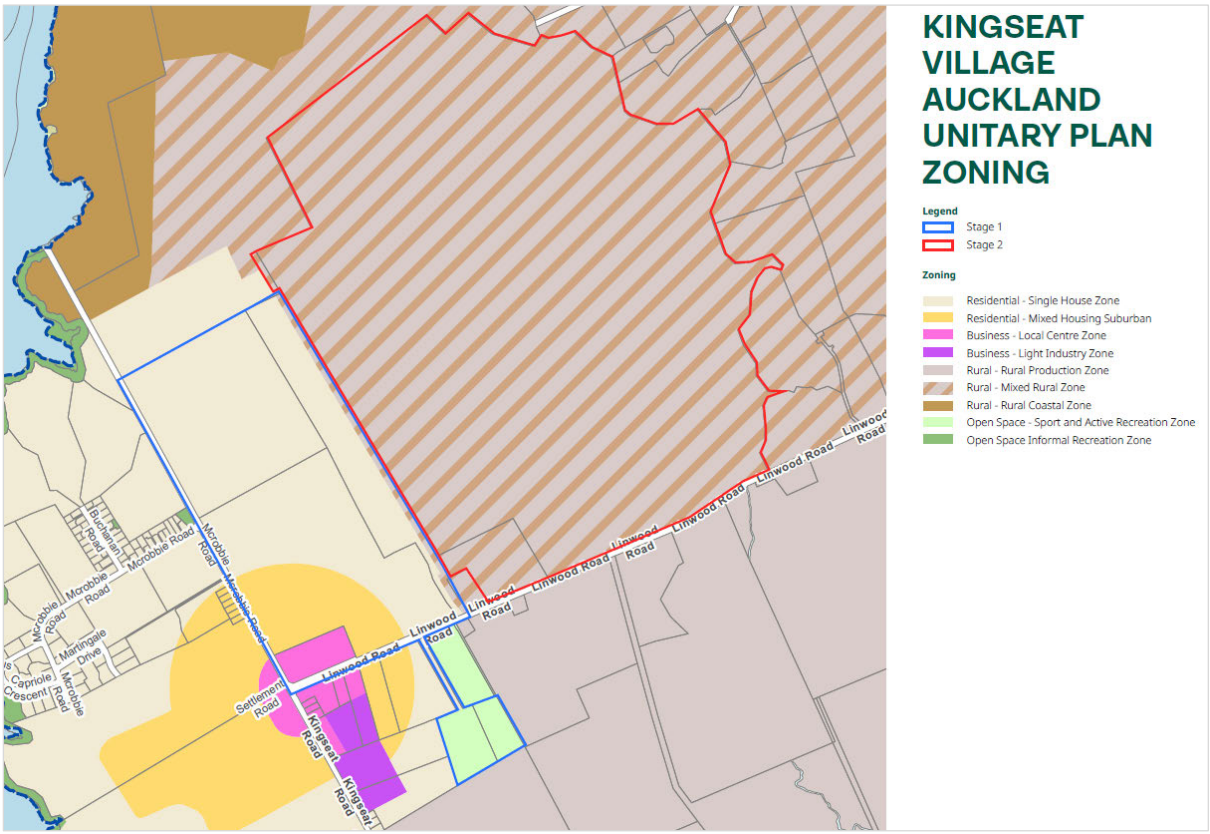
The site spans an area of approximately 297 hectares and is currently used for rural purpose. It is located east of the existing Kingseat residential community and is otherwise surrounded by rural land. This is illustrated in Figure 2 below, which shows the site in its immediate receiving environment.

Figure 2: Receiving Environment



The western portion of the site is predominantly zoned for residential use under the Auckland Unitary Plan, and also includes an open space zone south of Linwood Road and a local centre zone in the southwest corner. The eastern extent of the site is zoned for rural use, as illustrated in Figure 3.

