

SMARTGROWTH: DEVELOPMENT TRENDS

TECHNICAL REPORT 2019





SmartGrowth: Development Trends Technical Report 2019

Including Housing and Business, Market and Price Efficiency Indicators to meet the monitoring requirements of the National Policy Statement on Urban Development Capacity (PB6 & PB7)

**Western Bay of Plenty District
Tauranga City**

2018 – 2019

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1. Executive Summary

Executive Summary – July 2018 to June 2019

Comparison with previous year

Indicator		Tauranga City	Western Bay of Plenty District
	Dwelling consents issued	 -5.1%	 -19.6%
	New lots created	 -31.5%	 177.3%
	Dwelling sales prices	 1.2%	 1.3%
	Dwelling rents	 5.6%	 -0.2%
	Dwellings sold	 3.6%	 3.5%
Legend:  Up  Same as previous  Down			

Residential Building Activity

Sub-region

- In 2018/2019, building consents issued for new dwellings declined by 9% in the Western Bay of Plenty sub-region (the sub-region) compared to the previous year (refer Figure 1).

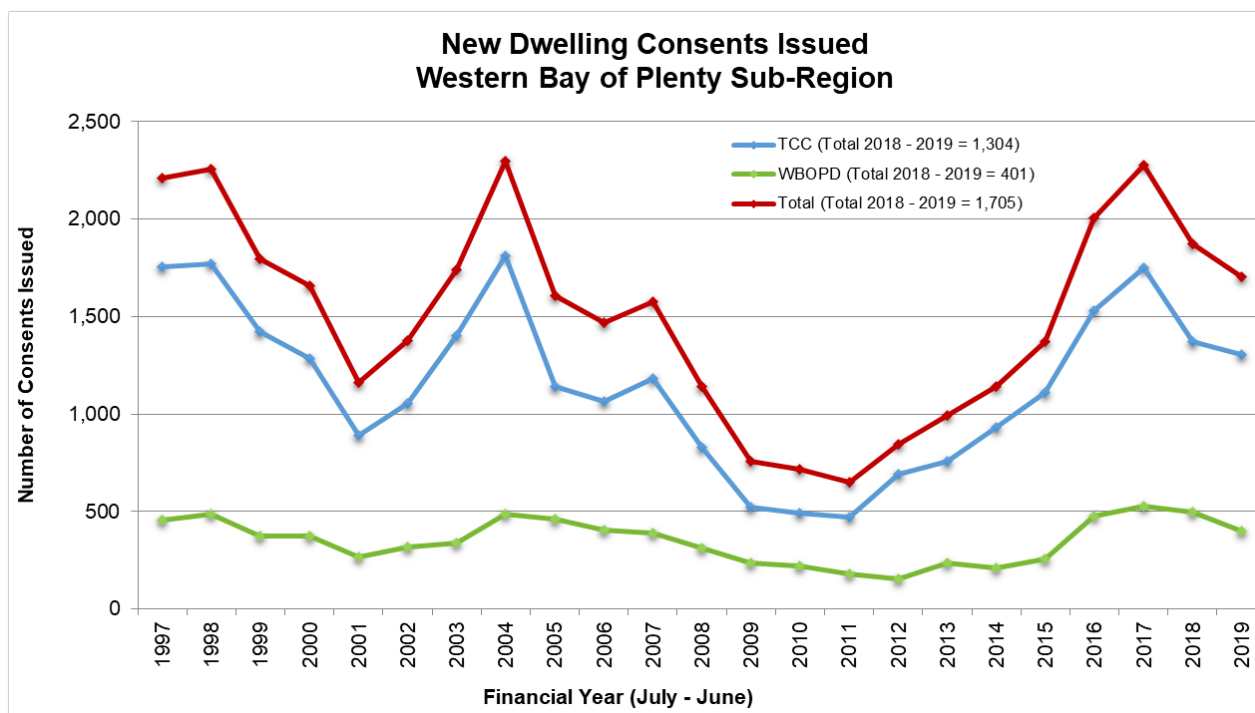
Tauranga City

- Dwelling consents issued for the 2018/2019 year declined in Greenfield Urban Growth Areas (Bethlehem, Pyes Pa West, Ohauti, Welcome Bay, Papamoa and Wairakei) with the exception of Pyes Pa from 2017/2018 results (refer Table 1).
- The Greenfield UGAs remained the main residential building activity areas accommodating 74% of new dwellings consented for Tauranga City in 2018/2019, despite declining by 17% from 2017/2018. The infill areas accommodated 26% of development in 2018/2019, increasing from 16% in 2017/2018, with the number of dwelling consents increasing from 220 to 341.

Western Bay of Plenty District - WBOPD

- In 2018/2019 dwelling consents issued decreased for most of the areas except for Katikati and Te Puke, compared to the previous year (refer to Table 2). Omokoroa still has the highest number of consents issued in 2018/2019 but is 20% down from 2017/2018.
- Dwelling consents issued decreased overall by 20% for Western Bay of Plenty District.

Figure 1 New dwelling consents issued, Western Bay of Plenty sub-region, 1997 to 2019



In the last ten years, the sub-region recorded its highest number of dwelling consents issued in 2017. From that point, dwelling consents issued has declined for two consecutive years. From 2017/18 to 2018/19, there was a decline of 9% (from 1,870 to 1,705 dwelling consents). In Tauranga City, the decline was 5% (70 consents), while Western Bay of Plenty District had a decline of 19.6% (98 consents).

Residential Subdivision Activity

Sub-region

- Subdivision development in the sub-region declined by 7% from 2017/2018 results.

Tauranga City

- The number of additional lots created declined by 31% in 2018/2019 compared to 2017/2018 and was 12% below the last 5 year average.
- In Tauranga City 93% of additional lots were created in Greenfield UGA's in 2018/2019.

