



Final Report: 10 November 2023

Economic Assessment of Proposed Whenuapai Business Park Plan Change

Prepared for: Neil Construction Limited

Authorship

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1. Executive Summary

Neil Construction Limited (**NCL**) is one of New Zealand's largest property developers, with a strong track record of delivering quality developments across New Zealand. One of its current interests is in Whenuapai, Auckland, on land that is zoned as Future Urban Zone (**FUZ**). NCL now seeks to rezone its site and some contiguous adjacent properties to Business – Light Industry Zone. To assist, this report assesses the likely economic effects of the proposed rezoning.

We begin by identifying and briefly describing the subject land, which spans approximately 47 hectares. We then show that Whenuapai – including the subject land – was identified as being suitable for urban growth more than 20 years ago, but mostly remains undeveloped today. In fact, the subject site was intended to be live-zoned via the Council-led Proposed Plan Change 5 (**PPC5**) process, which was subsequently abandoned. In the meantime, however, Auckland Council (**AC**) has invested significantly in major infrastructure projects to support anticipated growth like the proposed rezoning. In addition, bulk earthworks consents have already been granted by AC in Whenuapai to establish appropriate ground conditions for future urbanisation and development.

Next, we briefly describe the proposed rezoning, which will yield approximately 36 hectares of developable land, accommodating about 15.1 hectares of light industrial floorspace.

For context, we then review the current state of the light industrial land market. We show that there is a growing body of market evidence confirming a distinct lack of available supply in the Northwest. This is underpinned by the rapid uptake of online shopping and the need for warehousing and logistics capacity to support it. Amongst other things, this has caused industrial land values in the Northwest to double from \$600 per square metre to \$1,200 since 2019.

Having identified a pressing need for industrial-zoned land in the Northwest, we then outline the economic rationale for the proposal. We show that it directly responds to the need for additional industrial land, and does so in an area already identified as suitable for light industrial purposes, thus giving effect to the established planning vision for the site. Also, with NCL being an experienced and motivated developer, this supply can be brought to market in a timely and efficient manner.

Finally, we consider likely broader economic effects of the proposal. They include:

- **Improved Supply Responsiveness** – the proposal will help the industrial land market be more responsive to growth in demand, which will help slow the rate at which land prices grow. This will not only improve industrial land affordability, which is important given the land-hungry nature of many industrial land uses, but it will also help to control the costs (and thus prices) of the various goods and services provided by industrial land users to other parts of the regional economy. This, in turn, helps improve the overall competitiveness of the region.
- **One-Off Economic Stimulus** – the various processes associated with obtaining consents, finalising the subdivision plan, preparing the land for development, installing necessary infrastructure, and constructing the various buildings enabled by the proposal will generate significant one-off economic impacts. In fact, we estimated that they will provide employment

for nearly 2,400 FTE-years, provide \$168 million in household wages/salaries, and generate more than \$310 million in national GDP.

- **Ongoing Economic Stimulus** – once operational, the industrial activity enabled onsite could provide full-time employment for more than 1,100 people, generate annual GDP of over \$140 million, and boost household salaries / wages by \$77.5 million.
- **Reduced Commute Times / Emissions** – the additional employment enabled on the subject site also provides an important spatial match between household growth and employment opportunities. This, in turn, may help to reduce average commute times and distances, which will have important economic and environmental benefits.
- **Highest and Best Use of Land** – finally, we note that the proposal puts the land to its highest and best use, and hence maximises economic efficiency in the underlying land market. In addition, critically, it finally resolves the prolonged process delays that have thus far prevented the subject site from being put to intended urban uses.

Given the strong and enduring economic benefits of the proposal, and noting the absence of any material economic costs, we strongly support it on economic grounds.

2. Introduction

2.1 Context and Purpose of Report

Neil Construction Limited (**NCL**) is one of New Zealand's largest property developers, with a strong track record of delivering quality developments across New Zealand. One of its current interests is in Whenuapai, Auckland, on land that is zoned as Future Urban Zone (**FUZ**). The FUZ and recently adopted Future Development Strategy signal that urbanisation of the land is imminent, but that it is currently unsuitable due to a lack of infrastructure or other constraints. With the subject site now able to be serviced for bulk infrastructure, NCL is seeking rezoning of the subject site for light industrial use. To assist, this report assesses the likely economic effects of the proposed rezoning.

2.2 Structure of Report

The remainder of this report is structured as follows:

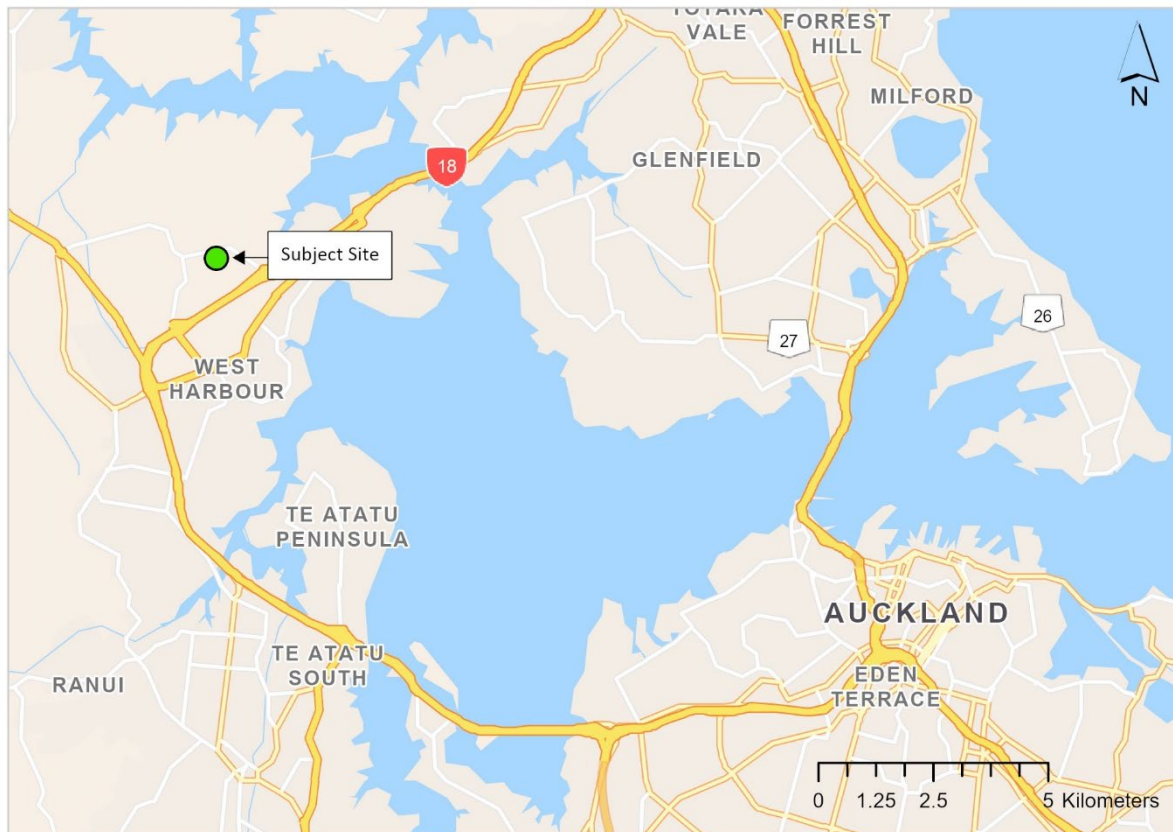
- **Section 3** locates and describes the subject land and describes the broader strategic context.
- **Section 4** outlines the proposed development.
- **Section 5** summarises the current state of the industrial land market.
- **Section 6** describes the economic rationale for the proposal.
- **Section 7** considers the likely economic effects of the proposal.
- **Section 8** provides a short summary and conclusion.