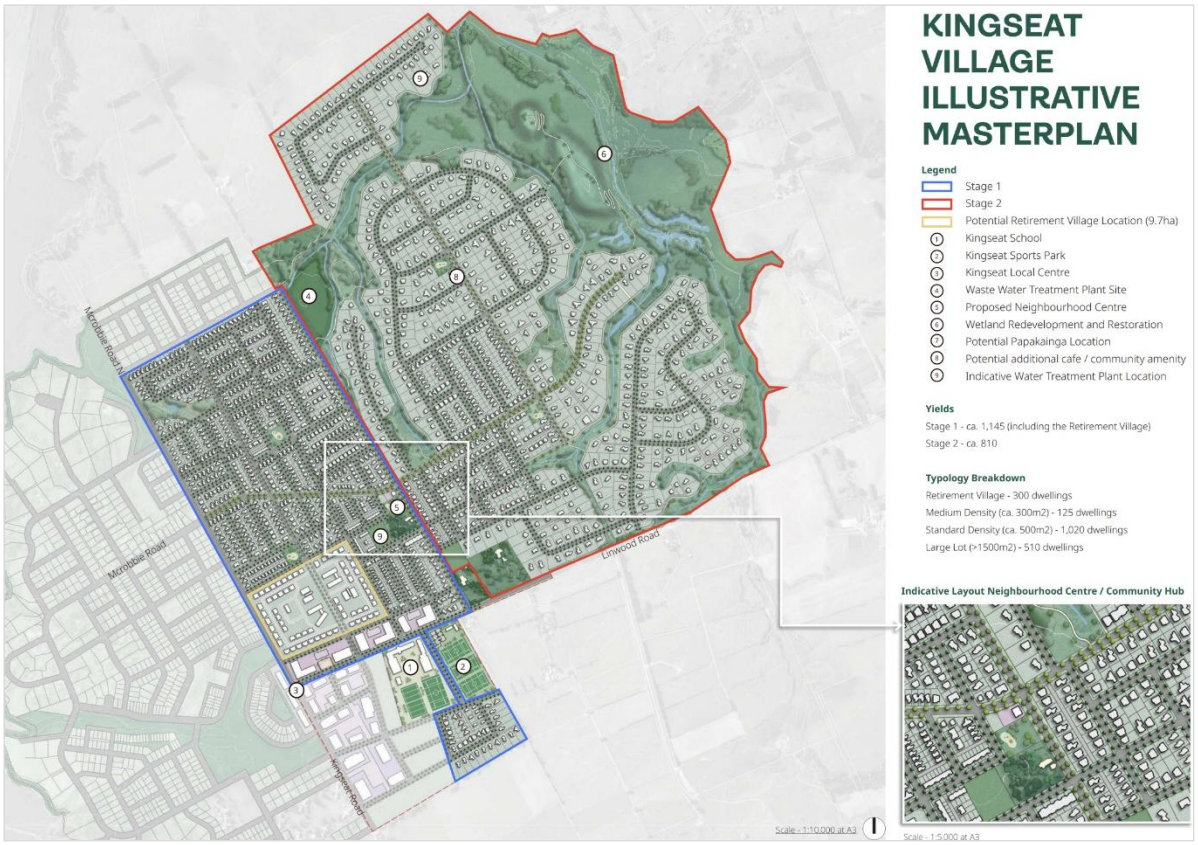
Figure 3: Subject Site Zoning



3.2. Development Stages

The proposed development will occur in two stages as illustrated in the indicative masterplan in Figure 4 below. Stage 1 (delineated in blue) corresponds to the live-zoned part of the site, while Stage 2 (red) will extend the Kingseat community onto the land to the east.

Figure 4: Indicative Masterplan



3.3. Anticipated Development Yields

Overall, the proposed development is expected to deliver approximately 1,955 dwellings of varying types and sizes. While the final dwelling counts are subject to detailed design, the remainder of this assessment adopts an indicative yield of 1,955 dwellings, which corresponds to the indicative masterplan above. Table 1 provides further detail. It shows that the proposal will support a mix of housing types, including retirement village units and homes in a range of sizes and configurations.

Table 1: Anticipated Residential Yields

Type	Stage 1	Stage 2	Total
Retirement Village units	300	-	300
Medium Density	125	-	125
Standard Density	530	490	1,020
Large Lot	190	320	510
Total	**1,145**	**810**	**1,955**

In addition, the masterplan provides for a total of 12,500 m^2 commercial floorspace to support the day-to-day needs of the local community. This is comprised of approximately 11,000 m^2 of local centre floorspace and 1,500 m^2 of neighbourhood centre floorspace.

4. One-Time Impacts of Development

This section estimates the one-time impacts of future development enabled by the proposal.

4.1. Introduction

In the previous section we showed that the proposal could deliver approximately 1,955 new homes plus around 12,500 m^2 of non-residential floorspace. Constructing these new buildings, and preparing the land for development (not to mention installing all necessary infrastructure and obtaining all necessary consents), will have significant one-time economic impacts on GDP, jobs, and wages.

4.2. Methodology

We quantified these one-time economic impacts using a special technique called multiplier analysis, which traces the impacts of additional economic activity in one sector – such as construction – through its supply chain to estimate the overall impacts, including flow-on effects. These comprise two parts:

- **Direct impacts** – which capture all on-site and off-site activities directly related to the proposal's development, e.g., home builders and their various subcontractors and suppliers, some of which will be on-site, and some of which will be off-site.

- **Indirect effects** – which capture additional (supply-chain) impacts arising when businesses working directly on the project source goods and services from their suppliers, who in turn may need to source goods and services from their own suppliers, and so on.

