Appendix Z

Economic Assessment

CLIENT
Bell Road Limited Partnership

5/05/2026

Economic and Property Research

Proposed Wairakei-South (Bell Road) Residential & Employment Development,

Fast-Track Approval Act 2024
Economic Assessment

About us

Our Areas of Expertise

Economic Analysis

Our work aims to bridge the gap between land-use planning and urban economics. Our focus is on the interaction between land markets, land-use regulations, and urban development. We have developed a range of methodologies using a quantitative approach to analyse urban spatial structure and audit land-use regulations.

Property Research

We provide property and retail market research to assist with the planning and marketing of new projects. This includes the identification of new sites and market areas, assessments of market potential and positioning, and the evaluation of market feasibility of specific projects.

Development Advisory

We provide development planning and costing advisory services to support small and large-scale developments.

Contents

1. Executive Summary

The Wairakei-South Fast Track project is a large-scale residential and employment development comprising of approximately 2,750 residential dwellings, 54 hectares of business land, a primary school (3.5 hectares) and extensive stormwater wetland and reserve areas of 140 hectares (the ***Development***). At this scale, Wairakei-South is one of the largest master-planned residential developments currently proposed within New Zealand. It is located at Bell Road, Papamoa, Western Bay of Plenty District.

The *Development* is anticipated to supply dwellings to the market at an average price of [redacted] (ranging from [redacted], which is broadly consistent with the prices in similar large-scale developments in the Western Bay of Plenty sub-region. A notable point, however, is that the *Development's* price range extends further into the lower-price segment than the comparable developments, supplying approximately 960 dwellings (or 36% of total dwellings) for less than $1 million. This pricing suggests that the *Development* would broaden supply within a market segment that is currently underrepresented (e.g. housing for low-middle income households). This demonstrates the *Development's* ability to provide comparatively affordable new housing in the Western Bay of Plenty sub-region (i.e. inclusive of Tauranga City).

Over the short-medium term (0-10 years), there is greenfield capacity of 10,990 dwellings in the study area of Western Bay of Plenty sub-region (including Tauranga City). These dwellings equate to approximately 9.5 years of greenfield dwelling capacity based on annual greenfield demand for 1,160 dwellings. This is insufficient to meet the medium-term requirements (10 years) of Policy 2 of the National Policy Statement on Urban Development (**NPS-UD**). With approximately 2,750 dwellings, the *Development* represents a 25% increase to the future greenfield supply and increases greenfield capacity to 11.8 years and therefore making a significant contribution towards ensuring demand over the short-medium term is met.

This is consistent with the housing insufficiency identified in the Smart Growth 2022 Housing and Business Capacity Assessment (**HBA**), which identifies a medium term shortage of 2,780 dwellings (inclusive of existing housing shortfall) in the figure below, and demonstrates the overall scale and significance of the *Development* to the future function of the Western Bay of Plenty sub-region's greenfield development market, and most notably, the Eastern Corridor (i.e. Papamoa/Wairakei/Te Tumu Urban Areas), which will provide a significant proportion of supply over the next decade.

Figure 1: SmartGrowth HBA 2022 Western Bay of Plenty Sub-Region Housing Sufficiency Summary – NZIER Existing Housing Shortfall Included

	short	medium	long	**Total**
Housing Demand	4,630	11,490	20,570	**36,690**
Housing Demand incl margin	5,550	13,780	23,660	**42,990**

	Short term	Medium term	Long term	**Total**
Infill/ Intensification	700	3,000	8,760	**12,460**
Rural, Lifestyle, Small Settlement	240	230	30	**500**
Greenfield Urban Growth Area	3,210	7,780	11,860	**22,850**
Total	**4,150**	**11,010**	**20,650**	**35,810**

	Short term	Medium term	Long term	**Total**
Supply-Demand	-480	-480	90	**-870**
Supply-Demand incl. Margin	-1,400	-2,780	-3,000	**-7,180**

Source: SmartGrowth 2022 HBA

The Western Bay of Plenty sub-region has experienced house price growth well above the national rate, highlighting a structural shortage of housing. Over 2020 - 2025 period, the annual average house price in the Western Bay of Plenty District increased from [redacted] or by 37%. This is significantly greater than the rate of price growth seen at the national level, of 23% (increase from [redacted]. In Tauranga City, the annual average house price has increased from [redacted], or by 27%.

The SmartGrowth 2022 HBA highlights a significant housing shortage and affordability challenges in the Western Bay of Plenty sub-region. These findings are supported by the New Zealand Institute of Economic Research (**NZIER**), commissioned by Tauranga City Council (**TCC**), which estimated a housing shortage of around 4,300 - 5,300 homes in Tauranga City and approximately 2,500 homes in the Western Bay of Plenty District as at June 2022. This indicates a shortage of dwellings supplied to the market relative to demand, in particular for greenfield dwellings, which generally enables a greater supply of lower-priced dwellings to the market. The *Development* will, therefore, represent a net addition to the greenfield market in the study area. It is worth noting that greenfield development, when supported by infrastructure, has a high probability of being completed within the short-medium term, whereas infill is difficult to predict and does not always eventuate as anticipated.

As a result, the *Development* is considered to make a significant contribution towards retaining population that would otherwise likely be forced to relocate to other regions across the country as a result of the ongoing high housing prices. This will contribute towards the Western Bay of Plenty sub-region's long-term social and economic resilience, which will rely on attracting and retaining younger households. This situation, however, is not expected to be achieved under current market conditions.

Updated Statistics NZ population projections show that growth in the Western Bay of Plenty sub-region will be significantly higher than assumed in the HBA 2022. This equates to demand for approximately 62,600 to 78,200 additional dwellings over the next 30 years (inclusive of the NPS-UD demand margin), representing an additional 19,630 to 35,250 dwellings when compared to the HBA 2022 estimates. Annual population growth is also expected to increase over time, in contrast to declining growth rates across most of New Zealand, indicating that Statistics NZ are optimistic on the growth prospects for the Western Bay of Plenty sub-region, with their forecasts indicating that a city the size of Dunedin will be added within a 30-year period. This reinforces the importance of enabling large-scale developments such as the *Development* to accommodate future demand.

The study area contains approximately 1,313 ha of industrial land, of which two-thirds (878 ha) is already utilised, and 406 ha remains vacant. Tauranga City accommodates the majority, with 907 ha in total including 201 ha vacant, most of which is in Tauriko. The Western Bay of Plenty District contains a further 406 ha, with 234 ha vacant as at 2025, primarily concentrated in Rangiuru Business Park.

Based on an estimated industrial land demand of 20-23 ha p.a. for the study area, this equates to approximately 19-22 years of remaining supply.

Industrial land prices in Tauranga are among the highest nationally, averaging [redacted] with Tauriko sites typically [redacted] and remaining Mount Maunganui sites exceeding [redacted] These elevated prices reflect the constrained nature of the market and concentrated ownership of remaining supply. In a more competitive market with greater availability, prices would be expected to settle closer to Christchurch levels[redacted]

The *Development* would add 54 ha of business land, predominantly industrial land at Wairakei South. The existing Wairakei industrial node provides 30 ha of industrial land, and this is insufficient to support the anticipated population growth in this immediate area. While the Rangiuru Business

Park is located a short distance away (5-7 minutes' drive-time) and will play an important role in accommodating large-footprint logistics and inter-regional operations, it serves a different function to the local service-oriented industrial land required to meet projected shortages in Tauranga City, and more specifically, the Papamoa/Wairakei/Te Tumu Urban Growth Areas.

The *Development* will establish an industrial node intended to support the existing and large urban population for the Papamoa/Wairakei/Te Tumu Urban Growth Areas. The *Development* would help address the current and future shortfall by delivering well-located, service-oriented industrial land to support local businesses and employment. By situating jobs and services in close proximity to the Papamoa/Wairakei/Te Tumu Urban Growth Areas, the *Development* will improve accessibility, support public and active transport options, reduce commuting distances, utilise existing infrastructure, and contribute to a well-functioning urban environment consistent with the NPS-UD.

The *Development* would result in significant economic benefits to the Western Bay of Plenty District and the wider Western Bay of Plenty sub-region by:

1. Contributing approximately 2,750 additional dwellings to a supply constrained market.
2. Providing a range of relatively affordable dwellings and contributing to downward pressure on new housing prices over time.
3. Providing approximately 54 hectares of business land which would support additional permanent employment opportunities for future residents, particularly in the localised market.
4. Supporting net additional construction sector GDP contribution of $1,121.0 million, and 8,430 full-time equivalent (**FTE**) jobs in total.
5. Enabling ongoing population growth, leading to significant net additional GDP contribution and employment, of $66.3 million and 585 FTE jobs every year.
6. Supporting retail sector GDP contribution of $29.0 million and 298 FTE jobs annually.
7. Generating ongoing quarrying activity during construction, equating to a direct GDP contribution of $26.0 million and supporting approximately 140 FTE jobs.
8. Generating a total GDP contribution during construction of $1,147.0 million and 8,570 FTEs, and ongoing GDP contribution upon completion of $95.3 million and 883 FTE jobs each year.

The *Development* would displace land currently suitable for use as a dairy and run-off block, with an estimated economic value of approximately $17.3 million. This, however, is not considered to be out of proportion with the economic benefits resulting from the *Development*.

It is also relevant that the Wairakei South area has been identified through the City and Regional Deals framework process, including Central Government, Western Bay Council, TCC and Priority One, that the *Development* has been confirmed as priority greenfields area to deliver housing into the Western Bay sub-region. This recognition provides further support that the *Development* as being suitably placed to deliver significant housing and employment land at the scale required to support the sub-region's ongoing population and economic growth, thereby reaffirming its regional significance.

In summary, the *Development* would provide much needed substantial housing supply at pace and scale; support housing affordability and population growth by placing downward pressure on prices; generate a significant contribution to construction and industrial sector GDP; and provide major employment opportunities for the Western Bay of Plenty sub-region. As such, it is concluded that the *Development* will deliver significant economic benefits for the study area and wider region.

2. Introduction

This report evaluates a residential & employment development in Wairakei South, located in the Western Bay of Plenty District under the Fast-track Approvals Act 2024 and Amendment Bill (FTAA).

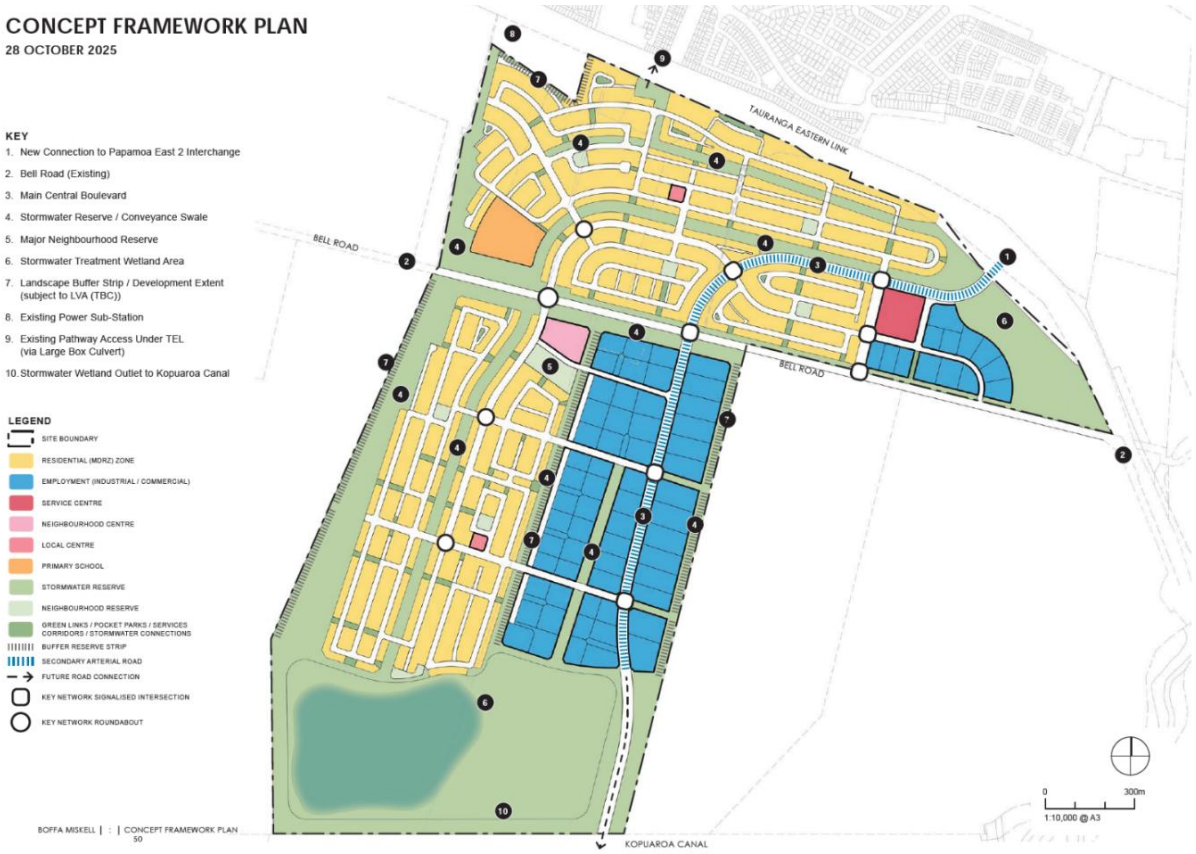
2.1 The Development

A concept plan for the *Development* is shown in Figure 2. As outlined in Figure 3, the *Development* is for the subdivision of residential lots expected to accommodate an estimated 2,750 dwellings at relatively affordable price points, 53.9 hectares of business land (industrial and commercial) which would yield approximately 238,700m² of Gross Floor Area (**GFA**), and a primary school site with an estimated GFA of circa 4,800m² (based on sample of schools in Tauranga).

The *Development* is anticipated to supply dwellings to the market at an average price of [redacted] which is broadly consistent with the prices in similar large-scale developments in the Western Bay of Plenty sub-region. A notable point, however, is that the *Development*'s price range [redacted] extends further into the lower-price segment than the comparable developments, with approximately 36% of dwelling supplied for less than [redacted]

This estimated pricing therefore suggests that the *Development* would respond to a market segment that is currently underrepresented (e.g. housing for low-middle income households), demonstrating the *Development's* ability to provide comparatively affordable new housing in the Western Bay of Plenty District and the wider Western Bay of Plenty sub-region.

