



Final Report: 9 June 2026

Economic Assessment of Proposed Tauwhare Road Development for Fast-track Referral

Prepared for:
Shannon Leigh Trust

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: s 9(2)(a)

Email: s 9(2)(a)

Disclaimer

Although every effort has been made to ensure the accuracy and integrity of the information and analysis presented in this document, Insight Economics Limited and this document's authors accept no liability for any actions, or inactions, arising from its contents and conclusions.

Cover Photo Credit

Google Earth

Copyright

© Insight Economics Ltd, 2026. All rights reserved.

Contents

1.	Executive Summary	3
2.	Introduction	6
2.1.	Context.....	6
2.2.	Criteria for Assessing Referral Applications	6
2.3.	Structure of this Document	6
3.	About the Proposal	7
3.1.	Site Location and Description	7
3.2.	Receiving Environment	7
3.3.	Overview of the Proposal.....	8
3.4.	Anticipated Development Yields.....	10
4.	One-Time Impacts of Development	13
4.1.	Introduction	13
4.2.	Methodology.....	13
4.3.	Limitations	14
4.4.	Development Assumptions.....	14
4.5.	Summary of Development Costs.....	15
4.6.	Estimated Impacts on GDP, Jobs, and Wages	16
4.7.	Top 10 Industries by FTEs Employed.....	17
5.	Ongoing Impacts of Future Uses	18
5.1.	Introduction	18
5.2.	Methodology.....	18
5.3.	Limitations	18
5.4.	Annual GDP, Jobs, and Wages	19
5.5.	Wider Ongoing Employment Impacts.....	19
6.	Agglomeration Effects.....	21
6.1.	Onsite Agglomeration Effects	21
6.2.	Offsite and Spillover Effects	21
7.	Housing Market Impacts	23
7.1.	Boosting Housing Supply.....	23
7.2.	Supporting Housing Market Efficiency.....	23
7.3.	Catering to a Variety of Needs and Preferences	23
7.4.	Boosting Retirement Village Supply.....	24
8.	Wider Economic Impacts	26
8.1.	Critical Mass and Support for Nearby Centres.....	26
8.2.	Socioeconomic Benefits for Older Residents	27
8.3.	Responding to the Need for Care Beds.....	27
8.4.	Support for Primary Industries	28
8.5.	Putting Land to Higher and Better Uses.....	29
8.6.	Investment Signal Effects.....	29
9.	Potential Economic Costs.....	30
9.1.	Foregone Rural Production	30
9.2.	Infrastructure Servicing Cost and Risk	31
10.	Project Acceleration	32
10.1.	Timing of Economic Benefits.....	32
11.	Conclusion and Checklist.....	33
11.1.	Conclusion.....	33
11.2.	FTAA Criteria Checklist.....	33

1. Executive Summary

Context

Shannon Leigh Trust (the **applicant**) proposes to develop a comprehensively planned mixed-use development at 1073 Tauwhare Road, Tauwhare, in the Waikato region. The proposal, known as *The Rest*, integrates an agri-education institute, a retirement village, rural lifestyle living, and small-scale commercial activities within a coordinated and serviced rural setting.

To expedite delivery, the applicant seeks consent under the Fast-track Approvals Act 2024 (**FTAA**). This report provides a high-level assessment of the proposal's economic effects to inform evaluation of the referral criteria in section 22 of the Act.

Key Findings

Significant One-Time Economic Impacts

Developing the proposal entails significant initial planning and design, followed by site preparation, infrastructure provision, and building construction across multiple residential and non-residential components. Assuming a five-year development period, and based on indicative total development costs of approximately \$201 million, the proposal is estimated to have the following one-time economic impacts:

- Around **830 FTE-years of employment** (equivalent to approximately 166 full-time workers employed for five years);
- Approximately **\$122 million** in GDP; and
- Around **\$71 million** in wages and salaries.

Ongoing Economic Activity

Once fully operational, the proposal's education, care, commercial, and support functions will sustain ongoing jobs and economic activity. At full build-out, the development is estimated to support the following on a permanent annual basis:

- Approximately **88 FTEs** (spread across around 107 workers);
- Around **\$10.3 million** in annual GDP; and
- Approximately **\$6.2 million** in annual wages and salaries.

These roles will span a wide range of occupations and skill levels, including education and training staff, care workers, administration, retail and hospitality staff, maintenance, and support services, providing stable year-round employment within the Waikato region.

In addition to the quantifiable one-time and ongoing economic impacts of the proposal, as just summarised above, there will also be broader economic benefits, such as:

Responding to the Need for Care Beds

The proposal delivers new, purpose-built care capacity in a sub-region where demand for aged residential care is rising strongly but new supply has not kept pace. By integrating up to 30 modern care suites within a larger retirement living community, the proposal makes a direct contribution toward addressing identified shortfalls in care provision within Waikato District and the wider Future Proof sub-region.

Socio-Economic Benefits for Older Residents

Purpose-designed accommodation, shared amenities, and integrated care services support independence, safety, and social connection for older residents. The ability to age in place within a single, cohesive community reduces disruption, supports continuity of care, and contributes to improved wellbeing outcomes over time.

Housing Market Efficiency

By providing a local downsizing option for older households, the proposal supports more efficient use of the existing housing stock. Movement of residents into purpose-built retirement accommodation is likely to release larger dwellings back to the market, improving housing fluidity and choice for other households.

Agglomeration Effects

The proposal's integrated mix of education, retirement living, rural residential dwellings, and local commercial activity creates opportunities for agglomeration benefits that would not arise if these uses were developed in isolation. Co-location of these activities supports shared demand for services, amenities, and labour, improving the viability and efficiency of each component. The resulting concentration of residents, students, staff, and visitors helps sustain local services, supports small-scale commercial activity, and strengthens functional linkages between complementary uses, generating economic benefits beyond the direct employment and GDP impacts of the proposal.

Support for Nearby Centres

The proposal will introduce a concentrated resident, worker, and student population within a semi-rural location between Hamilton, Cambridge, and Morrinsville. Ongoing household and visitor spending will support nearby centres and service areas, strengthening the viability of existing retail, service, and community amenities in the surrounding area.

Support for Primary Industries

The agri-education institute provides industry-aligned training with a strong practical focus, supporting workforce development for the food and fibre sector. By strengthening education and training pathways, the proposal contributes to the long-term productivity and resilience of primary industries in the Waikato. In addition, the institute is expected to support regional labour force retention, as trainees are likely to be drawn in part from the Waikato and surrounding rural catchments, where there is an existing base of agricultural activity and employment. By providing locally accessible, industry-relevant training, the proposal reduces the need for workers to leave the region to obtain qualifications and increases the likelihood that graduates remain in, or return to, the Waikato labour force.

Higher and Better Use of Land

The proposal enables a shift from low-intensity rural use to a more productive and diverse mix of activities, including education, housing, care, and local services. This represents a more efficient use of land and aligns with principles of economic efficiency and optimal land allocation.

Investment Signal Effects

Delivery of a large, capital-intensive and master-planned development signals confidence in the region's medium- to long-term economic outlook. Such investment can reduce perceived market risk and help spur on additional private investment over time, particularly in sectors with long payback periods.

