CLIENT
Stuart Milsom

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Economic and Property Research

Proposed Milbrow Estate Residential Development, Hamurana, Rotorua

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

- This report provides an economic assessment of the proposed Milbrow Estate Residential Development in Hamurana, Rotorua, to support referral under the Fast-Track Approvals Act 2024.

- The proposal comprises 89 premium lifestyle residential lots on an 83 ha site, with approximately 30 ha retained as indigenous forest. Indicative pricing of $1.1 million to $1.75 million positions the development at the upper end of the Rotorua housing market.

- While small by large-city standards, the proposal is significant in the Rotorua context. Over the past decade, Rotorua has delivered an average of around 300 new dwellings p.a., compared with approximately 1,300 dwellings p.a., in Tauranga. On this basis, an 89 dwelling development in Rotorua is equivalent, on a proportional basis, to a development of around 380 - 400 dwellings p.a. in Tauranga, highlighting the material scale of the proposal relative to the local market.

- The significance is most evident within the premium lifestyle housing segment, which is small and supply constrained. Uptake of newly built lifestyle dwellings has averaged around 15 dwellings per annum over the past five years. At this rate, the proposal represents 6-7 years of demand. Existing lifestyle developments collectively provide around 90 dwellings, with only 10 lots currently available, equating to less than one year of remaining supply. The proposal would therefore double the size of the lifestyle housing market.

- Rotorua has experienced a step change in growth, with population increasing by approximately 700 people p.a. since 2014, alongside the strongest period of dwelling construction in over 20 years. Sustaining this growth requires continued housing delivery across all market segments, including premium lifestyle housing that supports the attraction and retention of higher-income, economically active households.

- The proposal benefits from strong employment accessibility, with over 20,000 jobs within a 20-minute drive, supporting senior professional and business-owner households and broader economic activity.

- The development would deliver significant economic benefits, supporting approximately 175 FTE jobs and contributing $27.2 million to GDP during construction, with ongoing household expenditure generating around $2.0 million in GDP p.a. and 20 FTE jobs.

- Overall, while modest in absolute terms, the proposal is large and strategically important for Rotorua, materially expanding a constrained housing segment and delivering substantial regional economic benefits. While economics does not determine significance in itself, it provides important evidence on scale, context, and effects to inform that judgement. On this basis, the proposal is considered to meet the economic requirements of the Fast-Track Approvals Act 2024.

2. Introduction

This report provides an economic and market assessment to evaluate a referral under the Fast-Track Approvals Act 2024 (FTAA) for a proposed residential development located at 66 McFetridge Drive, Hamurana, Rotorua.

2.1 The Proposal

Figures 1-2 illustrate the concept plan and indicative development composition for the proposed development. The proposal site comprises approximately 83 ha of gross land area, of which around 53 ha would be developed, with the remaining 30 ha retained as indigenous forest. The site is currently zoned Rural 1. The proposal seeks to develop 89 lifestyle residential lots. Indicative market pricing for the dwellings is expected to range from approximately $1,095,000 to $1,750,000, with an average price of around $1,300,000.

Figure 1:
Proposed Development Concept Site Plan

Source: SIGMA

Figure 2:
Indicative Development Composition & Pricing

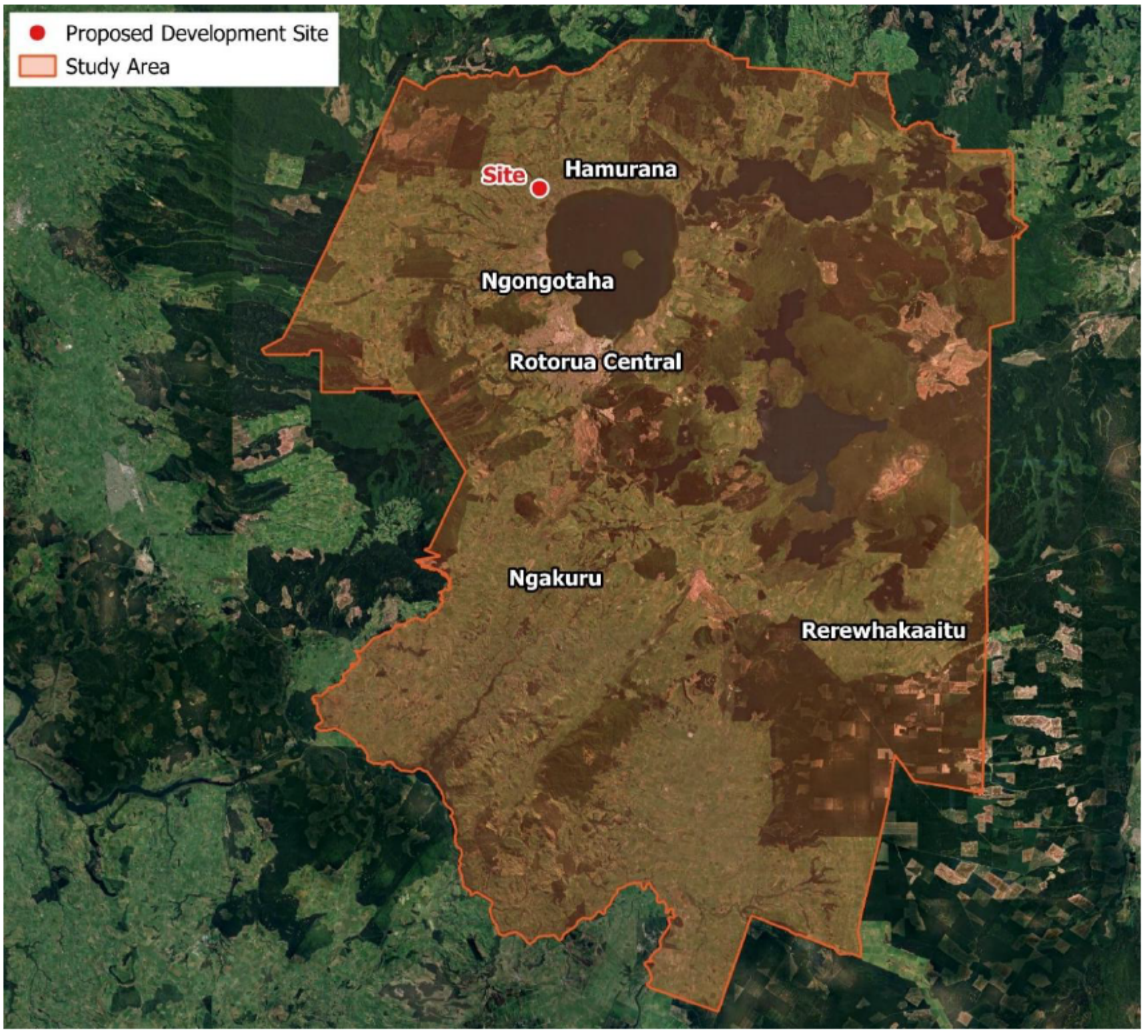
Proposal	Product	GFA (m²)	Price	Count	%
Lot + Dwelling	Type-1	200	$1,095,000	30	34%
	Type-2	220	$1,260,000	25	28%
	Type-3	240	$1,425,000	20	22%
	Type-4	260	$1,590,000	10	11%
	Type-5	280	$1,750,000	4	4%
Total/Average		**220**	**$1,300,000**	**89**	**100%**