3. About the Subject Land

3.1 Location and Description

The subject site is situated in Whenuapai, and forms part of the Northwest growth area, which is identified as a major growth node in numerous planning/strategy documents, including the Auckland Plan 2050. The green dot in the map below denotes its location.

Figure 1: Location of Subject Site



The site is bound by Brigham Creek Road to the north, and farmland to the south, east and west. It spans approximately 47 hectares and is relatively flat. Large-scale earthworks have been undertaken on part of the site in accordance with resource consents. Prior to this, the site was used as farmland and for rural residential purposes.

3.2 Receiving Environment

Figure 2 shows the subject site and its immediate receiving environment.

Figure 2: Receiving Environment

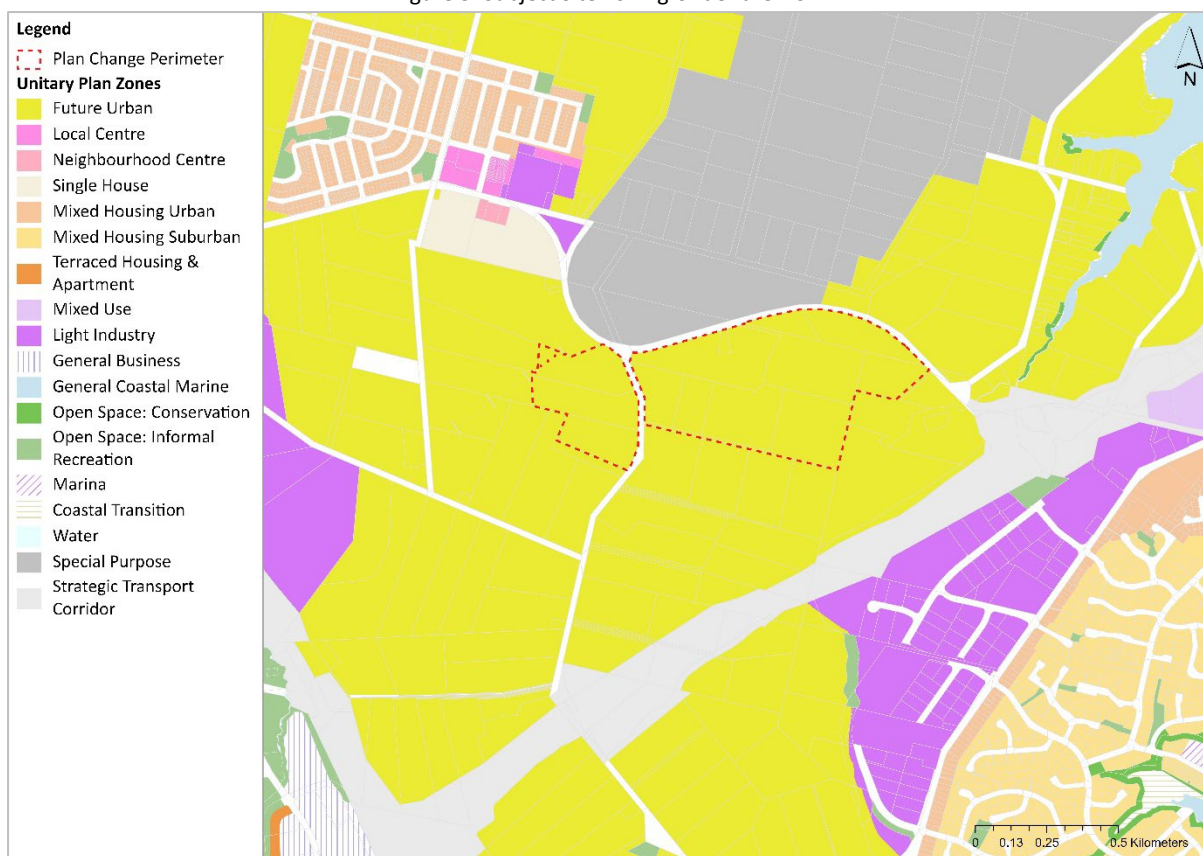


As the image above indicates, The Royal New Zealand Air Force’s Base Auckland is located immediately to the north of the site on the other side of Brigham Creek Road. In addition to the airbase and some residential development just to the north-west, Figure 2 shows that there is also a new industrial subdivision to the south across the state highway. That aside, however, the immediate receiving environment is largely just low intensity rural uses and a small number of existing rural-residential dwellings.

3.3 Current Zoning

The subject site is currently zoned Future Urban Zone (FUZ) under the Auckland Unitary Plan (AUP). This is a transitional zone that is applied to land that has been identified as suitable for urbanisation. The map below shows the current zoning of the site – delineated by a dashed red outline – and its immediate surrounds.

Figure 3: Subject Site Zoning Under the AUP



3.4 Planning History

The subject land lies within the broader Whenuapai area in the northwest of Auckland, which has been signalled for urbanisation for more than twenty years. Today, however, the area remains largely undeveloped, with most land still zoned as Future Urban. Below is a brief planning history of the area to help set the scene.