These economic impacts are measured in various ways, including:

- **Contributions to GDP (**or **value-added)** – GDP measures the difference between a business' inputs (excluding wages and salaries) and the value of its outputs. It captures the value that a business adds to its inputs to create its own outputs, hence the term "value-added."

- **Total FTEs** – which equals the total number of full-time equivalent workers employed.

- **Total Jobs** – which is the total number of people employed, i.e., including both part-time and full-time workers.

- **Total wages and salaries** – which equals the total amount paid in wages and salaries.

For example, when a construction firm wins a new project, they will subcontract various parts of the build to other companies, such as glaziers, tilers, plumbers, electricians, etc. Those subcontractors, in turn, will then usually need to source additional materials and services from their suppliers, who may then need to source materials and services from their suppliers, and so on. Multiplier analysis enables the impacts of these supply chain interactions to be captured to estimate the overall impact of the new building project, including its direct and flow-on (supply chain) effects.

4.3. Development Assumptions

Our analysis incorporates various assumptions about the likely scale and cost of future development. Because reliable information was available on likely residential and non-residential yields, we started with those. Specifically, we first estimated the costs of all residential and non-residential construction. Then, we estimated planning/consenting and earthworks/infrastructure costs as percentages of those. Specifically, we estimated planning and consenting costs equal to 2% of total construction costs, and earthworks/infrastructure equal to 20% of construction costs (based on our experience with similar developments elsewhere in New Zealand).

Table 2 displays our residential development assumptions, which include average dwelling sizes by type and associated build costs[1] for 1,955 new dwellings. Overall, residential construction costs are estimated at $955 million in today's dollars.

Table 2: Residential Development Assumptions by Stage

Dwelling Types	# of New Dwellings	Average Size GFA m²	Build Cost $/m² GFA	Total Build Cost $m
Stage 1				
RV units	300	100	$3,200	$95
Standalone (small)	347	150	$3,000	$155
Standalone (large)	398	200	$3,000	$240
Terraces / duplexes	100	100	$2,800	$30
Stage 1 Sub Total	**1,145**	**n/a**	**n/a**	**$520**
Stage 2				
Standalone (small)	341	150	$3,000	$155
Standalone (large)	469	200	$3,000	$280
Stage 2 Sub Total	**810**	**n/a**	**n/a**	**$435**
Totals	**1,955**	**n/a**	**n/a**	**$955**

Next, Table 3 combines our notional estimates of non-residential floorspace with their associated build costs to yield estimated total construction costs of $40 million in today's dollars.

Table 3: Non-Residential Development Assumptions

Non-Residential Uses	Total GFA m²	Build Cost $/m²	Total Cost $m
Convenience Retail	11,000	$3,200	$35
Services/Other	1,500	$3,200	$5
Totals	**12,500**	**$3,200**	**$40**

Based on tables 2 and 3, total construction costs equal $995 million, from which we then derived:

- $20 million for planning, designing, and consenting costs (i.e., 2% of build costs); and

[1] Build costs were based on average values over the year to March 2025 in Franklin Local Board Area, as reported in building consent data.

- $199 million for infrastructure and civil works costs (i.e., 20% of build costs).

4.4. Summary of Development Costs

Table 4 summarises the estimated total cost of the proposal across the four key activities based on the assumptions set out above, which equal $1.2 billion in today's dollars.

Table 4: Summary of Estimated Development Costs ($ millions)

Development Activity	Stage 1 $m	Stage 2 $m	Total $m
Planning/design/consent	$11	$9	$20
Civil works & infrastructure provision	$112	$87	$199
Residential construction	$520	$435	$955
Non-Residential construction	$40	-	$40
Total Development Cost	**$683**	**$531**	**$1,214**

Finally, we mapped these costs[2] to sectors of the regional/national economy, then overlaid the latest economic multipliers to derive the one-off impacts of the proposal, as set out below.

4.5. Estimated Impacts on GDP, Jobs, and Wages

Table 5 presents the one-time impacts of the proposal's development based on the methodology, inputs, and assumptions described above. Each stage is assumed to occur over a 5-year period.

Table 5: One-Time Economic Impacts of the Proposal by Stage

Total Jobs	Stage 1	Stage 2	Total
Direct	1,105	870	1,975
Indirect	2,665	2,060	4,725
Total	**3,770**	**2,930**	**6,700**
Total FTEs			
Direct	1,055	830	1,885
Indirect	2,480	1,920	4,400
Total	**3,535**	**2,750**	**6,285**
Total Wages $m			
Direct impacts	$88	$70	$158
Indirect impacts	$213	$165	$378
Total	**$300**	**$235**	**$535**
Total GDP $m			
Direct impacts	$135	$105	$240
Indirect impacts	$370	$285	$655
Total	**$504**	**$390**	**$894**

[2] This exercise is straightforward for property development projects like this because three of the four key activities identified map directly to sectors in the economic multipliers dataset. Only the fourth activity – planning, design, and consenting – required a more detailed mapping. It was allocated to three sectors: scientific, architectural, and engineering services; legal and accounting services; and advertising, market research, and management services.