Figure 2: Wairakei-South Concept Framework Plan



Source: Boffa Miskell

Figure 3: Wairakei-South Residential & Employment Development Indicative Composition

Activity Type	Lot Type	Dwelling Yield/Total GFA	Lot Size Avg (m^2)	GFA Range (m^2)			Estimated Price per Dwelling / Unit		
				Low	High	Avg	Low	High	Avg
Residential	Type A Type B Type C Type D	[redacted]							
	Sub-total/Avg								
Industrial	-								
Other Business*	Neighbourhood Centre								
	Local Centre								
	Service Centre								
	Sub-total								
Primary School									

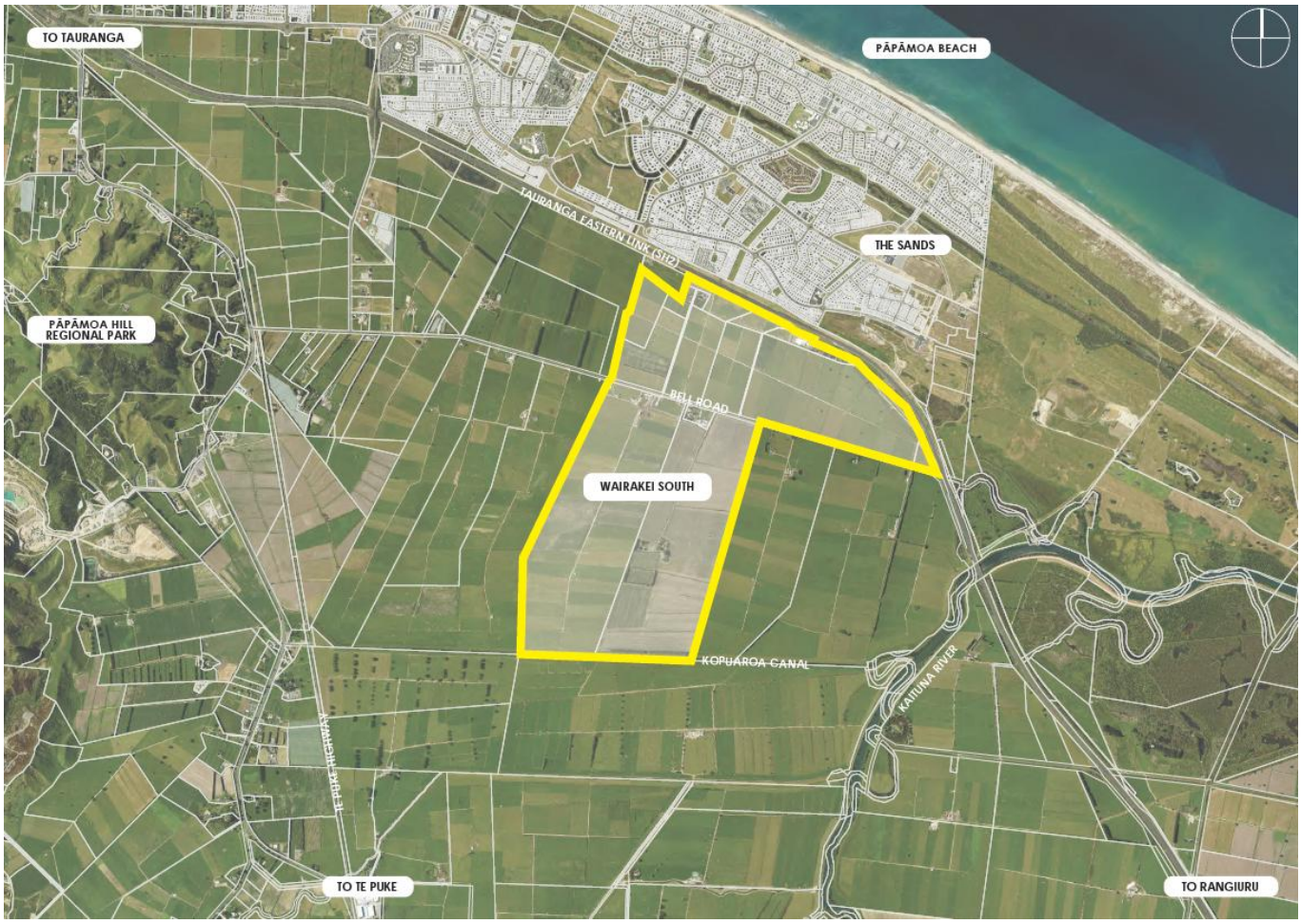
*Includes neighbourhood centre, local centres and Service Centre.

**Indicative

***Total centre value.

Source: CoreLogic, TradeMe, Boffa Miskell, UE

Figure 4: Wairakei-South Site Location



Source: Boffa Miskell

3. Study Area

Figure 5 outlines the study area adopted in this report. The study area is defined as the Western Bay of Plenty sub-region, comprising the Western Bay of Plenty District and Tauranga City.

The area includes suburbs such as Mount Maunganui, Papamoa, Bethlehem, Ohauiti and Pyes Pa, together with townships including Te Puke, Omokoroa, and Katikati.

The *Development* site is located in the wider Papamoa area, north of Te Puke.

The *Development* would for the most part function as an extension of the Wairakei Urban Area of Tauranga City, however, is within the Western Bay of Plenty District, which is predominantly rural and rural town in focus.

The assessment therefore focuses on the Western Bay of Plenty sub-region as the most relevant housing market served by the *Development*.

Figure 5: Study Area (Western Bay of Plenty sub-region)

Source: LINZ, Google

4. Greenfield Residential Capacity Analysis

This section evaluates the remaining greenfield capacity within the study area and includes a profile of the existing and pipeline medium-large scale (50+ lots/dwellings) greenfield developments with remaining capacity.

Figures 6 & 7 provide a profile of the known existing and future pipeline of greenfield developments within the study area. This information reflects the identified capacity associated with specific developments that are currently zoned, serviced, and/or expected to progress over the short-medium term (0-10 years)[1].

The medium-term capacity is considered to be important when determining whether the housing market will function efficiently, and meet demand in terms of dwelling type, price and location, over the foreseeable future. The main points are:

- There are currently thirteen existing greenfield developments supplying dwellings/lots within the study area of reasonable scale
- In total, these developments can supply approximately 7,820 dwellings/lots, of which 4,410 have been developed/sold, and 3,410 remain to be developed/sold.
- There are three future pipeline greenfield developments identified in the study area. These developments are expected to provide approximately 3,740 dwellings to the market.
- The current (remaining) and future pipeline greenfield developments are expected to provide approximately 10,990 dwellings to the market in total.
- Across the study area, the HBA identifies a short-medium term capacity of 10,990 dwellings, of which, an estimated 7,150 dwellings/lots will be supplied in existing and pipeline greenfield developments, and a further 3,840 dwellings/lots are estimated to be supplied over the medium term in other, currently unknown, developments[2].
- The *Development* would increase the short-medium-term capacity in the study area, to 13,729 dwellings/lots.
- The vast majority of current and future pipeline greenfield developments are small to moderate in scale (typically between 100-500 dwellings) and as a result, do not generally deliver broader amenities due to limited economies of scale.
- The *Development* is significant by comparison, being one of the largest greenfield developments the Western Bay sub-region and country has seen in recent decades.

[1] 0-10 years being the time period over which government policy and developers are most able to influence the market.
[2] As identified in Table 4-18a of the HBA 2022 (page 106).

Figure 6: Study Area Known Current & Pipeline Greenfield Development Dwelling Supply

Status	Development	Total Dwellings/ Lots***	Sold	%Sold	Currently Selling	Remaining Supply
Existing	Golden Sands	[redacted]				
	Palm Springs**					
	Kennedy Ridge					
	Te Mania					
	Harbour Ridge					
	Quail Ridge Estate					
	Manawa Papamoa					
	Three Creeks Estate					
	Puna Rua					
	West Dune					
	Te Awanui Waters					
	Highfields Crossing					
	Reel Road Development					
Current Subtotal						
Pipeline ****	Tauriko West					
	Seddon Street Development					
	Waipapa Green					
	Other Medium-Term Supply*					
Pipeline Subtotal						
Total Current + Pipeline						
The Development						
Total + The Development						

*As identified in Table 4-18a of the HBA 2022.

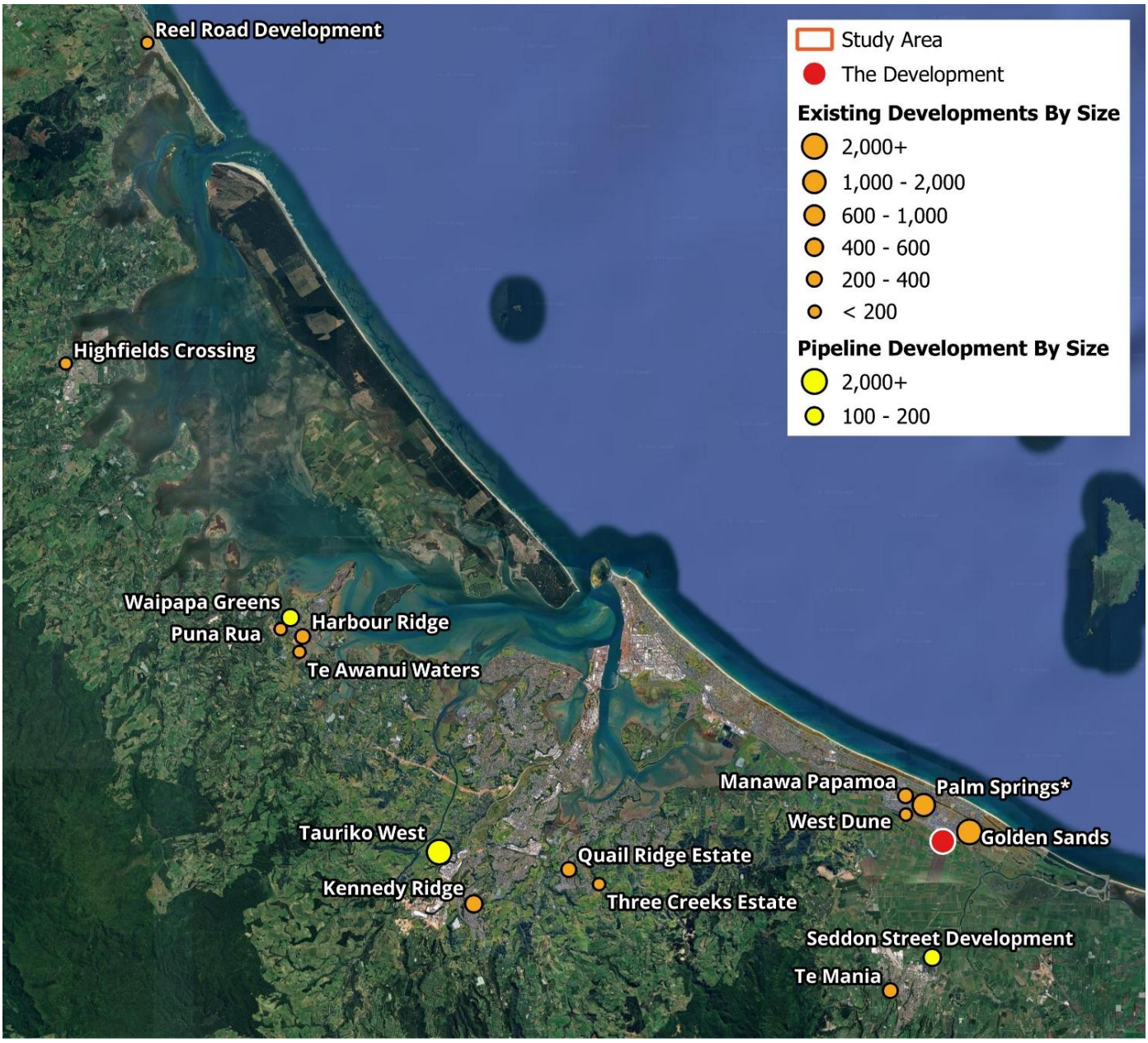
**Stage 8 onw ards

***Approximate

****Developments zoned but not yet brought to market.

Source: CoreLogic, Developer Websites, TradeMe, Google

Figure 7: Location of Existing & Pipeline Greenfield Developments



Source: LINZ, CoreLogic, Developer Websites, KCDC, UE

5. Greenfield Residential Demand & Sufficiency Analysis

The following section provides an assessment of residential demand, and specifically greenfield demand, in terms of quantity and price, within the study area.

5.1 Western Bay of Plenty Sub-region Dwelling Demand

Figure 8 summarises the Western Bay of Plenty sub-region's projected dwelling demand over the short (1-3 years), medium (4-10 years) and long term (11-30 years), as reported in the HBA. It reflects estimated demand for additional dwellings after applying the NPS-UD buffer of 20% for short and medium-term demand and 15% for the long-term. On an annualised basis, the HBA forecasts annual demand for approximately 1,850 dwellings in the short term and 1,970 dwellings in the medium term. This equates to total short-medium term (1-10 years) demand of 1,935 dwellings per annum.

The HBA highlights a significant housing shortage and affordability challenges in the Western Bay of Plenty sub-region. It states that:

> *"The housing crisis in New Zealand continues despite increased focus and investment across the housing system. Tauranga and the Western Bay of Plenty have been particularly affected, with Tauranga City having the worst housing affordability in the country relative to incomes."* (Page 6), and
>
> *"The sub-region does not have enough housing to support current and future demand."* (Page 6).

These findings are supported by the NZIER report, commissioned by Tauranga City, which estimated a housing shortage of around 4,300 - 5,300 homes in Tauranga City and approximately 2,500 homes in the Western Bay of Plenty District as at 30 June 2022[3].

The supply shortages and unmet demand are accounted for in the HBA as follows:

> *"In response to these findings TCC and Western BOP District have adjusted their dwelling demand projections to include the existing shortfall where and when it could be reasonably expected to be accommodated, with 3,400 and 1,750 additional dwellings allocated respectively within the medium and long term HBA 30-year projection period. The balance has been added to longer term projections post 2052. This additional demand is included in the summary tables."* (HBA, Page 42)

This approach is overly conservative, as any unmet demand exists immediately, and cannot be deferred to the medium-long term, i.e. if there is demand that is unmet today it needs to be met today. As such, the demand estimates are considered conservative, and additional demand of 2,150 dwellings exist in the combined short-medium term, based on the TCC estimates. This would bring the total demand to 21,480 dwellings over the short-medium term. Notwithstanding, the conservative demand estimate of 19,300 dwellings over the short-medium term is adopted for the analysis in this report.

[3] NZIER - Impact of a housing shortage, an update of the effects on Tauranga City, August 2022, as referenced in the HBA (Page 8)

Figure 8: Western Bay of Plenty Sub-region SmartGrowth 2022 HBA Total Dwelling Demand

Total Dwelling Demand*	Additional Dwellings			
	Short Term (Years 1-3)	Medium Term (Years 4-10)	Long Term (Years 11-30)	Total Short + Medium Term
Annualised	1,850	1,970	1,185	**1,935**
Total	5,550	13,780	23,660	**19,330**

*Including NPS-UD Demand Buffer of 20% for short/medium-term and 15% for long-term.

