



Final Report: 22 October 2025

Economic Assessment of Proposed Greenhill Industrial Park for Fast-Track Referral

Prepared for:
Greenhill Industrial Park Consortium

Authorship

This document was written by Fraser Colegrave, Danielle Chaumeil, and Nic Keith.

Contact Details

For further information about this document, please contact us at the details below:

Phone: [REDACTED]

Email: [REDACTED]

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1. Executive Summary

Context

Greenhill Industrial Park Consortium (the **Consortium**) proposes to develop approximately 181 hectares of land in Puketaha, Waikato. The proposed development comprises approximately 161 industrial lots and 25 rural-residential lots (the **proposal**). To expedite delivery, the Consortium 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) and 22(2)(a)(iv) of the FTAA from an economic perspective.

Key Findings

The proposal will create significant one-time boosts in GDP, jobs, and incomes, particularly during construction. Over a 10-year development period, including flow-on effects, we estimate that the proposal could have the following **regional impacts**:

- A one-time GDP boost of approximately \$830 million;
- Employment for 5,420 FTE-years (or 542 people employed full-time for 10 years); and
- Additional household incomes of \$479 million.

In addition, at full build-out, the proposal's non-residential areas could sustain the following activity:

- Full-time employment for 3,555 people;
- Annual GDP of \$471 million; and
- \$265 million paid annually in salaries and wages.

Beyond these core impacts, the proposal will also generate a range of wider economic benefits, including:

- **Significant Boost in Industrial Supply:** The proposal will add approximately 41.9 hectares of new industrial floorspace across a range of lot sizes, directly addressing identified capacity shortfalls.
- **Land Market Competition:** By providing a large supply of freehold industrial land, the proposal will increase competitive pressures in the local market, which is a cornerstone of economic efficiency.
- **Providing for a Range of Industrial Uses:** The proposed lot mix enables a diverse range of industrial and service activities to establish, supporting a well-functioning urban environment as required under the NPS-UD.

- **Support for the Local Economy:** Activities expected to establish on site, such as services, light manufacturing, and warehousing, are sectors with deep supply chains and strong multiplier effects, which will extend economic benefits well beyond the immediate site.
- **Synergies with Adjacent Growth Areas:** The location provides opportunities for agglomeration benefits with the R2 growth cell, the Ruakura Superhub, and the inland port.
- **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 project demonstrates confidence in the regional economy, which may help spur on, accelerate, or bring forward other developments.

Conclusion

Industrial land supply in the wider Hamilton market faces critical constraints. This proposal directly responds to those pressures while:

- Contributing to a well-functioning urban environment; and
- Generating **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 consider the proposal meets criteria 22(2)(a)(iii) and 22(2)(a)(iv) of the FTAA and we support it on economic grounds.

2. Introduction

2.1. Context

Greenhill Industrial Park Consortium (the **Consortium**) wishes to develop approximately 181 hectares of land in Puketaha, in Waikato. The proposed development comprises approximately 161 industrial lots and 25 rural-residential lots (the **proposal**). To expedite development, the Consortium is seeking consent for the proposal under the Fast-track Approvals Act 2024 (**FTAA**).

2.2. Criteria for Assessing Referral Applications

The FTAA is a new, permanent fast-track approvals regime. The purpose of the Act is to facilitate the delivery of infrastructure or development projects with significant regional or national benefits. 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.

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 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. Scope and Structure of this Document

This report provides a high-level assessment of the proposal against the criteria above from an economic perspective. 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** considers a range of wider economic impacts of the proposal.
- **Section 7** provides a checklist against the FTAA referral criteria.