In summary, we estimate that:

- Stage 1 development will create full-time employment for 707 people over a 5-year development period, generating total wages/salaries of nearly $300 million;

- Stage 2 development will create full-time work for 550 people over a 5-year period, with $235 million paid in wages/salaries;

Overall, the proposal's development is estimated to provide full-time work for nearly 630 people for 10 years, generating nearly $535 million in wages/salaries, and boosting GDP by $894 million.

4.6. Top 10 Industries by FTEs Employed

To better understand the likely impacts of the proposal's future development,

Table 6 reveals the 10 industries likely to experience the greatest employment boosts. Those top 10 industries account for more than three-quarters of all full-time employment generated by the proposal's development, with the balance spread across numerous other sectors.

Table 6: Top 10 Industries by Annual FTEs Generated during Development

Industries	**Annual FTEs**	**Shares**
Residential building construction	159	25%
Construction services	127	20%
Heavy and civil engineering construction	55	9%
Scientific, architectural, and engineering services	31	5%
Public order, safety, and regulatory services	23	4%
Wood product manufacturing	21	3%
Fabricated metal product manufacturing	20	3%
Legal and accounting services	14	2%
Employment and other administrative services	13	2%
Non-metallic mineral product manufacturing	11	2%
Top 10 Subtotal	**475**	**76%**
All Other Industries	153	24%
All Industries	**629**	**100%**

5. Ongoing Impacts of Future Uses

This section estimates the annual impacts of the proposal's future non-residential uses once built out.

5.1. Introduction

In addition to the one-off economic impacts of the proposal's development just estimated, its future non-residential areas will also sustain ongoing economic activity over time. Accordingly, this section briefly estimates those impacts in terms of annual contributions to GDP, jobs, and wages.

5.2. Methodology

We estimated the potential annual economic impacts of future activity sustained by the proposal by:

1. Quantifying the various non-residential land areas that might establish in the mixed-use neighbourhood and local centres, e.g., commercial properties and convenience retail.

2. Overlaying "land per worker ratios" for each activity type from the latest Business Capacity Assessment (**BCA**) to derive total workers per area at full build-out.

3. Applying the same economic multipliers from the previous section to translate future ongoing employment into corresponding measures of annual GDP and wages/salaries.

4. Summarising the findings in tables, etc.

We now briefly work through each step.

5.3. Inputs & Assumptions

Table 7 shows the land areas and land per worker ratios used in our analysis. Together, they indicate that the proposal's neighbourhood and local centres could sustain employment for approximately 250 workers at full build-out, mostly in convenience retail, but also in some commercial services.

Table 7: Non-Residential Land Areas and Workers at Full Build Out

Non-Residential Areas	Total GFA (m^2)	GFA (m^2)/Worker	Future Workers
Convenience Retail	11,000	50	220
Services/Other	1,500	50	30
Totals	**12,500**	**50**	**250**

5.4. Annual GDP, Jobs, and Wages

Next, Table 8 summarises the annual economic impacts of future activity sustained by the proposal in terms of FTEs employed, GDP contributed, and wages generated.

Table 8: Estimated Annual Economic Impacts of the Non-Residential Area (at full build-out)

Non-Residential Uses	Jobs	FTEs	GDP $m	Wages $m
Convenience Retail	220	169	$14	$9
Services/Other	30	25	$3	$2
Totals	**250**	**194**	**$17**	**$11**

In summary, the proposal's neighbourhood and local centres could sustain the following activity at full build-out:

- Full-time employment for 194 people;
- Annual GDP of $17 million; and
- $11 million paid annually in salaries / wages.