Source: SmartGrowth

The total annual dwelling demand remains relatively stable over the short-medium term, broadly in the 1,900 to 2,000 range, however, demand reduces to approximately 1,185 dwellings p.a. over the long-term. This decline reflects the anticipated flattening of population growth and the demographic shift towards older households, meaning incremental growth in dwelling demand is slower over the long term.

Long-term projections should be considered with caution as they assume population growth will slow substantially based on internal demographics. However, international migration continues to be the main driver of population growth in New Zealand and may be influenced by future policy settings aimed at supporting economic growth (e.g. attracting a younger working age population). As such, it is plausible that long-term dwelling demand could be more comparable to growth rates expected over the medium term. It is understood that Statistics NZ explicitly notes the difficulty in predicting net international migration for these reasons.

As noted previously, the analysis in this report adopts the dwelling demand estimates from the HBA 2022. However, these projections are considered conservative, as updated Statistics NZ population projections (2023 base, released September 2025) indicate a materially higher growth trajectory for the Western Bay of Plenty sub-region.

As illustrated in Figure 9, this results in estimated long-term demand for approximately 62,620 to 78,240 dwellings (inclusive of NPS-UD demand margin), representing an additional 19,630 to 35,250 dwellings relative to the HBA 2022 dwelling demand estimates. This means the HBA 2022 projections are likely to significantly understate future housing demand over the 30-year period.

The updated projections indicate that annual population growth in the Western Bay of Plenty sub-region is expected to increase over time (in nominal terms), in contrast to the broader trend of declining growth rates (in nominal terms) forecast across most parts of New Zealand.

Additionally, the Western Bay of Plenty sub-region is projected to be among the fastest-growing areas in NZ over the 2023-2053 period. As noted by Statistics NZ:

> *"The highest projected population growth rates over the 30-year period (2023–2053) are in Selwyn (an average annual increase of 2.3 percent), Queenstown-Lakes districts (1.7 percent), and Waikato district, Tauranga city, and Western Bay of Plenty district (each about 1.5 percent)."*[4]

This indicates that Statistics NZ are bullish on the growth prospects for the Western Bay of Plenty sub-region, with their forecasts indicating that a city the size of Dunedin will be added within a 30-year period.

This is supported by recent media reporting, which indicates that Tauranga's population could surpass Wellington's within the next 25 years[5], largely driven by affordability pressures and

[4] https://www.stats.govt.nz/information-releases/subnational-population-projections-2023base-2053/
[5] Wellington's population set to be outstripped by Tauranga and Hamilton's within 25 years - NZ Herald

employment constraints in Wellington. This reinforces the significance of enabling developments such as Wairakei-South to deliver relatively affordable housing and employment land to support future population growth.

Figure 9: Western Bay of Plenty Sub-region Dwelling Demand – HBA 2022 vs Stats NZ 2025 Update

Western Bay of Plenty Sub-region Growth	Short (1-3 yr)	Medium (4-10 yr)	Long (11-30 yr)	Total
HBA 2022 Dwelling Demand (excl. margin)	4,630	11,490	20,570	**36,690**
HBA 2022 Dwelling Demand (incl. margin)	5,550	13,780	23,660	**42,990**
Stats NZ 2025 Population Projections (Med)	10,800	27,000	83,700	**121,500**
Stats NZ 2025 Population Projections (High)	14,100	34,200	106,700	**155,000**
Stats NZ 2025 Dwelling Projections (Med) (excl. margin)*	4,320	11,940	37,490	**53,750**
Stats NZ 2025 Dwelling Projections (High) (excl. margin)*	5,640	14,820	46,690	**67,150**
Stats NZ 2025 Dwelling Projections (Med) (incl. margin)*	**5,180**	**14,330**	**43,110**	**62,620**
Stats NZ 2025 Dwelling Projections (High) (incl. margin)*	**6,770**	**17,780**	**53,690**	**78,240**
2025 Update Additional Growth (Med)	**-370**	**550**	**19,450**	**19,630**
2025 Update Additional Growth (High)	**1,220**	**4,000**	**30,030**	**35,250**

Source: Smartgrowth 2022 HBA, Statistics NZ, Smartgrowth 2025 Population Projections

*Based on an average of 2.5 people per dwelling.

5.2 Dwelling Consents by Location

Figure 10 provides a breakdown of the location of new dwellings consented in the study area over the 2015 - 2024 period. It shows that on average, over the last 5 years, approximately 34% of all new dwellings consented occurred within infill locations, 57% occurred within new greenfield areas, and 9% occurred within rural areas.

With regard to consideration of greenfield and infill demand, a recent Environment Court decision (Private Plan Change 73[6]) made the following comments with regard to this important distinction. The decision noted that:

> *"The Court would question the relevance of such data sets [household and population growth data], if they do not identify and distinguish greenfield-based trends and patterns over time from infill-based trends and patterns over time. In this regard, the practice of averaging household growth data over periods of time can mask relevant detail."* [208, emphasis added].

This is specifically relevant to the Western Bay of Plenty sub-region HBA, which does not consider dwelling demand in terms of the infill-greenfield split (rather it only considers supply or capacity in terms of the infill-greenfield spit).

The 'SmartGrowth Strategy 2024-2074' - the Future Development Strategy (**FDS**) does however conclude that:

> *"The aim is to target at least 40% of new development within the existing Tauranga City urban area through intensification and infill …"* (page 5)

By implication, the balance of approximately 60% is broadly anticipated to occur in greenfield locations. This aligns closely with the recent pattern of growth achieved in the sub-region.

[6] Gardon Trust v Auckland Council [2023] NZEnvC 058.

To inform greenfield demand in the study area, the share of recent consents occurring in greenfield locations has been adjusted to 60% to reflect both longer-run historic trends and the strategic direction set in the FDS. This is applied to total medium-term dwelling demand, resulting in an estimated annual greenfield demand of approximately **1,160 dwellings over the short to medium-term** (i.e. 1,935 x 60%).

Historically (over the 2015-2021 period) the study area accounted for 5-7% of all new dwellings consented nationally, equating to around 1,800-2,000 dwellings per year. By contrast, in recent years, consents have fallen to just 2-3% of the national total, or fewer than 1,000 dwellings per year. This contraction in supply is reflected in the corresponding strong price increase seen across the Western Bay of Plenty sub-region (i.e. if an insufficient quantity of dwellings are supplied to meet demand, then prices will increase). If the study area returns to its historic 5-7% share, demand would likely return into the order of 1,800-2,000 dwellings annually.

In many other urban centres across the country (and as seen historically in the study area), greenfield housing typically accounts for 60-70% of demand, reflecting the ability of greenfield developments to provide dwellings at more affordable price points. These trends are highlighted in the HBA, which notes:

> *"Residential growth has traditionally occurred through greenfield development"* (page 122) and *"Constraints on capacity typically place upward pressure on the price of land and other resources, with obvious negative effects on affordability."* (page 110).

Overall, this reinforces the FDS strategic approach, to accommodate 60% of residential demand in greenfield locations.

Figure 10: Study Area New Dwellings Consented by Location (2015 - 2024)

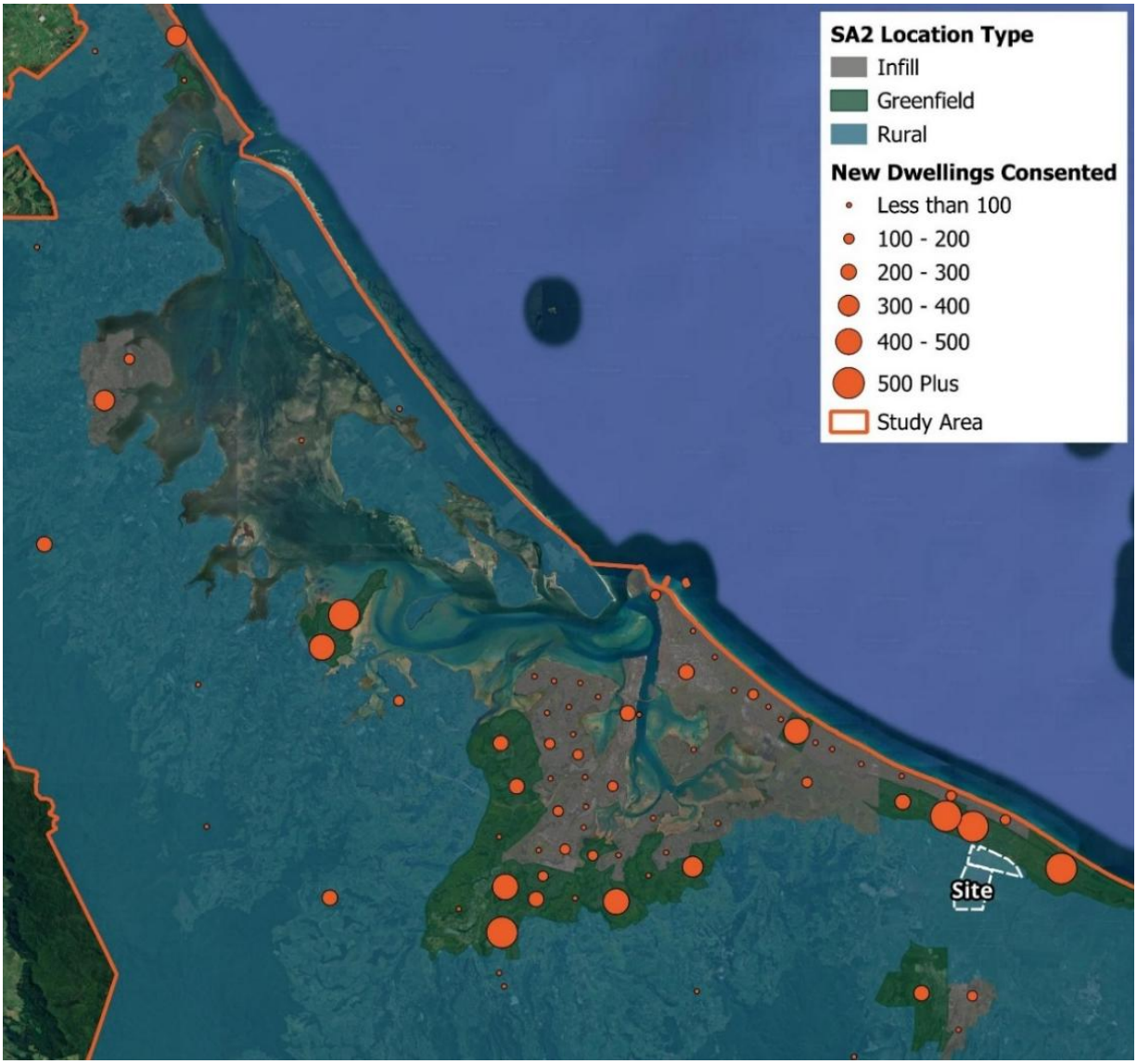
Year	New Dwellings Consented (Study Area)				NZ Total	Study Area % of NZ
	Infill	Greenfield*	Rural**	Total		
2015	370	1,030	155	1,555	25,235	6.2%
2016	495	1,250	245	1,990	28,115	7.1%
2017	400	1,365	185	1,950	29,135	6.7%
2018	440	995	165	1,600	31,165	5.1%
2019	375	1,035	165	1,575	35,240	4.5%
2020	470	1,180	120	1,770	37,555	4.7%
2021	475	1,145	160	1,780	46,135	3.9%
2022	375	795	125	1,295	46,580	2.8%
2023	485	310	100	895	34,970	2.6%
2024	380	275	75	730	31,900	2.3%
Total	**4,265**	**9,380**	**1,495**	**15,140**	**346,030**	**-**
5-Yr Average	**435**	**740**	**115**	**1,295**	**39,430**	**-**
5-Yr Average (%)	**34%**	**57%**	**9%**	**100%**	**100%**	**-**

*SA2's w here residential grow th has predominantly occurred through greenfield developments.

**SA2's that are predominantly rural in character.

Source: Statistics NZ, LINZ, UE

Figure 11: Location of New Dwelling Consents in the Study Area (2015 - 2024)



Source: Statistics NZ, LINZ, UE

As evident in Figure 10, greenfield dwelling consents have contracted significantly in recent years, by more than 75% between 2021 and 2024. Over the same period, infill consents have remained relatively stable, consistently ranging between 300 and 500 dwellings per year. This trend shows the quantity of infill housing has not been impacted by a change in the quantity of greenfield housing, indicating these are independent markets (i.e. complimentary markets rather than substitutes). As such, enabling additional greenfield supply is expected to increase greenfield construction rates, with infill continuing at its current levels, supporting a return to historic supply levels.

5.3 Study Area Greenfield Dwelling Sufficiency

Figure 12 estimates the remaining years of greenfield capacity in the study area. The main points to note are:

- In total, there is estimated to be a fundamental **greenfield dwelling demand of 1,160 dwellings p.a.** over the medium term, as informed by the HBA, the 'SmartGrowth Strategy 2024-2074', and building consents data.
- Based on the existing capacity and the expected rates of greenfield demand, there is an estimated 9.5 years of greenfield capacity remaining. This is not sufficient to meet the medium-term requirements of Policy 2 of the NPS-UD.
- The *Development* would increase total short-medium term capacity to from 10,990 dwellings to 13,729 dwellings.
- With the *Development* the remaining greenfield capacity would increase to 11.8 years. This would meet the short to medium-term capacity requirements in the study area[7].

Figure 12: Study Area Estimated Greenfield Dwelling Sufficiency (Short-Medium Term)

Greenfield Areas	Total
Annual Total Dwelling Demand (incl. NPS-UD Demand Buffer)	1,935
Greenfield Share of Total Demand	60%
Annual Greenfield Demand Dwelling Demand (incl. NPS-UD Demand Buffer)	1,160
Remaining Capacity (Existing + Pipeline Developments)	10,990
Remaining Capacity (Existing + Pipeline + Proposal)	13,729
Remaining Years of Capacity (Existing + Pipeline)	**9.5**
Remaining Years of Capacity (Existing + Pipeline + Proposal)	**11.8**

Source: SmartGrowth 2022 HBA, SmartGrowth Strategy 2024-2074, UE

5.4 Dwelling Sales

Figure 13 displays the recent dwelling sales in the Study Area (January 2023 - July 2025) by price bracket and type. The main points to note are:

- Stand-alone dwellings accounted for the majority of dwelling sales (89%), followed by terrace houses (9%) and apartments (2%).
- The majority (70%) of stand-alone dwellings were sold within the [redacted] price range. In addition, a considerable proportion (25%) of stand-alone dwellings were sold for above [redacted]
- By comparison, the majority of terrace houses were sold for below [redacted] (75%).
- Apartments showed a varied price profile, with central Tauranga apartments generally lower-priced, and premium apartments located at Mount Maunganui Beach.
- Over this period, a total of [redacted] dwellings were sold. This sale figure equates to annual sales of approximately [redacted]. Of these sales, approximately 30% (or [redacted] dwellings) were new dwellings (built after 2010).
- Terrace houses were the most affordable housing type in Tauranga, with an average sale price of [redacted]. Apartments achieved the highest average sale price at [redacted] reflecting

[7] While it is noted that the FTAA does not specifically require the NPS-UD sufficiency requirements to be met, the approach is considered useful for understanding total supply relative to demand, and the impact that the *Development* would have on the overall function of the housing market.

premium coastal locations such as Mount Maunganui Beach. Stand-alone dwellings recorded an average sale price of [redacted]

- Overall, stand-alone dwellings are the predominant housing type demanded in the Western Bay of Plenty sub-region (89%). Assuming annual dwelling demand of [redacted] dwellings (Figure 12), this equates to annual stand-alone demand of approximately [redacted] dwellings. The *Development* therefore represents approximately 2 years' worth of stand-alone dwelling demand, demonstrating the overall scale and regional significance of the *Development*.