Source: Cotality, UE

3. Study Area

Figure 3 outlines the study area adopted for this assessment. The study area includes all SA2s that make up the Rotorua District, including suburbs such as Hamurana, Ngongotaha, Rotorua Central and wider rural areas such as Ngakuru and Rerewhakaaitu.

Figure 3:
Study Area



Source: LINZ, UE

4. Housing Market Assessment

This section provides an overview of the current housing market within the study area.

4.1 Recent Sales Analysis

Figures 4-6 display the distribution of recent dwelling and section sales (2024-2025) by price bracket and type within the study area. This is based on properties with lot sizes of less than 5 ha. This provides market information to inform the economic assessment. The dwelling sales in this section cover all dwellings in the study area, including existing and new homes. A more detailed comparison of the proposal's pricing relative to other new comparable developments is provided in Section 7. The main points to note are:

- Stand alone dwellings accounted for the majority of dwelling sales (98%), followed by terrace houses (2%). There were no apartment sales over this period.
- The majority (67%) of stand alone dwellings were sold within the $500,000 - $900,000 price range.
- 155 dwellings (13%) sold for above $1,000,000. This equates to annual sales of 80 dwellings.
- Terrace houses sold for between $500,000 to $1,000,000.
- Over this period, a total of 1,240 dwellings were sold. This equates to annual sales of approximately 620 dwellings. Of these sales, approximately 10% or 120 dwellings were new dwellings (built after 2010).
- Dwellings priced above $1,000,000 are more prevalent among lifestyle-scale properties, indicating that higher-value residential demand within the district is closely associated with larger lots and lifestyle residential locations.
- Section sales achieved a relatively varied price profile, however the majority (67%) of sections sold for between $200,000 and $500,000, ranging in size from around 3,000m² to 7,000m². 13% of sections achieved prices of above $700,000.

Figure 4:
Recent Dwelling Sales by Price Bracket for the Study Area 2024 - 2025

Price Bracket ($)	Number of Sales			% Distribution		
	Stand Alone	Terrace	Total	Stand Alone	Terrace	Total
< $400,000	50	-	50	4%	-	4%
$400,000 - $500,000	125	-	125	10%	-	10%
$500,000 - $600,000	260	5	265	21%	20%	21%
$600,000 - $700,000	265	5	270	22%	20%	22%
$700,000 - $800,000	160	5	165	13%	20%	13%
$800,000 - $900,000	135	5	140	11%	20%	11%
$900,000 - $1,000,000	65	5	70	5%	20%	6%
$1,000,000 - $1,100,000	50	-	50	4%	-	4%
$1,100,000 - $1,200,000	35	-	35	3%	-	3%
$1,200,000 - $1,300,000	20	-	20	2%	-	2%
$1,300,000 - $1,400,000	15	-	15	1%	-	1%
$1,400,000 - $1,500,000	5	-	5	0%	-	0%
$1,500,000 - $1,600,000	5	-	5	0%	-	0%
$1,600,000 - $1,700,000	5	-	5	0%	-	0%
$1,700,000 - $1,800,000	-	-	-	-	-	-
$1,800,000 +	20	-	20	2%	-	2%
Total	**1,215**	**25**	**1,240**	**98%**	**2%**	**100%**