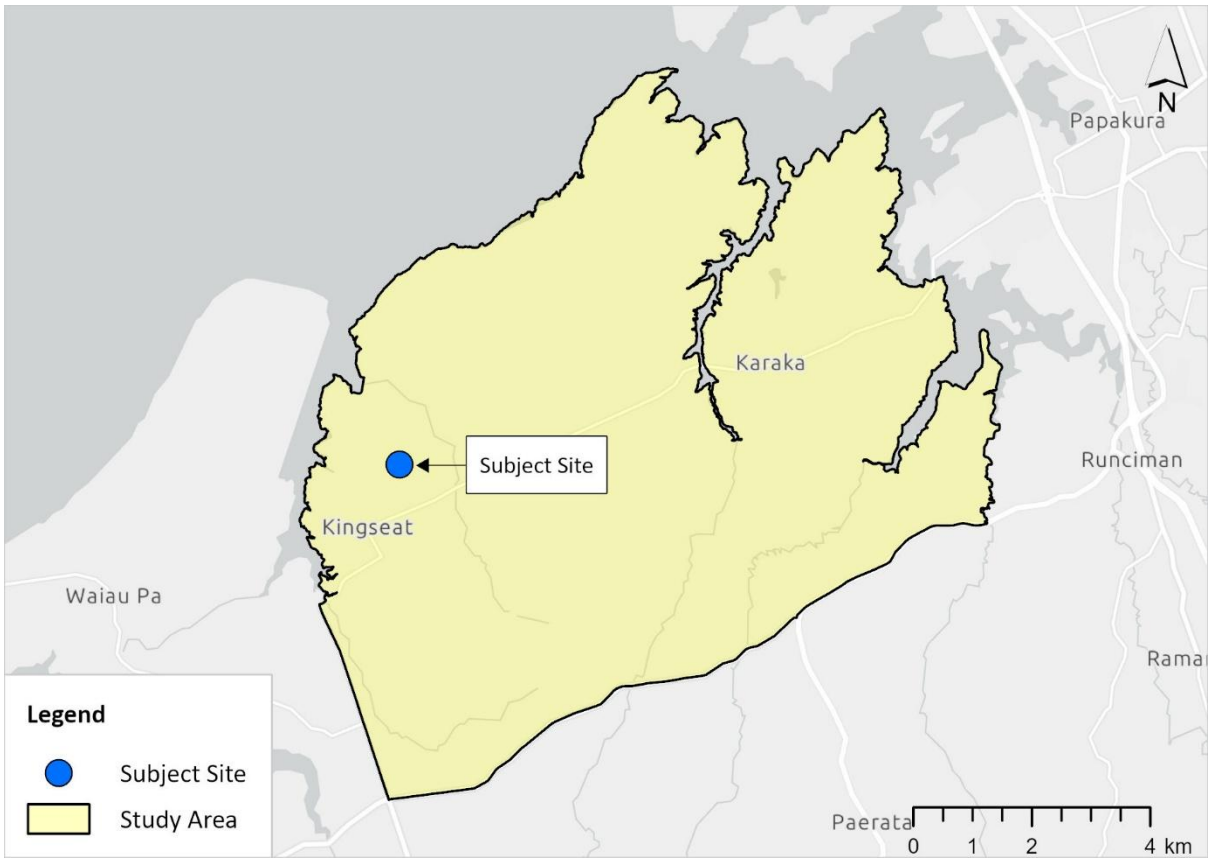
6. Housing Market Context

This section provides context on the local housing market to inform the remainder of the report.

6.1. Study Area

The study area adopted for this section corresponds to the Kingseat-Karaka Statistical Area 2 (**SA2**) unit, as delineated in Figure 5 below.

Figure 5: Study Area



6.2. Demographic Summary

We used detailed data from the 2023 census to compare the demographic profile of existing residents in the study area with Auckland averages. To summarise, compared to Auckland averages, **residents** of the study area are:

- Older, with a median age of 43 compared to 36.3;
- Far more likely to have been born in New Zealand;
- More likely to be self-employed (with or without employees);
- More likely to earn a personal income of $100,000 or more.

In addition, compared to Auckland averages, **dwellings** in the study area are:

- Far more likely to be standalone homes;
- More likely to have four or more bedrooms.

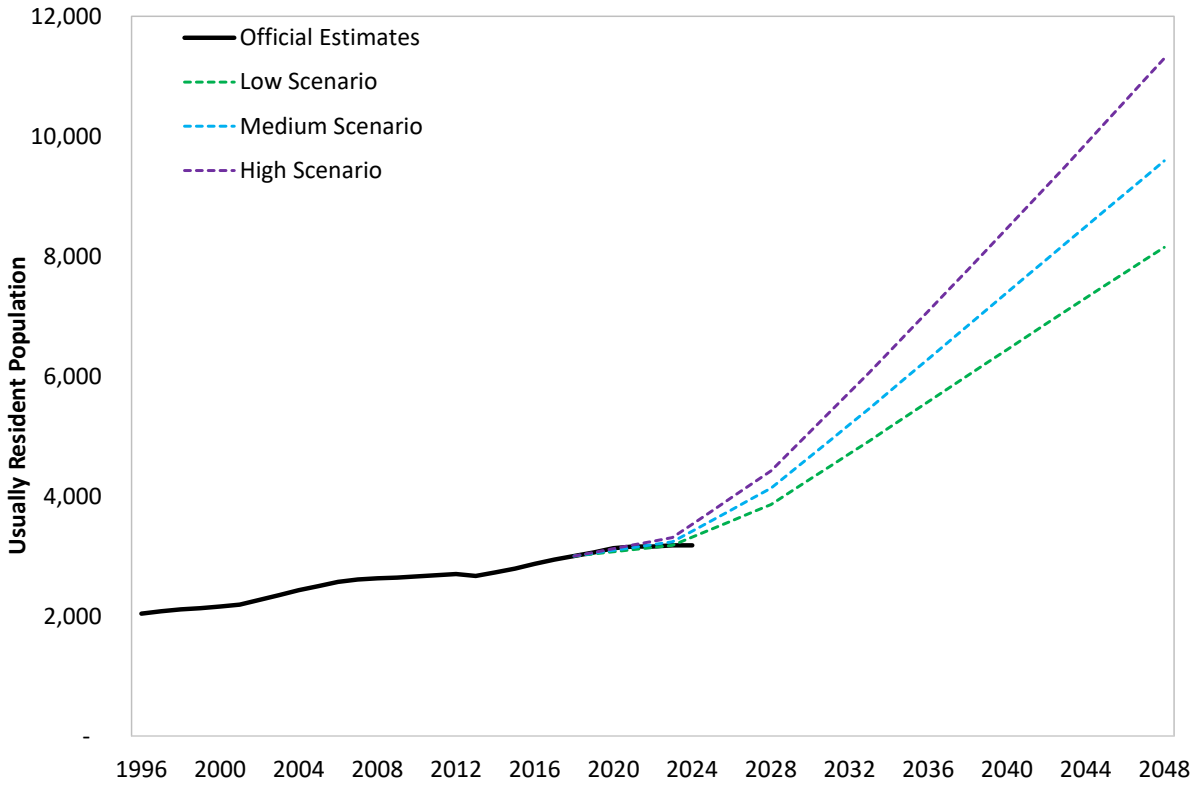
These differences indicate that the study area currently has a different demographic profile to the rest of Auckland.

