Fulton Hogan

Fulton Hogan Ltd
[redacted]
www.fultonhogan.com

29 June 2026

Milldale North Fast Track Panel

In anticipation of Auckland Council asserting there are no economic benefits arising from this project on the basis that if development doesn't occur on this site the equivalent development will somewhere else in Auckland we thought it would be helpful to explain the realities of what we do and how our earthworks and civil contractors as well as our house build partners work. This we hope will demonstrate the position taken by Auckland Council previously in opposition to some proposed housing developments and expected to be rolled out again is incorrect.

In simple terms we develop large greenfield subdivisions and sell completed sites to others to construct dwellings on them. We engage contractors to undertake earthworks, install services (sewer, water, stormwater, power, fibre, street lights); build roads, foothpaths, cycleways, and reserves; and complete landscaping within reserves and roads so as to deliver completed sections that are ready to build on. In doing so we engage a range of consultants to design and oversee the works as well as the contractors that complete the works.

We have completed numerous greenfield subdivision throughout NZ over the past 30 years and currently have projects underway in Wanaka, Christchurch, Northland and Auckland. In Auckland we only sell sites to house builders who in turn construct dwellings. We do this because we do not want people speculating on land hoping to benefit from price increases rather than construct dwellings. The builders in turn recoup their expenditure by selling house and land packages to the eventual residents. They use these funds to buy further completed sections although often they are able to use the eventual purchasers funds to settle the section. This model works very well in that we use our capital to deliver completed sites and can deliver more of them quicker than would otherwise be possible if we were using capital to also construct dwellings.

By selling to a large number of builders the total pool of capital available is also increased meaning we achieve a greater number of completed dwellings quicker than would someone trying to deliver completed house and land packages by themselves. At Milldale we currently have 35 build partners which has resulted in there being over 100 dwellings under construction at any one time and seeing 270-300 completed each year.

By way of example, in the wider Auckland area over the past five years across three developments we have completed over 2,500 residential sites at Pokeno, Millwater, Milldale. Over these three developments we have circa. 90 different building companies that we sell sites to. These include the NZ wide group home builders as well as smaller operators that build in the order of 5 to 15 dwellings a year with us. As our development at Pokeno is nearly complete we commenced works at Drury two years ago to help keep up the supply of sections in South Auckland to maintain good forward workloads for our build partners to allow them to continue to invest in staff and equipment.

In the case of the abovementioned developments we sell sites once they are nearing completion but with enough time for builders to get houses designed and consented so they are ready to start once we gain Section 224 RMA sign off from Council. The main reason we wait until the sites are close to being completed is that this allows us to assess what other commitments the building companies have at that time, which helps ensure that we are selling to parties that are ready to commence building quickly. Having dwellings go up quickly helps with the supply side of the equation of the housing affordability issue prevalent in Auckland.

To assist our build partners retain their capital for constructing dwellings rather than having it tied up in land we only require a very modest deposit and provide terms of 12 months to settle from when the Section 224 RMA Certificate is issued (which is when Council will allow house construction to begin). This helps to de-risk the exercise for our build partners and reduces their holding costs. This has been our business model in Auckland for the past 25 years and will remain the case with the future stages of Milldale including Milldale North.

Over the last 5 years it would be unusual for us not to have all sites in a stage under contract before the Section 224 RMA Certificate is issued. The build time varies but most standalone dwellings are completed within 6 months of the 224 being issued, with the terrace units and apartments taking longer depending on the number of units on each site. While houses are being built in one stage of the development we will be constructing the next the stage so that sites will be completed in time for the building companies to construct the next phase of housing.

The model we employ ensures that more houses are completed faster than someone trying to undertake both the land development and construction of dwellings. There is also a greater level of variety in the homes that are built given the number of different building companies involved.

The earthwork and civil contractors that work for us cannot transfer their skills or equipment from undertaking large scale greenfield developments to building apartments or infill units in existing urban areas. Please see the attached letter from Dines Ltd which explains this.

In terms of our build partners please see the attached from Signature Homes which explains that they cannot simply pack up and move to building houses somewhere else in the City given the franchise model in place.

Given the above it is not correct to assume that the scale of development we deliver will be provided by some other parties in some other locations at the same rate to negate the benefits of what we are able to deliver.