Source: Cotality, UE

Figure 5:
Recent Dwelling Sales by Property Scale for the Study Area 2024 - 2025

Price Bracket ($)	Sales by Property Scale*			% Distribution		
	Suburban Scale	Lifestyle Scale	Total	Suburban Scale	Lifestyle Scale	Total
< $400,000	45	5	50	4%	4%	4%
$400,000 - $500,000	125	0	125	11%	0%	10%
$500,000 - $600,000	260	5	265	24%	4%	21%
$600,000 - $700,000	250	20	270	23%	14%	22%
$700,000 - $800,000	150	15	165	14%	11%	13%
$800,000 - $900,000	125	15	140	11%	11%	11%
$900,000 - $1,000,000	60	10	70	5%	7%	6%
$1,000,000 - $1,100,000	35	15	50	3%	11%	4%
$1,100,000 - $1,200,000	20	10	30	2%	7%	2%
$1,200,000 - $1,300,000	15	5	20	1%	4%	2%
$1,300,000 - $1,400,000	15	-	15	1%	-	1%
$1,400,000 - $1,500,000	0	5	5	0%	4%	0%
$1,500,000 - $1,600,000	0	5	5	0%	4%	0%
$1,600,000 - $1,700,000	0	5	5	0%	4%	0%
$1,700,000 - $1,800,000	0	5	5	0%	4%	0%
$1,800,000 +	0	20	20	0%	14%	2%
Total	**1,100**	**140**	**1,240**	**89%**	**11%**	**100%**

*Suburban scale refers to properties with lot sizes below 2,000m², while lifestyle scale refers to properties with lot sizes of 2,000m² or greater, reflecting the typical scale difference between suburban and lifestyle properties within the study area.

Source: Cotality, UE

Figure 6:
Recent Section Sales by Price Bracket for the Study Area 2024 - 2025

Price Bracket ($)	Section Sales	Average Lot Size (m²)	% Sales Distribution
$100,000 - $200,000	5	600	7%
$200,000 - $300,000	15	3,100	20%
$300,000 - $400,000	25	2,950	33%
$400,000 - $500,000	10	6,900	13%
$500,000 - $600,000	5	3,000	7%
$600,000 - $700,000	5	3,000	7%
$700,000 +	10	6,300	13%
Total	**75**	**3,850**	**100%**

Source: Cotality, UE

Figure 7 outlines the average sale price for dwellings and sections within the study area over the 2024 - 2025 period. Stand alone dwellings and terrace houses achieve similar prices, with an average price of $746,000. The average section price over this period is $498,000.

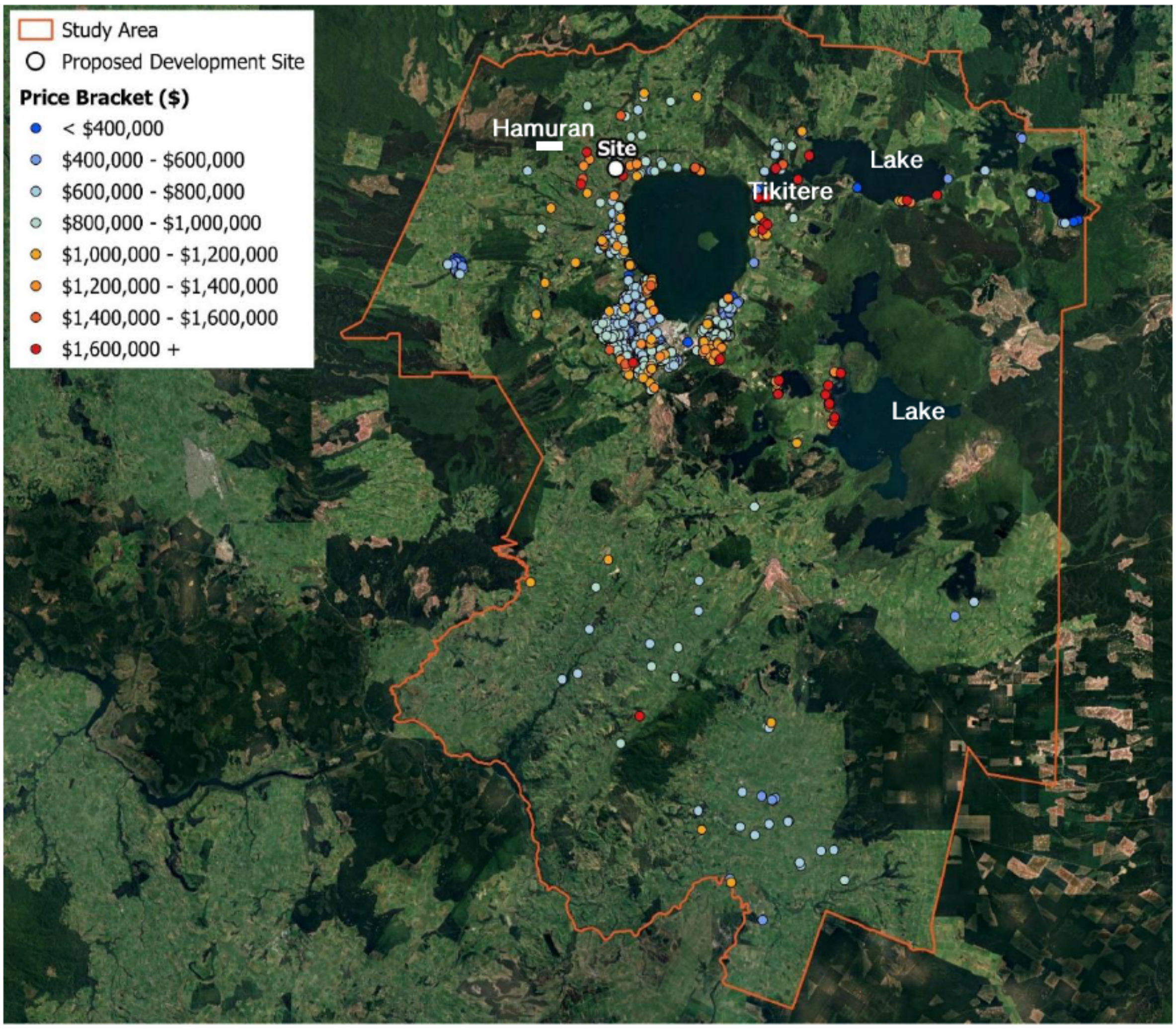
Figure 7:
Average Sale Price for Dwellings and Sections within the Study Area 2024 - 2025