6.3. Population Growth

The study area has experienced modest but material growth over the past 30-odd years, reaching nearly 3,200 residents as of June 2024. Growth has levelled off since the Covid period, which likely reflects many interrelated factors, including lack of opportunity for growth due to land supply constraints. As a result, the latest Stats NZ population estimates are now tracking below the low-growth scenario.

We understand that Government is likely to require councils to plan for a high-growth scenario. In Franklin, this means ensuring sufficient capacity to accommodate stronger demand if it occurs. As illustrated in Figure 6, there are clear expectations of further growth that have yet to be realised. We expect this proposal to contribute to that growth, helping to align actual outcomes with the envisaged population projections.

Figure 6: Official Population Estimates to 30 June 2024 vs Official Projections



6.4. Strategic Context

The Southern Rural Strategy, adopted by Auckland Council in May 2025, sets a long-term vision for a connected network of rural settlements. Within this framework, Kingseat is envisaged as the rural village for western Franklin, playing a role similar to Clevedon in the east. To fulfil this role, Kingseat requires a sufficient population base to sustain amenities and community facilities. The proposal supports this intent by enabling the existing settlement to grow to the scale needed to function effectively as a rural village.

Further, by providing a broad mix of housing types and consolidating growth around the existing township, the proposal both improves housing choice and helps avoid dispersed, ad-hoc development in the wider rural area. Accordingly, it aligns with the Strategy's vision for resilient, well-serviced rural communities.

7. Housing Market Impacts

7.1. Significant Boost in Housing Supply

The proposal acknowledges and directly responds to the need for more residential land to meet growth in demand over time, by enabling the development of 1,900 to 2,300 new homes over two development stages. All other things being equal, this supply boost will help the market to be more responsive to growth in demand, thereby reducing the rate at which city house prices grow over time (relative to the status quo).

To assess the significance of this supply boost, we reviewed the demand projections in Auckland Council's latest Housing Capacity Assessment (**HCA**)[3] by Local Board Area (**LBA**). For the Franklin LBA, where the site is located, the HCA projects growth of up to around 800 households per annum over the 30 years to 2053. On that basis, Stage 1 development equates to at least 1.4 years of supply for the area, and Stage 2 development at least 1.2 years. On that basis, each stage represents a substantial and highly significant contribution to housing supply from a single proposal.[4]

In our view, the supply boost also satisfies the definition of "significant" in Policy 8 of the National Policy Statement on Urban Development (NPS-UD), which requires authorities to be responsive to significant unplanned or out-of-sequence proposals that would contribute meaningfully to a well-functioning urban environment.

7.2. Land Market Competition

In addition to directly boosting local dwelling capacity, the proposal will also help to foster competition in the local land market. This is important because, as recognised through Objective 2 of the NPS-UD, competition is the cornerstone of economic efficiency. When the land market becomes more competitive, land developers have a greater incentive to get their product to the market in a more timely and cost-effective manner, thus further helping to keep city housing as affordable as possible.

Absent competition, landowners experience "market power", which enables them to charge more for land and be slower in releasing it to the market. Both outcomes conspire against affordability and reduce the overall efficiency of the housing market.