Western Bay of Plenty District

- The number of additional lots created at 224 stage increased in all the main UGA's from 2017/2018 to 2018/2019. The highest increase was still in Omokoroa with an increase of 271 new lots created followed by Te Puke with 85 new lots. Additional lots created increased by almost 100% from 2017/2018 to 2018/2019 for the District.
- The Greenfield UGA's showed an increase of over double, while the rural areas showed a slower decrease of 1% in subdivision development (refer to Table 2).

Table 1 Trends Summary – Tauranga City – 2018/2019 Compared to 2017 to 2019

Area		Dwellings Consented	New Lots Created
Urban Growth Area	Bethlehem	↓	↑
	Pyes Pa	↑	↓
	Pyes Pa West	↓	↓
	Ohauti	↑	↑
	Welcome Bay	↓	↓
	Papamoa	↓	↓
	Wairakei	↓	↓
Existing Urban Areas (infill/ Intensification)		↑	↓
Rural Areas		↓	↓

Table 2 Trends Summary - WBOPD – 2018/2019 Compared to 2017 to 2019

Area		Dwellings Consented	New Lots Created
Urban Growth Area	Waihi Beach	↓	↑
	Katikati	↑	↑
	Omokoroa	↓	↑
	Te Puke	↑	↑
	(Other than above)	↓	↓
Rural Areas	Waihi Beach & Katikati	↓	↑
	Te Puna / Minden	↓	↓
	Kaimai / Ohauti-Ngapeke	↓	↓
	Maketu & Te Puke wards	↓	↓

Residential Development Capacity

Sub-region

- A comparison of SmartGrowth projections with actual growth at the sub-regional level indicates that the number of dwelling consents issued was 3% below the projection as at 30 June 2019.
- Of the total estimated yield for the Greenfield UGA's in the sub-region, 25% capacity remained as at 30 June 2018.

Tauranga City

- Dwelling consents issued in Tauranga City was 33 or 2% below the SmartGrowth dwelling projection for the year ending 30 June 2019. The dwelling consents issued from July 2013 to end of June 2019 were below the SmartGrowth dwelling projections by 5% (or 412) consents.
- Remaining Greenfield UGA capacity was 26% as at 30 June 2019.

- Wairakei (Papamoa East) Greenfield UGA has the highest percentage of capacity remaining (73%), while Pyes Pa UGA has the least (12%).

Western Bay of Plenty District

- In Western Bay of Plenty District 70 more dwelling consents were issued than projected compared to the SmartGrowth dwelling projection as at 30 June 2019.
- Remaining Greenfield UGA capacity was 14% as at 30 June 2019.
- Omokoroa UGA has the largest remaining capacity available with 29% or 745 dwellings, while Waihi Beach UGA has the lowest theoretical capacity remaining in Western Bay of Plenty District with 5% or 177 dwellings (refer to Table 5).

Residential Sales and Rents

Tauranga City

- Average selling price (12 month rolling average) increased by 1.2% to \$641,750 in last 12 months to 30 June 2019.
- Average dwelling rent (12 month rolling average) increased by 5.6% to \$441 in last 12 months to 30 June 2019.

Western Bay of Plenty District

- Average selling price (12 month rolling average) increased by 1.3% to \$625,723 in last 12 months to 30 June 2019.
- Average dwelling rent (12 month rolling average) declined by 0.2% to \$359 in last 12 months to 30 June 2019.

Dwelling Typology

Tauranga City

- The most prevalent lot size range for additional lots created was 326m² to 500m².
- Standalone dwellings accounted for 67% of the dwellings consented in Tauranga City. In Wairakei, 95% of the dwellings consented were standalone dwellings.
- 74% of the dwellings consented in Tauranga City from July 2018 to June 2019 were single level dwellings.
- 46% of the dwellings consented in Tauranga City had 3 bedrooms. The 2-bedroom and 4-bedroom dwellings had a respective proportion of 26% and 23%.
- 60% of all the dwellings consented were 3 and 4 bedroom standalone dwellings.
- 55% of the dwellings consented in Tauranga City had floor areas ranging from 126m² to 200m².
- Mean floor size of residential building consents decreased from 170m² in 2017/2018 to 161m² in 2018/2019.
- A higher proportion of dwelling consents were issued in 2018/2019 for "townhouses, flats, units and other dwellings" and less for "retirement village units", "apartments" and standalone "houses" than the last 5 year average¹.

Western Bay of Plenty District

- In 2018/2019 the most prevalent dwellings consented in WBOPD are standalone dwellings (90%) and 85% of them are single storey dwellings.
- Most of the 2- and 3-storey dwellings were built in Waihi Beach (34%) and in Omokoroa (41%).
- More than half (55%) of the dwellings consented have a floor area of between 100m² to 199m².

¹ Dwelling typologies are Statistics New Zealand Infoshare classifications.

- Mean floor size of residential building consents has increased by a square metre from 180m² in 2017/18 to 181m² in 2018/2019.
- A slightly lower proportion of dwelling consents were issued in 2018/2019 for “townhouses, flats, units and other dwellings”, and less for standalone “houses” than the last 5 year average.

Business Land and Activity

Sub-region

- Vacant industrial zoned land is currently available at Oropi, Te Maunga, Owens Place, Mount Maunganui, Tauriko, Sulphur Point, Greerton, Wairakei (Papamoa East), Katikati, Omokoroa, Te Puke, Rangiuru and Paengaroa.
- Vacant commercial land in Greenfield UGA’s is available at Pyes Pa West/Tauriko, Bethlehem, Papamoa and Wairakei in Tauranga City and Omokoroa in Western Bay of Plenty.

Tauranga City

- The number of building consents issued for new industrial and commercial buildings in 2018/2019 has declined by 19% and 38%, respectively, compared to 2017/2018.

Western Bay of Plenty District

- In 2018/2019 no industrial building consents were issued while commercial building consents increased from 3 consents to 8 consents over the same period.