Dwelling/Section	Avg. Sale Price
Stand Alone	$746,000
Terrace	$745,000
Dwelling Subtotal	**$746,000**
Section	**$498,000**

Source: Cotality, UE

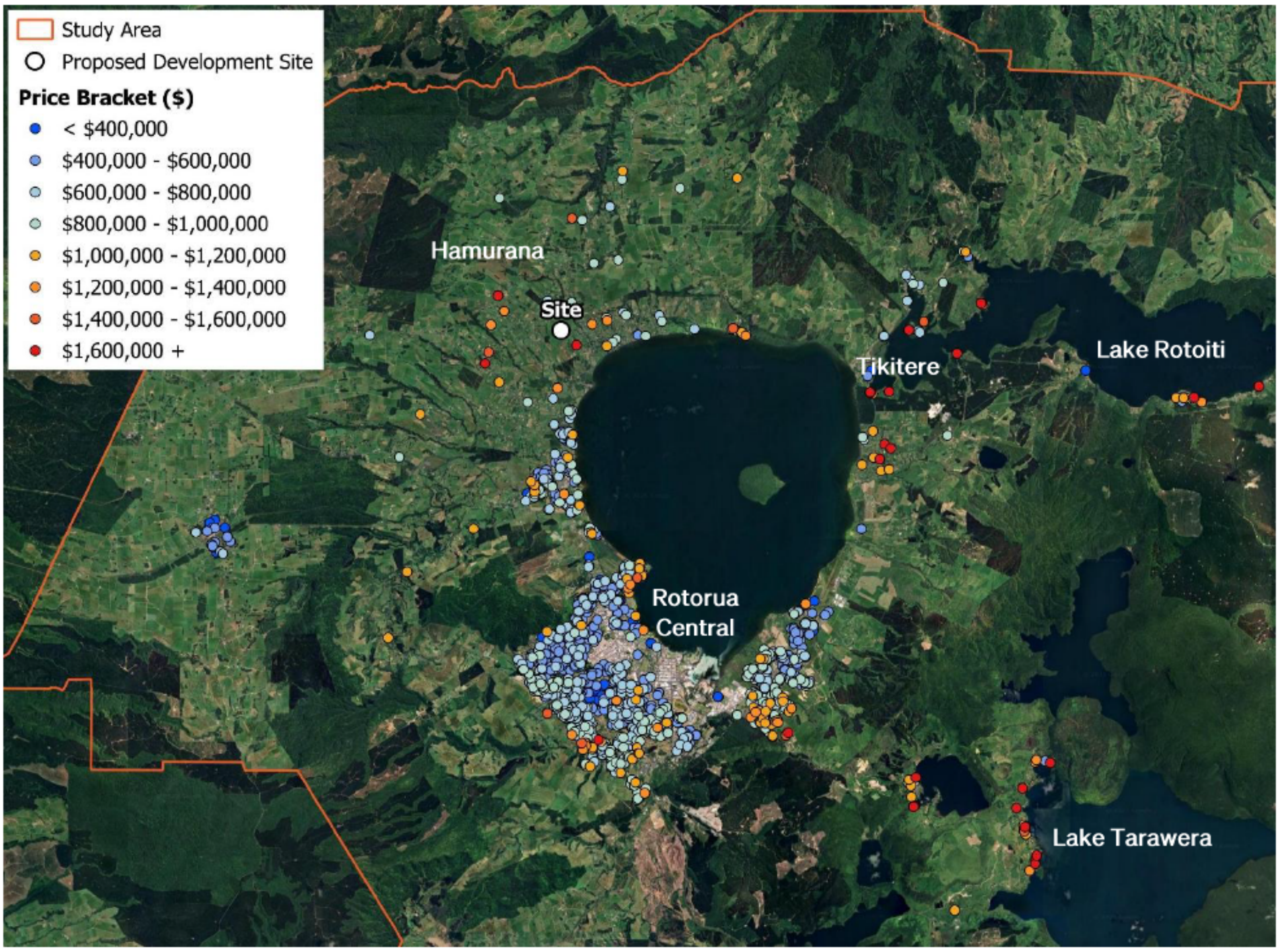
Figures 8-9 illustrate the distribution of dwelling sales by price across the study area over the 2024 - 2025 period. Higher-priced sales are concentrated in locations such as Hamurana, Tikitere, and other lifestyle areas, particularly lakefront properties within the district, where sale prices of $1,000,000 or more, and in many cases exceeding $1,600,000, are prevalent. These prices are associated with the amenity characteristics of these locations, including proximity to water and broader lifestyle attributes. The proposal site is located within Hamurana, an area that forms part of this higher-value market context.