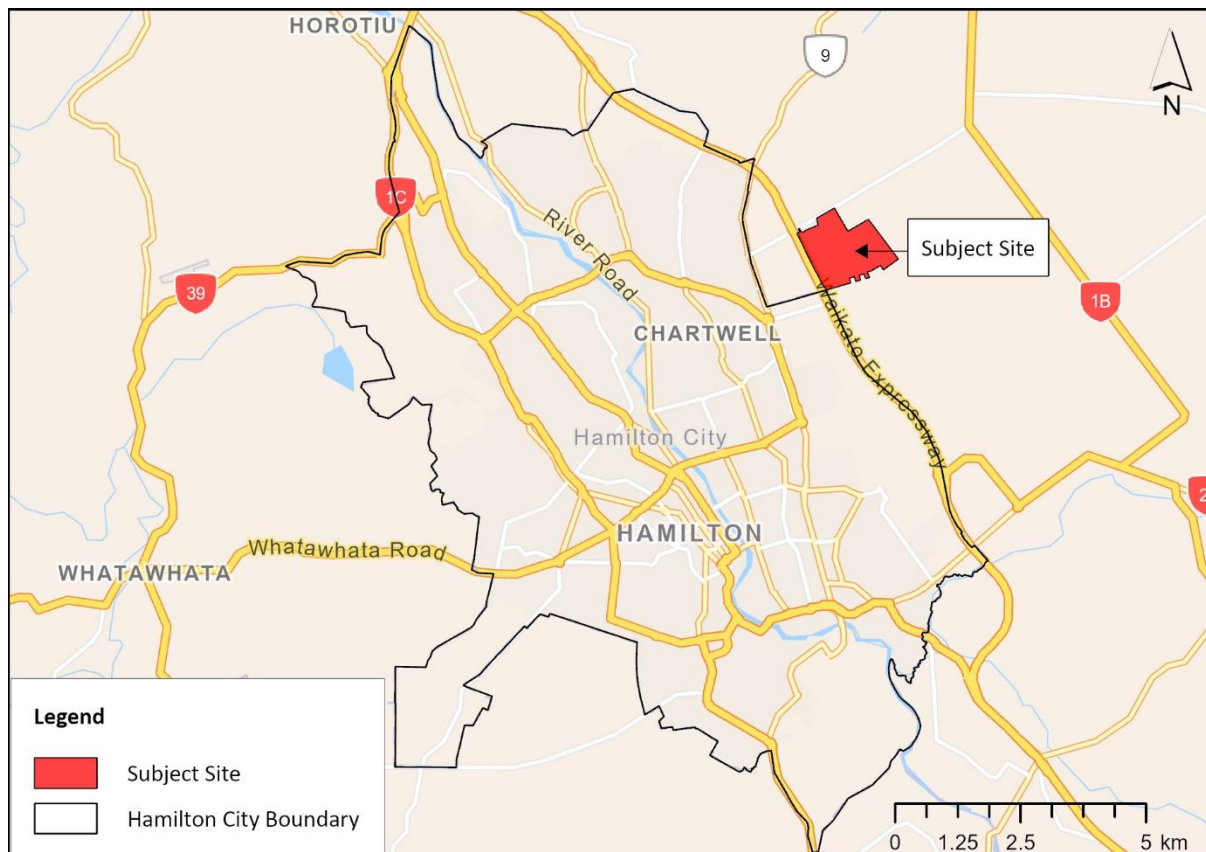
3. About the Proposal

This section identifies the subject site and provides indicative development yields.

3.1. Site Location and Description

The subject site is located across four titles at 133 Greenhill Road in Puketaha, Waikato. Although located within the Waikato District, the site lies adjacent to the Hamilton City boundary. The site's location is shown in Figure 1 below.

Figure 1: Location of Subject Site



3.2. Receiving Environment

The site is bounded by Puketaha Road and rural lifestyle properties to the north, dairying operations to the east, Greenhill Road, Taha Lane, and rural lifestyle properties to the south, and the Waikato Expressway (SH1) and R2 growth cell (R2) to the west. It comprises eight contiguous parcels with a combined area of approximately 181 hectares. Current land uses include rural lifestyle dwellings, dairying, an education facility, and a day-care centre. Figure 2 provides a satellite view of the site and its immediate receiving environment.