Accelerated Delivery via FTAA

The FTAA provides a streamlined approval pathway with reduced consenting risk and shorter statutory timeframes compared with standard RMA processes. This will materially accelerate delivery of the proposal, bringing forward both the construction-phase stimulus and the ongoing operational and housing-related benefits.

Conclusion

The proposal will deliver significant and enduring economic benefits to the Waikato region. It generates substantial one-off and ongoing employment, addresses identified housing and care needs, supports primary industries, and enables more efficient use of land. The inclusion of the agri-education institute also strengthens regional workforce capacity by providing locally accessible, industry-aligned training, supporting labour force retention and contributing to a more stable and skilled workforce for the food and fibre sector. With minimal economic downside and accelerated delivery through the FTAA, the proposal is supported on economic grounds.

2. Introduction

2.1. Context

Shannon Leigh Trust (the **applicant**) proposes to develop a comprehensively planned mixed-use development at 1073 Tauwhare Road, Tauwhare, in the Waikato region, bringing together an agri-education institute, a retirement village, rural lifestyle living, and small-scale commercial activities within a serviced rural setting (the **proposal**).

To expedite development of the proposal, the applicant is seeking consent 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.

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 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 (**NPS-UD**)).
- iv. Will deliver significant economic benefits.
- v. Supports primary industries, including aquaculture.

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 ongoing impacts of non-residential activities sustained on-site.
- **Section 6** outlines the likely agglomeration effects arising from the proposal.
- **Section 7** assesses the likely impacts of the proposal on the housing market.
- **Section 8** considers a range of wider economic impacts of the proposal.
- **Section 9** assesses the potential economic costs of the proposal.
- **Section 10** describes how the FTAA process would accelerate delivery of the proposal.
- **Section 11** provides a conclusion and checklist against the FTAA referral criteria.

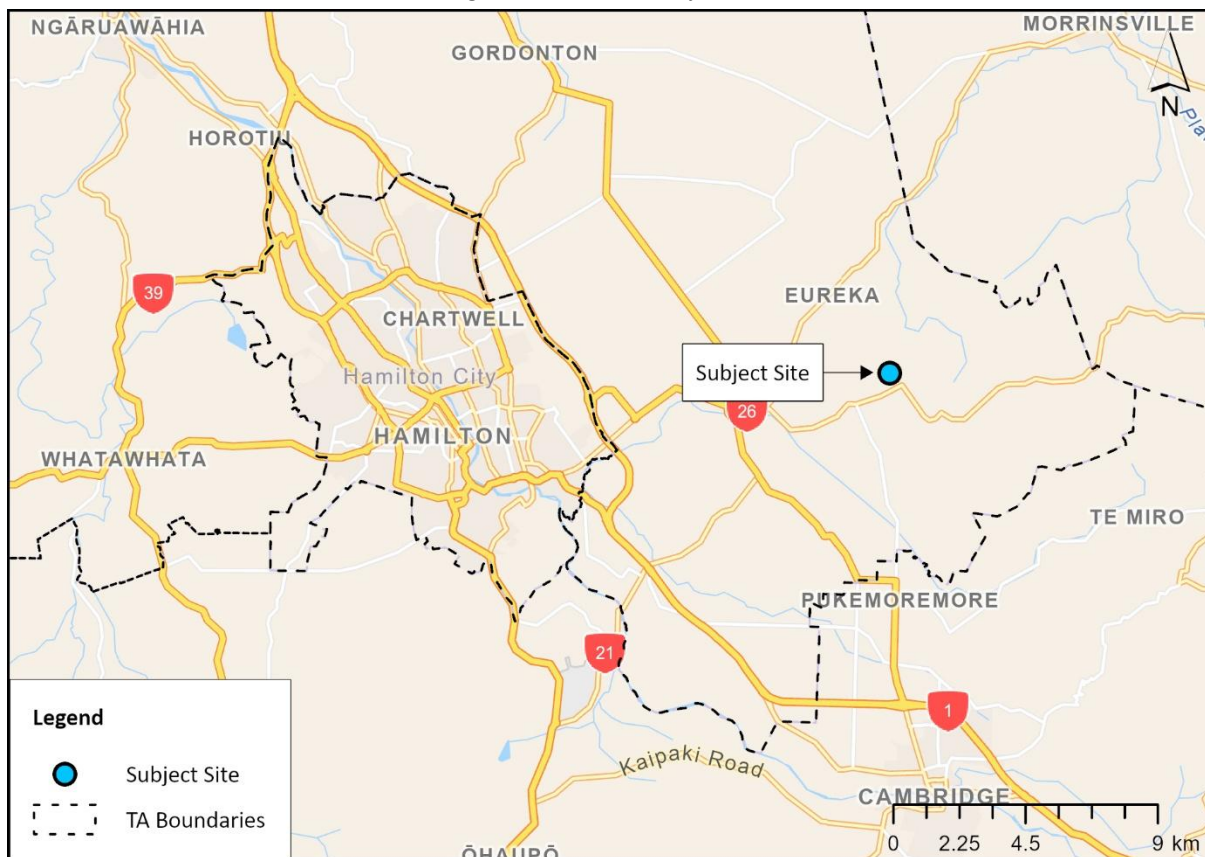
3. About the Proposal

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

3.1. Site Location and Description

The subject site is located at 1073 Tauwhare Road, within the rural settlement of Tauwhare in the Waikato District. The site has direct frontage to Tauwhare Road and is centrally positioned between Hamilton, Cambridge, and Morrinsville, with typical travel times of approximately 15-20 minutes to each centre. Hamilton Airport is located around 15 minutes to the west. The site's location is denoted by the blue dot in Figure 1 below.