Figure 8:
Study Area Recent Dwelling Sales by Location 2024 - 2025



Source: Cotality, LINZ

Figure 9:
Recent Dwelling Sales by Location - Localised Extent 2024 - 2025



Source: Cotality, LINZ

4.2 New Dwelling Construction

Figures 10-11 present annual new dwelling consents in the Rotorua District by dwelling type. The key points to note are:

- Between 2000 and 2010, the Rotorua District had an average of 230 new dwellings consented p.a., comprising 195 stand alone dwellings (85%), 30 terrace houses (13%) and a small number of apartments (5, or 2%).
- Over the 2010 - 2020 period, total consents averaged 125 dwellings p.a., with stand alone dwellings remaining the key typology (105, or 84%).
- More recently, over the 2020-2025 period, construction has increased substantially, averaging around 350 dwellings p.a., with stand alone dwellings remaining the largest component (215, or 61%). The share of terrace housing construction has also increased to 37%.
- Apartment development has remained limited across the 2000 - 2025 period, and despite some recent growth in terrace housing, the overall consent profile continues to reflect a strong preference for stand alone dwellings within the Rotorua District.
- Overall, the recent uplift in new dwelling construction reflects a material increase in demand for new housing within the study area. Over the past five years, dwelling consents averaged

approximately 350 dwellings p.a., compared with a 20 year long-run average of 215 p.a., representing the strongest period of dwelling consent activity in the Rotorua District over the last 20 years. Locking in this uplift will require continued housing delivery across all market segments, including premium lifestyle housing that supports the attraction and retention of higher-income and economically active households.

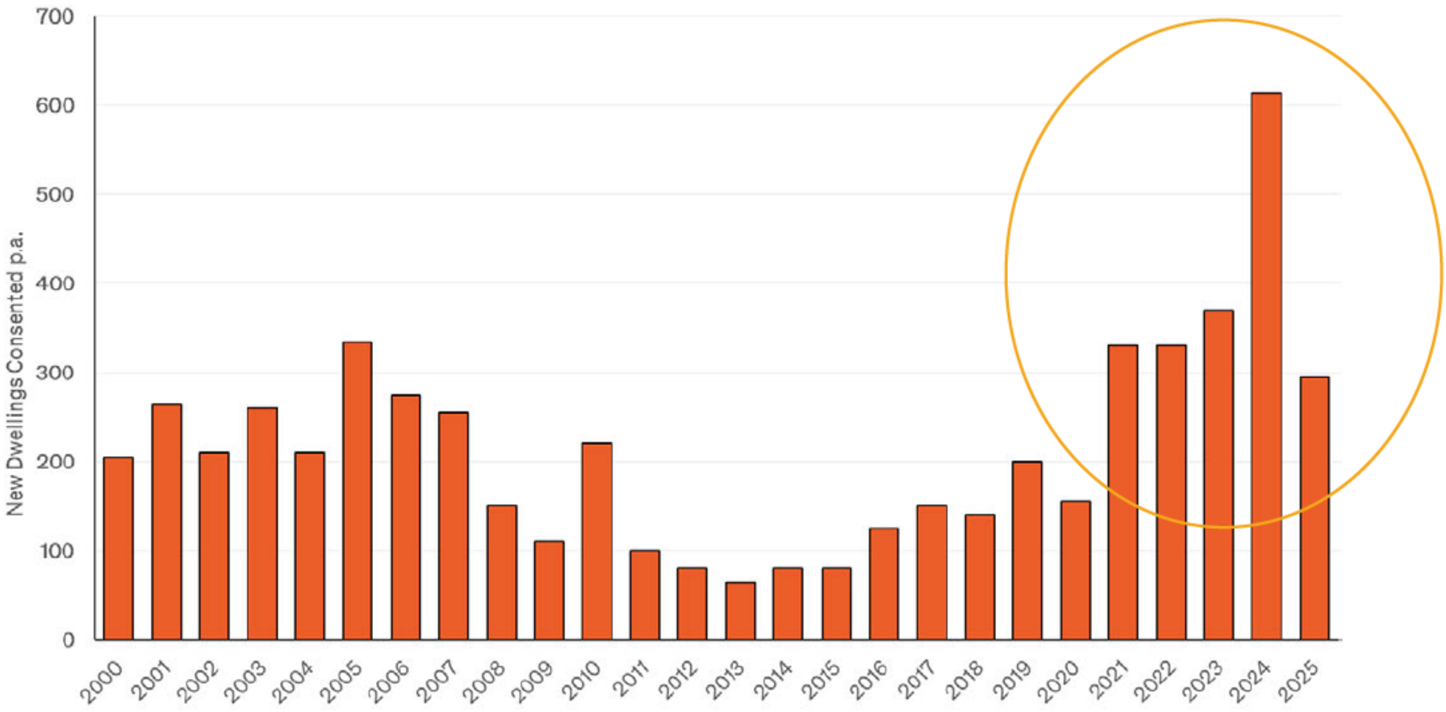
Figure 10:
Study Area New Dwellings Consented (2000 - 2025)