Figure 13: Recent Sales by Price Bracket January 2023 - July 2025 (Study Area)

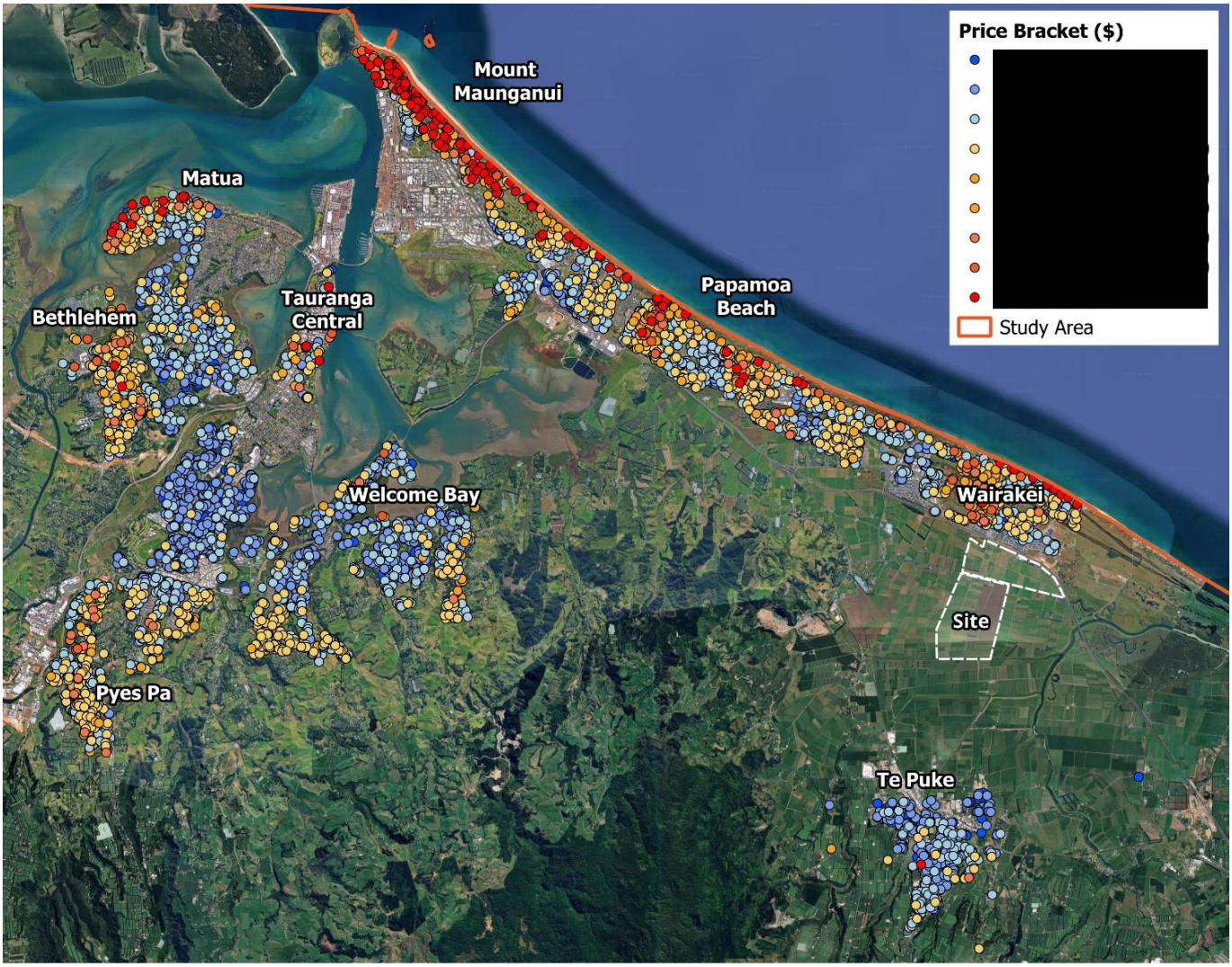
Price Bracket ($000)	Stand Alone	Terrace	Apartment	Total	Stand Alone	Terrace	Apartment	Total
[redacted]	110	40	5	**155**	2%	6%	3%	2%
	255	140	10	**405**	4%	20%	6%	5%
	825	210	30	**1,065**	12%	31%	17%	14%
	1,125	125	20	**1,270**	16%	18%	11%	16%
	1,235	65	20	**1,320**	18%	9%	11%	17%
	1,040	25	10	**1,075**	15%	4%	6%	14%
	625	15	15	**655**	9%	2%	8%	8%
	470	15	15	**500**	7%	2%	8%	6%
	355	15	5	**375**	5%	2%	3%	5%
	235	10	10	**255**	3%	1%	6%	3%
	135	5	5	**145**	2%	1%	3%	2%
	135	5	5	**145**	2%	1%	3%	2%
	80	5	0	**85**	1%	1%	0%	1%
	55	0	5	**60**	1%	0%	3%	1%
	55	5	5	**65**	1%	1%	3%	1%
	25	0	0	**25**	0%	0%	0%	0%
	20	0	0	**20**	0%	0%	0%	0%
	15	0	0	**15**	0%	0%	0%	0%
	15	0	0	**15**	0%	0%	0%	0%
	15	0	5	**20**	0%	0%	3%	0%
	125	5	15	**145**	2%	1%	8%	2%
Total	**6,950**	**685**	**180**	**7,815**	**89%**	**9%**	**2%**	**100%**
Avg Sale Price	[redacted]				-	-	-	-

Source: CoreLogic

Figure 14 shows the distribution of dwelling sales across Tauranga City and Te Puke by price over the January 2023 - July 2025 period. As would be expected, the highest priced properties are located along the beach/coast, such as in Mount Maunganui, Papamoa Beach and the northern part of Matua. These properties predominantly achieve prices above [redacted] Conversely, dwellings sold in the central suburbs and peripheral areas (including Te Puke) generally achieve prices at the lower end of the range, mostly selling for less than [redacted]

The *Development* site is located in the wider Papamoa area, where sales display a varied price profile. Most properties in this location achieve prices of [redacted] however, some coastal properties achieve higher prices above [redacted] This reflects the higher price paid for newer dwellings and proximity to coast within the local market. This indicates there is potential for the *Development* to support a diverse mix of dwelling types and price points to meet different household needs, from lower-priced terrace houses to larger 4-5 bedroom standalone dwellings.

Figure 14: Study Area Recent Sales by Location (Tauranga & Te Puke) January 2023 - July 2025



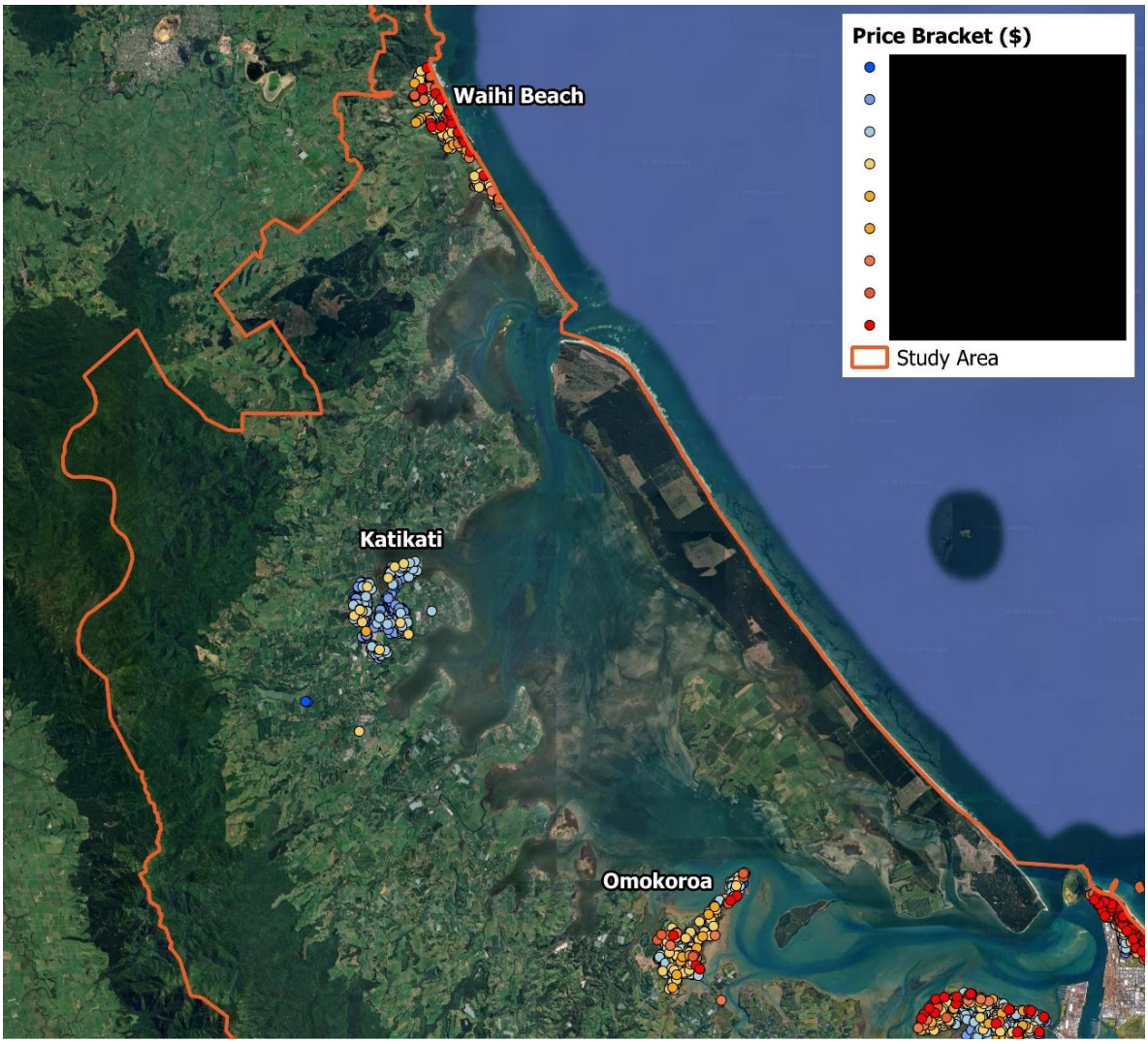
Source: CoreLogic, LINZ

Figure 15 shows the distribution of dwelling sales across the northern towns of the study area. In Omokoroa, dwellings predominantly achieved prices in the [redacted] range.

By contrast, Katikati has generally achieved lower prices, predominantly below [redacted]

Waihi Beach, as a premium coastal location, typically achieves prices above [redacted] This also highlights the preference to be near the coast.

Figure 15: Study Area Recent Sales by Location (Northern Towns) January 2023 - July 2025



Source: CoreLogic, LINZ

6. New Development Profiling

This section provides an analysis of the market profile of existing developments within the study area, in terms of price, lot size and floor area. This is to determine whether the *Development* would meet any specific gaps in the market in terms or dwelling type and price.

Figure 16 provides a summary of dwelling sales by price, lot size and floor area in the key developments based on their recent sales (2023-2025). The main points to note are:

- During this period, Golden Sands (Papamoa East) achieved an average sale price of [redacted]. Palm Springs achieved [redacted] and Kennedy Ridge achieved [redacted]
- Golden Sands and Kennedy Ridge were relatively more affordable, with 71% and 78% of sales occurring below [redacted] respectively.
- By contrast, Palm Springs was significantly more expensive, with 89% of sales occurring above [redacted]
- Palm Springs supplied the largest product, with an average floor area of 200m² and section sizes of 490m².
- By comparison, Golden Sands and Kennedy Ridge provided slightly smaller product, with average floor areas of 160m² and 170m² respectively, and section sizes of 400m² and 410m².

Figure 16: Key Development Benchmark Summary Table (Recent Sales)

Golden Sands	Dwelling
Average Sale Price	[redacted]
Average Lot Size (m²)	
Average Floor Area (m²)	
% Sold Below [redacted]	
% Sold Above	

Palm Springs*	Dwelling
Average Sale Price	[redacted]
Average Lot Size (m²)	
Average Floor Area (m²)	
% Sold Below [redacted]	
% Sold Above	

Kennedy Ridge	Dwelling
Average Sale Price	[redacted]
Average Lot Size (m²)	
Average Floor Area (m²)	
% Sold Below [redacted]	
% Sold Above	

The Development	Dwelling
Average Sale Price	[redacted]
Average Lot Size (m²)	
Average Floor Area (m²)	
% Sold Below [redacted]	
% Sold Above	

*Stage 8 onw ards.

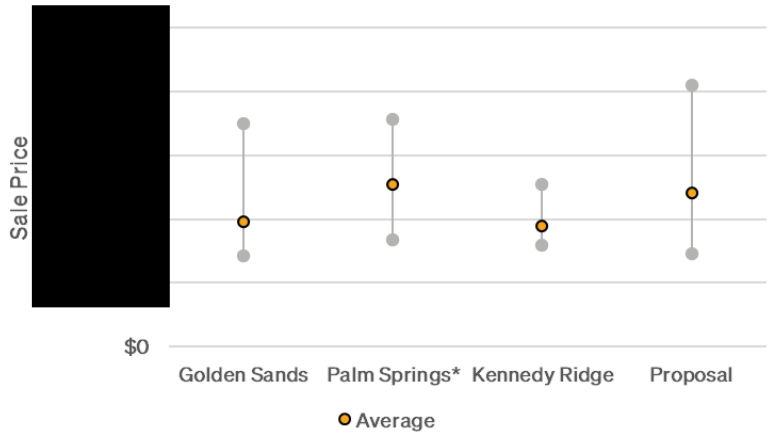
Source: CoreLogic

Figures 17-18 provide a comparison of the price and size composition of the key developments over their recent sales against the *Development*.