1 Introduction

Monitoring development trends in the Western Bay of Plenty District and Tauranga City assists both Councils in understanding the changing patterns of development in the sub-region. These statistics are collected as part of Councils' legal obligation per Section 35 of the Resource Management Act 1991, "to gather information, monitor and keep records".

This is the nineteenth year that development trends have been monitored for the Western Bay of Plenty sub-region. From 2007, the report has been expanded to incorporate measures related to development as required by the Bay of Plenty Regional Policy Statement (RPS), and the SmartGrowth Strategy.

The RPS requires annual reviews to be undertaken to monitor, assess and report on population distribution, dwelling yields, zoned business land, and the proportion of potential residential allotments approved. SmartGrowth requires uptake rates and land availability for both residential and business land, permanent versus holiday residences, and rural subdivision to be monitored. Also a comparison of actual growth against projected SmartGrowth dwelling growth is reported on.

The National Policy Statement on Urban Development Capacity (NPS-UDC), came into effect on 1 December 2016. Tauranga Urban Area (which relates to both Tauranga City and Western Bay of Plenty District²) is classified as a high growth urban area under the NPS-UDC. NPS-UDC Policy PB6 requires Councils to monitor a range of indicators on a quarterly basis including:

- a) prices and rents for housing, residential land and business land, by location and type; and the changes in these prices and rents over time;
- b) the number of resource consents and building consents granted for urban development relative to the growth in population; and
- c) indicators of housing affordability.

From December 2017 the NPS-UDC Policy PB7 requires high growth councils to also monitor and report on price efficiency indicators. The 2018 SmartGrowth Development Trends Report incorporates a number of relevant indicators that meet NPS-UDC monitoring requirements (refer table 3), while continuing the development trends time series data. This report is produced annually for the period 1 July to 30 June. The NPS-UDC quarterly monitoring report framework is simpler and produced starting September 2017.

National Policy Statement on Urban Development Capacity Monitoring

A Technical Implementation Group (TIG) was established by SmartGrowth, comprised of staff from the three Councils (Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council) and other partners, to respond to requirements of the NPS-UDC.

The deliverables required by the NPS-UDC³ include (in sequence):

- establishing a monitoring regime (Policies PB6 and PB7);
- undertaking housing and business land assessments;
- setting development capacity targets for housing in statutory (Resource Management Act) planning documents – i.e. the Bay of Plenty Regional Policy Statement, Tauranga City Plan and Western Bay of Plenty District Plan; and

² Western Bay of Plenty District (WBOPD) indicators are displayed for total WBOPD (urban and rural) or only the urban growth areas which include Waihi Beach, Katikati, Omokoroa and Te Puke.

³ National Policy Statement on Urban Development Capacity: Guide on Evidence and Monitoring, Ministry of Business, Innovation and Employment and the Ministry for the Environment (MBIE), June 2017.

- developing (and consulting on) a Future Development Strategy to show how the identified targets will be met into the long term.

Monitoring and reporting on the NPS-UDC PB6 started in December 2017, while PB7 indicators of price efficiency were incorporated in the monitoring reports starting March 2018. The Ministry of Housing and Urban Development (HUD)⁴ provided guides to support the implementation of the NPS-UDC and an online dashboard that published charts, maps and underlying data on local housing markets. These were used as reference in the preparation of the monitoring reports.

A housing and business land assessment was completed in 2018 as required by the NPS-UDC⁵. The assessment includes information about the range of business uses and dwelling types, and provides evidence based estimates of demand and feasible capacity. The NPS-UDC also requires that a 30-year Future Development Strategy (FDS) for the sub-region be developed⁶. The FDS will drive the discussion and decision-making needed to manage the expected growth in the sub-region.

Table 3 outlines the indicators that are relevant to the NPS-UDC PB6 and PB7 monitoring requirement. The majority of indicators have a residential focus due to the availability of residential data through the HUD dashboard, and Council records.

Table 3 NPS-UDC PB6 and PB7 Indicators Monitored

NPS-UDC PB6	Type	Topic	Indicator	Ref
a) Prices and rents for housing, residential land and business land by location and type; and changes in these prices and rents over time	Residential	Prices	Dwelling Sales Price (Tauranga City and WBOPD's Urban Areas)	p.21
		Prices	Dwellings Sold (Tauranga City and WBOPD's Urban Areas)	p.23
		Rents	Nominal Rents Dwelling (Tauranga City and WBOPD's Urban Areas)	p.22
		Prices/ Rents	Ratio of Dwelling Sales Prices to Rent (Tauranga City and WBOPD's Urban Areas)	p.24
		Prices	Average Floor Size per Residential Building (Tauranga City and total WBOPD)	p.38
		Prices	Average Value per Residential Dwelling Consent (Tauranga City and total WBOPD)	p.39
		Type	Building Consents by Type (Tauranga City and total WBOPD)	p.41
		Rents	Detailed Geographic Data on Dwelling Rents (Tauranga City and total WBOPD)	p.23
	Location	Detailed Geographic Data on Dwelling Sale Prices (Tauranga City and total WBOPD)	p.22	
	Business	Type	Building Consents by Type – Non-Residential (Tauranga City and total WBOPD)	p.52
b) The number of resource consents and building consents granted for urban development relative to the growth in population	Residential	New Lots	New Lots Created (Tauranga City and WBOPD's Urban Areas)	p.14
		Dwelling Consents	New Dwelling Consents Issued (Tauranga City and WBOPD's Urban Areas)	p.12
		Population Growth	New Dwelling Consents Compared to Dwelling Projections (Tauranga City and WBOPD's Urban Areas)	p.16
c) Indicators of housing affordability	Residential	Prices	Housing Affordability Measure (HAM) – Buy (Tauranga City and total WBOPD)	p.25
		Rents	Housing Affordability Measure (HAM) – Rents (Tauranga City and total WBOPD)	p.26
PB7 Indicators				
Indicators of price efficiency	Residential	Prices vs. Cost	Housing Price to Cost Ratio (Tauranga City and total WBOPD)	p.42
	Rural-urban	Prices & Location	Rural-urban Zone Differentials (Tauranga City)	p.43
	Residential	Ownership	Land Concentration Control (Tauranga extended urban area)	p.44

An explanation of indicators provided via the HUD/MfE guidance or dashboard is provided in Appendix 1, and referenced under the relevant indicator through the report.