The **Whenuapai Structure Plan** was adopted by Council in 2016. It provides the framework for transforming Whenuapai from a semi-rural environment into an urbanised community over a period of 10 to 20 years. The plan guides future development by defining land use patterns as well as the location, timing, and provision of infrastructure. The structure plan identifies the subject site as being suitable for business use.

The 2017 **Future Urban Land Supply Strategy (FULSS)** identifies Whenuapai as a future growth area. Whenuapai Stage 1 (in which the subject site is located) is indicated as “development ready” in 2018–2022, with Stage 2 expected to be development ready in 2028–2032.

Proposed Plan Change 5 (PPC5) was notified in 2017 covering an area known as “Whenuapai 3 Precinct”, which includes the subject land. Its objective was to enable housing and provide employment opportunities through the efficient integration of land and infrastructure. Draft Variation 1 to PPC5 was issued in April 2021. However, Council withdrew PPC5 in June 2022 citing, among other things, a lack of funding for necessary transport upgrades.

Auckland Council’s recently adopted **Future Development Strategy (FDS)**, which succeeds the FULSS 2017, notes that the plan change area sits within the Whenuapai Business area. This area is anticipated for live zoning in 2025+ which aligns with the private plan change timeline.

In the meantime, though, Council has already invested significantly in other major infrastructure to support the growth anticipated there, including:

- The Northern Interceptor wastewater pipeline;
- The North Harbour 2 Watermain;
- The acquisition of land for Council parks; and
- The Trig Road corridor upgrade (consent application underway).

In addition, Private Plan Change 69 (**PPC69**) was approved by Council and became operative in May 2023, rezoning approximately 52 hectares of land on Brigham Creek Road and Spedding Road, Whenuapai from Future Urban Zone (FUZ) to Business – Light Industry Zone (LIZ) and introducing a new precinct within the AUP. Large-scale public infrastructure upgrades are being undertaken as part of that plan change.

Finally, we note that multiple **bulk earthworks consents** have been granted in Whenuapai by Auckland Council specifically for the purpose of establishing appropriate ground conditions for future urbanisation and development, as anticipated by the FUZ. For example, Figure 4 below shows large-scale earthworks already undertaken within the subject site.

Figure 4: Bulk Earthworks Undertaken on Subject Site

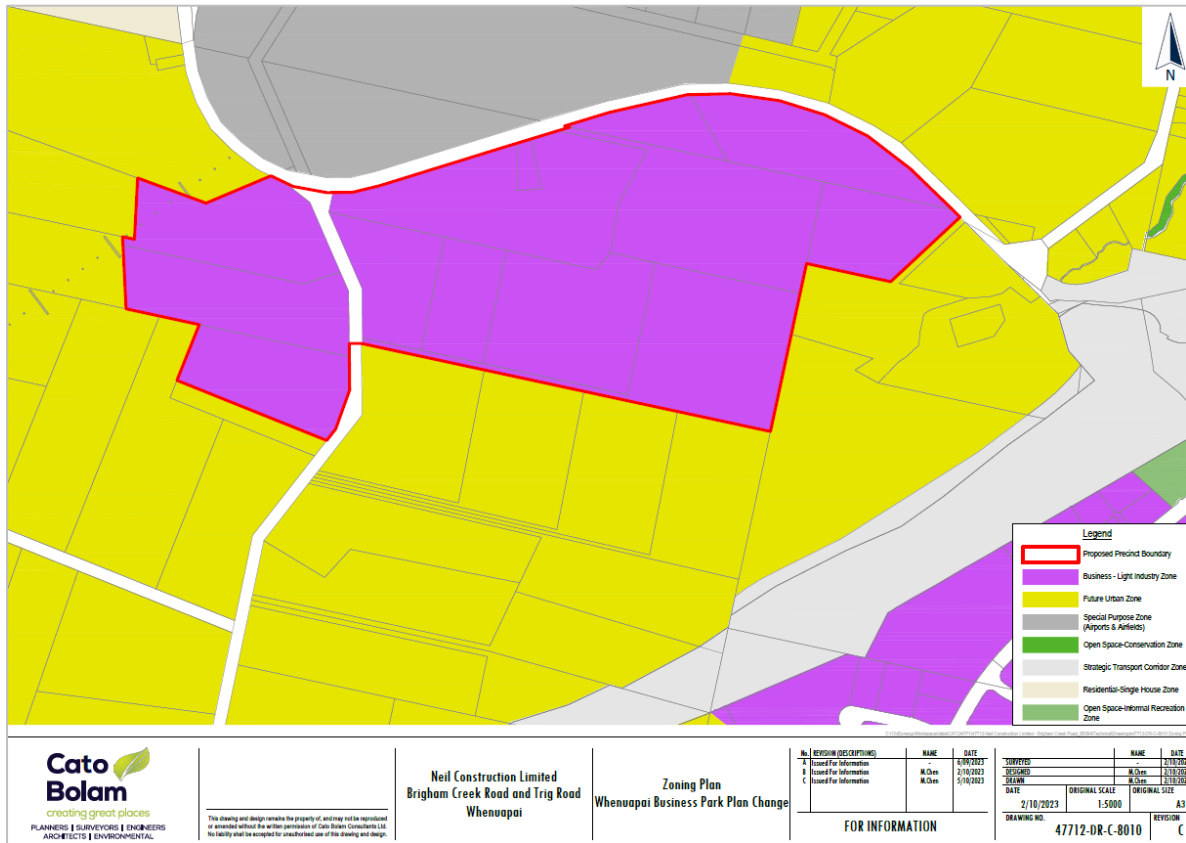


4. About the Proposed Plan Change

4.1 About the Proposal

The proposal seeks to rezone the subject site to Business - Light Industry Zone (LIZ), as per Figure 5 below.