Year	Stand Alone	Terrace	Apartment	Total
2000	180	25	0	205
2001	240	15	10	265
2002	170	35	5	210
2003	215	35	10	260
2004	190	15	5	210
2005	265	70	0	335
2006	200	75	0	275
2007	225	30	0	255
2008	145	5	0	150
2009	105	5	0	110
2010	135	0	85	220
2011	90	10	0	100
2012	80	0	0	80
2013	65	0	0	65
2014	75	5	0	80
2015	75	5	0	80
2016	105	15	5	125
2017	120	30	0	150
2018	120	20	0	140
2019	180	20	0	200
2020	130	25	0	155
2021	280	50	0	330
2022	235	80	15	330
2023	225	145	0	370
2024	265	325	25	615
2025*	155	140	0	295
Average Growth p.a.				
2000-2025	165	45	5	215
2000-2010	195	30	5	230
2010-2020	105	10	10	125
2020-2025*	215	130	5	350

*October 2025 adjusted.

Source: Statistics NZ

Figure 11:
Study Area New Dwellings Consented Bar Graph (2000 - 2025 p.a.)



Source: Statistics NZ

4.3 New Lifestyle Dwelling Uptake

Figure 12 presents recent uptake of newly built lifestyle dwellings within the Rotorua District over the 2020 - 2025 period. The key finding is that **uptake has averaged 15 new lifestyle dwellings p.a.** over this period, reflecting the niche scale of this market segment.

On this basis, the proposed development of 89 lifestyle properties would equate to approximately 6 years of demand, confirming the scale and significance of the proposal in the context of the study area's lifestyle housing market.

Figure 12:
Uptake of New Lifestyle Dwellings 2020 - 2025

Location	Period	New Lifestyle Dwellings Sold	Lifestyle Dwelling Uptake p.a.
Study Area	2020 - 2025	75	15

Source: Cotality, UE

5. Comparable Developments

This section provides an overview of all comparable developments (i.e. lifestyle residential developments) within the study area that are currently offering lots or dwellings for sale. The purpose of this section is to provide context on the availability of comparable premium residential product within the Rotorua District.

Figure 13 shows the comparable developments currently selling lots/dwellings within the study area with measures of their size and price. Figure 14 shows the locations of these developments. The key points to note are:

- There are four comparable developments currently selling within the study area, providing a total supply of 90 dwellings.
- Average lot sizes range from approximately 1,200m² to 5,100m², with an overall average of approximately 3,000m². Average dwelling sizes are approximately 270m², with average 'land and house' prices of around $1,485,000.
- Currently there are only 10 lots/dwellings available for sale within the lifestyle housing segment, representing a relatively small quantity of supply when compared to annual demand of 15 p.a. This equates to less than 1 year of demand provided for, indicating a shortfall within the lifestyle residential market. As such, the proposed development would add to the supply of housing within a segment that currently has limited remaining availability.
- The proposed development, at a scale of 89 lots/dwellings, would increase the supply of lifestyle housing in the study area by approximately 100%, effectively doubling the scale of the existing market, from around 90 to 180 dwellings.

Figure 13:
Comparable Developments within Study Area

Development	Location	Average Lot Size (m²)	Average GFA (m²)	Average Price ($)	Total Units	Units Sold	Units for Sale	Sale Rate p.a.
Redwood Park Subdivision	Lynmore	3,770	280	$1,645,000	45	39	6	5
Baxendale Subdivision	Matipo Heights	1,410	260	$1,160,000	30	29	1	6
Blackwood Estate	Hamurana	5,100	290	$1,835,000	9	7	2	2
Lake Oak Estate	Hamurana	1,220	230	$1,450,000	6	5	1	1
Total	**-**	**2,970**	**270**	**$1,485,000**	**90**	**80**	**10**	**-**