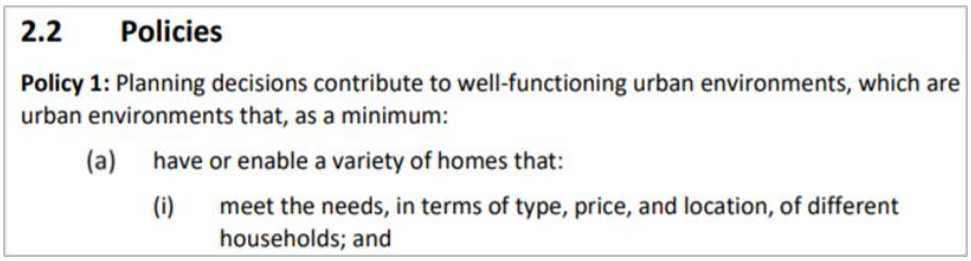
7.3. Providing a Variety of Dwellings

The NPS-UD requires high growth areas, like Auckland, to not only provide at least sufficient capacity to meet future demand in aggregate, but to also provide a range of housing typologies to meet a wide range of needs and preferences. This is shown in the excerpt below, which displays the first part of Policy 1 of the NPS-UD:

[3] Auckland Council. (2023). *Housing and Business Development Capacity Assessment for the Auckland Region 2023*.

[4] Assuming an indicative yield of 1,120 dwellings in Stage 1 and 810 dwellings in Stage 2 as per the indicative masterplan.

Figure 7: Policy 1 of the NPS-UD



2.2 Policies

Policy 1: Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:

(a) have or enable a variety of homes that:

(i) meet the needs, in terms of type, price, and location, of different households; and

The proposal gives effect to this policy by providing a range of housing typologies, including duplex / terraced housing, standalone homes, and retirement villas in various sizes and configurations. The mix of dwelling typologies and section sizes also helps to achieve a variety of price points, further giving effect to the policy.

Further, the proposed retirement village caters to the needs of a specific and growing demographic of active older people who wish to live in a community with those at a similar life stage. Moreover, by providing housing options that cater specifically to the target demographic, this frees up existing housing for more intensive uses—whether for larger families or higher-density redevelopment. For example, older, larger dwellings can be made available for younger families or first homebuyers, for which they are likely to be better suited.

7.4. Helping Foster Well-Functioning Urban Environments

Master-planned communities like the proposal provide a strategic and coordinated approach to urban growth, delivering superior economic and social benefits compared to the alternative (fragmented development). For example, these developments:

- **Achieve economies of scale –** Large-scale development lowers per-unit costs through efficient planning and resource allocation.
- **Optimise infrastructure investment –** Coordinated delivery of roads, utilities, and public services reduces inefficiencies and ensures infrastructure is right-sized and cost-effective.
- **Generate employment –** Provide steady employment for local contractors and tradespeople.

Further, master-planned developments like the proposal create well-connected, vibrant neighbourhoods by:

- **Prioritising walkability and accessibility –** Integrated transport networks encourage active transport, reducing car dependency and promoting healthier lifestyles.
- **Providing essential amenities on-site –** Such as the convenience retail and services (indicatively) anticipated in the proposed local and neighbourhood centres.
- **Enhancing safety through CPTED principles –** Thoughtful urban design improves visibility, deters crime, and promotes secure public spaces.

Finally, unlike fragmented growth, which often leads to inefficiencies, master-planned communities:

- **Prevent inconsistent urban form –** Coordinated development ensures a seamless integration of infrastructure, housing, and amenities.
- **Avoid land banking –** Large-scale projects encourage timely development, addressing housing and infrastructure needs efficiently.
- **Reduce reliance on external infrastructure –** Self-sufficient communities alleviate pressure on existing networks, supporting sustainable urban expansion.

In short, master-planned communities like the proposal not only enhance day-to-day life for residents but also establish a foundation for sustainable, long-term growth that supports a well-functioning urban environment.

8. Wider Economic Impacts

8.1. Project Acceleration

Not only will the proposal provide meaningful employment for a wide range of local workers, as illustrated above, but it will likely progress considerably faster via the FTAA process than would otherwise be the case.

Absent fast-track approval, the proposal is likely to be subjected to a protracted resource consent process that would invariably take significantly longer. Accordingly, the proposal enables the project to commence sooner, thereby allowing the associated economic benefits to be realised sooner too.

8.2. Critical Mass and Support for Local Retail/Service Provision

As future development enabled by the proposal occurs and new residents move to the area, they will help create critical mass to support greater local retail / service provision. This is important, because there are currently only two stores in Kingseat,[5] and the Local Centre zone is yet to be developed. Accordingly, residents tend to rely on centres further afield to meet many of their household needs, which increases demand on the transport network and increases unproductive travel time for people.