⁴ The functions that relate to the NPS-UDC were previously undertaken by the Ministry of Business Innovation and Employment and moved across to the Ministry of Housing and Urban Development (HUD) in 2018.

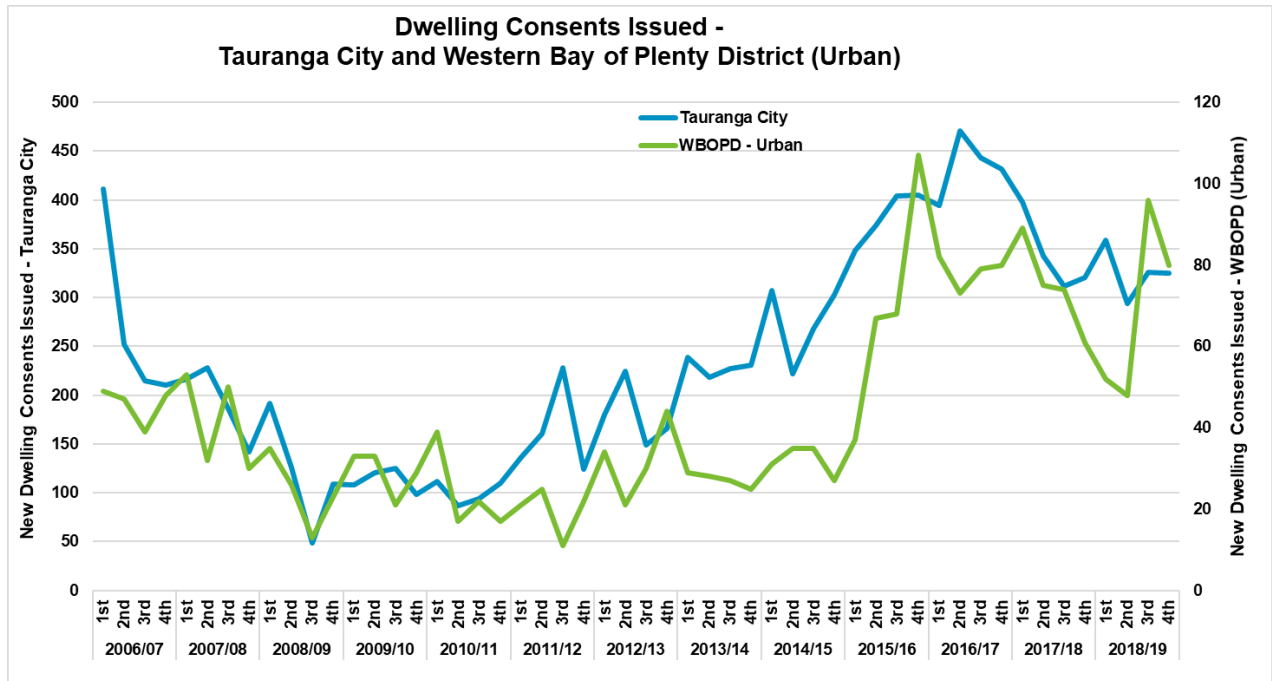
⁵ SmartGrowth Housing and Business Development Capacity Assessment for Tauranga City and WBOPD - Urban.

⁶ Public consultation on the draft Future Development Strategy for Western Bay of Plenty sub-region was completed in 2018. The information gathered during the consultation was carried through to the Urban Form and Transport Initiative (UFTI). The UFTI work provides a coordinated approach to future urban development and transport, and takes precedence over the FDS until the UFTI staged work has been completed.

2 Supply and Demand

New Dwelling Consents Issued

Figure 2 Dwelling consents issued, Tauranga City and WBOPD (urban), July 2006 to June 2019



Note: A “Linear” trend line has been included in Charts 2 and 5 to show the general trend over time. “Linear” trend line – a relationship of direct proportionality that, when plotted on a graph, traces a straight line.

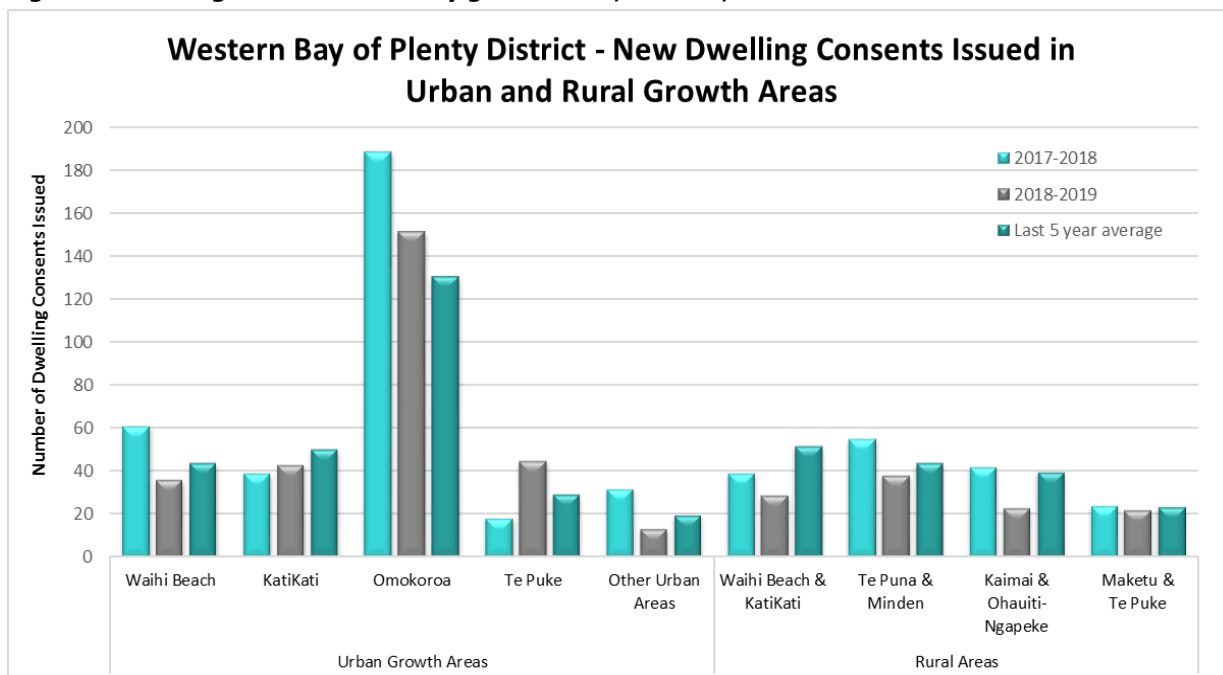
Table 4 Dwelling consents issued in Tauranga City and Western BOPD-total