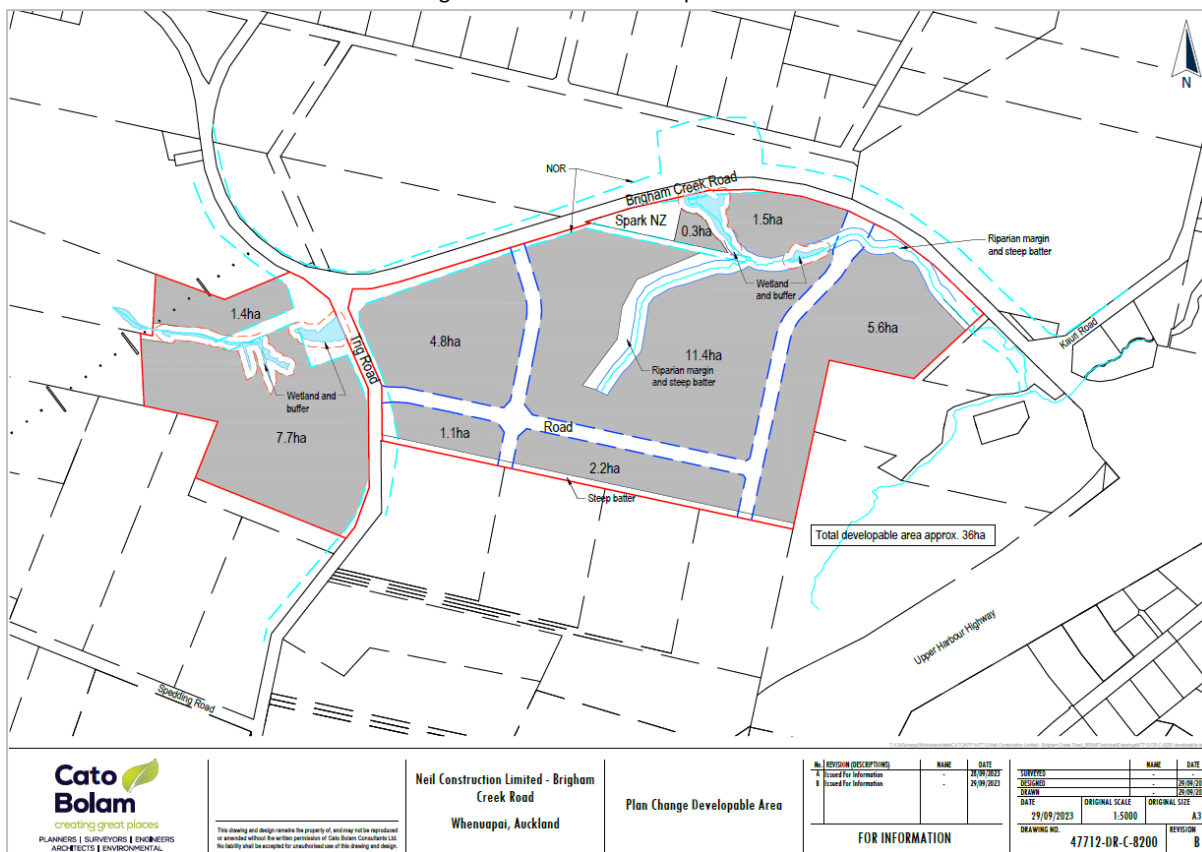
Figure 5: Proposed Zoning of Subject Site



4.2 Indicative Yield

The proposed rezoning will result in a developable area of approximately 36 hectares, as illustrated in Figure 6 below.

Figure 6: Estimated Developable Area



<p>Cato Bolam creating great places PLANNERS SURVEYORS ENGINEERS ARCHITECTS ENVIRONMENTAL</p>	<p>This drawing and design remains the property of, and may not be reproduced or amended without the written permission of Cato Bolam. Considerable care has been taken to ensure the accuracy of this drawing and design.</p>	<p>Neil Construction Limited - Brigham Creek Road Whenuapai, Auckland</p>	<p>Plan Change Developable Area</p>	<p>1. Issued For Information</p>	<p>NAME</p>	<p>DATE</p>	<p>2. Issued For Information</p>	<p>NAME</p>	<p>DATE</p>
				<p>3. Issued For Information</p>	<p>NAME</p>	<p>DATE</p>	<p>4. Issued For Information</p>	<p>NAME</p>	<p>DATE</p>
				<p>FOR INFORMATION</p>			<p>DRAWING NO. 47712-DR-C-8200</p>		

Based on previous work carried out by TPlus Architects, this will enable the development of an estimated **15.1 hectares** of light industrial floorspace on the subject site. While the mix of future tenants will be determined by the market, the floorspace enabled is likely to attract activities such as warehousing, distribution and manufacturing, as well as a small amount of commercial office space.

5. Current State of Industrial Land Market

This section assesses the current state of the industrial land market as context for the proposal.

5.1 Regional Context

The availability of suitable land to accommodate light industrial activity in the region is under growing scrutiny. High industrial land values, increased construction costs, and the current high interest rate environment are all affecting development feasibility. This is likely to be exacerbated over time as intensification of centrally-located land drives land values even higher. Accordingly, land-extensive activities, including light industry, are under growing pressure through competition from more valuable land uses.

This issue is highlighted in Council's latest housing and business development capacity assessment (HBA), which was released in September 2023. The assessment, prepared under the National Policy Statement on Urban Development 2020 (NPSUD), finds that Auckland has sufficient aggregate industrial capacity to accommodate projected growth over the short, medium, and long terms.

However, as acknowledged in the HBA, market feedback indicates that land suitable for industrial use is in short supply and that new opportunities can only be realistically provided in greenfield locations where land is both available to be identified in advance, and relatively cheaper per square metre. This is also reflected in elevated demand for industrial premises, with vacancy rates at historic lows.

5.2 Northwest Context

To better understand the current state of the industrial land market in the Northwest of Auckland – where the subject land is located – we now summarise the findings of a recent study undertaken by JLL Logistics & Industrial (JLL) on behalf of the applicant. The report, titled “Light Industry Land Analysis in the North West and Northshore,” finds that there is a significant undersupply of light industrial zoned land in the area to meet demand. The following sections provide further detail.

5.2.1 Demand

Demand for industrial floorspace in the northwest is strong. This is evidenced by rent rises in the order of 30% to 40% over the past 18 months, and vacancy rates of less than 1%. In comparison, a vacancy rate of about 5% is considered desirable to ensure that businesses can move in and out of premises as required to meet evolving needs.

A significant driver of this demand is the sustained shift towards online shopping and the associated growth of the logistics sector. These activities require modern, high-stud, large footprint warehousing space, which is usually located in light industrial zones. Further, the rapid emergence of demand from the datacentre sector is creating additional impetus for the demand for larger, modern fit-outs.

However, while underlying demand is for larger footprints, JLL suggests that such projects are no longer economically viable for developers due to current land values, which have doubled from an average of \$600 per square metre to \$1,200 since 2019. Instead, developers are building smaller industrial units with more office space, which have higher yields. As such, they conclude that there is an insufficient amount of suitable land to cater for the many large industrial occupiers that want to move to the area.

5.2.2 Supply

On the other side of the ledger, LIZ land is in short supply. To demonstrate that, we present the findings of JLL’s comprehensive audit of LIZ land availability for the two light industrial areas nearest to the subject land: Westgate and Hobsonville.