Yours sincerely

GREG DEWE
General Manager
Fulton Hogan Land Development

29 June 2026

Milldale North Fast Track Panel

Dines is one of Auckland's leading specialist land development contractors and has developed many thousands of residential and industrial sites since its incorporation in 1981. We employ over 200 full time staff and another 100 seasonal staff to meet peak demand during the earthworks season. Dines self performs bulk earthmoving, drainage, services installation and roading. In addition to these inhouse services, we have significant sub-contractor capacity to complete all other facets of land development. We specialise in large scale master planned land development projects with Millwater, Milldale, Long Bay, Dannemora, Paerata and Pokeno to name a few.

Greenfields development in the Rodney area equates to roughly 50% of our company current revenue and employs on average 150 staff from the local and surrounding area. In addition to this number there are multiple suppliers, sub-contractors and service industries that our business supports directly and indirectly like retaining wall sub-contractors, kerbing sub-contractors, quarries, concrete plants, tyre shops, mechanics, right through to the local bakery's and convenience stores.

Dines has been working with Fulton Hogan Land Development (FHLD) continuously for 30 years in Auckland and just over 20 years in the Rodney area with both Millwater and more recently Milldale. If greenfield development of the scale FHLD delivers was to cease it would have a huge negative impact on our business and no doubt the other contractors that work for FHLD.

We understand that Auckland Council's current future development strategy (following the completion of the current stages of Milldale in approximately 2030) severely limits future land development around Silverdale until an unspecified date sometime after 2050. This lack of certainty in a future pipeline of development work is a significant concern for Dines. Our business (similar to others working on FHLD sites) have built significant local capacity and expertise to support greenfield developments, and to have to disband that only adds to the boom bust cycles we already have to navigate inside of the construction sector.

Our skills and gear are not transferable to building apartments or infill townhouses on small sites in existing residential areas. This is because to deliver developments at the scale achieved at Millwater and Milldale requires large earthmoving equipment such as Motor scrapers, bulldozers and scoop, large articulated dump trucks, large excavators and a myriad of other specialist equipment. This equipment, which we have and continue to invest many millions in, is unable to be utilised for infill development. A typical infill site may have a total of 5,000m3 of soil to move across a six month period and on a site like Milldale we would move 750,000m3 over the same period. The two simply don't align and the skills and resources can't be redistributed to other forms of housing development.

I have been involved with greenfield development in the Auckland region for the past 24 years working on projects from Pokeno (south) to Warkworth (north) and I am not aware of any other developer in the region that has delivered as many sites over this period as FHLD has.

Your home.
Your way.

29th June 2026

To Whom it may concern - Milldale North Fast Track Pannel

Re: Fulton Hogan Land Development Activities in Rodney

We wish to assist the panel by providing relevant context and clarification from our perspective as a home builder regarding the potential economic and industry implications associated with Fulton Hogan Land Development's (FHLD) operations within the Rodney area.

Signature Homes is the third largest National Home builder in NZ contributing on average 500-600 new homes to Kiwi's every year, more broadly, those sales & that construction turnover employs or contracts, anywhere between 1500 – 2000 individuals annually.

We understand it has been suggested by Auckland Council that in the absence of greenfield developments, such as those undertaken by FHLD proceeding, an equivalent number of dwellings would simply be constructed elsewhere in Auckland. This assumption does not adequately reflect the scale, structure, and regional impact on home building companies' operations like ours, our local subcontractors, and our local supply chain.

FHLD delivers residential sections at a scale that is not commonly replicated across the Auckland region. This scale not only enables us to efficiently deliver housing but also underpins a significant amount of economic activity within the Rodney district. Any reduction in, or absence of, FHLD's delivery of greenfield residential sections in Rodney, would significantly and measurably impact our ability to deliver the level of housing required to remain commercially viable, while also substantially constraining local commercial activity and employment supported by the home-building sector in the area.

In particular, it is important to note the following:

1. **Franchise Constraints**
   Signature Homes (as do many other Group Home Builders) operate under franchise models that are geographically defined. A Signature Homes Auckland North franchise holder currently operating within Milldale area cannot simply relocate to other areas such as South Auckland, as those territories are already allocated to other franchise operators.