Figure 1: Location of Subject Site



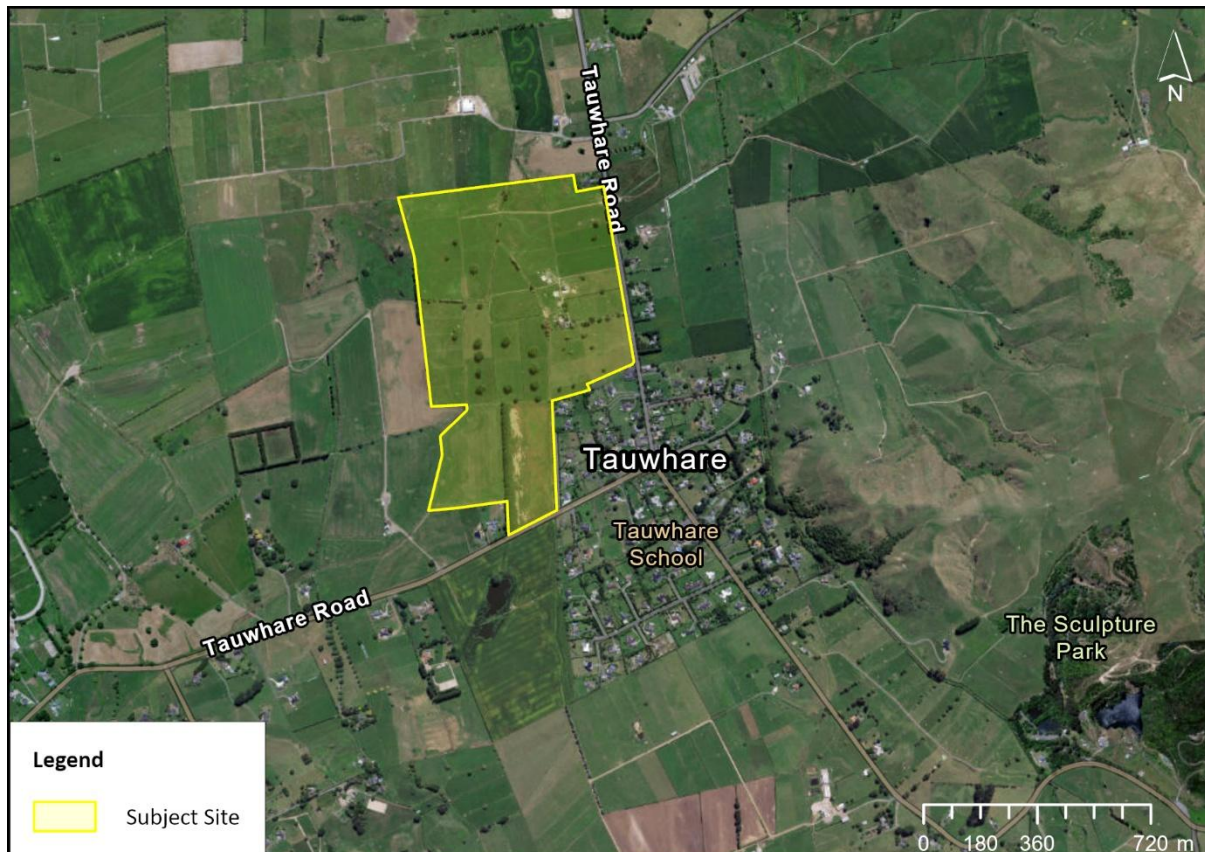
The site spans an area of approximately 55 hectares and is zoned Rural Zone under the Waikato District Plan (Operative) and General Rural under the Waikato District Plan (Operative in Part).

3.2. Receiving Environment

The site is characterised by pastoral land use, with a mix of farming and rural residential activity in the surrounding area. Tauwhare village lies immediately to the west and includes community facilities such as Tauwhare School and the local community hall. The broader receiving environment is predominantly rural in nature, with lifestyle blocks, productive farmland, and some non-residential activity.

The land is generally flat to gently undulating, with areas of modified watercourses and farm drains traversing the site. These features form part of the wider Tauwhare catchment and present opportunities for integrated stormwater management, riparian planting, and blue-green networking as part of future development. Multiple road frontages provide flexibility for access and internal circulation. Figure 2 provides a satellite view of the site and its receiving environment.

Figure 2: Receiving Environment



3.3. Overview of the Proposal

The proposal, known as **The Rest**, is a comprehensively master planned mixed-use rural development that integrates an agri-education institute, rural residential living, a retirement village, and a small-scale commercial centre within a coordinated and serviced environment.

The northern portion of the site is proposed to accommodate an **agri-education institute**. The institute is intended to provide a combination of teaching facilities, practical training spaces, workshops, accommodation, and supporting agricultural infrastructure. The concept is modelled on comparable New Zealand-based agri-training campuses and is designed to support hands-on, industry-aligned education, including on-site farming and livestock activities.

A commercial **neighbourhood centre** is proposed near the southern frontage to Tauwhare Road, functioning as a local service hub for residents, staff, students, and the surrounding Tauwhare community. Indicative activities include a café, a small-format grocery store, several small commercial tenancies, and a community or place-of-assembly function. The commercial centre is of a scale intended to meet local day-to-day needs rather than serve a wider retail catchment.

In addition, a small-scale commercial **farming and equipment hire** activity is proposed in the north-eastern corner of the site. This area is intended to support agricultural activity associated with the agri-education institute and surrounding rural land uses. Indicative activities might include the hire and servicing of farming equipment and related rural support services. Locating this activity in the north-east corner provides separation from the residential components of the development while maintaining functional proximity to the institute and the wider rural environment.

The proposal also includes a **retirement village**, located adjacent to the commercial centre and in the south-west corner of the site. The village is designed to provide a safe and legible living environment, with a range of villa typologies and shared amenity and care facilities to support ageing in place.

In addition, the site provides for approximately **36 rural residential lots**. These lots are arranged to maintain the rural character of the area, provide generous setbacks and landscaping, and manage the interface between adjacent land uses.

The proposal also provides for a small-scale **storage facility**. This component is designed to support local storage needs associated with rural residential living, rather than serving a wider industrial or commercial catchment. The storage facilities are anticipated to be located to minimise potential reverse sensitivity effects and to integrate with the overall rural character of the site.

Across the site, the masterplan integrates internal roading, walking and cycling connections, landscaped buffers, and riparian corridors to create a cohesive layout that responds to the site's physical characteristics and rural context.

An indicative masterplan is provided in Figure 3 below.

Figure 3: Indicative Masterplan



3.4. Anticipated Development Yields

Indicative development yields for the proposal have been derived from the project team's consultation pack and other supporting material. The yields outlined below reflect the anticipated scale and composition of development at full build-out and are subject to refinement through further detailed design. For the purposes of this assessment, they provide a reasonable basis for estimating the proposal's economic impacts.

Agri-education Institute

The agri-education institute is proposed to occupy the northern portion of the site, across an area of approximately 20.6 hectares.¹ The institute is intended to function as a regional training campus, combining teaching facilities, practical learning spaces, accommodation, and supporting agricultural infrastructure.

¹ Indicative site area derived using GIS-based spatial analysis. The masterplan was georeferenced and overlaid with cadastral parcel data for the subject site, with the extent of the agri-education institute digitised to estimate its land area. The resulting figure is approximate and intended for high-level modelling purposes, and may be refined through detailed design and survey.

Indicative facilities include classrooms, workshops, meeting and administration spaces, student accommodation, dining and recreational facilities, and ancillary farm and livestock buildings. The consultation pack notes that the size and configuration of buildings are informed by the scale and layout of the Telford (Southern Institute of Technology) farm training campus in Balclutha, with final footprints subject to further investigation and design development.

For modelling purposes, an indicative gross floor area (**GFA**) has been estimated by reference to Telford's current facilities. Cotality's Property Guru data indicates that the Telford campus comprises approximately 3,880 m² of GFA across a site of 20 hectares, equating to a floor area ratio (**FAR**) of approximately 0.019. Applying this ratio to the 20.6 hectares allocated to the agri-education institute yields an indicative GFA of approximately 4,000 m².

Retirement Village – Independent-living Villas

A retirement village is proposed in the southern portion of the site, adjoining the commercial centre and connected to the internal north-south road network. The village is designed to provide a low-rise, villa-based living environment supported by shared amenity and care facilities.

The masterplan indicatively provides for approximately 125 independent-living villas across a gross village area of around eight hectares. Based on recent Waikato region residential building consent data to January 2026, an average GFA of 150 m² per villa has been assumed. On this basis, the independent-living component equates to an indicative GFA of approximately 18,750 m².

Retirement Village – Care Facility

The proposal incorporates an integrated care facility within the retirement village. The care component is expected to provide up to 30 care suites, alongside shared amenities and support spaces required for operation.

For modelling purposes, an average GFA of 75 m² per care suite has been assumed, inclusive of core, circulation, and support areas, based on our experience with comparable projects. This results in an indicative care suite GFA of approximately 2,250 m².