The *Development* is anticipated to supply new dwellings at similar prices to the surrounding developments. The average sale price of [redacted] is below Palm Springs [redacted] and marginally above Golden Sands [redacted], and Kennedy Ridge [redacted] Importantly, however, the *Development*'s price range [redacted] extends further into the lower-price segment than the comparable key developments. This pricing suggests the *Development* would respond a market segment that is currently underrepresented (e.g. housing for low-middle income households). This confirms the *Development* will offer economic benefits relating to the type and price of dwellings available in the market and would reflect a net addition to current supply (i.e. supply that would not otherwise occur overall).

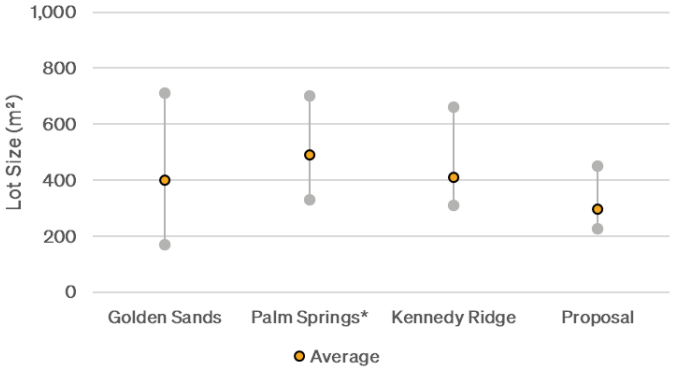
Overall, the *Development* is anticipated to address a key gap by expanding the availability of relatively affordable dwellings within the market, by providing approximately [redacted] dwellings (36% of total development) for less than [redacted] It is expected to contribute a significant net addition to supply, particularly in price and product types that are currently less available in the study area.

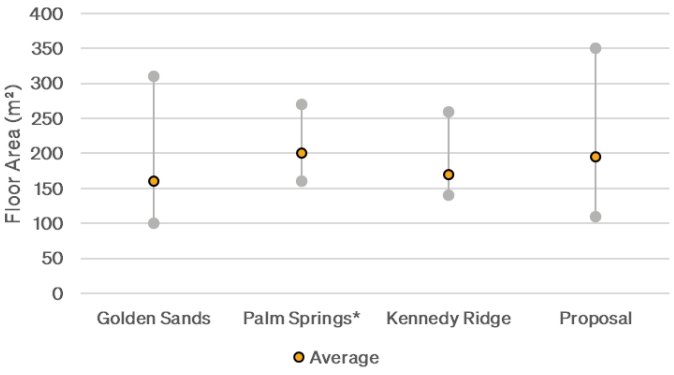
Figure 17: Key Development Price Range



Source: CoreLogic

Figure 18: Key Developments Lot Size & Floor Area Range (m²)





Source: CoreLogic

7. Infrastructure Provision

This section provides an overview of planned Council infrastructure investment in the Western Bay of Plenty sub-region and outlines how the *Development* will connect to and support the delivery of infrastructure within the existing network.

The *Development* site is located within the wider eastern growth area of the sub-region, where Western Bay of Plenty District and Tauranga City have identified the requirement for significant infrastructure investment to service future housing and business land.

Western Bay of Plenty District Council (**WBOPDC**) has identified a programme of infrastructure upgrades to service growth in the eastern part of the district, referred to as the Eastern Supply Zone. The Infrastructure Strategy in the 'Long Term Plan 2024-2034' highlights new reservoirs, reticulation upgrades, and a dedicated pipeline connection for the Rangiuru Business Park. These works are intended to provide additional water supply capacity and support future urban and industrial development in the zone. While project-specific costs are not itemised in the strategy, the scale of investment is anticipated to be significant.

District-wide, WBOPDC has programmed over [redacted] of infrastructure investment over the next 10 years. This includes [redacted] for roading, water supply and stormwater upgrades in Omokoroa, [redacted] for the Katikati wastewater outfall, and [redacted] for the Te Puke wastewater treatment plant replacement.

In TCC, the 'Infrastructure Strategy 2024-2054' identifies the Eastern Corridor (including Papamoa, Te Tumu and Wairakei) as one of the city's key growth areas. To support this growth, the strategy programmes substantial investment in wastewater, stormwater, and water supply infrastructure. Over the next 10 years, key upgrades include approximately [redacted] at the Te Maunga Wastewater Treatment Plant, alongside over [redacted] for Eastern Corridor trunk wastewater works. In addition, stormwater projects are specifically planned within Wairakei, including the Wairakei Stream Culvert Upgrade[redacted] and Wairakei Stream Landscaping[redacted] These projects are intended to expand network capacity and manage growth pressures in the Eastern Corridor.

The *Development* will extend water and wastewater infrastructure in the Papamoa/Wairakei South area, supporting local servicing and integration with the existing network. By delivering a significant number of new dwellings, the *Development* adds critical mass that supports the timing of planned Council upgrades, (e.g. Eastern Corridor trunk wastewater works in Tauranga, and the Eastern Supply Zone upgrades identified by WBOPDC). These projects are key assets for enabling future growth in the sub-region.

In addition, the *Development* will assist in validating the previous investment and also completing the Papamoa East Interchange (**PEI**) on State Highway 2, a regionally significant transport project currently under construction. The PEI provides immediate access to the Tauranga Eastern Link (SH2), the primary transport corridor from the east into Tauranga and the Port and creates a direct connection into the existing The Sands Town Centre within the Wairakei Urban Area.

The *Development* will deliver a substantial number of new dwellings over the medium-term and beyond. This will support a more efficient cost recovery period through increased development contributions and rateable units, improving the financial efficiency of infrastructure delivery and reducing the risk of delayed uptake. In contrast, if the *Development* proceeds more slowly, the cost recovery would be extended and funding challenges for infrastructure delivery may become more pronounced.

The long-term waters infrastructure servicing for the Western Bay of Plenty sub-region, will be based around a sub-regional strategy aligned with the proposed Waters Council Controlled Organisation (**CCO**) involving both WBOPDC and TCC. This CCO is intended to provide an integrated planning approach to infrastructure servicing.

8. Affordability of New Greenfield & Infill Housing

Housing in new greenfield developments is typically able to be brought to the market at lower prices than new infill housing. This is due to greenfield developments offering greater economies of scale for land development and house construction and lower raw land prices.

Figure 19 shows the sale price/m² of GFA of new greenfield and infill dwellings in the study area. Overall, greenfield dwellings are brought to the market for 85% of the price of infill dwellings on a per square metre basis (i.e. greenfield dwellings are 15% more affordable). For example, a house that has a price/m² of [redacted] in an infill location could be brought to the market at a price of [redacted] /m² in a greenfield location. The lower cost of greenfield dwellings is a trend seen in other major cities, including Auckland.

This is reflected in research undertaken by SmartGrowth and participating Councils (HBA, page 117), found that greenfield development remains the primary focus for builders and developers due to affordability and strong demand, while infill land is viewed as costly and positioned at the higher end of the market.

In addition, several studies confirm that greenfield housing can be produced at more affordable prices than infill housing. For example, a study completed by Urbis Ltd in 2011 found that greenfield housing was significantly less expensive than infill housing (32% cheaper in Brisbane, 10% cheaper in Adelaide, 5% cheaper in Sydney, 22% cheaper in Melbourne and 32% cheaper in Perth).

Figure 19: Average Sale Price/m² of New Build Properties January 2023 - July 2025 (Study Area)

Location Type	Sale Price/m² GFA			
	Stand Alone	Terrace	Apartment	Average
Greenfield	[redacted]			
Infill				
Total				
Greenfield % Infill	**86%**	**96%**	**-**	**85%**

Source: CoreLogic, LINZ, UE

8.1 Western Bay of Plenty Sub-region Average House Price Growth 2007 – 2025

Figure 20 shows that the average house price in the Western Bay of Plenty District and Tauranga City has increased since 2007 and is now approximately [redacted], respectively.

Over the last 5 years (since 2020), the annual average house price in the Western Bay of Plenty District increased from [redacted], or by 37%. This is significantly greater than the rate of price growth seen at the national level, of 23% (increase from [redacted]

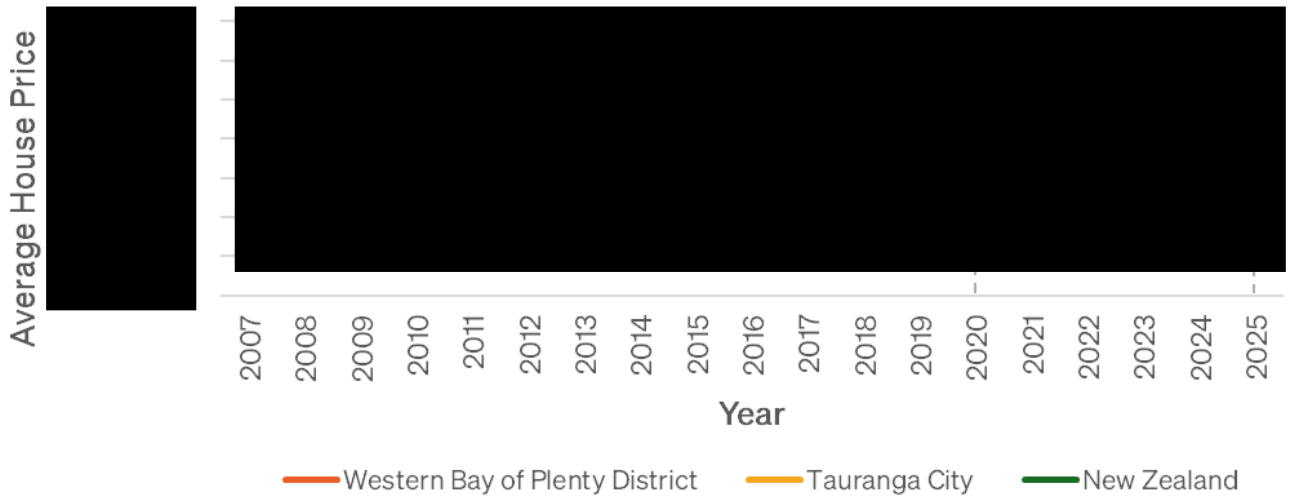
In Tauranga City, the annual average house price has increased from [redacted] or by 27%. Similarly, this is greater than the rate of price growth seen at the national level, of 23%.

The Western Bay of Plenty sub-region has experienced house price growth well above the national rate, highlighting a structural shortage of housing. The *Development* is significant in this context, as it would deliver almost 3,000 new dwellings at relatively affordable price points. This additional supply would be expected to place downward pressure on house prices and contributing to more affordable housing outcomes for households across the wider sub-region.

A study by Auckland Council (Fernandez, 2019)[8] found that *"for a 10 per cent decrease in housing prices to occur, land supply (and the subsequent housing supply) would need to increase by 17 per cent"* (page 19). This result implies that every 1% increase in supply reduces prices by approximately 0.6%. Applying this relationship to the Western Bay of Plenty sub-region, the proposed additional number of approximately 3,000 dwellings represent a 3.5% uplift in the current housing stock of 86,000 dwellings[9], to 89,000. On the basis that the sub-region exhibits a similar supply-price relationship to Auckland, this would translate into an indicative 2% reduction in new house prices.

At the current average of approximately [redacted] this equates to a potential reduction of new house prices to around [redacted] This represents a significant benefit of the *Development* for the study area and wider region, as new entrants, or those relocating, could purchase a new house for around [redacted]ess, as a result of the proposal.

Figure 20: Western Bay of Plenty Sub-region Average House Price Growth 2007 - 2025



Source: CoreLogic, REINZ

[8] Fernandez, M.A. (2019). An Exploration of Affordable Housing Policies in Auckland. New Zealand Treasury Discussion Paper 2019/05, September 2019.
[9] Statistics NZ Census Total Dwellings Count

9. Access to Employment Nodes & Services

This section evaluates the access to employment for the future residents of the *Development*.

The study area has experienced significant employment growth over the 2015-2024 period. As shown in Figure 21, employment over this period has increased by 37%. This is considerably higher than the population growth of 27% over the same period, indicating an increase in the self-sufficiency of the study area, which currently has approximately 0.4 jobs per capita. This is slightly below the national average of 0.5 jobs per capita, which reflects the concentration of employment in major centres such as Auckland, Wellington and Christchurch, as well as the relatively high number of retiree households within the Tauranga population.

Figure 21: Study Area Employment and Population Growth (2015 - 2024)

Study Area	2015	2024	Growth (2015-2024)	
			Nominal	%
Employment	69,200	95,100	25,900	37%
Population	174,700	222,100	47,400	27%

Source: Statistics NZ

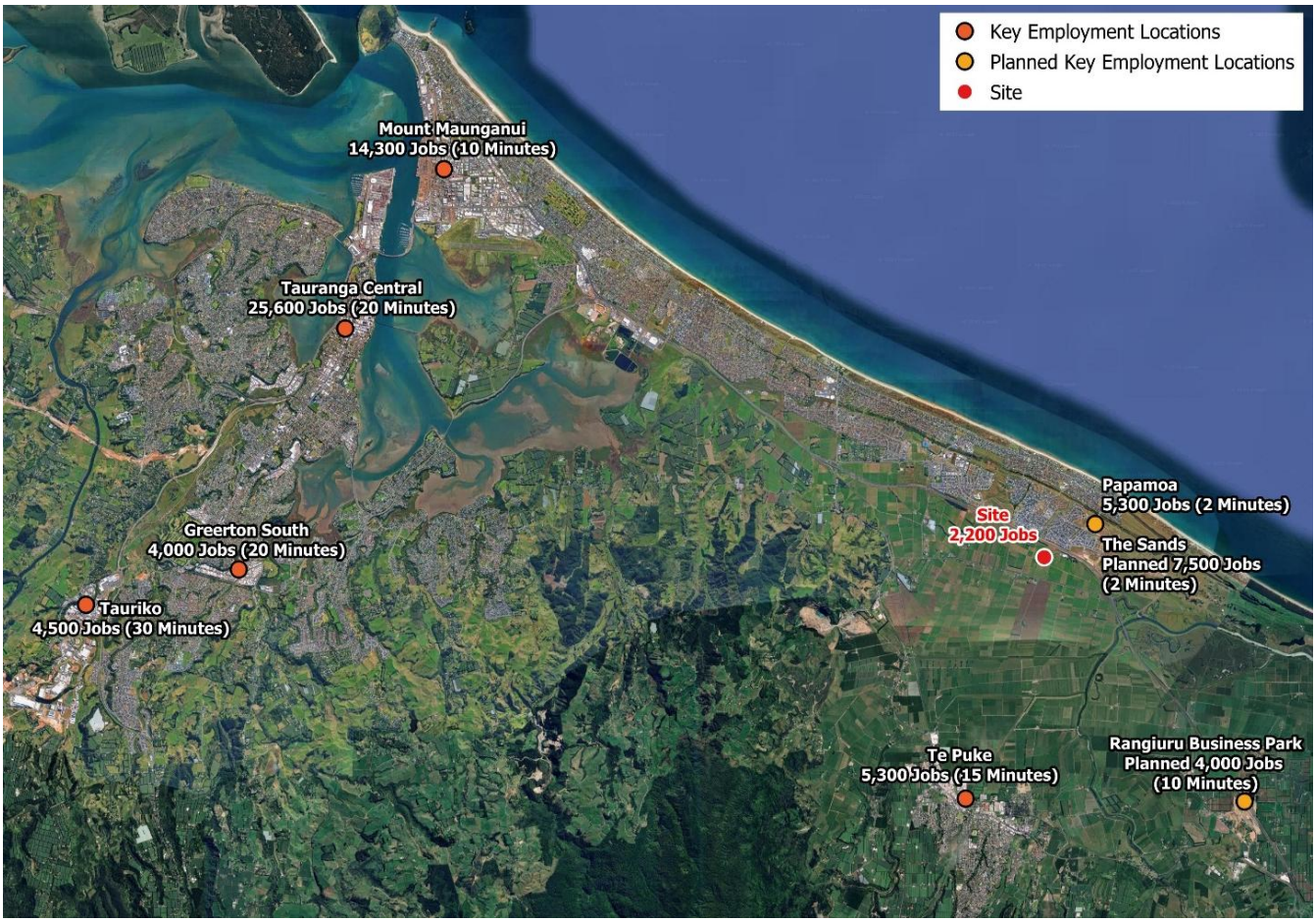
Figure 22 illustrates the *Development's* accessibility to key employment nodes. There are several employment nodes in close proximity to the *Development* site, with future residents having access to approximately 59,000 jobs across these nodes within a 30-minute drive time. In addition, it is estimated that the industrial and 'other business' land on the *Development* site would provide for approximately 2,200 jobs[10], providing future residents of the *Development* immediate access to a considerable number of jobs.