2. **Local Subcontractor and Supplier Dependency**
   A wide network of Signature Homes Auckland North subcontractors and suppliers are based in, and economically dependent on, sustained house construction activity within Rodney. Relocating operations to greenfield areas elsewhere in Auckland is neither practical nor commercially viable for many of these businesses, meaning a reduction in

local development would directly affect their livelihoods and our Franchise owner/ employees and business model.

3. **Differences in Construction Typologies**
The construction of apartments, particularly in central urban environments such as the CBD, requires different skill sets, methodologies, and operational structures compared to standalone housing and townhouse terraces. As such, our existing Signature Homes Franchise owners, subcontractors and suppliers specialise in residential house building and cannot readily or viably transition into apartment or higher density infill construction. This specialisation also allows us to deliver this type of housing quicker and at a lower overall cost than more intensive typologies.

4. **Limited Infill Development Opportunities** While it is acknowledged that some similar trades could be used in infill townhouse construction, the reality in Rodney is that such opportunities are limited. The existing housing stock is generally not of sufficient age or condition to justify widespread redevelopment, meaning this form of construction cannot meaningfully absorb displaced capacity.

5. **Scale of Delivery**
FHLD operates at a scale that supports consistent, high-volume delivery of housing. This level of output is uncommon in the industry and cannot easily be replicated or replaced by simply combining a number of smaller or fragmented development sites elsewhere across in the region. The economics simply don't stack up for us when you start to add the additional costs like increased capital, increased business risk, financing and holding costs of land, rebalancing of staff and subcontractor numbers, skill sets and travel times, increased freight for material delivery fees, additional consenting and compliance complexities, extra site security, and health and safety risks, different construction and subcontractor expertise and experience to name a few. It may also lead to job losses as we have a less secure, more ad hoc in nature forward workload. This will fundamentally require us to change who, what, how and why Signature Homes Auckland North Franchise does business.

6. **Demand for Master-Planned Communities**
Based on our experience in the area, customers are consistently attracted to well-designed, master-planned communities such as Milldale and Millwater. Accordingly, to Barfoot and Thompson reports, Milldale, on average between 50 to 80 groups of buyers viewing properties per weekend. In terms of Signature Homes North Auckland, Milldale generates significantly more buyer enquiry compared to other developments or home builds in the region. These developments provide integrated amenities such retail, preschools, schools, and recreational reserves, which are all highly valued by residents and contribute to sustainable community outcomes. Our years of experience and industry knowledge tells us, a considerable number of Aucklanders want to live in communities like Milldale, they want a standalone home or terraced house in greenfield developments exactly like this. These Aucklanders do not want to live in more central or intensive locations such as infill housing or apartments.

7. **Auckland is not one single market.**

   Auckland is not one single residential market. It is made up of various markets at the highest level that can be categorised by North, South, East, West and Central. Within these areas there are numerous communities, all with their own nuances that appeal to different people based on socio-economic, cultural, family, friends, employment, education, life stage, lifestyle, density, ethnic composition, etc. factors that make them appealing for the people that live within them.

Simply removing greenfield developments like Milldale from the North does not mean people living in Northern area / market of Auckland will automatically start to move South Auckland, or people living out West will start to migrate to the central city for example. The reasons they are choosing to live where they do is based on more than superficial and simple availability thinking. As a result, removing housing from one area, is more likely to reduce or exclude some Aucklanders from housing market, and stop the market completely in these areas where Aucklander's desire to live.

As a result, limiting housing supply in one area is more likely to significantly reduce or prevent access to the Auckland housing market for certain groups of Aucklanders and Auckland business altogether, rather than redirecting demand elsewhere. In some cases, it will stall activity in locations where demand remains strong, simply because the types of houses some people want to live in are no longer available.

In summary, the assumption that housing supply would simply be reallocated without consequence does not reflect the operational realities of the industry, needs, and preferences of those in the housing market, Signature Homes Auckland North Franchise, local Subcontractors or Suppliers. The scale of developments delivered by FHLD, the structure of their local build partners, and the localised nature of supporting businesses all within the local area mean that any reduction in their activity would have significant and measurable impacts on the Rodney economy and our Local Franchise business.

We trust this information assists the Panel in its deliberations and provides a clearer understanding of the broader implications associated with this application.