Dwelling consents		Trend	Change	% Change
<i>Tauranga City</i>				
This year	1,304			
Last year	1,374	↓	-70	-5.1
Last 5 years (average)	1,414	↓	-110	-7.8
Last 10 years (average)	1,041	↑	263	25.2
<i>Western BOPD – total</i>				
This year	401			
Last year	499	↓	-98	-19.6
Last 5 years (average)	432	↓	-31	-7.2
Last 10 years (average)	317	↑	85	26.7

In WBOPD there has been variation in dwelling consents issued in the Greenfield Urban Growth Areas (UGA’s) over the last 10 years. Dwelling consents issued in the urban areas decreased by 9% (or 26 consents) from 2017/2018 to 2018/2019 while dwelling consents for total WBOPD decreased by 20% (or 98 consents) in the same period. In 2009/2010 the monthly average for dwelling consents issued was 18, compared to the monthly average of 33 for 2018/2019.

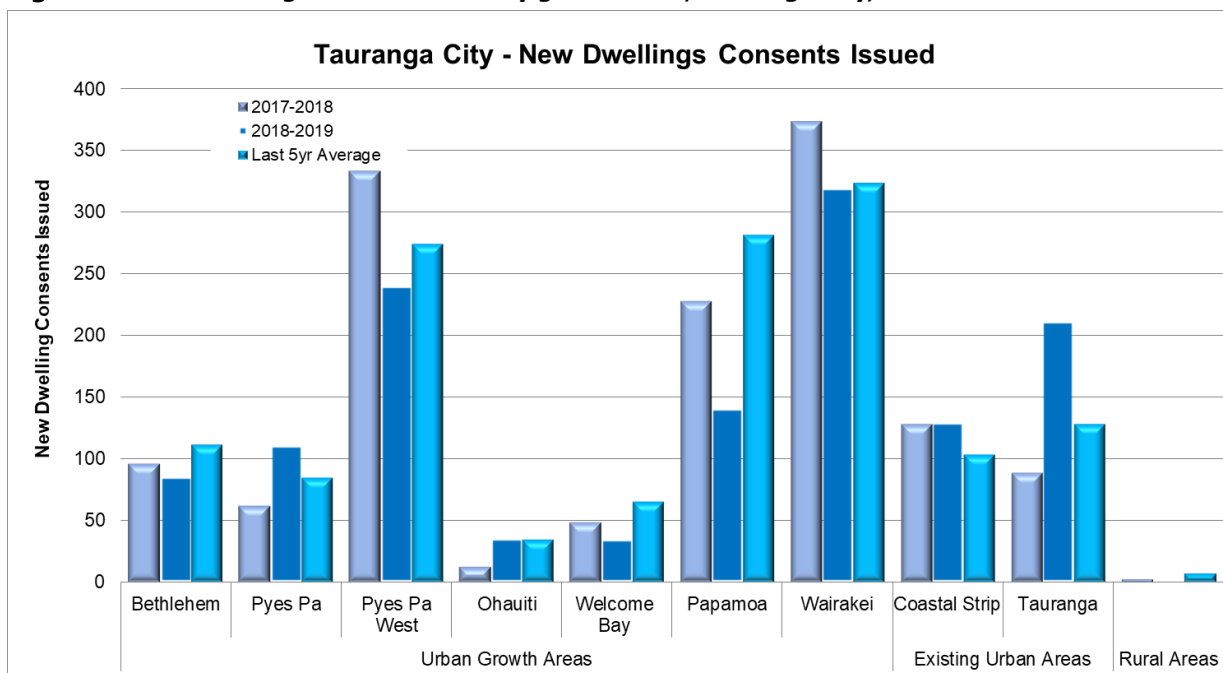
In Tauranga City building consents issued for new dwellings declined by 5% (or 70 consents) from 2017/2018 (1,374 dwelling consents issued) to 2018/2019 (1,304 dwelling consents issued). The last 5 year average was 1,414 dwelling consents. In 2009/2010 the monthly average dwelling consents was 41, compared to a monthly average of 104 for 2018/2019.

Figure 3 Dwelling consents issued by growth area, WBOPD, 2017 to 2019



Dwelling consents issued in 2018/2019 decreased by 10% in the Greenfield UGA's and in the rural areas it decreased by 30%, compared to 2017/2018. Dwelling consents issued in the UGA's decreased in Omokoroa (20%) and Waihi Beach (41%) while it increased in Katikati with 4 consents (10%) and in Te Puke with 27 new consents. All the rural areas decreased compared to the previous year.