In addition, the Rangiuru Business Park, located further east of the site, is expected to provide approximately 4,000 jobs once fully developed[11], with Stage 1a completed and later stages anticipated to open from mid-2026.

Closer to the site, Papamoa currently accommodates around 6,100 jobs, including 'The Sands' town centre, which is expected to add approximately 7,500 jobs at completion[12]. The Sands Stage 1 is now open, with a further stage to open in 2026 and others forecast for 2027 and beyond. These nodes will further expand the range and volume of employment accessible to future residents.

[10] Based on an average employment ratio of 40 employees per hectare.
[11] Quayside Holdings - *Rangiuru Business Park: Supporting Regional Growth Opportunities*
[12] Bluehaven Group - *$1 Billion Town Centre Planned for Papamoa East*

Figure 22: Employment Within a 20-Minute Drivetime



Source: Statistics NZ, LINZ, TCC, WBOPDC, UE

10. Industrial Market Analysis

This section provides an assessment of the industrial market within the study area.

10.1 Industrial Land Supply

Figures 23-24 presents the current supply of industrial land in the study area, disaggregated by utilised and vacant land across Western Bay of Plenty District, Tauranga City. The figures are derived from CoreLogic property data within zoned industrial areas. The key points to note are:

- The study area contains approximately 1,313 ha of industrial land, of which [redacted] is currently utilised, and [redacted] remains vacant.
- Tauranga City accommodates the largest share, with [redacted] in total, including [redacted] utilised and [redacted] vacant. The majority [redacted] of the remaining vacant land is in Tauriko.
- The Western Bay of Plenty District contributes [redacted] in total, of which [redacted] is vacant. The majority [redacted] of the vacant land is in Rangiuru Business Park.

Figure 23: Supply of Industrial Zoned Land - Study Area

Industrial Land (Ha)	Western Bay of Plenty District	Tauranga City	Total Sub-region
Utilised	[redacted]		
Vacant			
Total			

Source: CoreLogic, WBOPDC, TCC

Figure 24: Vacant Industrial Land by Location

Territorial Authority	Location	Vacant Land (Ha)	%
Tauranga City	Tauriko	[redacted]	
	Papamoa		
	Mount Maunganui		
	Gate Pa		
	Greerton		
	Port		
	Sub-total		
Western Bay of Plenty District	Te Puke		
	Rangiuru		
	Katikati		
	Sub-total		
Total Sub-region			

Source: CoreLogic, WBOPD, TCC

The industrial land in Te Puke is understood to be subject to infrastructure servicing constraints. The HBA notes that:

> *"The anticipated future capacity (greenfields) is the core driver of sufficiency. This includes additional land at Rangiuru, Waihi Beach, Te Puke, Te Puna and Katikati (this land is*

identified in the Development Trends report, still needs to be prepared i.e., zoned and serviced).” (Page vii)

In addition, the ‘SmartGrowth Strategy 2023-2073 Issues & Options Paper (March, 2024) identifies that:

> *“The Te Puke West zoned industrial land has significant geotechnical and stormwater issues to be addressed in obtaining the necessary resource consents.”* (Page 17)

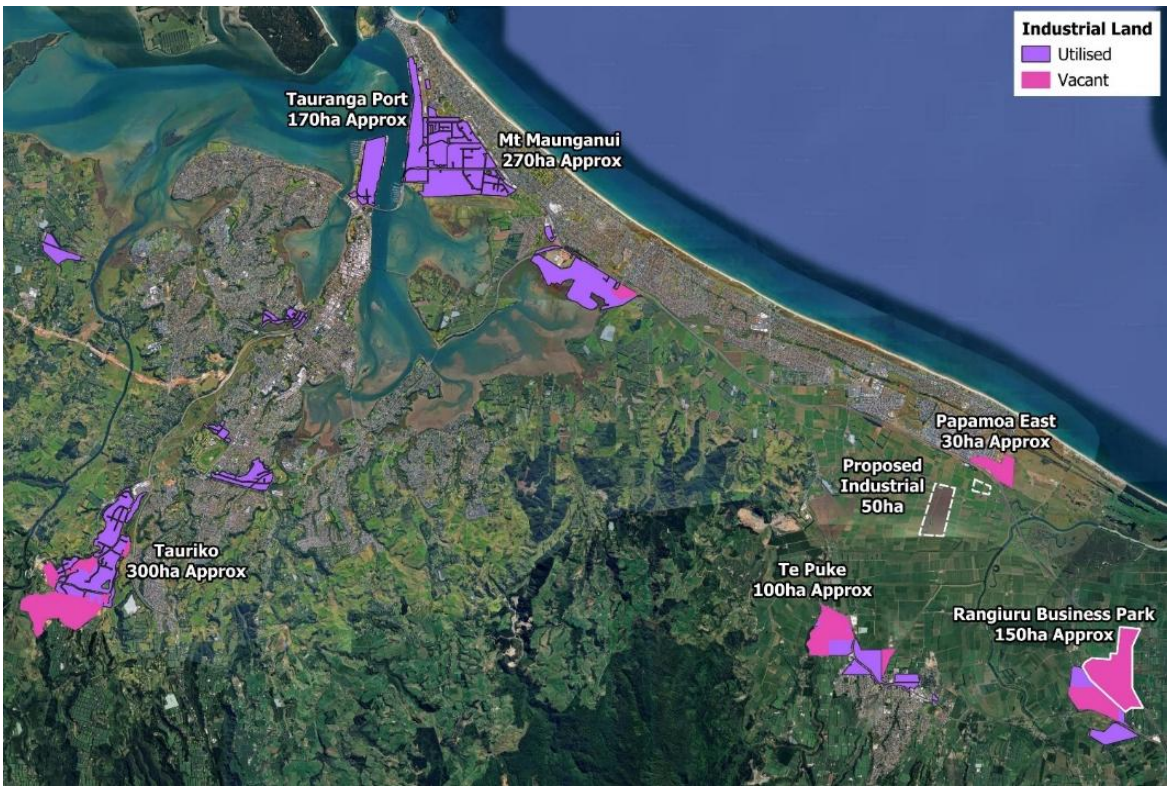
As such, the supply of developable industrial land in the district is materially lower than suggested by the zoned capacity.

Figure 25 illustrates the key industrial-zoned land nodes within the study area. The map highlights the relative scale of each key node to demonstrate the scale of industrial land typically required to service urban areas. For clarity, smaller nodes at Omokoroa, Katikati, and Waihi Beach are not shown.

The *Development* would add approximately 50 ha of industrial land at Wairakei South, contributing toward servicing the Papamoa /Wairakei/Te Tumu Urban Growth Areas. The existing industrial node at Papamoa East/Wairakei is limited to around 30 ha, which is notably smaller than the 100-300 ha scale typically seen across the sub-region’s major industrial nodes (e.g. Tauriko, Mount Maunganui, and Rangiuru Business Park). The Mount Maunganui Industrial area is largely utilised, leaving limited opportunity for additional capacity in that location.

The *Development* therefore represents a significant uplift in industrial land supply within Papamoa/Wairakei, bringing the area more in line with the scale of provision normally required to support urban growth.

Figure 25: Key Industrial Employment Zoned Land - Study Area



Source: LINZ, WBOPDC, TCC, CoreLogic, Google

10.2 Industrial Land Demand

Figure 26 shows the average sale price for vacant industrial land across key locations in New Zealand. There are relatively few sales and, as such, the prices are indicative rather than statistically definitive.

The main points to note are:

- The average price is [redacted]
- Tauranga is among the higher-priced locations, with an average land price of [redacted]. This is broadly in line with Auckland and Wellington.
- Christchurch remains comparatively affordable, at [redacted] reflecting a more efficient (competitive) industrial land market.
- Tauranga and other higher-priced locations could exhibit a similarly low average price, if there was greater supply, in terms of the quantity of land available and the number of owners/developers that control that land.

In Tauranga, the majority of currently available supply is within Tauriko Industrial Estate, where prices are [redacted] on average. Limited remaining sites at Mount Maunganui are achieving over [redacted] These high prices reflect the shortage of available land and concentrated land ownership in the Tauranga industrial market.

Figure 26: Industrial Land Sale Prices by Location (2023-2025)

Location	Price/m² Land
Queenstown	[redacted]
Auckland	
Tauranga	
Wellington	
Hamilton	
Christchurch	
Napier	
Palmerston North	
Invercargill	
Whangarei	
NZ	

Source: CoreLogic

Figure 27 provides a summary of the annual industrial building consents in the study area over the 2015-2025 period. Additional land uptake is estimated based on an average site coverage of 35%. The results provide an indicative measure of the rate of industrial land consumption across the sub-region. The main points to note are:

- Over the 2015-2025 period, 853,100m² of industrial floorspace was consented in the sub-region, equating to approximately 244 ha of additional land.
- Over the last five years, this represents an average annual land consumption of approximately 23 ha (based on 79,600m² of additional floorspace p.a.).
- It should be noted that the land estimates do not account for redevelopment occurring on existing sites and should therefore be viewed as an upper bound measure of land demand.

Figure 27: New Industrial Building Consents (2015-2025)

Year	Western Bay of Plenty District			Tauranga City			Total Sub-region		
	Annual Additional GFA (m²)	Annual Additional Land (m²)**	Annual Additional Land (Ha)**	Annual Additional GFA (m²)	Annual Additional Land (m²)**	Annual Additional Land (Ha)**	Annual Additional GFA (m²)	Annual Additional Land (m²)**	Annual Additional Land (Ha)**
2015	34,500	98,600	10	61,400	175,400	18	95,900	274,000	27
2016	23,900	68,300	7	59,100	168,900	17	83,000	237,200	24
2017	13,200	37,700	4	58,500	167,100	17	71,700	204,800	20
2018	17,500	50,000	5	72,100	206,000	21	89,600	256,000	26
2019	4,000	11,400	1	61,500	175,700	18	65,500	187,100	19
2020	7,100	20,300	2	42,500	121,400	12	49,600	141,700	14
2021	19,300	55,100	6	146,400	418,300	42	165,700	473,400	47
2022	25,700	73,400	7	48,600	138,900	14	74,300	212,300	21
2023	3,500	10,000	1	28,600	81,700	8	32,100	91,700	9
2024	5,400	15,400	2	66,500	190,000	19	71,900	205,400	21
2025*	13,000	37,100	4	40,800	116,600	12	53,800	153,700	15
2015-2025 Total	**167,100**	**477,300**	**48**	**686,000**	**1,960,000**	**196**	**853,100**	**2,437,300**	**244**
5-Yr Avg	**13,400**	**38,200**	**4**	**66,200**	**189,100**	**19**	**79,600**	**227,300**	**23**

*May 2025 adjusted.

**Based on an average site coverage of 35% on annual industrial floor space consented.

Source: Statistics NZ, UE

Figure 28 presents the relationship between the current level of utilised industrial land and population growth in the study area. The key points to note are:

- There is approximately 878 ha of utilised industrial land within the sub-region.
- The population is estimated to be 222,100 in the sub-region.
- This equates to 40m² of utilised industrial land per capita.
- By 2054, the population is projected grow to 379,300, an increase of 157,200 people (71%).
- On this basis, the industrial land requirement by 2054 is estimated to be 1,499 ha, reflecting an additional 621 ha, or 21 ha p.a. on average.

Figure 28: Study Area Industrial Land Demand (2024-2054)

Location	Utilised Industrial Land (Ha)	Current Population	Utilised Industrial Land per Capita (m²)	Population Projections*			Future Industrial Land Requirement (Ha)			Additional Land p.a. (Ha)
		2024		2034	2044	2054	2034	2044	2054	
WBOP District	172	60,800	28	75,300	89,800	104,300	213	254	295	4
Tauranga City	706	161,300	44	199,200	237,100	275,000	871	1,037	1,203	17
Total Sub-region	**878**	**222,100**	**40**	**274,500**	**326,900**	**379,300**	**1,085**	**1,292**	**1,499**	**21**

*Based on historic 10-year growth achieved.

Source: CoreLogic, Statistics NZ, TCC, WBOPDC, UE

The above conclusions regarding demand are broadly consistent with the findings of the HBA.

The HBA estimates annual demand of 14-20 ha in Tauranga City (Table 3.2, page 25) and 4-6 ha in the Western Bay of Plenty District (Table 3.3, page 26), equating to 17-26 ha in total across the sub-region.

This aligns closely with the annual demand estimates of 17-19 ha for Tauranga City, 4-5 ha for the Western Bay of Plenty District, and 20 - 23 ha for the sub-region overall, confirming broad agreement between the assessments.