To begin, Figure 7 below shows JLL’s visual assessment of LIZ land availability in Westgate. Sites identified in green are available for development now, while those marked in orange are considered developable within a five-to-15-year period. Sites marked in red are deemed unavailable for development within the next 15 years (if at all).

Figure 7: Availability of LIZ Land in Westgate



It total, there is approximately 57 hectares of LIZ land in Westgate. Nearly 10 hectares of this is already accounted for by several data centres that are either about to commence construction, or have already done so. A further 10 or so hectares of land is slated for non-core industrial uses such as car yards and petrol stations.

As at May 2023, 25.3 hectares of vacant land was available in Westgate, with only 13.4 hectares deemed currently available for development.

Figure 8 below shows the corresponding map for Hobsonville.

Figure 8: Availability of LIZ Land in Hobsonville



The Hobsonville LIZ area spans approximately 47 hectares, 12.9 hectares of which is currently vacant. Again, some of this land has already been taken up by a data centre, with other sections committed for development or in the hands of owner-occupiers. JLL estimates that just 6.2 hectares of land is genuinely available for development today.

To summarise, 104 hectares of LIZ land has become available across Westgate and Hobsonville since 2016, less than 33 hectares of which remains available. This indicates a take-up rate of 10.2 hectares per annum. However, less than 20 hectares of the remaining vacant land is deemed genuinely available for development. Accordingly, less than two years' supply of vacant, developable land remains.

5.3 Summary and Conclusion

There is strong demand for LIZ land in the Northwest, particularly for land-extensive activities such as warehousing and datacentres. However, there is insufficient zoned land to meet this demand. Accordingly, there is a pressing need for additional greenfield land to be released in this area.

6. Economic Rationale for Rezoning

The previous section identified a pressing need for industrial-zoned land, particularly in the Northwest. We now discuss the suitability of the proposed rezoning to help meet this need.

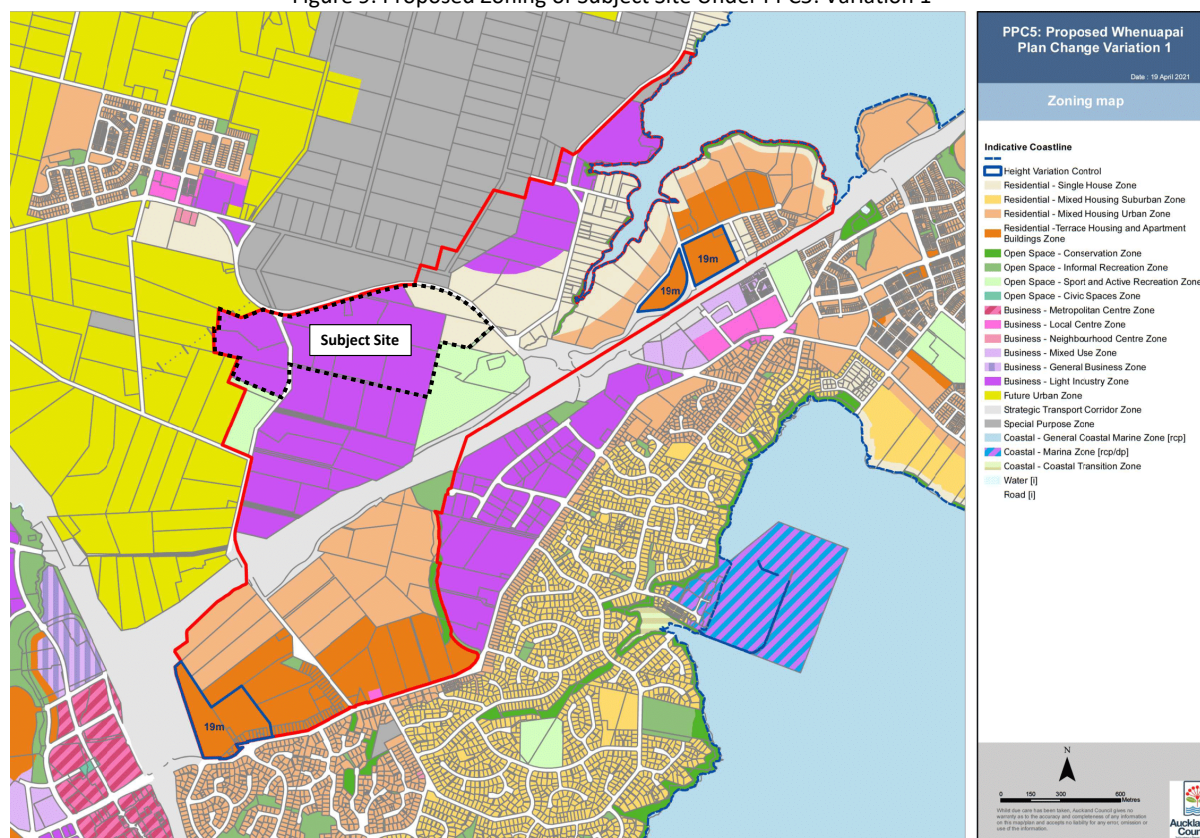
6.1 Meets Short-Term Need for Additional Supply

With around 36 hectares of developable land brought to market, the proposal represents a significant and much-needed boost in industrial land supply. While industrial development such as that envisaged by the proposal typically has a long lead time, we understand that infrastructure support is in place to enable development to occur promptly once consented. Moreover, the applicant is a willing and able developer with a strong track record of delivering quality outcomes. In short, if approved, the proposal is likely to translate plan-enabled capacity into market supply in a timely manner.

6.2 Gives Effect to Planning Vision

Not only does the proposal significantly boost industrial land supply, but it also gives effect to Council's long-established intention for the subject land. To illustrate, Figure 9 shows the site's proposed zoning under PPC5 draft Variation 1 – Council's most recent vision for Whenuapai.

Figure 9: Proposed Zoning of Subject Site Under PPC5: Variation 1



Under this proposal, most of the subject land is zoned LIZ, with a small amount of low-density residential land indicated in the north-eastern corner of the site. Accordingly, the site has already been identified as a suitable place for light industrial growth to occur.

6.3 Fit with Location Criteria

Unsurprisingly, then, the site is a good fit with common industrial site and location criteria. This is demonstrated by the summary in Table 1 below.