Figure 4 New dwelling consents issued by growth area, Tauranga City, 2017 to 2019

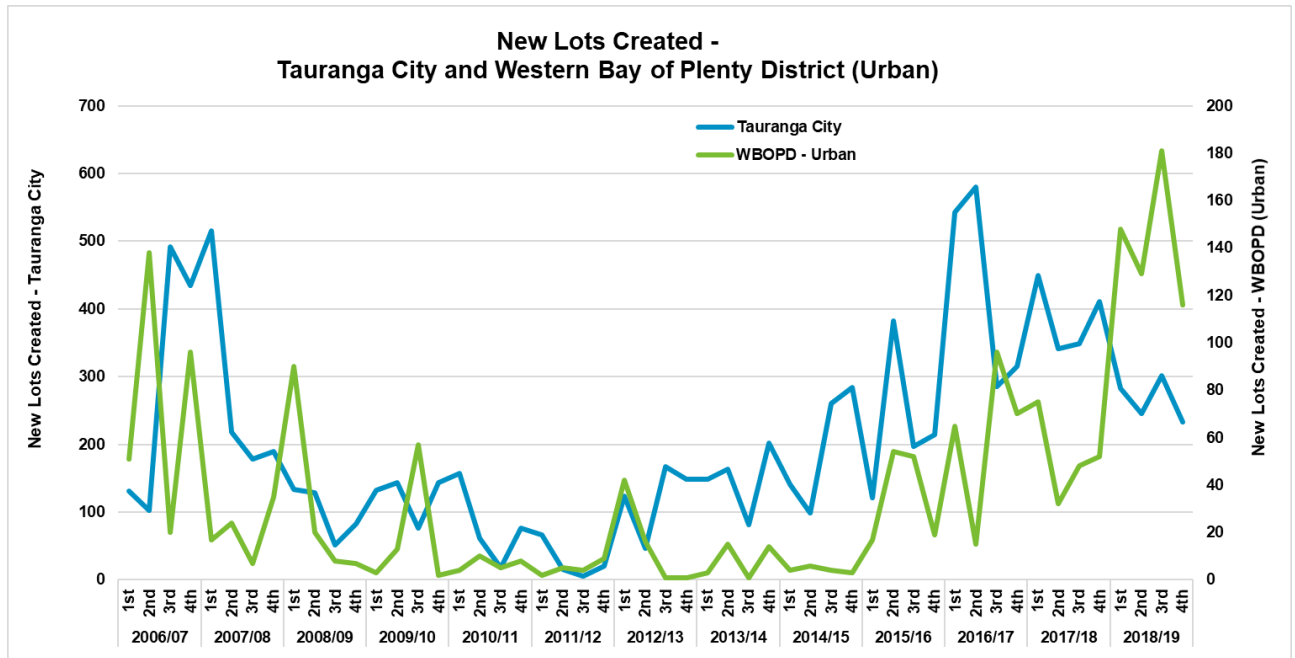


From July 2018 to June 2019, three quarters of the new dwelling consents were issued in the greenfield urban growth areas, with the remaining quarter issued in the existing urban areas. Compared to the previous year, dwelling consents issued in greenfield UGAs declined by 17% (or 191 consents). The declines were noted in all growth areas except Pyes Pa and Ohauti which recorded a respective increase of 48 (77%) and 22 (169%) dwellings. A significant increase of 55% was recorded in the existing urban areas with 341 dwelling consents issued (121 more than 2017/2018), of which 122 more dwellings were consented for Tauranga area (from 89 dwellings in previous year). Notably, for the Tauranga area three large multi-unit developments contributed 105 (86%) dwellings to the total dwelling increase. The dwelling figures (23 townhouses and 97 apartments) for the Farmers redevelopment currently under construction will be counted in future reports when fit out of the dwellings are completed.

Compared to the last 5-year average, dwelling consents issued declined in all greenfield UGAs, except Pyes Pa where a 28% (24 consents) increase was recorded, while a 68% (138 consents) increase was observed in the existing urban areas.

New Lots Created

Figure 5. New lots created, Tauranga City and WBOPD (urban), July 2006 to June 2019



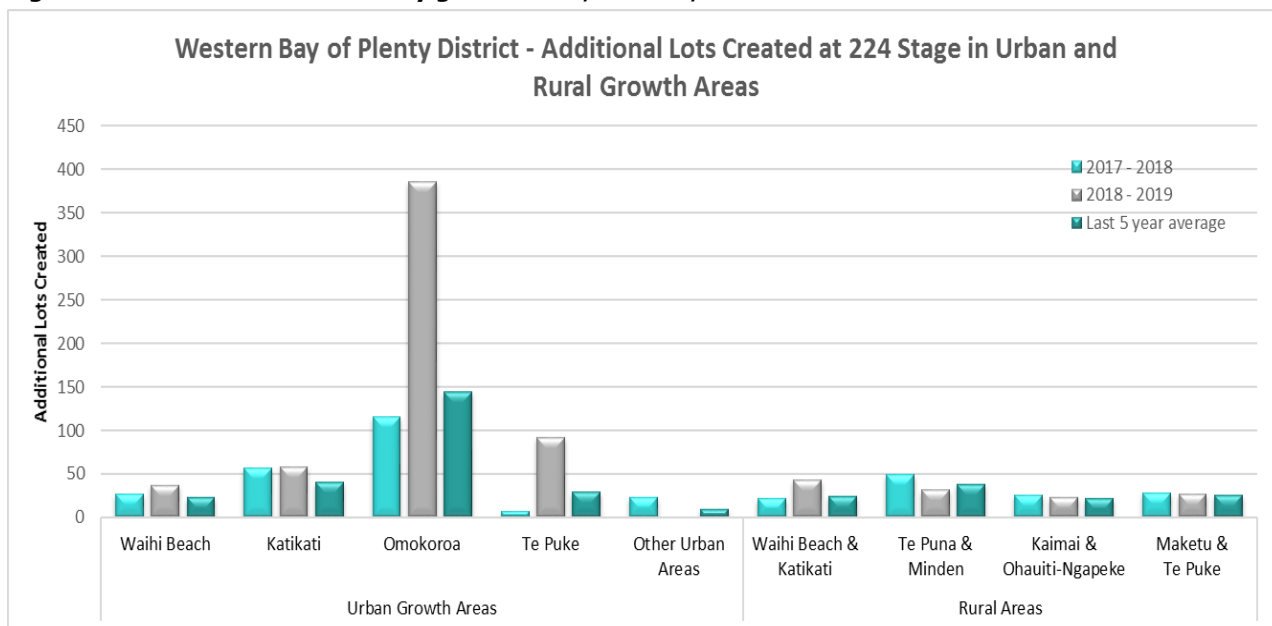
Subdivision activity in WBOPD reached a 13 year high in 2018/2019 in number of lots created in UGAs with 574 lots, which more than double the previous year’s count of 207. New lots created in the UGA’s were the lowest in 2014/2015 with an average of 4 new lots created per quarter, compared to the average of 143 new lots created in 2018/2019.