Source: TradeMe, Cotality, Developer Websites, Google

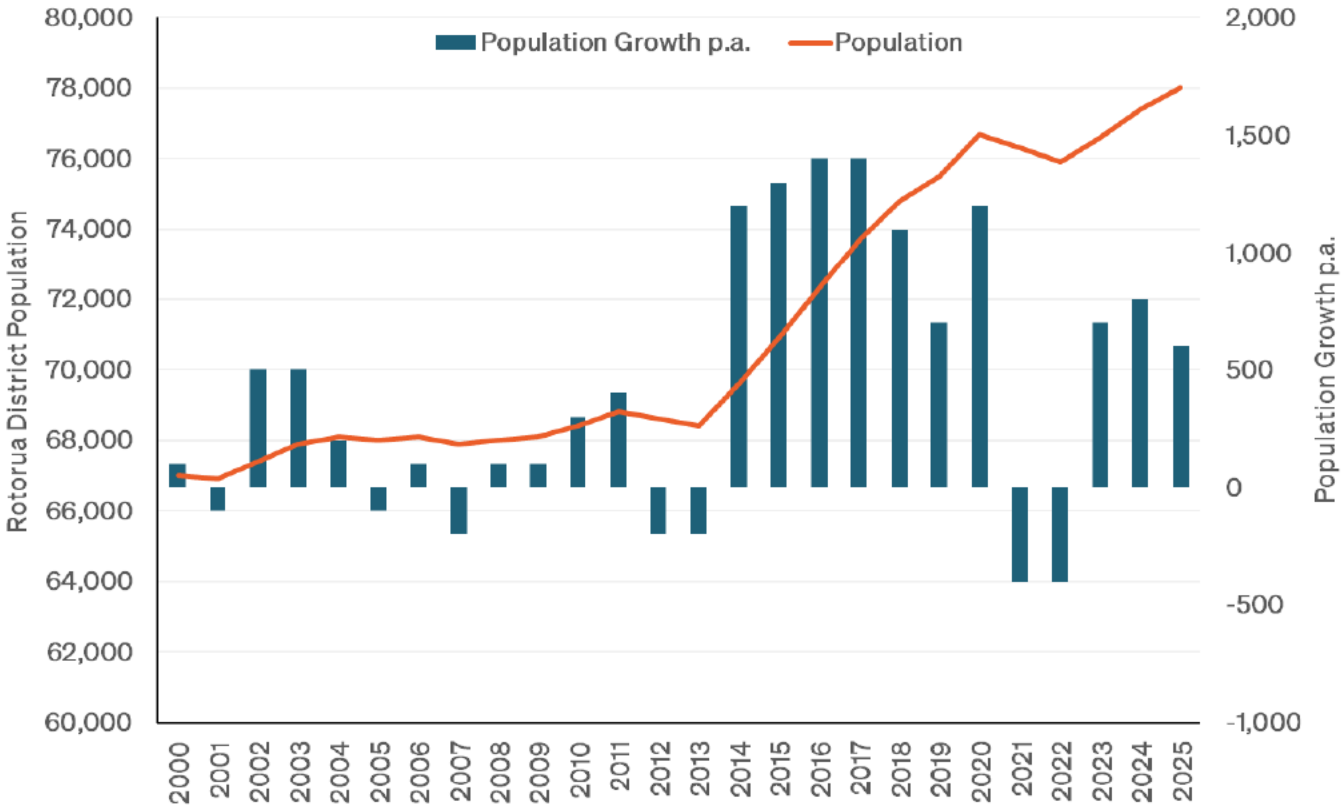
Figure 14:
Locations of Comparable Developments

Source: LINZ, Google

6. Rotorua District Population Growth

Rotorua District has experienced a step change in population growth over the past decade. Between 2000 and 2013, population growth was modest, averaging around 100 people p.a. By contrast, from 2014 to 2025 the district recorded significantly stronger growth, averaging approximately 700 people p.a.. As a result, Rotorua's population increased by 8,000 from 69,600 in 2014 to 78,000 in 2025. This step change increase in growth reflects a combination of factors, including relatively more affordable housing compared to larger urban centres (e.g. Auckland, Tauranga, Hamilton), increasing local employment, and Rotorua's growing lifestyle and amenity appeal. This sustained uplift highlights Rotorua's growing attractiveness as a place to live and provides a strong indication for ongoing housing demand within the district.

Figure 15:
Rotorua District Population Growth 2000 - 2025



Source: Statistics NZ

7. Access to Employment Nodes & Services

Rotorua District has experienced strong employment growth over the past decade. As shown in Figure 16, total employment increased by approximately 14% between 2015 and 2025, compared with population growth of around 10% over the same period. This indicates a strengthening of the local employment base over time. Rotorua District currently supports approximately 0.4 jobs per capita, which is broadly consistent with the regional average, reflecting its role as a key employment centre within the wider region.

Figure 16:
Rotorua District Employment and Population Growth (2015 - 2025)

Rotorua District	2015	2025	Growth (2015-2025)	
			Nominal	%
Employment	29,400	33,400	4,000	14%
Population	70,900	78,000	7,100	10%

Source: Statistics NZ

Figure 17 demonstrates that there is significant employment in close proximity to the proposal site, with future residents having access to more than 20,000 jobs within a 20-minute drive time. This includes the major employment nodes of Rotorua Central, the Mangakakahi and Ngapuna business areas, and Ngongotaha.

This level of accessibility supports the suitability of the proposal site for a premium, lifestyle residential development, particularly for senior professional and business-owner households seeking proximity to established employment and commercial centres. Such accessibility would support the attraction and retention of higher-income households that are more likely to contribute to business activity and investment, stimulating economic growth and delivering significant economic benefits for the district and wider region. This is also consistent with Policy 1(c) of the NPS-UD and the objective of supporting a well-functioning urban environment.

Figure 17:
Employment within 20-Minute Drivetime

Source: Statistics NZ, LINZ

8. Economic Contribution to GDP & Employment

This section assesses the impact of the proposed development on GDP and employment. This assessment confirms that the proposal will deliver significant economic benefits for the Rotorua district and wider region, and is consistent with the purpose of the Fast-track Approvals Act 2024.

Given the current market constraints, observed growth trends, the niche nature of the proposal, and the way greenfield developments operate in regional markets, the proposal would be considered to be additive to overall housing supply rather than redistributive. As such, the economic benefits generated by the proposal would represent a net addition to the economy.

8.1 Employment & GDP Contribution from Construction

The national 'value-added per employee' for each sector has been used to estimate the full-time equivalent (FTE) employment for this proposal. Figure 18 shows the estimated national 'value-added per FTE employee'. It shows that the construction sector contributes $32.4 billion to the national GDP, employing 204,200 FTEs, resulting in a value-added of $158,700 per FTE employee.