Table 1: Assessment Against Site/Location Criteria

Criteria	Application to Proposed Rezoning
Access to major road/transport routes	Immediate access to SH18 via Brigham Creek Road and Trig Road. 10min drive to SH1 via SH18. Prevents traffic movements through Hobsonville, Massey, and West Harbour suburbs.
Topography	Site is 47ha mostly contiguous site, close to large light industrial zone on opposite side of SH18. Mostly flat to gently undulating (0-3°).
Ability to buffer adverse effects	Site is buffered from existing residential activity to the north by RNZAF Base. Farmland to the south, east, and west.
Exposure/profile/visibility	Adjacent to Brigham Creek Road, a primary arterial road with access to SH16 and SH18.
Existing or proposed public transport	Route 114 runs through site via Trig Road, providing connection to the proposed Northwest bus station – the new centre of northwest Auckland’s public transport network. <10min to West Harbour ferry terminal.
Proximity to ports	Reasonably close to Auckland Airport via road (25 - 30min), and Ports of Auckland (25km).
Close to other industrial land	Sizeable existing light industry (>60ha) on opposite side of SH18. Small light industry area in Whenuapai Village.
Access to rail	12km from rail network access in Henderson.
Proximity to workforce	Rapidly growing workforce in and around West Auckland.
Complementary business services	Nearby Hobsonville light industry. Commercial services in Westgate and NorthWest metro centre.

6.4 Synergies with Other Land Uses

In addition, the site encompasses the Whenuapai Cable Landing Station (WCLS), which is one of the key termination points for the Southern Cross internet cable. The location of the WCLS within the subject site is illustrated in the map below.

Figure 10: Location of Subject Site Relative to Whenuapai Cable Landing Station (WCLS)



We understand that this immediate proximity to the WCLS means that prospective future uses of the subject site will experience ultra-low latency. This, in turn, is critically important for businesses that rely on extremely fast and reliable internet access, such as data centres.

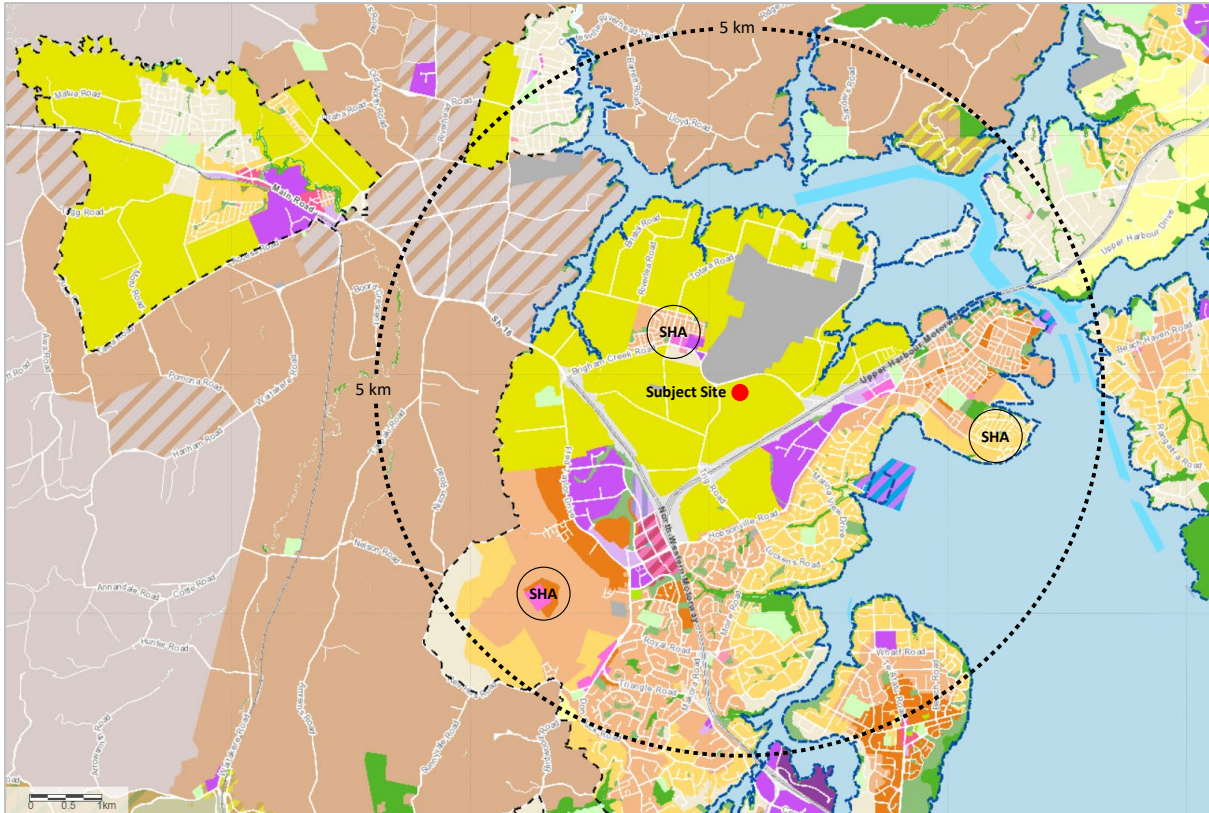
6.5 Helps Address Large-Lot Shortage

While the size and layout of future lots is yet to be finalised, the extent and shape of land within the site provides potential to address a widely-recognised shortage of large industrial lots in the Northwest. For additional context, JLL’s industrial land survey identified just four vacant lots larger than one hectare in the Northwest. The largest is in Westgate and spans just under 3.6 hectares.

6.6 Spatial Match with Population Growth

Importantly, the subject site provides a spatial match between household growth and employment opportunities. Figure 11 provides some context by drawing a 5-kilometre radius around the subject site. As we can see, significant areas of existing urban areas, and swathes of FUZ land, are less than 5 kilometres away. So, too, are three special housing areas (SHAs).

Figure 11: Proximity of the Subject Site to Existing and Future Urban Areas



According to the development strategy in the Auckland Plan 2050, these various FUZ areas, and the recently zoned areas in Redhills, will accommodate an additional 82,000 people over the next 30 years, with more than 20,000 additional employees residing there. Clearly, then, access to a wide range of employment opportunities nearby is an important part of the Northwest “growth puzzle.” Indeed, according to the plan:

“Increasing business growth and employment opportunities around Albany, Westgate and Manukau will help address several of Auckland’s current transport and employment challenges... As these areas grow, there will be more options for people to work or study closer to home...”