In Tauranga City new lots created declined by 32% (488 less lots) from 2017/2018 (1,550 new lots) to 2018/2019 (1,062 new lots). The number of new lots created in 2018/2019 was 12% lower than the last five year average of 1,207 but higher by 37% than the last 10 year average of 803 new lots. Over the last ten years, new lots created were lowest in 2011/2012 with a monthly average of 9 new lots created, compared to 89 new lots in 2018/2019.

Table 5 New lots created, July 2018 to June 2019

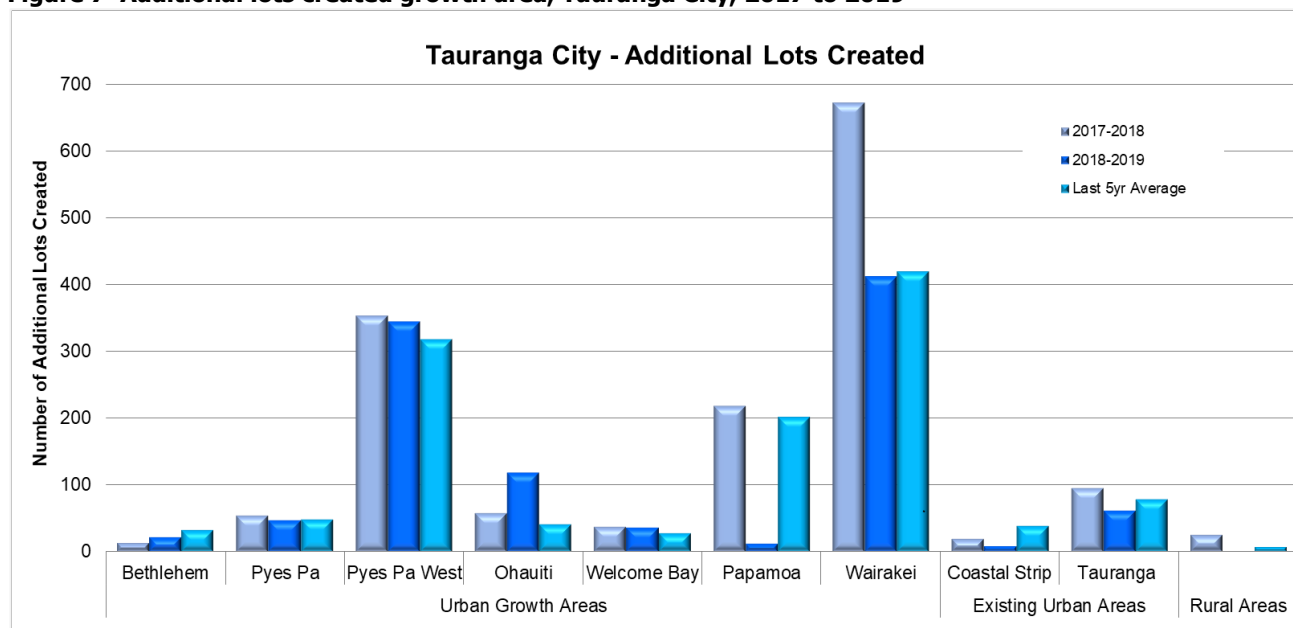
New lots	Trend	Change	% Change
<i>Tauranga City</i>			
This year			
Last year	↓	-488	-31.5
Last 5 years (average)	↓	-145	-12.0
Last 10 years (average)	↑	299	37.1
<i>Western BOPD – Urban</i>			
This year			
Last year	↑	367	177.3
Last 5 years (average)	↑	337	142
Last 10 years (average)	↑	434	310

Figure 6 Additional lots created by growth area, WBOPD, 2017 to 2019



New lots created increased in all the major UGA’s from the previous year. Omokoroa had a significant number (387) of new lots created in different parts of Omokoroa while in Te Puke UGA a subdivision in Dudley Vercoe Drive increased new lots created with 85 in 2018/2019, compared to 2017/2018. Subdivision in the rural areas declined in all the areas except for Waihi Beach/ Katikati, which increased by 22 new lots.

Figure 7 Additional lots created growth area, Tauranga City, 2017 to 2019



During the 2018/2019 year 991 (or 93%) of the additional lots were created in Greenfield UGAs, while only 71 lots were created in existing urban areas. Subdivision development declined in both the Greenfield and existing UGAs in comparison to 2017/2018 at 30% and 50%, respectively.