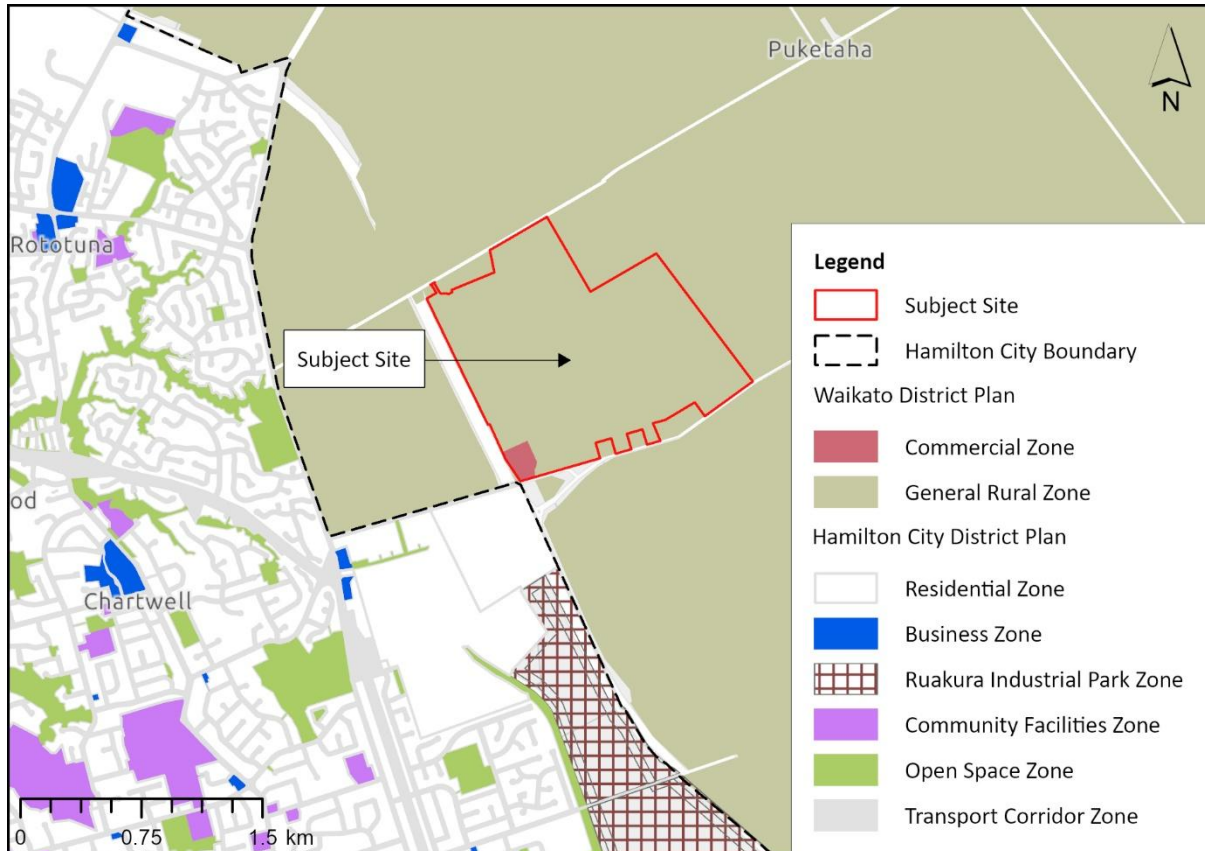
Figure 2: Receiving Environment



3.3. Site Zoning

Under the Waikato District Plan - Operative in Part (**WDP-OiP**), the site is predominantly zoned General Rural Zone (**GRUZ**), with a portion of the southwestern corner zoned Commercial Zone (**COMZ**). To the west of the site, land within Hamilton City is largely zoned for residential use, including the suburban areas of Rototuna and Chartwell. To the south of the site lies the northern extent of the Ruakura Industrial Park Zone, which includes the Ruakura Superhub and inland port. This is illustrated in Figure 3, which shows the zoning pattern of the site and surrounding area.

Figure 3: Subject Site Zoning



3.4. Indicative Masterplan

Figure 4 shows an indicative masterplan for the proposal. The development provides for approximately 161 industrial lots ranging in size from less than 2,500 m² to over 1 hectare, with the majority falling between 4,000 and 6,500 m². This mix will enable a range of industrial and service activities, such as warehousing, light manufacturing, and ancillary commercial uses. The industrial component occupies around 102 hectares of developable land and represents the core yield of the proposal.