Figure 18:
Industry GDP and Value Added per Employee (2024)

Sector	Value Added GDP ($M)	FTE Employees*	Value Added GDP Per Employee
Construction	$32,410	204,200	$158,700

Source: Statistics NZ

Figure 19 outlines the total FTEs and value-added[1] to the construction sector GDP that the proposal would generate. The FTE employment generated from construction is derived by dividing the total GDP contribution (value added) by the value added per employee in the construction sector. It is estimated that the development of the site would support/generate approximately 175 FTE jobs and contribute $27.2 million to the construction sector's GDP.

Figure 19:
Value-Added GDP & FTE Employee Estimates

GFA (m²)	Number of Dwellings	Project Value ($M)	Value-Added GDP ($M)	Number of FTE Employees
200	30	$26.3	$8.0	50
220	25	$25.2	$7.7	50
240	20	$22.8	$6.9	45
260	10	$12.7	$3.9	25
280	4	$2.6	$0.8	5
Total	**89**	**$89.6**	**$27.2**	**175**

Source: UE, Statistics NZ

[1]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).

8.2 Employment & GDP Generation from Ongoing Household Expenditure

Figure 20 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 proposed development. 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 20:
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 21 provides an estimate of the ongoing household expenditure expected upon completion of the proposal (i.e. 2031). The main points to note are:

- Upon completion, the average household expenditure is forecast to be approximately $42,900 p.a.. This generates a value-added contribution of $23,000 p.a..
- The total ongoing household expenditure from the residents if estimated to be approximately $3.8 million p.a.. This generates a value-added contribution to GDP of approximately $2.0 p.a., supporting approximately 20 FTE jobs (based on a value-added per employee ratio of $97,000)

Figure 21:
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.)
Proposal	89	$42,900	$23,000	$3.8	$2.0	20

Source: UE, Statistics NZ
*Upon completion of proposed development (approximately 2031).

9. Fast-track Approvals Act Economic Considerations

This section assesses the proposal against the relevant economic matters related to regional or national significance in the Fast-track Approvals Act.

The relevant sections for an economic analysis for a referral application is as follows.

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-

...

(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"

Each of the subsections outlined above are addressed below.

Section 22(2)(a)(iii): Housing Supply and Contribution towards Well-Functioning Urban Environment

While the proposal is located outside of a defined urban environment and is not subject to assessment under the National Policy Statement on Urban Development (NPS-UD), Policy 1 of the NPS-UD provides a useful set of economic principles that inform how developments can support a well-functioning housing market. These principles are relevant in determining whether the proposal contributes positively to housing supply and market efficiency in the wider district.

The proposal would make a significant contribution to the supply of housing and contribute towards a more efficient premium lifestyle housing market. The reasons for this are summarised below.

Policy 1 of the National Policy Statement on Urban Development (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 proposal would make a notable contribution to the operation of the premium lifestyle segment of the Rotorua residential market, which is currently undersupplied relative to future demand (of approximately 15 dwellings p.a.).

Currently there are only 10 lots/dwellings are available for sale within this premium residential segment, representing a relatively small quantity of supply when compared to annual demand of 15 p.a. This equates to less than 1 year of demand provided for, which is not sufficient to meet the short-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 proposal would increase the supply of premium lifestyle housing in Rotorua District by approximately 89 dwellings, equating to around 6 years of demand based on recent uptake of lifestyle dwellings of approximately 15 dwellings p.a.. This represents a significant contribution toward meeting short-medium term capacity requirements within this market segment.

The proposal is therefore considered to meet Section 22(2)(a)(iii) of the Fast-track Approvals Act.

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

This proposal is estimated to contribute $27.2 million to GDP and support 175 FTE jobs. This is considered to be a significant economic benefit.

The proposal would supply a significant number of new dwellings to a supply constrained segment of the market, ensuring there is sufficient housing to meet demand, and that housing becomes more affordable over time.

The proposed project is therefore considered to meet Section 22(2)(a)(iv) of the Fast Track Approvals Act.

In conclusion, the proposal is therefore considered to meet Section 22(1)(a) of the Fast-track Approvals Act as it offers significant regional benefits, most notably, providing 'premium lifestyle' housing in a desirable location within the wider region, and support the attraction and retention of higher-income households that are more likely to contribute to business activity and investment which will contribute towards stimulating economic growth and delivering significant economic benefits for the district and wider region.

10. Conclusion

The proposal would result in significant economic benefits to the Rotorua-Lakes District, and the wider region (noting significance is ultimately a judgement rather than a quantitative economic threshold). In particular, it would:

- contribute 89 additional dwellings to a supply constrained premium housing segment of the market,
- deliver a 100% increase (doubling) to the current supply of lifestyle housing within the district,
- increase premium lifestyle housing supply to approximately 100 dwellings, increasing remaining capacity to approximately 6-7 years,
- facilitate the attraction and retention of senior professional and business households, enabled by strong accessibility to over 20,000 jobs within a 20-minute drive time, supporting business activity, investment, and broader economic growth and diversification within the Rotorua District and wider region,
- support the continuation of the strongest period of growth observed in the Rotorua District over the past 20 years by providing premium lifestyle housing that would attract and retain higher-income and economically active households,
- support net additional construction sector GDP and employment, of $27.2 million and 175 FTE jobs,
- enable ongoing household growth, leading to significant net additional GDP and employment resulting from household expenditure, of $2.0 million and 20 FTE jobs p.a..

The proposal is considered meets the economic requirements of the Fast-track Approvals Act, delivering significant regional benefits through housing supply, employment generation, and economic diversification, and is recommended for referral.