To put this in context, we estimated likely future spending originating on the subject site at full build-out by applying average spending from the latest Household Economic Survey.[6] To be conservative, these estimates ignore ongoing growth in annual household income over time. For the 300 retirement village units, we reduced the spending estimate by one-third to reflect smaller household sizes and typically lower consumption levels among older residents. The results are tabulated below and reflect total annual spending by 2,120 new households.

Table 9: Projected Future Spending Originating On-site

Expenditure Group	Annual Spend per RV Unit	Annual Spend per Household	Total Annual Spend ($ millions)
Food	$12,320	$17,600	$35.7
Alcoholic beverages and tobacco	$945	$1,350	$2.7
Clothing and footwear	$1,855	$2,650	$5.4
Housing and household utilities	$17,045	$24,350	$49.4
Household contents and services	$2,065	$2,950	$6.0
Health	$1,855	$2,650	$5.4
Transport	$10,745	$15,350	$31.2
Communication	$1,400	$2,000	$4.1
Recreation and culture	$5,145	$7,350	$14.9
Education	$1,085	$1,550	$3.1
Miscellaneous goods and services	$5,110	$7,300	$14.8
Other expenditure	$7,945	$11,350	$23.0
Total Household Expenditure	**$67,515**	**$96,450**	**$195.8**

[5] A fruit and vegetable store and a takeaway store.

[6] For the North Island (excluding Auckland).

Table 9 shows that future residents of the proposal will spend an estimated $195 million per annum on a wide range of household goods and services. This additional spending will help create sufficient on-site critical mass to support a range of local commercial provision to meet daily needs (potentially) without the need for private motor vehicle travel.

8.3. Socioeconomic Benefits of Retirement Villages

Retirement villages, including that proposed on the subject site, offer numerous socioeconomic benefits, such as:

- **Enhanced Wellbeing**: On-site community facilities encourage social connection and promote an active lifestyle.
- **Safe, Purpose-Built Housing**: Units designed expressly for older adults ensure security, accessibility, and comfort.
- **Greater Accessibility and Affordability**: Economies of scale enable a range of tenure options that cater to diverse financial situations.
- **Ageing in Place**: Residents can retain important social ties as they transition through varying levels of care within the same community.
- **Continuum of Care**: Seamless movement from independent living to managed care avoids the stress and disruption of multiple relocations.
- **Collective Advocacy**: A concentrated population of older adults can enhance their political voice and representation.
- **Health Service Efficiencies**: On-site care services improve the delivery and cost-effectiveness of community health resources.

8.4. Highest and Best Use of Land

The proposal will also enable the land to be put to its highest and best use, which is a precondition for economic efficiency to hold in the underlying land market.

8.5. Investment Signal Effects

Further, the development will provide a strong signal of confidence in the district economy, which may help spur on, accelerate, or bring forward other developments.

8.6. Infrastructure Servicing Cost and Risk

Finally, we have considered whether the proposal might impose unwarranted costs on the wider community via the infrastructure required to service it. In our view, this risk is minimal because:

- We would expect the applicant to fund and deliver all infrastructure works within the site boundary, plus any necessary infrastructure connections.

- Any off-site upgrades that may be required to accommodate the development will be recoverable through development contributions, in line with Auckland Council's policy.
- Three Waters infrastructure will be provided privately and does not rely on public services.

Accordingly, any infrastructure-related costs or risks to Auckland Council – and by extension, the wider community – are expected to be minimal.

9. Conclusion and Checklist

9.1. Conclusion

Auckland's population is growing, and a steady supply of new homes is needed to accommodate this growth. This proposal addresses that need directly and each development stage:

- Makes a **significant contribution to regional housing supply**; and
- Generates **significant regional economic benefits**.

The fast-track process ensures these benefits are realised sooner than traditional development pathways would otherwise normally allow. On that basis, we support the proposal on economic grounds.

9.2. FTAA Criteria Checklist

The following table provides a signpost to where each of the relevant criteria listed in Section 22(2)(a) of the FTAA are addressed in this report.

Table 10: Assessment Against Section 22(2)(a) Criteria of FTAA

Ref	Criterion	Signpost
(i)	Identified as a priority project in government plans or strategies	n/a
(ii)	Delivers new or supports existing regionally/nationally significant infrastructure	n/a
(iii)	Increases housing supply, addresses housing needs, or contributes to a well-functioning urban environment	Sections 7 & 8
(iv)	Delivers significant economic benefits	Sections 4, 5 & 8
(v)	Supports primary industries, including aquaculture	n/a
(vi)	Supports development of natural resources, including minerals and petroleum	n/a
(vii)	Supports climate change mitigation (e.g. reducing greenhouse gas emissions)	n/a
(viii)	Supports climate change adaptation, reduces risk from natural hazards	n/a
(ix)	Addresses significant environmental issues	n/a
(x)	Consistent with local/regional planning documents and spatial strategies	n/a