Rural Residential Lots

The proposal provides for 36 rural residential lots, ranging between 2,500 and 3,500 m² in size. One of these lots contains an existing dwelling, resulting in a net yield of 35 new rural residential dwellings.

Built form assumptions for the rural residential component are informed by the Waikato District Plan Rural Zone standards, as discussed in the consultation pack. While the permitted 500 m² GFA standard provides an upper bound, realised dwellings are expected to be materially smaller once setbacks, coverage limits, and landscape requirements are applied.

For modelling purposes, an average GFA of 350 m² per dwelling has been assumed, resulting in an indicative GFA of approximately 12,250 m² for the rural residential component.

Commercial – Neighbourhood Centre

The neighbourhood-scale commercial centre is proposed adjacent to Tauwhare Road, occupying approximately 0.9 hectares. Assuming a FAR of 0.5, this equates to approximately 4,500 m² of commercial GFA at full build-out.

Commercial – Farming and Equipment Hire

A small-scale commercial farming and equipment hire activity is proposed in the north-eastern corner of the site, occupying approximately 7,500 m². Based on the functional requirements of this activity and comparable low-coverage rural commercial uses, a FAR of 0.15 has been applied. This yields an indicative GFA of approximately 1,100 m².

Storage Facility

The masterplan provides for approximately 8,000 m² of land area for storage facilities. To estimate built form, a sample of storage facilities within the Waikato region was analysed, indicating an average FAR of approximately 0.55. Applying this assumption yields an indicative GFA of approximately 4,400 m². The facility is expected to comprise predominantly single-storey units and intended to support the local storage needs associated with the rural residential dwellings.

Summary of Indicative Development Yields

Table 1 summarises the indicative GFA associated with each major component of the proposal. These figures form the basis for the construction cost and economic impact estimates presented in subsequent sections.

Table 1: Summary of Indicative Gross Floor Area by Component

Component	Total GFA m ²	Share of Total GFA
Independent-living villas	18,750	40%
Rural residential dwellings	12,250	26%
Neighbourhood centre	4,500	10%
Storage facility	4,400	9%
Agri-education institute	4,000	8%
Care facility	2,250	5%
Farming and equipment hire	1,100	2%
Total	47,250	100%

4. One-Time Impacts of Development

This section estimates the one-time impacts of The Rest's future development.

4.1. Introduction

In the previous section we showed that the proposal could deliver approximately 47,250 m² of residential and 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 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:²

- **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 (FTE) 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

² In some applications of multiplier analysis, induced impacts are also reported. These represent the additional economic activity generated when workers employed directly or indirectly by a proposal spend their wages and salaries in the wider economy. While such spending does create some additional demand, much of it would have occurred anyway, since many workers (particularly those with specialist skills) would likely be employed elsewhere in New Zealand absent the proposal. For this reason, induced effects tend to overstate the economic benefits. Including them can also lead to implausible results, such as suggesting that every dollar of expenditure generates more than one dollar of GDP. In practice, the economy cannot expand indefinitely, as firms face limits on available labour and resources. These constraints, along with rising prices, prevent such outcomes. Accordingly, this assessment reports only direct and indirect effects.

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. Limitations

While multiplier analysis is a widely used tool for estimating the wider economic effects of industry activity, it has several limitations that should be borne in mind when interpreting results:

- **Fixed relationships:** Models assume fixed input-output ratios between industries and do not capture technological change, substitution, or efficiency improvements over time.
- **No price or capacity constraints:** The framework assumes that supply can expand to meet increased demand without affecting prices, wages, or resource availability. In reality, constraints (e.g., limited skilled labour) may dampen the scale of impacts.
- **Average industry structure:** Input-output coefficients are based on national industry averages. Where a project's cost structure differs materially relative to industry norms, results may diverge from actual outcomes.
- **No feedback effects:** Broader economy-wide feedback loops (such as inflationary pressures or exchange rate effects) are not captured.

These limitations mean that multiplier analysis should be viewed as providing indicative estimates of the scale and distribution of economic impacts, rather than precise forecasts.

4.4. Development Assumptions

Based on the location and nature of the proposal, we assume that 80 percent of the direct and indirect national one-time impacts accrue to the Waikato region.³

The analysis is underpinned by a set of assumptions regarding the scale and cost of future development. Because reliable information was available on the likely residential and non-residential floor areas, we started with those. Specifically, construction costs were first estimated for each residential and non-residential component. Planning and consenting costs, and earthworks and infrastructure costs, were then applied as proportions of total construction costs.

Planning, design, and consenting costs are assumed to equal 2 percent of total construction costs, while earthworks and infrastructure costs are assumed to equal 20 percent. These proportions are based on Insight Economics' experience with comparable developments elsewhere in New Zealand.

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.

Table 2 summarises the residential development assumptions, which include average dwelling sizes by type and associated build costs⁴, for the 160 new dwellings and the 30-suite care facility. On this basis, total residential construction costs are estimated at \$113 million in today's dollars.

Table 2: Residential Development Assumptions

Typology	Count	Average Size GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
Independent-living villas	125	150	\$3,200	\$60.0
Rural residential dwellings	35	350	\$3,250	\$39.8
Care facility	30	75	\$5,750	\$12.9
Totals	190	n/a	n/a	\$112.8

Next, Table 3 combines our notional estimates of non-residential floorspace with their associated build costs⁵ to yield estimated total construction costs of \$52 million in today's dollars.

Table 3: Non-residential Development Assumptions

Non-residential Uses	Total GFA m ²	Build Cost \$/m ² GFA	Total Build Cost \$m
Agri-education institute	4,000	\$6,350	\$25.4
Neighbourhood centre	4,500	\$3,800	\$17.1
Storage facility	4,400	\$1,450	\$6.4
Farming and equipment hire	1,100	\$2,650	\$2.9
Totals	14,000	n/a	\$51.8

Overall, total construction costs are estimated at approximately \$165 million in today's dollars. From this, we derive:

- Approximately \$3 million in planning, design, and consenting costs (2 percent of build costs); and
- Approximately \$33 million in infrastructure and civil works costs (20 percent of build costs).

4.5. 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 \$201 million in today's dollars.

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

Development Activity	\$ millions
Planning, design, and consent	\$3
Civil works and infrastructure provision	\$33
Residential construction	\$113
Non-residential construction	\$52
Total Development Cost	\$201

⁴ Build costs were based on average values over the year to January 2026 across the Waikato Region, as reported in building consent data.

⁵ Build costs for the agri-education institute were derived from disaggregated building consent data for the five years to December 2025, using the national average value for the education category "Tertiary and other education buildings".

Finally, we mapped these costs to sectors of the economy, then overlaid the latest economic multipliers⁶ to derive the one-off impacts of the proposal, as set out below.

4.6. 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 five-year period.