Figure 4: Indicative Masterplan



Table 1 below summarises the number of industrial lots anticipated by the proposal by lot size.

Table 1: Anticipated Industrial Lot Yields

Industrial Lot Type	Lot Sizes	Yield	Share
Small Lots	2,500 m ² and less	14	8%
Medium Lots	4,000 – 6,500 m ²	79	53%
Large Lots	6,500 – 9,000 m ²	46	25%
Extra Large Lots	1.0 ha and above	22	13%
Industrial Total	n/a	161	100%

In addition, the proposal provides for 25 rural-residential lots ranging in size from approximately 3,000 m² to 5,000 m². These are located around the site's periphery to provide a cohesive transition to adjoining rural-residential properties.

3.5. Anticipated Development Yields

To estimate potential floorspace, we first applied representative lot sizes to each category. Small industrial lots were assumed at 2,500 m² and extra-large lots at 1 hectare, with the midpoints adopted for medium (5,250 m²) and large (7,750 m²) lot categories. We then applied a floor area ratio (**FAR**) of

0.4,¹ consistent with the Hamilton City industrial average² reported in Cotality's Property Guru database.

For the rural-residential lots, an indicative dwelling size of 260 m² was applied, reflecting the average built footprint of lifestyle dwellings on similarly sized sites within both the surrounding area and the Waikato District's GRUZ. For modelling purposes, a representative lot size of 4,000 m² was used as the midpoint of the range.

Table 2: Indicative Gross Floor Area by Lot Type

Land Use Type	Assumed Lot Size (m ²)	Effective FAR	Average GFA (m ²)	Yield	Total GFA (m ²)
Industrial – Small Lots	2,500	0.40	1,000	14	14,000
Industrial – Medium Lots	5,250	0.40	2,100	79	165,900
Industrial – Large Lots	7,750	0.40	3,100	46	142,600
Industrial – Extra Large Lots	10,000	0.40	4,000	22	88,000
Industrial Sub Total	n/a	n/a	n/a	161	410,500
Rural-Residential Lots	4,000	0.07	260	25	6,500
Total	n/a	n/a	n/a	186	417,000

¹ The floor area ratio (FAR) is calculated by dividing GFA by land area. The FAR for each property was computed, and the median of these values was taken as the representative FAR.

² Although the subject land lies within Waikato District, its position on the Hamilton City boundary means it effectively functions as part of the Hamilton City industrial market. Accordingly, Hamilton City datasets, such as building consent records and Cotality's property data, are used as the relevant benchmarks.

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 42.2 hectares of non-residential floorspace plus 25 new homes. 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 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., 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

Based on the location and nature of the proposal, we assume that 85% of the direct and indirect national one-time impacts accrue to the Waikato region.³

In addition, our analysis incorporates various assumptions about the likely scale and cost of future development. Because reliable information was available on likely development yields, we started with those. We first estimated the costs of all industrial, commercial and 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 3 displays our development assumptions, which include average property sizes by land use type and associated build costs,⁴ for the various activities enabled.

Table 3: Development Build Cost Assumptions

Land Use Type	Yield	Average GFA (m ²)	Build Cost (\$/m ²)	Total Build Cost (\$m)
Industrial – Small Lots	14	1,000	\$2,400	\$34
Industrial – Medium Lots	79	2,100	\$2,400	\$449
Industrial – Large Lots	46	3,100	\$2,400	\$312
Industrial – Extra Large Lots	22	4,000	\$2,400	\$211
Rural-Residential	25	260	\$3,100	\$10
Total	186	n/a	n/a	\$1,016

Based on the table above, total construction costs equal approximately \$1.01 billion, from which we then derived:

- \$21 million for planning, designing, and consenting costs (i.e., 2% of build costs); and
- \$206 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 \$1.01 billion in today's dollars.

³ In some countries, regional I-O tables are commonly used to estimate subnational economic impacts. However, in New Zealand, the regions are generally too small and economically interlinked to produce reliable standalone I-O tables. Regional data is often sparse, outdated, or lacks the industry granularity required for robust modelling. Accordingly, we have used national multipliers and attributed a share of national impacts to the Waikato region.

⁴ Build costs were based on average values over the year to July 2025 in Hamilton City, as reported in building consent data.