The recently adopted Future Development Strategy (FDS) also reinforces these findings:

“Business land is identified in future urban areas. This includes areas where there had been past shortages, such as in the North-west at Whenuapai, and in the North at Silverdale. Development of business land in future urban areas will help address local and sub-regional employment inequities and contribute to emissions reduction.”

6.7 Summary and Conclusion

The proposal enables a significant amount of industrial land to be brought to market in a timely fashion, thus providing a much-needed short-term supply boost. It does so in a location eminently suitable for industrial use, while giving effect to Council’s established planning vision.

7. Wider Economic Impacts

This section describes the likely wider economic impacts of the proposed rezoning.

7.1 Improved Supply Responsiveness

The proposal provides a direct boost in industrial land supply, which may help the market to be more responsive to growth in demand over time. This causes the market price of industrial land to increase slower, and more new land to be released, in response to ongoing growth in demand.

By flattening the price path and hence reducing the rate at which land prices grow, the proposal will help to improve industrial land affordability. This is particularly important for two reasons. First, industrial land uses are typically land hungry, so even a small decrease in land prices (relative to the status quo) can significantly aid affordability.

Second, industrial land uses often have strong linkages with the rest of the economy through the provision of various goods and services. Hence, by keeping industrial land prices as affordable as possible, the proposal – and others like it – can help control the costs (and thus prices) of the various goods and services provided by industrial land users to other parts of the regional economy. This, in turn, helps improve the overall competitiveness of the Auckland region.

7.2 One-off Economic Impacts

The processes associated with obtaining all necessary consents, finalising the subdivision plan, preparing the land for development, installing necessary infrastructure, and constructing the various buildings enabled by the rezoning will have significant one-off economic impacts on GDP, jobs, and wages. We quantified these using a technique called multiplier analysis, which traces the impacts of additional economic activity in one sector – such as construction – through supply chains to estimate the overall impacts. These impacts include:

- **Direct effects** – which capture onsite activities directly enabled by the project, plus the impacts of businesses that supply goods and services directly to the project; plus
- **Indirect effects** – which arise when businesses working directly on the project source goods and services from their suppliers, who in turn may need to source good/services from their own suppliers, and so on.

The economic effects are usually measured in terms of:

- **Contributions to value-added (or GDP).** GDP measures the difference between a firm's outputs and the value of its inputs (excluding wages and salaries). It captures the value that a business adds to its inputs to produce its own outputs.
- **The number of FTEs employed** – this is measured in terms of full-time equivalents, which combines part-time and full-time workers to provide a single employment metric.
- **Total wages and salaries** paid to workers, which are reported as 'household incomes.'

For example, when a construction company wins a new project, they usually subcontract various parts of the build to other companies to help complete the job, such as hiring glaziers, tilers, and plumbers. Those subcontractors, in turn, will need to source a range of materials and services from their suppliers, who may also need to source materials and services from their suppliers, and so on. Multiplier analysis enables the impacts of these supply chain interactions to be captured to estimate the overall impact of the new building project, including its direct and flow-on (supply chain) effects.

Table 2 below identifies the assumptions made to estimate likely one-off construction impacts.

Table 2: Construction Cost Assumptions

Measure	Commercial	Industrial	Total
Share of GFA	10%	90%	100%
Total GFA	15,100	135,900	151,000
Cost per sqm ¹	\$3,060	\$2,250	\$2,330
Construction costs (\$m)	\$46	\$306	\$352

In addition, we estimated planning/design/consent and land development costs based on costings provided for similar, previous projects. However, we do not disclose them here for commercial sensitivity reasons (because they are not publicly available like construction costs are in building consent data).

Having defined these key terms and assumptions, the following table shows the estimated economic impacts of the one-off activity that will be enabled by the proposal.

Table 3: One-Off Economic Impacts of Construction

Planning/design/consent	Direct	Indirect	Total
FTEs – 1 year	11	6	17
GDP \$m	\$1.6	\$0.8	\$2.5
Wages/Salaries \$m	\$0.9	\$0.4	\$1.3
Land development	Direct	Indirect	Total
FTEs – 1.5 years	75	95	170
GDP \$m	\$16	\$20	\$37
Wages/Salaries \$m	\$9	\$10	\$19
Construction	Direct	Indirect	Total
FTEs – 2.5 years	175	675	850
GDP \$m	\$50	\$217	\$267
Wages/Salaries \$m	\$37	\$110	\$147
Project totals (rounded)	Direct	Indirect	Total
FTE-years	560	1,830	2,390
GDP \$m	\$70	\$240	\$310
Wages/Salaries \$m	\$47	\$120	\$168

¹ Assumed build costs reflect regional building consent averages for the 12 months to August 2023. We understand that reported construction costs are generally understated to avoid levy obligations. However, we adopt these values as a conservative approach.

In summary, we estimate that:

- Future planning/design/consenting work will create full-time employment for about 17 people for one year, generating \$1.3m in wages/salaries;
- Land development (including infrastructure provision) will generate full-time work for approximately 170 people for 18 months (split across various stages), with \$19m in wages/salaries paid; and
- Building construction will provide full-time work for around 175 people for 2.5 years (again, split across various stages), with over \$145m paid in wages and salaries.

7.3 Ongoing Economic Impacts

In addition to the significant one-off economic impacts estimated above, the proposal will also enable businesses to establish onsite, which themselves will generate ongoing economic impacts.

An important element of this is ongoing employment enabled onsite. To estimate this, we reviewed the latest Business Capacity Assessment², which suggests that there is 136 square metres of floorspace per light industrial employee in Auckland. On that basis, the 15.1 hectares of GFA enabled by the proposal is likely to sustain ongoing employment for approximately 1,110 people.

To estimate the corresponding wages/salaries and annual GDP, we reviewed Statistics New Zealand’s latest input output tables, which summarise the national economy’s overall structure and reveal the employment and GDP per dollar of output. The table below summarises the key information for the industries that we consider to be the most likely future uses of the land under the proposal.

Table 4: Average Annual Industrial Output, GDP, and Wages **per Employee** from National IO Tables

Industrial Sectors	Output \$	GDP \$	Wages \$
Construction	405,400	124,000	67,000
Manufacturing	462,300	124,300	69,400
Transport, Postal and Warehousing	294,100	133,500	73,000
Wholesale Trade	262,800	124,000	69,700
Industrial Average	356,150	126,450	69,775

The corresponding annual economic impacts generated by the 1,110 potential future onsite employees are tabulated below.