Table 5: One-Time Economic Impacts of The Rest's Development by Activity (spread over five years)

	Planning & Design	Infrastructure & Civil Works	Residential Construction	Non-residential Construction	Development Totals
Annual Jobs					
Direct impacts	2	13	26	9	50
Indirect impacts	1	16	74	35	126
Total	3	29	100	44	176
Annual FTEs					
Direct impacts	2	12	25	9	48
Indirect impacts	1	15	69	33	118
Total	3	27	94	42	166
Total Wages \$m					
Direct impacts	\$1	\$6	\$9	\$4	\$20
Indirect impacts	\$1	\$7	\$29	\$14	\$51
Total	\$2	\$13	\$38	\$18	\$71
Total GDP \$m					
Direct impacts	\$2	\$8	\$15	\$8	\$33
Indirect impacts	\$1	\$12	\$51	\$25	\$89
Total	\$3	\$20	\$66	\$33	\$122

In summary, we estimate that:

- Future planning, design, and consenting will create full-time employment for three people over the five-year development period, generating total wages and salaries of \$2 million;
- Land development (including infrastructure provision and all other civil works) will create full-time work for 27 people, with \$13 million paid in wages/salaries;
- Residential construction will provide full-time work for 94 people, with \$38 million paid in wages and salaries; and

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.

- Non-residential construction will provide full-time work for 42 people, with \$18 million paid in wages and salaries.

Overall, the proposal's development is estimated to provide full-time work for approximately 166 people for five years, generating \$71 million in wages and salaries, and boosting GDP by \$122 million.

4.7. Top 10 Industries by FTEs Employed

To better understand the likely impacts of The Rest'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	37	22%
Residential building construction	29	17%
Heavy and civil engineering construction	15	9%
Non-residential building construction	10	6%
Scientific, architectural, and engineering services	8	5%
Fabricated metal product manufacturing	6	4%
Public order, safety, and regulatory services	6	3%
Wood product manufacturing	5	3%
Employment and other administrative services	3	2%
Legal and accounting services	3	2%
Top 10 Subtotal	122	74%
All Other Industries	44	26%
All Industries	166	100%

5. Ongoing Impacts of Future Uses

This section estimates the annual impacts of the proposal once built out.

5.1. Introduction

In addition to the one-off economic impacts of the proposal's development estimated above, its future care facility, commercial and communal activities, and agri-education institute, 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 this future activity by:

1. Inputting the likely operational workforce supported at full build-out, disaggregated between:
 - a. **Care facility staff** – estimated based on the number of care beds provided and typical staff-to-bed ratios observed nationally;⁷
 - b. **Agri-education institute staff** – For modelling purposes, ongoing employment has been estimated by reference to the Telford campus operated by the Southern Institute of Technology (SIT). The latest publicly available SIT Annual Report⁸ indicates that the Telford Campus supported approximately 19 FTE staff across teaching, administration, farm operations, and support roles. Given the broadly comparable scale and function of the proposed institute, we assume approximately 19 ongoing FTEs at full operation; and
 - c. **Commercial and communal activities:** The 5,600 m² of commercial and communal GFA⁹ was conservatively divided by an industry-standard *maximum* worker density of ~100 m² per employee¹⁰ to estimate 56 permanent roles.
2. Allocating those roles to their respective industries.
3. Applying the same economic multipliers from the previous section to translate future ongoing employment into corresponding measures of annual GDP and wages/salaries.

5.3. Limitations

All figures represent the total scale of economic activity that could occur onsite once fully established. It is important to note that the results presented here are **gross impacts**, some of which may have

⁷ Staffing for the care facility component was estimated at approximately 30 jobs, based on the national average of 1.02 employees per care bed, estimated using 2023 - 2024 data from Stats NZ Business Demography (ANZSIC Q860100) and JLL's Aged-Care Database (NZACD). This ratio reflects total staff headcount (not FTEs) and assumes one bed per care unit.

⁸ Available here: www.sit.ac.nz/Portals/0/upload/documents/Governance/Annual%20Reports/2022-SIT-Annual-Report.pdf

⁹ Comprised of 4,500 m² of neighbourhood centre GFA and 1,100 m² of farming and equipment hire GFA.

¹⁰ M.E Consulting (2024). *Business Development Capacity Assessment 2023: Future Proof Partners – Hamilton City, Waikato District, Waipā District and Waikato Regional Council*. Final Report, 3 April 2024. p. 58.

occurred elsewhere in the absence of the proposal. We have not attempted to quantifying the extent of this displacement.

5.4. Annual GDP, Jobs, and Wages

Table 7 summarises the annual economic impacts of future activity sustained by the proposal in terms of FTEs employed, GDP contributed, and wages generated.

Table 7: Estimated Annual Economic Impacts of the Proposal (at full build-out)

Activity	Jobs	FTEs	GDP \$m	Wages \$m
Commercial	56	44	\$3.9	\$2.6
Care facility	30	25	\$4.3	\$2.1
Agri-education institute	21	19	\$2.1	\$1.5
Totals	107	88	\$10.3	\$6.2

In summary, the proposal's future components could sustain the following ongoing activity at full build-out:

- Full-time employment for 88 people;
- Annual GDP of \$10.3 million; and
- \$6.2 million paid annually in wages and salaries.

5.5. Wider Ongoing Employment Impacts

Beyond the direct ongoing employment quantified above, the proposal is expected to generate a range of wider labour-market benefits that are not readily captured through multiplier analysis. These effects arise from the project's mix of education, care, residential, and service-based activities, and from the way these activities are embedded within a semi-rural labour market context.

- **Stable, year-round employment:** Components such as the commercial activities, the retirement village (including care facility), and (to a lesser extent) the agri-education institute, operate on a continuous basis, generating permanent roles rather than seasonal or project-based work. This contrasts with many rural or visitor-oriented activities, where employment can be cyclical or intermittent. The resulting income stability supports household resilience and contributes to labour force retention within the region.
- **Diverse employment opportunities across skill levels:** Ongoing roles are expected to span teaching and training staff, farm and workshop technicians, care and support workers, administration, hospitality, retail, cleaning, grounds maintenance, and facilities management. This breadth allows participation by a wide range of workers, including entry-level employees, tradespeople, and skilled professionals.
- **Workforce development and skills formation:** By combining formal instruction with hands-on training in farming, processing, and rural services, the agri-education institute supports pathways into primary and rural-servicing industries. This function has value beyond the immediate jobs sustained onsite, as graduates are likely to transition into employment

elsewhere in the Waikato, strengthening the long-term labour supply for primary industries and related sectors.

- **Improved local accessibility to employment:** The site's location between Hamilton, Cambridge, and Morrinsville places it within reasonable commuting distance of several labour catchments. This increases opportunities for local residents to access employment without long-distance travel and supports participation by groups that benefit from shorter or more flexible commute patterns, including older workers and those with caregiving responsibilities.
- **Improved spatial distribution of employment:** The combination of residential living, care provision, education, and small-scale commercial activity helps anchor employment within a rural setting that would otherwise sustain relatively few ongoing jobs. In this sense, the proposal contributes to a more balanced spatial distribution of employment across the region, reducing pressure on urban centres to absorb all future job growth.

Taken together, these effects reinforce the proposal's contribution to long-term employment resilience in the region. While not fully reflected in the quantified GDP and employment estimates above, they represent material and enduring labour-market benefits associated with the proposal's operational phase.

6. Agglomeration Effects

This section outlines the likely agglomeration effects arising from the proposed development.

6.1. Onsite Agglomeration Effects

The proposed mix of activities will generate internal synergies, with each component contributing to a shared user base, labour pool, and amenity network. These agglomeration effects arise from the integrated structure of the project, which allows complementary uses to co-locate and operate more efficiently than if developed separately.