Table 4: Summary of Estimated Development Costs

Development Activity	\$ millions
Planning, design, and consent	\$21
Civil and infrastructure	\$206
Residential	\$10
Non-Residential	\$1,018
Total Development Cost	\$1,255

Finally, we mapped these costs⁵ to sectors of the national economy, then overlaid the latest economic multipliers⁶ 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. All activities are assumed to occur over a 10-year period.

Table 5: One-Time Economic Impacts of the Proposal by Activity (spread over 10 years)

	Design	Civil	Residential	Non-Resi	Total
Annual Jobs					
Direct	7	42	2	123	173
Indirect	5	54	4	342	404
Total	12	96	5	465	577
Annual FTEs					
Direct	6	40	1	118	165
Indirect	4	50	4	320	377
Total	10	90	5	438	542
Total Wages \$m					
Direct	\$7	\$39	\$1	\$109	\$155
Indirect	\$4	\$45	\$3	\$273	\$324
Total	\$10	\$84	\$4	\$382	\$479
Total GDP \$m					
Direct	\$11	\$56	\$2	\$181	\$248
Indirect	\$6	\$80	\$5	\$491	\$582
Total	\$17	\$136	\$7	\$672	\$830

In summary, we estimate that:

- Future planning/design/consenting will create full-time employment for 10 people over the 10-year development period, generating total wages/salaries of \$10 million;

⁵ 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.

⁶ Multipliers were derived by Insight Economics using Stats NZ source data, including the Annual Enterprise Survey, Linked Employer-Employee Data, Quarterly Employment Survey, and Monthly Employment Indicators.

- Land development (including infrastructure provision and all other civil works) will create full-time work for 90 people, with \$84 million paid in wages/salaries;
- Residential construction will provide full-time work for 5 people, with \$4 million paid in wages and salaries; and
- Non-residential construction will provide full-time work for 438 people, with \$382 million paid in wages and salaries.

Overall, the proposal's development is estimated to provide full-time work for 542 people for 10 years, generating approximately \$479 million in wages and salaries, and boosting GDP by \$830 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 nearly 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
Construction services	172	32%
Non-residential building construction	75	14%
Heavy and civil engineering construction	52	10%
Fabricated metal product manufacturing	25	5%
Scientific, architectural, and engineering services	19	4%
Public order, safety, and regulatory services	14	3%
Petroleum and coal product manufacturing	13	2%
Wood product manufacturing	12	2%
Employment and other administrative services	11	2%
Non-metallic mineral product manufacturing	11	2%
Top 10 Subtotal	402	74%
All Other Industries	140	26%
Total FTE-years (all industries)	542	100%

5. Ongoing Impacts of Future Uses

This section estimates the annual impacts of the proposal's future industrial and commercial uses once built out.

5.1. Introduction

In addition to the one-off economic impacts of the proposal's development just estimated, it will also sustain significant ongoing economic activity over time. 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. Applying the previously estimated industrial and commercial floorspace and overlaying "GFA per worker" ratios from the latest Business Capacity Assessment (BCA)⁷ to derive total workers per area at full build-out.
2. Applying the same economic multipliers from the previous section to translate future ongoing employment into corresponding measures of annual GDP and wages/salaries.

We now briefly work through each step.

5.3. Inputs & Assumptions

Table 7 shows the floor areas and GFA per worker ratios used in our analysis. Together, they indicate that the proposed development could sustain employment for approximately 3,555 workers at full build-out, mostly in industrial,⁸ but also in some retail and commercial services.

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

Non-Residential Areas	Total GFA (ha)	GFA/Worker	Future Workers
Industrial	41.9	120	3,495
Retail and Commercial	0.3	50	60
Total	42.2	n/a	3,555

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.

⁷ Available here: www.futureproof.org.nz/assets/Future-Proof/Resources/BusinessDevelopmentCapacityReportApril24.pdf

⁸ While the analysis assumes that all employment within the industrial areas will comprise industrial activities, in practice, a small share of ancillary commercial uses such as cafés and lunch bars commonly establish within industrial zones. This assumption yields conservative results, however, as these commercial activities typically have higher employment densities (lower GFA per worker), meaning the total number of workers supported could be marginally higher in practice.