² Available here: <https://knowledgeauckland.org.nz/publications/housing-and-business-development-capacity-assessment-for-the-auckland-region-2023-national-policy-statement-on-urban-development-2020-appendices/>

Table 4: Estimated Annual Industrial Output, GDP, and Wages (1,100 employees)

Industrial Sectors	Output \$m	GDP \$m	Wages \$m
Construction	450.1	137.7	74.4
Manufacturing	513.3	138.0	77.1
Transport, Postal and Warehousing	326.5	148.2	81.1
Wholesale Trade	291.8	137.7	77.4
Industrial Average	395.4	140.4	77.5

Taking the average across the industrial sectors assessed, the future onsite activity enabled by the proposal could generate:

- Full time employment for around 1,110 people;
- Annual output of more than \$395 million;
- Annual GDP of over \$140 million; and
- Over \$77.5 million in salaries / wages.

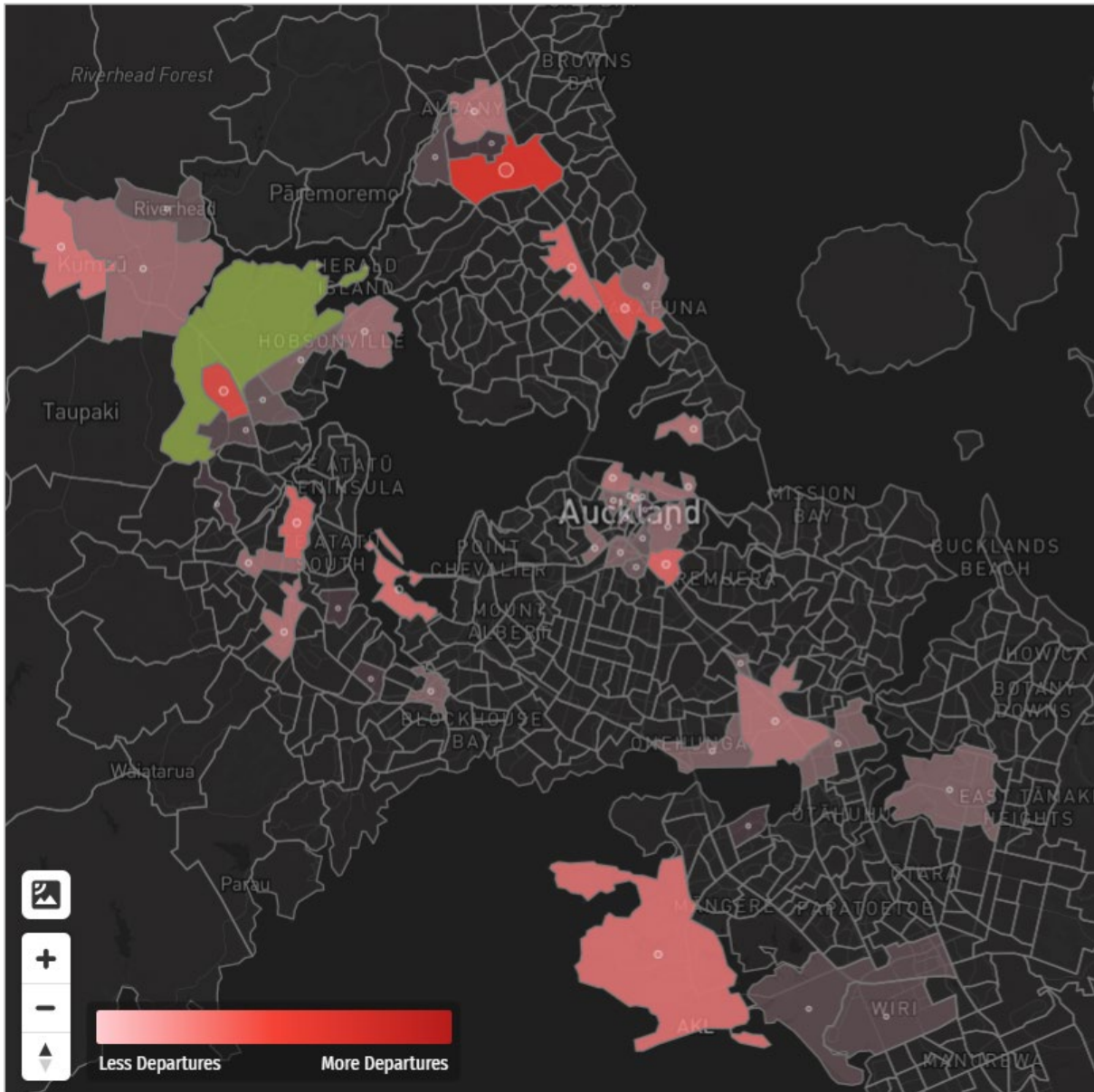
7.4 Improved Commute Times / Emissions

Not only will future businesses on the subject site sustain permanent employment for more than 1,100 people, but the subject site also provides an important spatial match between household growth and employment opportunities, as discussed in Section 6.6. This, in turn, may help to reduce average commute times and distances, which will have important economic and environmental benefits.

For insight into the travel patterns of Whenuapai residents, we turned to “Commuter Waka,” an online tool that provides a visualisation of the 2018 Census dataset.³ It shows that there were 2,385 workers residing in the Whenuapai Statistical Area 2 Unit (SA2) in 2018. Of these, 660 (41%) also worked within that SA2, with the remaining 960 people (59%) working elsewhere. Departing workers commuted to a variety of locations across the city, from Albany in the north to Wiri in the south. This is illustrated in Figure 12 below, in which Whenuapai is shaded in green.

³ <https://commuter.waka.app/#>

Figure 12: Workplace Destination for Whenuapai Resident Workers in 2018



More than 68% of these commuters travelled in a private or company vehicle. This suggests that there is significant scope to reduced travel-related emissions by increasing employment opportunities within Whenuapai.

7.5 Highest and Best Use of Land

The subject land is currently used for low-value rural purposes. The proposal addresses this and enables the land to be put to its highest and best use. As a result, it maximises economic efficiency in the underlying land market while also supporting the overarching purpose of the RMA (to enable the sustainable use and development of natural and physical resources).

In addition, critically, the proposal finally resolves the prolonged process delays that have hitherto prevented it from being put to its intended urban uses.

8. Summary and Conclusion

There is a pressing need for additional light-industrial zoned land in the Northwest of Auckland to meet strong demand. The proposed plan change directly acknowledges and responds to this need, while giving effect to the long-term planning vision for the site. In addition, enabling the land to be put to the proposed industrial use will unlock significant and enduring economic benefits. Accordingly, we support the proposed rezoning on economic grounds.