- **The agri-education institute** will act as a core anchor activity. Students, staff, visitors, and short-term trainees will generate regular demand for the onsite commercial offerings. The institute will also support local service businesses by requiring ongoing supplies, equipment, and onsite maintenance.
- **The retirement village** will create a stable, year-round population that supports the commercial centre and community facilities. Older residents typically generate consistent demand for local retail and services, which helps sustain small-scale commercial operations in rural environments where catchments are otherwise dispersed.
- **The rural lifestyle lots** will contribute a larger residential base for the commercial activities. Households tend to spend locally when amenities are conveniently co-located, strengthening demand for everyday retail, food and beverage premises, and community offerings.
- **Co-location of education, residential, and commercial uses** allows shared use of infrastructure such as internal roads, onsite servicing, community facilities, and open space. Shared infrastructure reduces development costs and improves the viability of each component.
- **The combined residential and institutional populations** create opportunities for small supporting enterprises, such as agricultural suppliers, trades, equipment servicing, and community-based activities that benefit from proximity to both the institute and residents.

Together, these relationships form a complementary cluster of activities that improve one another's viability. The institute provides a strong activity anchor, the residential and retirement components supply a consistent user base, and the commercial offerings knit the precinct together by servicing daily needs for students, staff, visitors, and residents.

6.2. Offsite and Spillover Effects

The development is likely to generate modest spillover benefits in the surrounding area. The agri-education institute will draw students, trainees, visiting lecturers, and industry partners who may spend money in nearby townships on food and beverage, supplies, accommodation, and transport. These visitors can support existing retail and service businesses, particularly those connected to primary industries and rural training.

The retirement village and lifestyle lots will increase the local resident base, which may strengthen demand for nearby services such as health providers, trades, and small retail operators. This can improve the viability of existing businesses and create opportunities for new enterprises that benefit from a larger catchment.

Industry engagement associated with the institute, including short courses, field days, and collaboration with rural businesses, may generate periodic activity beyond the site boundary. This includes demand for local contractors, agricultural suppliers, equipment servicing, and professional services.

While these external linkages are not quantified here, they represent plausible channels through which the development can contribute to economic activity in the surrounding area in addition to the onsite agglomeration effects described earlier.

7. Housing Market Impacts

This section considers the impacts of the proposal on the local housing market.

7.1. Boosting Housing Supply

The proposal provides new homes for approximately 160 households, excluding care beds (comprising 35 rural lifestyle dwellings and 125 retirement village villas). This represents a material uplift in dwelling capacity within the region and will help narrow the gap between likely future housing supply and demand. All else being equal, this supply boost will help the market to be more responsive to growth in demand, thereby reducing the rate at which regional house prices grow over time (relative to the status quo).

This is important because affordability across the region remains under sustained pressure. For Waikato District specifically, Cotality's most recent affordability report shows that median house values sit around 8.4 times median household income, and servicing a standard mortgage typically requires 50 percent of gross household income. In addition, it now takes 11.2 years just to save the deposit for a new home in the district. With affordability well above long-term norms, and price growth continuing to outpace income growth, the addition of new dwellings in well-located areas is increasingly important for helping to stabilise housing costs over time.¹¹

7.2. Supporting Housing Market Efficiency

The proposed retirement village will also help improve the efficiency of the regional housing market by enabling older residents to transition into purpose-built accommodation better suited to their needs. Most future residents are likely to already live within the region, often in larger standalone homes that no longer match their lifestyle.

By providing an attractive local downsizing option, the proposal will free up existing dwellings for younger households and families, helping to realign housing supply with demand across age groups. In this way, the proposal supports greater housing fluidity and choice within the region while allowing older residents to remain connected to their communities.

7.3. Catering to a Variety of Needs and Preferences

Policy 1(a)(i) of the NPS-UD emphasises the importance of planning decisions that support well-functioning urban environments by meeting the diverse housing needs and preferences of different households. The proposal aligns with the intent of this policy in the following ways:

- **Tailored living for older people** – The proposal delivers a comprehensive retirement living community comprising 125 independent-living villas and up to 30 care suites within a single, integrated development. This directly responds to the needs of older households seeking secure, accessible, and low-maintenance housing, with on-site care and support services

¹¹ Based on indicators reported in *Cotality – New Zealand Housing Affordability Insights* (latest edition), Waikato District results.

available as needs change. This form of housing is distinct from standard market housing typologies.

- **Supporting ageing in place** – By integrating independent living and care accommodation on one site, the proposal's retirement village enables residents to age in place without needing to relocate as their health or mobility requirements evolve. This reduces disruption for residents and supports continuity of care, social connection, and wellbeing.
- **Lifestyle and semi-rural living options** – The rural-residential component of the proposal caters to households seeking larger lots and a more spacious, semi-rural environment, while remaining well connected to nearby employment and service centres. For example, this typology may suit families and professionals who value privacy, open space, and access to recreational opportunities without sacrificing accessibility.
- **Amenity-driven residential preferences** – The co-location of rural lifestyle living, onsite commercial services, and community facilities will appeal to households seeking larger lots with convenient access to everyday amenities. The presence of the agri-education institute and commercial centre will support a more active and connected rural environment than typical lifestyle subdivisions, which may lift the site's attractiveness relative to standalone rural-residential locations in the wider area.

Together, these housing types target specific demographic and lifestyle segments, offering meaningful choice for those seeking a distinctive semi-rural, amenity-rich living environment.

7.4. Boosting Retirement Village Supply

The retirement village component of the proposal responds to a growing shortfall in retirement living provision within Waikato District and the wider Future Proof sub-region.¹²

Within the Future Proof sub-region, the population aged 65 years and over is projected to increase from around 58,300 people in 2025 to more than 110,000 by 2053 under a medium growth scenario. Waikato District faces the strongest proportional increase, with its 65+ population projected to grow by approximately 189 percent over the same period. Despite this, the district currently accounts for only around 13 percent of existing retirement village supply and has one of the lowest provision rates on a per-capita basis, at approximately 44 units per 1,000 residents aged 65+, compared with a sub-regional average of around 80 units per 1,000.

To better understand current retirement village capacity, we draw on the retirement living market analysis for the Future Proof sub-region commissioned by Waikato Regional Council and the Future Proof Partnership and prepared by Formative Limited.¹³

The Formative analysis indicates that Waikato District already faces an underlying shortfall of retirement village units across all demand scenarios, with deficits projected to widen materially over

¹² Encompassing Waikato District, Hamilton City, Matamata-Piako District, and Waipa District.

¹³ Available here: <https://www.futureproof.org.nz/assets/Future-Proof/Resources/RetirementLivingMarketAnalysis.pdf>

time. By 2048, the shortfall is estimated to increase to between approximately 1,390 and 2,190 units (excluding care beds). These deficits are partially masked at the sub-regional level by higher concentrations of supply in Hamilton and Waipa, but they nonetheless reflect a structural undersupply within Waikato District itself.

Against this context, the proposed retirement village at The Rest makes a meaningful contribution toward addressing identified supply gaps. By delivering new, purpose-built retirement living options within Waikato District, the proposal helps rebalance the spatial distribution of supply, improves access to local retirement accommodation, and supports ageing in place for older residents who wish to remain within the district. This contribution complements the proposal's broader housing market impacts discussed above and reinforces its role in addressing evolving housing needs across the district.