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

Non-Residential Areas	Jobs	FTEs	GDP \$m	Wages \$m
Industrial	3,495	3,246	\$466	\$262
Retail and Commercial	60	49	\$6	\$3
Total	3,555	3,295	\$471	\$265

In summary, the proposal could sustain the following activity at full build-out:

- Full-time employment for 3,295 people;
- Annual GDP of \$471 million; and
- \$265 million paid annually in salaries and wages.

6. Wider Economic Impacts

This section considers a range of wider economic impacts of the proposal.

6.1. 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.

6.2. Significant Boost in Industrial Supply

While the subject land lies within Waikato District, its immediate proximity to Hamilton City and adjacency to the R2 growth cell mean that, for economic and planning purposes, it is best understood as part of Hamilton's industrial land market. Once R2 is developed, the site will form a logical and legible extension of the city's urban footprint. Accordingly, industrial demand and supply in Hamilton City provides the most meaningful context for this assessment.

According to the latest Business Development Capacity Assessment (BCA) prepared for the Future Proof Partners, Hamilton City has sufficient industrial land capacity in the short and medium term, with a deficit emerging over the long term.⁹ This is summarised in Table 9 below.

Table 9: Sufficiency of Industrial Land in Hamilton City including Competitiveness Margin (ha)

Hamilton City	Short Term Land Requirements	Medium Term Land Requirements	Long Term Land Requirements
Total Demand (ha)	61	200	458
Total Supply (ha)	126	214	343
Sufficiency (ha)	64	14	-115

While these city-wide figures suggest overall sufficiency in the short and medium term, they mask important spatial constraints. Table 10 below disaggregates supply and demand by major node. It shows that, with the exception of Ruakura and Te Rapa, no other nodes have meaningful supply coming online across the short, medium, or long term. In fact, Chartwell, Frankton, and the CBD all exhibit deficits at every time horizon, while Te Rapa and the "Other" areas have only marginal sufficiency in the short term before shifting into deficit.

⁹ M.E Consulting. (2024). *Business Development Capacity Assessment 2023* (p. 94). Future Proof Partners: Hamilton City, Waikato District, Waipa District and Waikato Regional Council.

Table 10: Hamilton City Industrial Land Sufficiency including Competitiveness Margin by Node (ha)

Hamilton City Major Nodes	Demand (ha)			Supply (ha)			Sufficiency (ha)		
	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term
Te Rapa	38.5	123.3	236.5	39.6	39.6	149.8	1.1	-83.7	-86.7
Chartwell	0.2	0.6	1.7	0.1	0.1	0.1	-0.1	-0.5	-1.6
Frankton	8.5	31.1	89.9	4.6	4.6	4.6	-3.9	-26.5	-85.3
CBD	2.8	9.7	28.0	0.8	0.8	0.8	-2.0	-8.9	-27.2
Ruakura	1.6	5.1	15.4	66.1	154.9	173.0	64.5	149.8	157.6
Other	9.8	30.5	86.0	14.4	14.4	14.4	4.6	-16.1	-71.6
Total	61	200	458	126	214	343	64	14	-115

This breakdown highlights three key points:

- Hamilton's apparent city-wide sufficiency is heavily reliant on Ruakura, which accounts for more than half of the identified industrial supply. However, much of this land is controlled by Tainui Group Holdings and offered on a leasehold basis. While this node provides significant capacity on paper, it may not meet the needs of businesses that prefer or require freehold tenure.
- Te Rapa contributes some additional capacity, but this is limited relative to projected demand and is quickly exhausted by the medium term.
- Beyond these two nodes, all other locations show persistent deficits, with no new supply identified.

These constraints reduce the flexibility of the industrial market and risk concentrating future growth in a small number of locations. By contrast, the proposal delivers 161 new industrial lots of various sizes over about 102 hectares, enabling approximately 41.9 hectares of additional industrial floorspace. This equates to roughly five years of Hamilton's current medium-term industrial land demand, or around 90 percent of the city's long-term shortfall identified in the table above. The proposal therefore represents a material increase in freehold industrial supply, helping to diversify the market, reduce reliance on Ruakura, and provide businesses with greater locational choice.