On this basis, industrial land demand in the study area is estimated at approximately 200-230 ha per decade. This is broadly equivalent to adding the scale of the Mount Maunganui Industrial Area (excluding the Port) every 10 years.

The *Development* represents approximately 2.4 years of future demand when considered at the study area level.

10.3 Industrial Land Sufficiency

Figure 29 presents an assessment of industrial land sufficiency across the study area (Western Bay of Plenty sub-region). The main points to note are:

- Annual industrial land demand is estimated to be 20-23 ha p.a.
- Vacant supply across the sub-region is approximately 435 ha.
- This equates to 19-22 years of remaining supply in the study area.

Figure 29: Study Area Estimated Industrial Land Sufficiency

Industrial Land	Study Area (Western Bay of Plenty Sub-region)
Annual Demand (Ha)	20 - 23
Vacant Land (Ha)	435
Remaining Years of Supply	19 - 22

Source: CoreLogic, Statistics NZ, WBOPDC, TCC, UE

The HBA provides further relevant context regarding industrial land sufficiency for the sub-region, concluding that Tauranga City is projected to face a shortage of industrial land in the medium-term, escalating to a significant shortage over the long-term.

The HBA notes that:

> *"the industrial land markets are likely to experience pressures over the medium-term, becoming more acute over the long-term. This is consistent with anecdotal evidence and the messaging during the engagement process that highlighted the stretched industrial land situation, and that it is expected to come under more pressure over the short-term"* (page vii).

The HBA concludes that sufficiency in the Western Bay of Plenty District is dependent on the delivery of large greenfield areas:

> *"The anticipated future capacity (greenfields) is the core driver of sufficiency. This includes additional land at Rangiuru, Waihi Beach, Te Puke, Te Puna and Katikati... If the envisaged greenfield developments do not manifest within a reasonable timeframe (relative to the growth profile), then sufficiency will be under pressure"* (page viii).

This highlights the risk and uncertainty around whether the identified capacity in the Western Bay of Plenty District will be realised within the required timeframes to service the sub-region.

The *Development* is therefore significant for the sub-region, as it would deliver approximately 50 ha of industrial land. Importantly, the *Development* would predominantly function to support the Papamoa/Wairakei/Te Tumu Urban areas, directly contributing to meeting business demand

where land shortages are anticipated to be most significant within the next 30 years. This is assessed in more detail under section 10.4.

10.4 Industrial Sub-Market Analysis

Figure 30 compares the distribution of industrial lot sizes between Mt Maunganui and Rangiuru Business Park, as an example of the functional difference between Tauranga's established urban industrial market and the new supply being brought to market in rural locations, such as Rangiuru. The comparison highlights that while both contribute to the sub-region's overall supply, they serve distinct segments of demand. The main points to note are:

- Mt Maunganui is dominated by small and medium lots, with 51% of sites under 2,000m² and only 20% above 5,000m², reflecting its role in accommodating SMEs and service-industrial users.
- Rangiuru Business Park, by contrast, is skewed towards large-format land, with 89% of sites above 2,000m² and over half (56%) above 5,000m², confirming its orientation toward logistics, manufacturing, and inter-regional businesses.
- While the Rangiuru Business Park figures reflect only Stage 1A and 1B, the developer's stated intent is to deliver a business park designed for large-footprint occupiers, meaning future stages are also expected to be dominated by larger lots. This is also evident in the masterplan (Figure 31).
- This demonstrates that Rangiuru Business Park is not a substitute for Tauranga's constrained industrial land market, but rather a complementary location designed for land-extensive occupiers.

This highlights the overall need to consider industrial land supply in terms of whether it services a localised or regional/national market.

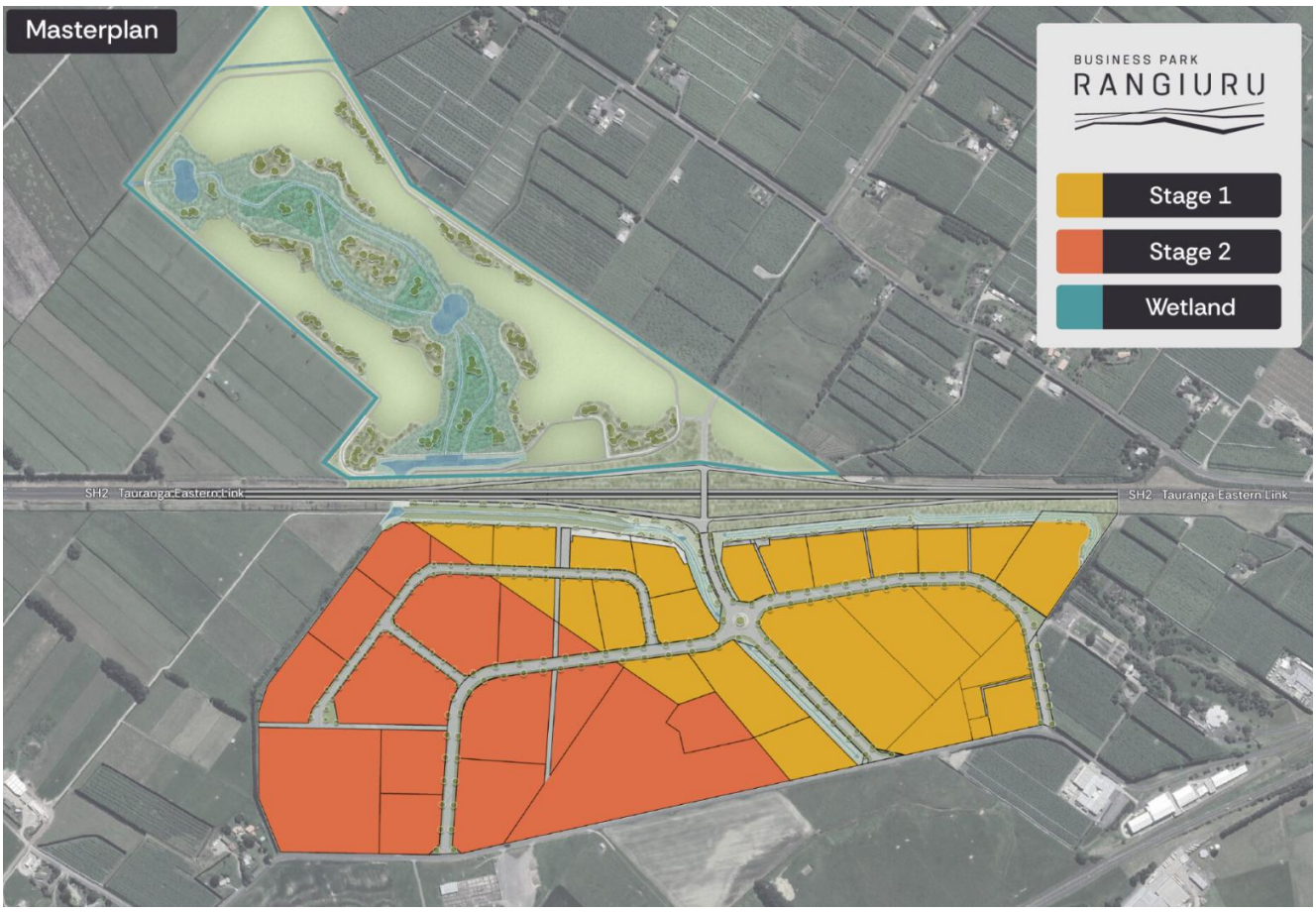
Figure 30: Industrial Lot Size Distribution: Mt Maunganui vs Rangiuru Business Park

Lot Size (m²)	Count		%Distribution	
	Mt Maunganui Industrial	Rangiuru Business Park*	Mt Maunganui Industrial	Rangiuru Business Park*
<500m²		[redacted]		
500-1,000m²				
1,000-1,500m²				
1,500-2,000m²				
2,000-5,000m²				
5,000-10,000m²				
10,000-20,000m²				
20,000-30,000m²				
30,000-40,000m²				
40,000-50,000m²				
50,000m²+				
Total				

*Stage 1A & 1B

Source: CoreLogic, Rangiuru.co.nz

Figure 31: Rangiuru Business Park Masterplan



Source: Rangiuru Business Park

10.5 Papamoa East/Wairakei Growth & Industrial Land Requirement

Figure 32 presents population projections for Papamoa East/Wairakei, and the corresponding industrial land requirements based on the sub-regional benchmark of 40m² of utilised industrial land per capita. Figure 33 provides an outline of this area. The key points to note are:

- The population is projected to increase from 24,950 in 2024 to 66,410 by 2054, an increase of 41,460 people (166%).
- Applying the 40m² per capita benchmark, industrial land requirements in the area are estimated to be approximately 100 ha by 2034, rising to 210 ha by 2054. This reflects Tauranga's growth pattern, which has progressed along the coastal corridor on the eastern side, and inland on the western side.
- The existing Wairakei industrial node[13] (Figure 33) provides 30 ha, indicating a substantial shortfall relative to the land area required to support anticipated population growth in this area.

[13] As outlined in the Urban Growth Area Structure Plan – Wairakei (SP 15) map on page 224 of the Development Contributions Policy 2025/26 document.

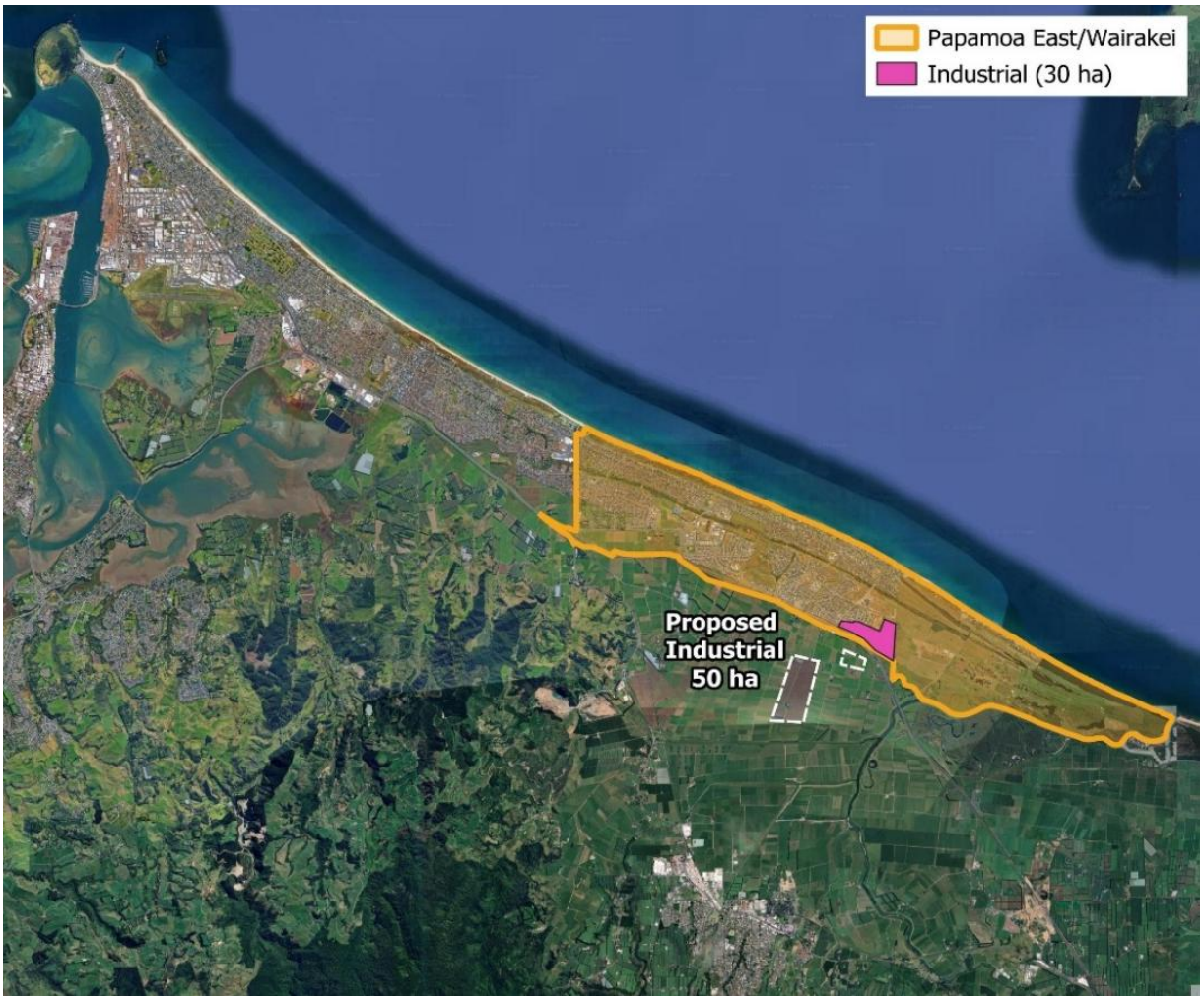
Figure 32: Papamoa East/Wairakei Future Industrial Land Requirement

Location	Population*				Study Area Utilised Land per Capita (m²)	Industrial Land Requirement (Ha)**		
	2024	2034	2044	2054		2034	2044	2054
Papamoa East/Wairakei	24,950	38,770	52,590	66,410	40	100	155	210

*Based historic 10-year grow th achieved.

Source: Statistics NZ, UE

Figure 33: Papamoa East/Wairakei Area



Source: Statistics NZ, TCC, LINZ

While the Rangiuru Business Park is located a short distance from the study area (5-7minute drive-time) and will play an important role in accommodating large-footprint logistics and inter-regional operations, it serves a different function to the local service-oriented industrial land required to meet projected shortages in Tauranga City and, more specifically, the Papamoa/Wairakei/Te Tumu Urban Growth Areas.

In this context, the Policy 1 of the NPS-UD highlights that a well-functioning urban environment must provide good accessibility between housing, jobs, and services (including by way of public or active transport) and support reductions in greenhouse gas emissions. It also emphasises the requirement for a variety of business land opportunities to meet the needs of different sectors in terms of both location and site size.

The *Development's* 50 ha of industrial land would directly support these outcomes through servicing the local Papamoa/Wairakei/Te Tumu Urban Growth Areas. Most of the land is expected to accommodate small and medium-scale activities such (e.g. automotive servicing, marine retail, light fabrication, and trade supply), providing services and employment in close proximity to where people live. A portion of the land would also be capable of supporting larger businesses, ensuring flexibility within the market and balancing provision for both local and wider sub-regional needs.

Locating new industrial land in close proximity to the Papamoa/Wairakei/Te Tumu Urban Growth Areas improves accessibility between housing, jobs, and services, creates opportunities for public and active transport use, and reduces the need for longer commuting trips. In doing so, it supports a reduction in greenhouse gas emissions by shortening commuting trips, while maintaining a variety of local employment and service provision, and as such, contributes to a well-functioning urban environment.