8. Wider Economic Impacts

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

8.1. Critical Mass and Support for Nearby Centres

As future development enabled by the proposal occurs and new residents move to the area, they will help create critical mass to support a small amount of onsite commercial provision to meet daily needs (potentially) without the need for private motor vehicle travel. In addition, spending by future residents will provide support for the ongoing health and vitality of nearby centres, including Hamilton, Cambridge, and Morrinsville, each located approximately 15-20 minutes' drive from the subject site.

To provide context, we estimated the level of future household spending that would originate from the site at full build-out. This was done by applying average expenditure profiles for non-retiree and retiree households, drawn from the latest Household Economic Survey¹⁴ and a Motu Working Paper¹⁵, respectively. The estimates are deliberately conservative, as they assume no ongoing growth in household incomes over time. The results, set out below, represent total annual spending by 150 new households, including the 125-unit retirement village.¹⁶

Table 8: Projected Future Spending Originating Onsite

Expenditure Group	Annual Spend per Household	Annual Spend per Retiree Household	Total Annual Spend (\$ millions)
Food	\$14,250	\$11,400	\$1.9
Alcoholic beverages and tobacco	\$1,550	\$1,450	\$0.2
Clothing and footwear	\$1,800	\$1,500	\$0.3
Housing and household utilities	\$17,600	\$13,950	\$2.4
Household contents and services	\$2,750	\$3,500	\$0.5
Health	\$2,450	\$3,000	\$0.5
Transport	\$10,950	\$12,600	\$2.0
Communication	\$1,950	\$2,100	\$0.3
Recreation and culture	\$5,900	\$4,650	\$0.8
Education	\$650	\$0	\$0.0
Miscellaneous goods and services	\$6,950	\$4,500	\$0.8
Other expenditure	\$7,600	\$4,500	\$0.8
Total Household Expenditure	\$74,400	\$63,150	\$10.5

Table 8 shows that future residents of the proposal will spend more than \$10 million per annum on a

¹⁴ For the North Island (excluding Auckland).

¹⁵ Le, Trinh & Richardson, Euan (2023). *Expenditure Patterns of New Zealand Retiree Households* (Motu Working Paper 23-07). Motu Economic and Public Policy Research. Table 11 presents average household expenditures by region as of 2018/19. Available from Motu's open working paper repository.

¹⁶ While these households will already be contributing to spending elsewhere, the proposal is still expected to result in a net increase in local spending. If residents move from outside the area, they expand the local spending pool. If they relocate from within the catchment, their former homes are likely to be reoccupied, with new residents contributing additional local expenditure.

wide range of household goods and services, assuming they spend at a rate equal to that of the average household.

8.2. Socioeconomic Benefits for Older Residents

The proposed retirement village at The Rest will generate a range of social and wellbeing benefits that extend beyond housing provision, 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.

Overall, the village will provide older residents with a secure, socially connected, and supportive environment, enhancing quality of life while contributing to more efficient delivery of local health and support services.

8.3. Responding to the Need for Care Beds

Demand for aged-care beds in the Waikato and wider Future Proof sub-region is rising sharply as the population aged 75+ grows, yet recent analysis shows that the supply of care beds is not keeping pace. The *Retirement Living Market Analysis* prepared by Formative for the Future Proof Partnership highlights that care-bed penetration rates in the sub-region have declined over the past decade, reflecting both strong population growth and limited reinvestment in new or upgraded care facilities.¹⁷ This is consistent with national evidence showing that new care-only facilities are now rare, and many older, smaller homes have closed due to persistent financial pressures.¹⁸

¹⁷ *Retirement Living Market Analysis* (Formative, prepared for the Future Proof Partnership, 2023–2024), analysis of aged-care penetration rates and sub-regional supply dynamics.

¹⁸ JLL, *Retirement Villages Whitepaper 2024*, discussion of closures of small care-only facilities and lack of new standalone care-home development.

A major contributing factor is the challenging viability within the aged-care sector. The Formative paper notes that assisted-living rarely turns a profit and aged care almost always operates at a loss, reducing operators' ability and incentive to add new beds. This trend is reinforced by industry-wide evidence that the large "Big-6" retirement village operators – who dominate development of independent-living units – are not expanding care capacity at the same rate, and in some cases are actively leaning away from providing care beds due to cost-pressure and funding uncertainty.¹⁹

In this context, the provision of a modern, integrated care facility at The Rest is particularly important. It delivers new capacity in a sub-region where demand is rising but investment in new care beds is waning. By adding purpose-built facilities in a high-amenity setting, the project makes a clear and measurable contribution to meeting identified regional need.

8.4. Support for Primary Industries

A core component of the proposal is the establishment of an agri-education institute providing industry-aligned training with an emphasis on on-site practical learning, including farming and livestock activities. The institute directly supports primary industries by strengthening the workforce pipeline that underpins farm productivity, animal health and welfare, and the wider rural servicing sector.

This is relevant to section 22(2)(a)(v) of the FTAA, as national-level policy and strategy identifies workforce capacity as a key constraint on the performance and growth of the food and fibre sector. The Ministry for Primary Industries' *Fit for a Better World* strategy²⁰ highlights the need to lift workforce participation and capability, with an explicit target to employ 10 percent more New Zealanders in the food and fibre sector by 2030, alongside improvements in skills, productivity, and value-added outcomes. That strategy recognises that achieving these goals requires improved education, training pathways, and stronger links between industry and learning providers.

Similarly, the *Food and Fibre Skills Action Plan 2019-2022*²¹ identifies significant workforce challenges across primary production, processing, and supporting services, projecting increased demand for both highly skilled workers and workers with vocational qualifications by 2025. The Action Plan emphasises the importance of on-the-job learning and industry training, improved alignment between the education system and sector needs, and enhanced pathways from secondary and tertiary education into food and fibre careers. Attracting, educating, and retaining workers is identified as a critical challenge, particularly given the sector's regional concentration and competition for labour from other industries.

Against this context, the institute's contribution is not limited to the direct onsite roles captured in Section 5. It also creates a mechanism for sustained skills formation and industry entry, which will support primary production and rural servicing activity across the wider Waikato economy over time. In addition, by providing locally accessible, industry-aligned training, the institute is expected to support regional labour force retention. Trainees are likely to be drawn in part from the Waikato and

¹⁹ JLL, *Retirement Villages Whitepaper 2024*, showing Big-6 operators provide 66% of independent-living units but only 36% of care beds, and emphasising the growing reluctance of large operators to expand care capacity.

²⁰ Available here: www.mpi.govt.nz/about-mpi/our-work-at-mpi/fit-for-a-better-world-accelerating-our-economic-potential

²¹ Available here: www.mpi.govt.nz/dmsdocument/37751/direct

surrounding rural catchments, reducing the need to leave the region for training and increasing the likelihood that graduates remain in, or return to, local employment. This contributes to a more stable and locally embedded workforce, supporting continuity and resilience across the sector.

8.5. Putting Land to Higher and Better Uses

The proposal will result in the loss of the site's existing rural activities. However, compared with those low-intensity uses, development enabled by the proposal allows the subject land to be used more intensively. This shift toward higher-intensity activity represents a more efficient allocation of land and is consistent with the concept of highest and best use in an urban context, which is a precondition for economic efficiency to hold in the underlying land market.