In addition, consistent with clause 3.8 of the National Policy Statement on Urban Development (NPS-UD), the proposal would add significant industrial capacity in a location connected to key transport corridors.¹⁰ By directly addressing a clear shortfall in industrial land, it would contribute to a well-functioning urban environment. On this basis, the development warrants particular regard under Policy 8 as an unanticipated but beneficial addition to industrial land supply.

6.3. Land Market Competition

In addition to directly boosting industrial 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

¹⁰ The site's location will enable direct connectivity to the Waikato Expressway (SH1) via the Greenhill Road and Pardo Boulevard interchanges.

competitive, land developers have a greater incentive to bring their product to the market in a more timely and cost-effective manner. 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 industrial market.

6.4. Providing for a Range of Industrial Uses

The proposal provides a range of industrial lot sizes, thereby enabling a variety of activities to establish on the site. For example, smaller lots (such as those less than 2,500 m²) are likely to be suitable for small-scale manufacturing, repair workshops and wholesale businesses, while larger lots may suit light industrial workshops, warehouses and commercial showrooms. This, in turn, helps give effect to Policy 1(b) of the NPS-UD, which requires planning decisions to contribute to well-functioning urban environments that enable a variety of sites that are suitable for different business sectors.

6.5. Support for the Local Economy

While the types of activities enabled by the proposal will be shaped by market demand, they will likely be broadly similar to what is currently occurring in the city’s existing industrial zones. For context, Table 11 below illustrates the top three activities in those areas in March 2025.¹¹ It shows that service industries are the most prevalent activity, comprising 26% of non-vacant land area, followed by light manufacturing (14%) and warehousing (12%).

Table 11: Share of Non-Vacant Zoned Land Area by Activity

Activity	Share
Service	26%
Light manufacturing	14%
Warehousing	12%

These types of activities make a disproportionately large contribution to the local economy. Because of the depth and complexity of associated supply chains, their contribution extends well beyond the direct employment and output generated onsite.

For example, consider pulp, paper, and converted paper product manufacturing. According to national input-output multipliers, every \$1 million of output in this sector directly supports 1.3 jobs, and generates \$0.3 million in GDP. However, the broader economic impact is even more significant. Through its supply chain, this same activity indirectly supports an additional 3.6 jobs, and an extra \$0.6 million in GDP. In other words, the flow-on effects are more than double the direct economic impacts of each dollar invested.

These strong multiplier effects are not limited just to paper manufacturing, either. Similar patterns are observed across a wide range of light and heavy industrial activities. Accordingly, development enabled by the proposal offers an opportunity to significantly enhance the productivity and resilience of the broader regional economy far beyond activities sustained onsite in future.

¹¹ According to Cotality’s Property Guru data.

6.6. Potential Synergies with other Land Uses

The proposal provides an opportunity for businesses to co-locate near, and harness potential synergies with, activities in the adjacent R2 growth cell's industrial development over time and the wider Ruakura Superhub and inland port. Such proximity can generate "agglomeration benefits", where firms gain from being located near one another through shared services, supply-chain efficiencies, and access to a larger customer and labour pool. These effects are particularly relevant for logistics, manufacturing, and distribution activities that depend on proximity to the inland port and related freight services. While these agglomeration benefits cannot be readily quantified at this scale, the proposal's location and connectivity position it to capture them over time as surrounding development progresses.

6.7. Foregone Rural Production

The main potential economic cost of the proposal is forfeiting the subject land for alternative uses, such as rural production. To provide a representative range of this cost, we quantified the direct use values for the three land uses below¹²:

1. Hay and baleage;
2. Sheep and beef farming; and
3. Dairy farming.

National-level metrics of production per hectare for the first activity was extracted from a recent report by Beef+Lamb NZ (Cost of Feed),¹³ while region-specific data for the others were sourced from Beef+Lamb NZ,¹⁴ and the NZ Dairybase,¹⁵ respectively. The table below shows the resulting estimates of rural production per hectare.