Yours sincerely,

Paul Bull

Group Chief Executive Officer

Signature Homes Ltd

Hon Phil Twyford

Minister for Housing and Urban Development

Phil Goff

Mayor of Auckland

13 November 2018

MEDIA STATEMENT

Major infrastructure partnership for North Auckland

Minister of Housing and Urban Development Phil Twyford and Auckland Mayor Phil Goff today announced a partnership that will fund $91 million of roading and wastewater infrastructure to support the building of 9000 homes at Wainui, north of Auckland.

The Government Special Purpose Vehicle (SPV) has been created in partnership with Auckland Council, Crown Infrastructure Partners and Fulton Hogan Land Development.

Phil Twyford said the Milldale project demonstrates an approach to funding that allows private investment in new infrastructure with the debt sitting on a balance sheet that is neither the Council's or the Government's.

"The Milldale project is an example of the innovative new approaches to financing infrastructure that the Government is developing through the Urban Growth Agenda. This funding model can be used in other high growth areas affected by the housing crisis to help more houses to be built more quickly.

"This could include private investment in infrastructure funded by a charge on the properties that benefit from the infrastructure.

"This new infrastructure funding model will result in a large number of homes being built much sooner than otherwise would have been the case.

"One of the major road blocks to our towns and cities growing is the lack of ready access to finance for the infrastructure that allows for new urban growth, for green or brownfields developments," Phil Twyford said.

Phil Goff said Milldale will be a great place for Aucklanders keen to live in a new modern eco-friendly environment connected to the rapid transport network.

"A key priority for us in Auckland is to address the shortage and unaffordability of houses in our city," Phil Goff said.

“We’ve zoned much more land for housing, but we need the infrastructure before we can build on it.

“Using Crown Infrastructure Partners to fund that infrastructure enables us to build roads, water and wastewater services without overburdening Council with debt and exceeding our debt to revenue ratio.

“We can build more homes sooner and tackle the housing crisis quicker than would otherwise have been possible.

“This Project enables nearly 4,000 new dwellings in Milldale and the infrastructure can support another 5,000 dwellings in the surrounding areas as well. It’s a big step towards meeting Auckland’s housing needs,” Phil Goff said.

Fulton Hogan Land Development has already started work on the Milldale development at Wainui, which will have nearly 4,000 homes and businesses. The infrastructure being funded will support the Milldale development and will also enable another 5,000 homes to be built nearby, with $33.5 million funding for this being provided by Auckland Council.

Crown Infrastructure Partners has secured long-term fixed-rate debt from Accident Compensation Corporation. The SPV will be funding $48.9 million towards the infrastructure, with the Crown contributing less than $4 million.

The SPV funding will be repaid over time partly by Fulton Hogan Land Development and partly by section owners as an ‘infrastructure payment’ collected with Council rates bills. This new model of infrastructure financing means that long term debt can be raised through the SPV to enable the building of large scale infrastructure, which is needed to step up the rate houses being built, and to assist Councils who are nearing their debt limits.

The Milldale development will be a modern, contained urban development with green spaces and parks, a town centre, cycleways and walkways, and potentially education facilities, and will be connected to the Northern busway.

Fulton Hogan Land Development in conjunction with a joint venture partner has previously developed Millwater, on the eastern side of the northern motorway and sees Milldale as the next evolution of this urban development.

ENDS

Contact: Minister Twyford, Tom James [redacted]

Contact: Mayor Goff, Mike Burgess [redacted]

Note to editors:

- The infrastructure includes a new arterial road and bridge connecting Wainui Road to the Silverdale Interchange and Dairy Flat Highway, intersection upgrades, a roading extension and bridge to Highgate Parkway on the eastern side of the motorway, and wastewater tunnels.

- Construction on the infrastructure has already commenced (the wastewater tunnel) with the first residential sections to be released in the early new year.

- The infrastructure funding and financing pillar of the Urban Growth Agenda will enable responsive infrastructure provision and appropriate cost allocation, including the use of project financing and access to financial capital. It aims to reform infrastructure funding and financing through:

- Providing a broader range of tools and mechanisms to enable net beneficial bulk and distribution infrastructure to be funded;
- Rebalancing development risk from local authorities to the development sector; and
- Making long term debt finance available to developers willing to take on the commercial risk, with the debt serviced by revenue from the new properties in a development.