8.6. Investment Signal Effects

Finally, development enabled by the proposal will provide a signal of confidence in the region's medium- to long-term economic outlook. Large, capital-intensive developments typically require detailed due diligence, long investment horizons, and confidence in future population growth, labour availability, and infrastructure provision. As a result, their delivery can act as a market signal to other investors that underlying economic fundamentals are sufficiently robust to support further activity.

Such signalling effects are particularly relevant in sectors characterised by high upfront costs and long payback periods, where investment decisions are sensitive to perceptions of risk and uncertainty. The establishment of a significant new development can help reduce perceived market risk by demonstrating that funding, consenting, and delivery barriers can be successfully navigated in the region.

Over time, this can help spur on, accelerate, or bring forward complementary investment, including associated residential, commercial, or service-based development, as well as supporting infrastructure. While these effects are inherently indirect and not readily quantifiable, they are widely recognised in economic development literature as a secondary benefit of major private investment and contribute to broader regional economic momentum.²²

²² See, for example, Porter, M.E. (2000) *Location, Competition, and Economic Development: Local Clusters in a Global Economy*, and Turok, I. (1992) *Property-led urban regeneration: panacea or palliative?*, which discuss how large or "anchor" investments can reduce perceived risk, alter market perceptions, and catalyse follow-on private investment through "demonstration effects".

9. Potential Economic Costs

This section briefly identifies potential economic costs of the proposal.

9.1. 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 below:²³

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

National-level metrics of production per hectare for the first activity were extracted from a recent report by Beef + Lamb NZ (Cost of Feed),²⁴ while region-specific data for the others were sourced from Beef + Lamb NZ,²⁵ and the NZ DairyBase,²⁶ respectively. The table below shows the resulting estimates of rural production per hectare.

Table 9: Production Metrics per Hectare (for Subject Site)

Productive Use	Output \$	GDP \$	FTES	Wages \$
Sheep and Beef	2,410	550	0.003	170
Hay and Baleage	3,400	780	0.004	250
Dairy ²⁷	10,300	2,410	0.012	820
Average	5,370	1,200	0.007	413

For modelling purposes, we base our analysis on the site's total land area of 55.3 hectares. We conservatively assume that the site could be farmed in its entirety.²⁸ Table 10 below shows the estimated activity foregone if this land were used exclusively for rural production.

Table 10: Estimated Annual Rural Production for Subject Site (55.3 hectares)

Productive Use	Output \$	GDP \$	FTES	Wages \$
Sheep and Beef	133,100	30,400	0.16	9,400
Hay and Baleage	187,900	43,100	0.23	13,800
Dairy	569,300	133,200	0.69	45,300
Average	297,000	69,000	0.36	23,000

²³ While the site is currently used for farming activities, we model dairy farming, hay and baleage, and sheep and beef farming, as these represent three of the most common and plausible alternative uses for rural land in the area.

²⁴ Available here: <https://beeflambnz.com/sites/default/files/factsheets/pdfs/fact-sheet-260-Cost%20of%20Feed.pdf>

²⁵ Available here: <https://beeflambnz.com/industry-data/farm-data-and-industry-production/sheep-beef-farm-survey>

²⁶ Available here: <https://connect.dairynz.co.nz/EconTracker/>

²⁷ The assumed dairy output of \$10,300 per hectare is based on the latest 2026 farmgate price of \$9.50 (\$8.50 - \$9.50 range high) per kg of milk solids. Lower prices will lead to lower output per hectare, and vice versa.

²⁸ 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.

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

- Output/revenue of \$569,300;
- GDP of \$133,200;
- Employment for 0.69 FTEs; and
- Wages and salaries of \$45,300.

These values are negligible and do not support even a single full-time equivalent role. By comparison, development enabled by the proposal would generate a substantial increase in employment, supporting approximately 166 FTE roles over an estimated five-year construction period, followed by around 88 ongoing FTE roles at full build out.

9.2. 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 for several reasons:

- 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.

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

10. Project Acceleration

This section describes how the FTAA process would accelerate delivery of the proposal.

10.1. Timing of Economic Benefits

The proposal will progress considerably faster through the FTAA than would otherwise be the case. The FTAA establishes a streamlined approvals pathway with tighter statutory timeframes, coordinated decision-making, and, importantly, no merits-based appeals on decisions made by Fast-track Panels.

In contrast, obtaining consent via the standard Resource Management Act pathways would likely involve a multi-stage and potentially appeal-prone process, resulting in substantial delays. Similarly large proposals often experience extended processing timeframes due to public notification, hearings, and Environment Court appeals.

The FTAA (as strengthened by the Fast-track Approvals Amendment Act 2025) is specifically designed to accelerate nationally and regionally significant projects, reduce consenting uncertainty, and bring forward the timing of economic activity. For the proposal, this means enabling the project to commence much sooner than under a conventional consenting pathway, thereby bringing forward the one-off construction-related stimulus, the ongoing operational economic benefits, and any wider benefits outlined in this report.

11. Conclusion and Checklist

11.1. Conclusion

The proposal will deliver significant and enduring economic benefits to the Waikato region. It enables a coordinated mix of education, housing, care, and commercial activity that materially lifts economic output and employment relative to the site's existing rural use. Development is estimated to support around 166 FTEs per year over a five-year build period and contribute approximately \$122 million to GDP, with a further 88 ongoing FTEs and around \$10 million in annual GDP once built out. These impacts are complemented by wider benefits relating to housing supply, retirement living provision, workforce development, and land-use efficiency.

The proposal directly addresses identified shortfalls in retirement living and care capacity, improves housing market efficiency through downsizing opportunities, and supports primary industries via the agri-education institute and associated skills formation. Any economic costs associated with foregone rural production are minimal, and infrastructure risk to the wider community is low. The Fast-track process ensures these benefits are realised sooner than traditional consenting pathways would otherwise allow. On this basis, we consider the proposal meets the relevant criteria in section 22(2)(a)(iii), (iv), and (v) of the FTAA, and is supported on economic grounds.

11.2. FTAA Criteria Checklist

The following table shows where each sub-criterion in Section 22(2)(a) of the FTAA is addressed in this report, along with the project's estimated economic benefit significance with respect to them.

Table 11: Assessment Against Section 22(2)(a) Criteria of FTAA

Ref	Criterion	Signpost	Assessment Summary
(i)	Identified as a priority project in government plans or strategies	Not assessed	n/a
(ii)	Delivers new or supports existing regionally/nationally significant infrastructure	Not assessed	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 - 8	■■■■■
(v)	Supports primary industries, including aquaculture	Section 8	■■■■□
(vi)	Supports development of natural resources, including minerals and petroleum	Not assessed	n/a
(vii)	Supports climate change mitigation (e.g., reducing greenhouse gas emissions)	Not assessed	n/a
(viii)	Supports climate change adaptation, reduces risk from natural hazards	Not assessed	n/a
(ix)	Addresses significant environmental issues	Not assessed	n/a
(x)	Consistent with local/regional planning documents and spatial strategies	Not assessed	n/a

Legend:

■■■■■ = Strong
■■■■□ = Moderate

■■■□□ = Limited
■■□□□ = Minor

■□□□□ = Very minor