Table 12: Production Metrics per Hectare

Productive Use	Output \$	GDP \$	FTEs	Wages \$
Hay and Baleage	3,400	780	0.004	250
Sheep and Beef	2,408	550	0.003	170
Dairy ¹⁶	11,050	2,580	0.013	880
Average	5,600	1,300	0.007	433

As discussed earlier, the site includes 3.2 hectares of land currently zoned COMZ under the WDP-OiP. For modelling purposes, we exclude this area and base our analysis on the remaining 177.6 hectares.

¹² While the site is currently used for dairy farming, we also include hay and baleage, and sheep and beef farming, as these represent two of the most common and plausible alternative uses for rural land in the area.

¹³ Available here: <https://beeflambnz.com/sites/default/files/factsheets/pdfs/fact-sheet-260-Cost%20of%20Feed.pdf>

¹⁴ Available here: <https://beeflambnz.com/industry-data/farm-data-and-industry-production/sheep-beef-farm-survey>

¹⁵ Available here: <https://connect.dairynz.co.nz/EconTracker/>

¹⁶ The assumed dairy output of \$11,050 per hectare is based on the latest 2025 farmgate price of \$10.0 (\$8.0 - \$11.0 range average) per kg of milk solids. Lower prices will lead to lower output per hectare, and vice versa.

We conservatively assume that this balance could be farmed in its entirety.¹⁷ Table 13 below shows the estimated activity foregone if this land were used exclusively for rural production.

Table 13: Estimated Annual Rural Production for Subject Site (177.6 hectares)

Productive Use	Output \$	GDP \$	FTEs	Wages \$
Hay and Baleage	603,840	138,528	0.7	44,400
Sheep and Beef	427,655	97,680	0.5	30,192
Dairy	1,962,480	458,208	2.4	156,288
Average	998,000	231,000	1.2	77,000

Under the highest value scenario assessed, the subject site could theoretically support the following annual economic activity if used exclusively for rural production:

- Output/revenue of \$1.96 million;
- GDP of \$458,000;
- Employment for 2.4 FTEs; and
- Wages and salaries of \$156,000.

These values are negligible, sustaining just two FTE of employment. By comparison, development enabled by the proposal could sustain employment for approximately 542 people for ten years during construction and 3,295 ongoing. On this basis, retaining the land in rural production would represent a very low-value use compared with the significant economic contribution enabled by industrial development.

6.8. Highest and Best Use of Land

The proposal will 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.

The subject site is strategically located adjacent to the Waikato Expressway (SH1) and its associated interchanges, providing direct access to New Zealand's primary north-south transport corridor. This position enables efficient freight movement and distribution across the upper and central North Island and provides seamless connectivity to key urban centres including Hamilton, Auckland, and Tauranga.

Retaining the land in its current rural zoning would forgo an opportunity to accommodate industrial and logistics activities in a location that can capitalise on this nationally significant infrastructure. Industrial development in this location will:

- Support the efficient operation of regional supply chains by reducing freight travel distances and times;

¹⁷ In practice, not all of the land would be available or suitable for productive use due to physical, access, and infrastructure constraints, as well as non-productive areas such as setbacks, waterways, and shelter belts. The estimate therefore represents an upper-bound scenario for potential rural production activity.

- Maximise the value of existing and planned infrastructure investments, including the Expressway and local road upgrades, by enabling them to serve productive economic uses;
- Strengthen Hamilton's role as a regional logistics and manufacturing hub; and
- Avoid inefficient land use patterns and fragmentation that arise when industrial activities are displaced to less accessible or less serviced areas.

Accordingly, rezoning the site for industrial use represents the most economically efficient use of the land given its location, accessibility, and ability to support ongoing regional growth.

6.9. Investment Signal Effects

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

7. Conclusion and Checklist

7.1. Conclusion

Industrial land supply in the wider Hamilton market faces critical constraints. This proposal addresses those pressures directly while:

- Contributing to a well-functioning urban environment; and
- Generating **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 consider the proposal meets criteria 22(2)(a)(iii) and 22(2)(a)(iv) of the FTAA and we support it on economic grounds.

7.2. 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 14: 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 3 & 6
(iv)	Delivers significant economic benefits	Sections 4, 5 & 6
(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