11. Economic Contribution to GDP & Employment

This section assesses the impact of the *Development* on employment and GDP. This contributes to the assessment of whether the *Development* will "deliver significant economic benefits" for the Bay of Plenty region and the study area, as required by the FTAA.

11.1 Employment & GDP Contribution from Construction

The national 'value-added per employee' for each sector has been used to estimate the FTE employment for the *Development*. This methodology includes both direct and indirect impacts of the *Development*.

Figure 34 outlines the FTEs and value-added to the construction sector GDP that the *Development* would generate. It is estimated that the *Development* of the site would support/generate approximately 8,430 FTE jobs and contribute $1,121.0 million to the construction sector's GDP.

The employment number can be expressed as the number of FTE jobs created on an annual basis, i.e. if construction takes 10 years and is split evenly between the years then approximately 840 FTE jobs would be supported in each year.

Figure 34: Value-Added GDP & FTE Employee Estimates

Activity	Lot Type	Count/ Total GFA	Avg Lot Size (m^2)	Avg GFA (m^2)	Value ($M)**	Value Added GDP ($M)	FTE Employees
Residential	A	[redacted]					
	B						
	C						
	D						
	Sub-total						
Industrial	-						
Other Business	-						
Primary School	-						
Total*	-						

*This excludes related quarrying activity to the development, which would generate additional economic GDP and FTE employment.

**Calculated as 80% of total value to exclude profit.

Source: UE, Statistics NZ

Figure 35 compares the economic impact of the existing use (the 'Base Case' scenario) and the *Development*. The Base Case value is derived from the average value added per hectare for dairy farms, using DairyNZ's '2023/24 Dairy Statistics' and Statistics NZ GDP (production measure) for Dairy cattle farming.

For this assessment, the full site area is applied as a proxy for effective hectares. Given the site's current use as a dairy run-off block and its soil constraints, this estimate should be regarded as an upper-bound measure of its productive potential.

The Base Case scenario evaluates the economic value of the existing rural activity. The existing use is estimated to contribute approximately $7.1 million to GDP and support approximately 45 FTE jobs p.a.

The *Development* would supply approximately 2,750 dwellings and 238,700m² of business GFA, which would contribute an estimated $1,121.0 million to GDP and support 8,430 FTE jobs, from construction.

Overall, the proposal would result in a net additional contribution of $1,113.9million to GDP and support 8,385 additional FTEs, when compared to the Base Case.

Figure 35: GDP and FTE Comparison Base Case vs The Proposal

Scenario	Value ($M)	Value Added GDP ($M)	FTE Employees
The Proposal	$3,618.5	$1,121.0	8,430
Base Case	$17.3	$7.1	45
Net Benefit	**$3,601.1**	**$1,113.9**	**8,385**

Source: UE, CoreLogic, Statistics NZ

Figure 36 shows the estimated national 'value-added per FTE employee'. These figures are used to estimate the FTE employees created by the construction of the *Development*.

Figure 36: Industry GDP and Value Added per Employee

Sector	Value Added GDP ($M)	FTE Workers	Value Added GDP Per Employee
Construction	$23,200	175,000	$133,000

Source: Statistics NZ

11.2 Flow-on Effect of the Development on the Primary Industries

The contribution of the *Development* to GDP and FTE employment is estimated using the value-added approach[14]. This is further refined to estimate the direct and indirect contributions to GDP based on an evaluation of the interrelationship between different sectors of the economy (using input-output tables sourced from Statistics NZ), with a particular focus on the *Development's* impact on primary industries.

Figure 37 outlines the value-added GDP and breaks this down into direct and indirect impacts and FTE employment. Some of the key points to note are:

- The *Development*'s direct impact on the construction sector is estimated to be $526.7 million in GDP and will support approximately 3,960 FTE jobs. This includes building construction and related services.
- The indirect (flow-on) impact of the construction of the *Development* on primary industries is estimated to be $249.0 million in GDP and will support approximately 1,875 FTE jobs. This

[14]The value added of an industry, also referred to as gross domestic product (GDP)-by-industry, is the contribution of a private industry or government sector to overall GDP. The components of value added consist of compensation of employees, taxes on production and imports less subsidies, and gross operating surplus. Value added equals the difference between an industry's gross output (consisting of sales or receipts and other operating income, commodity taxes, and inventory change) and the cost of its intermediate inputs (including energy, raw materials, semi-finished goods, and services that are purchased from all sources).

includes, for example, jobs in the 'Agriculture, forestry and logging' sector resulting from the purchasing of raw materials to construct the proposed buildings.

Figure 37: Economic Impact of The Development on Primary Industries

Impact	Sector	Multiplier	Project Value ($M)	GDP ($M)	FTE
Direct	Construction	1.00	$1,700.1	$526.7	3,960
Indirect	Primary	0.47	$803.8	$249.0	1,875
	Secondary + Tertiary	0.66	$1,114.6	$345.3	2,595
	Sub-total	1.13	$1,918.4	$594.3	4,470
Total Impact	-	**2.13**	**$3,618.5**	**$1,121.0**	**8,430**

Source: Statistics NZ, UE

11.3 Employment & GDP Generation from Ongoing Expenditure

Figure 38 shows the estimated national 'value-added per FTE employee'. These value-added per employee figures are used to estimate the FTE employees created from the ongoing household expenditure from future residents of the *Development* and spend at the *Development's* retail centres. The sectors that have been included contribute approximately $26 billion to national GDP and employ approximately 268,000 FTEs. This results in a value-added of $97,000 per employee.

Figure 38: Industry GDP and Value-added per Employee

Sector	Value Added GDP ($M)	FTE Workers	Value Added GDP Per Employee
Retail Trade	17,400	166,000	$105,000
Accommodation and Food Services	8,600	102,000	$84,000
Total	**26,000**	**268,000**	**$97,000**

Source: Statistics NZ

Figure 39 outlines the national retail sector GFA and total retail sector contribution to GDP. In total, there are approximately 13.2 million m² of retail GFA across NZ and a total retail sector contribution to GDP of $26 billion. This equates to a total retail sector contribution to GDP of $1,970/m².

When this rate is applied to the estimated 14,700m² of retail GFA in the *Development* this equates to a total contribution of $29.0 million to GDP p.a. Based on the value-added GDP per employee rate outlined above, this would support approximately 298 FTE jobs p.a.

Figure 39:Retail Sector GDP Contribution per GFA (m²)

Retail Sector	Total
GFA Total (m^2)	13,180,000
Total GDP Contribution ($m)	$26,000
GDP Contribution/GFA	**$1,970**
Proposed Retail GFA (m^2)	14,700
Estimated GDP Contribution ($m)	**$29.0**

Source: Statistics NZ, Property Council NZ, Data Insight, UE

Figure 40 provides an estimate of the ongoing household expenditure expected upon completion of the *Development*. The main points to note are:

- Upon completion, the average household expenditure is forecast to be approximately $47,400 per annum. This generates a value-added contribution to GDP of approximately $24,200 per annum.
- The total ongoing household expenditure from the residents is estimated to be approximately $129.8 million per annum. This generates a value-added contribution to GDP of approximately $66.3 million per annum, supporting approximately 585 FTE jobs (based on a value-added per employee ratio of $113,000).

Figure 40: Employment & GDP Generation from Ongoing Household Expenditure

Ongoing Household Expenditure	Number of Households	Average HH Spend ($p.a.)	Value Added GDP (p.a.)	HH Expenditure Per Annum ($M)	Value Added GDP Per Annum ($M)	FTE Employees (p.a.)
The Development	2,739	$47,400	$24,200	$129.8	$66.3	585

Source: UE, Statistics NZ

11.4 Related Quarrying Operation

In addition to the direct and indirect construction sector GDP outlined above, there is a related (input) quarrying activity to this project. This is anticipated to supply approximately 7.92 million cubic metres of material over the project's life (estimated eight truck and trailer units, each with a 35m³ load capacity and operating 10 hours per day, five and a half days per week).

As outlined in Figure 41 the total transport cost is estimated at $62.8 million, equating to a direct GDP contribution of $26.0 million and supporting approximately 140 FTE employees. Additionally, there would be a value associated with the repatriation of the site to horticultural use once quarrying is complete.

Figure 41: Related Quarrying Activity Contribution to GDP & FTE

Activity	Total Volume (m³)	Number of Truck units	Value ($M)*	Value Added GDP ($M)	FTE Employees
Quarrying Operation	7,920,000	8	$62.8	$26.0	140

*Value calculated based on the net present value (NPV) of a 10-year operational period.

Source: Statistics NZ, UE

12. Fast-track Approvals Act Economic Considerations

This section assesses the *Development* against the relevant economic matters related to regional or national significance in the Fast Track Approvals 2024 and Amendment Bill.

The relevant section for an economic analysis is outlined as follows.

> **Section 3:** *"The purpose of this Act is to facilitate the delivery of infrastructure and development projects with significant regional or national benefits."*

The following sections may provide some guidance on how to determine significant regional or national economic benefits.

> **Section 22(1):** "The criteria for accepting a referral application are that-
>
> *(a) the project is an infrastructure or development project that would have significant regional or national benefits…"*
>
> **Section 22(2):** *"For the purposed of subsection (1)(a), the minister may consider-*
>
> *(a) whether the project-*
>
> *…*
>
> *(ii) will deliver new regionally or nationally significant infrastructure or enable the continued functioning of existing regionally or nationally significant infrastructure*
>
> *(iii) will increase the supply of housing, address housing needs, or contribute to a well-functioning urban environment (within the meaning of policy 1 of the National Policy Statement on Urban Development 2020)*
>
> *(iv) will deliver significant economic benefits*
>
> *(v) will support primary industries, including aquaculture:*

Each of the subsections outlined above are addressed below.

Section 22(2)(a)(ii): Will Deliver New Regionally or Nationally Significant Infrastructure or Enable the Continued Functioning of Existing Regionally or Nationally Significant Infrastructure

The *Development* will enable the continued functioning of regionally significant transport infrastructure within the Western Bay of Plenty sub-region. In particular, the *Development* will integrate with the PEI and its connection to the Tauranga Eastern Link (SH2), which provides a key transport corridor between the eastern urban growth areas, Tauranga City, and the Port of Tauranga.

The *Development* will contribute toward the funding of this infrastructure through tolling arrangements associated with the utilisation of the Tauranga Eastern Link (SH2). In doing so, it will enable the efficient utilisation and ongoing operation of this regionally significant transport corridor.

The *Development* is considered to meet Section 22(2)(a)(ii) of the FTAA.

Section 22(2)(a)(iii): Will Increase the Supply of Housing, Address Housing Needs, or Contribute to a Well-Functioning Urban Environment

The *Development* would make a significant contribution to the supply of housing and contribute towards a well-functioning urban environment. The reasons for this are summarised below.

Policy 1 of the NPS-UD reads as follows:

> ***Policy 1:*** *"Planning decisions contribute to well-functioning urban environments, which are urban environments that, as a minimum:*
>
> *(a) have or enable a variety of homes that:*
>
> *(i) meet the needs, in terms of type, price, and location, of different households…*
>
> *(c) have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; and*
>
> *(d) support, and limit as much as possible adverse impacts on, the competitive operation of land and development markets; …."*

The *Development* would make a substantial contribution to the operation of the greenfield residential land and development market within the Western Bay of Plenty Sub-region, which is currently undersupplied relative to future demand.

Currently there is approximately 9.5 years of greenfield dwelling capacity remaining in the study area. This is not sufficient to meet the medium-term requirements of Policy 2 of the NPS-UD, which states that:

> *"Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term."*

The *Development* would increase greenfield capacity to an estimated 11.8 years, and as such, meet the medium-term capacity requirements of the study area. It would also do this in an appropriate manner in terms of the varied typologies, price and location of homes being made available.

The *Development* would strengthen competition within the Western Bay of Plenty's land and development markets by delivering a substantial volume of greenfield supply across a diverse range of price points. In doing so, it would help ease existing supply constraints and, over time, reduce upward pressure on land and housing prices.

In addition, the *Development* would provide approximately 49.8 ha of industrial land, directly addressing projected medium-term shortages in the localised industrial land market and mitigating the significant shortages anticipated over the longer term.

The *Development* is considered to meet Section 22(2)(a)(iii) of the FTAA.

Section 22(2)(a)(iv): Will Deliver Significant Economic Benefits

This *Development* is estimated to contribute $1,121 million to GDP and support 8,430 FTE jobs. This is considered to be a significant economic benefit.

The *Development* would supply a significant number of new dwellings to a supply constrained market (with an existing shortage of over 7,000 dwellings), ensuring there is sufficient housing to meet demand, and that housing becomes more affordable over time.

The *Development* is therefore considered to meet Section 22(2)(a)(iv) of the FTAA.

Section 22(2)(a)(v): Will Support Primary Industries

The *Development* is estimated to result in a total contribution to primary sector GDP of $249.0 million, which would support an estimated 1,875 FTE jobs. This is considered to be a significant contribution to primary sector industries.

The *Development* is considered to meet Section 22(2)(a)(v) of the FTAA.

In conclusion, the *Development* is considered to meet Section 3 of the FTAA as it offers significant regional benefits, including a significant contribution to GDP, significant additional employment opportunities and supports a well-functioning urban environment, by providing a large quantity of relatively affordable housing in a market that has faced ongoing house price increases.

13. Conclusion

The Wairakei South *Development* has been identified through the Regional Deals process involving Central Government, Tauranga City Council, Western Bay of Plenty District Council, and Priority One, as a key location for future urban growth within the Western Bay of Plenty sub-region.

The *Development* would result in significant economic benefits to the Western Bay of Plenty sub-region and the wider Bay of Plenty region. In particular it would:

- Provide substantial supply at pace and scale, providing 2,750 additional dwellings to a supply constrained market,
- Improve housing affordability outcomes over time by providing a range of relatively affordable dwellings and put downward pressure on new housing prices,
- Provide approximately 54 hectares of business land which would support additional permanent employment opportunities for future residents, particularly in the localised market.
- Support net additional construction sector GDP and employment, of $1,121.0 million and 8,430 FTE jobs, and
- Enable ongoing population growth, leading to significant net additional GDP and employment, of $66.3 million and 585 FTE jobs.
- Support retail sector GDP contribution of $29.0 million and 298 FTE jobs annually,
- Generate ongoing quarrying activity during construction, equating to a direct GDP contribution of $26.0 million and approximately 140 FTE jobs
- Overall, the *Development* would generate a total GDP contribution during construction of $1,147.0 million and 8,570 FTEs, and ongoing GDP contribution of $95.3 million and 883 FTE jobs every year.
- The *Development* would displace land currently suitable for use as a dairy run-off block, with an estimated economic value of approximately $17.3 million. This, however, is not considered to be out of proportion with the economic benefits resulting from the construction of the *Development*.