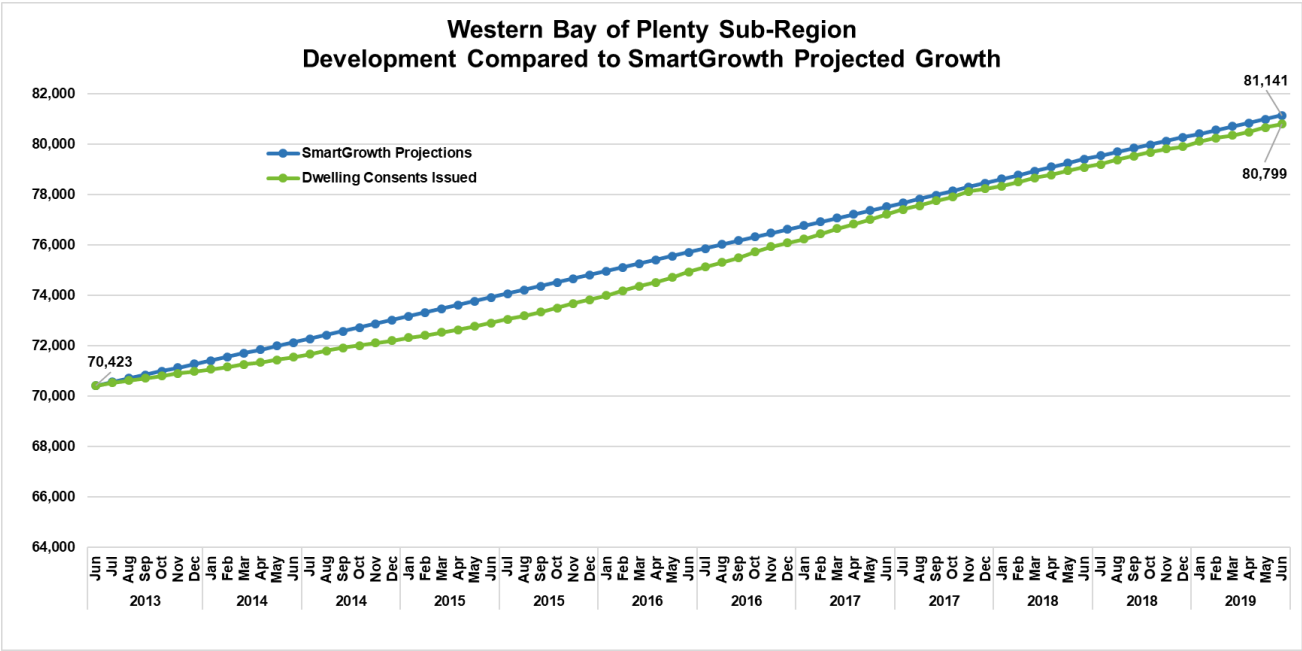
Comparison with SmartGrowth Projections

Detailed population and household projections have been produced for the SmartGrowth region by the National Institute of Demographic and Economic Analysis (NIDEA), University of Waikato⁷. NIDEA predict that population in the Western Bay of Plenty sub-region will increase from 165,910 people as at 30 June

⁷ The revised projections were adopted by the SmartGrowth Committee on 28 May 2014 and updated by both Councils in July 2017.

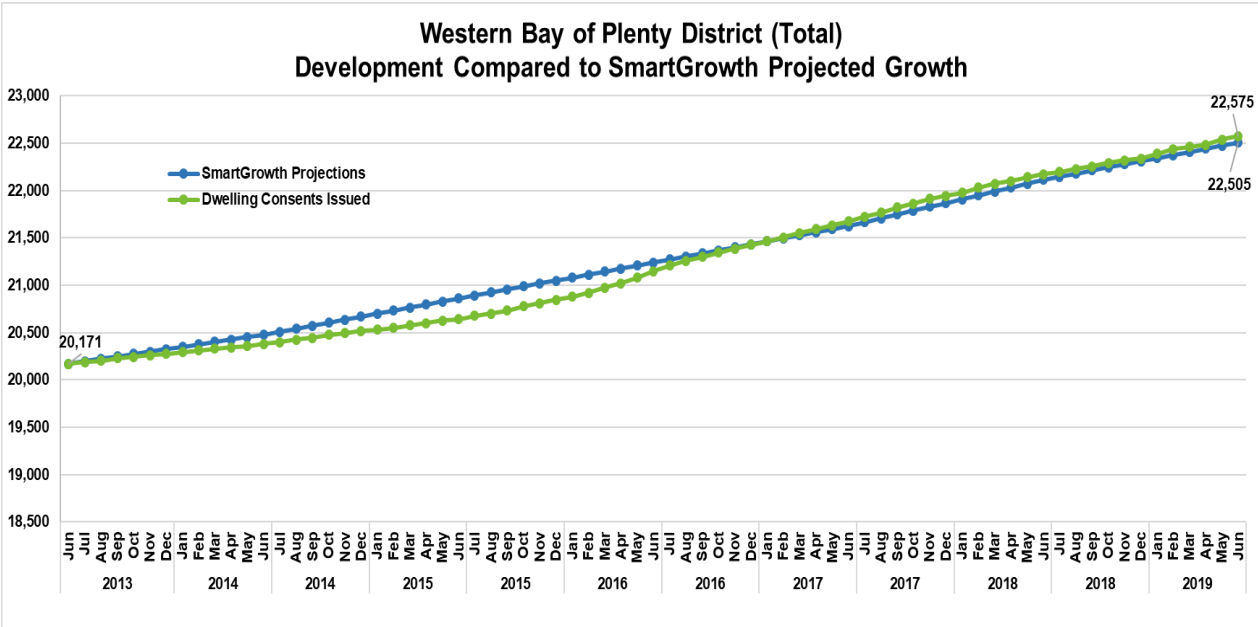
2013 to 261,248 people by 2063, while the number of dwellings will increase from 70,423 to 121,265 over that period.

Figure 8 Dwelling consents issued compared to SmartGrowth projected growth, WBOP sub-region, 2013 to 2019



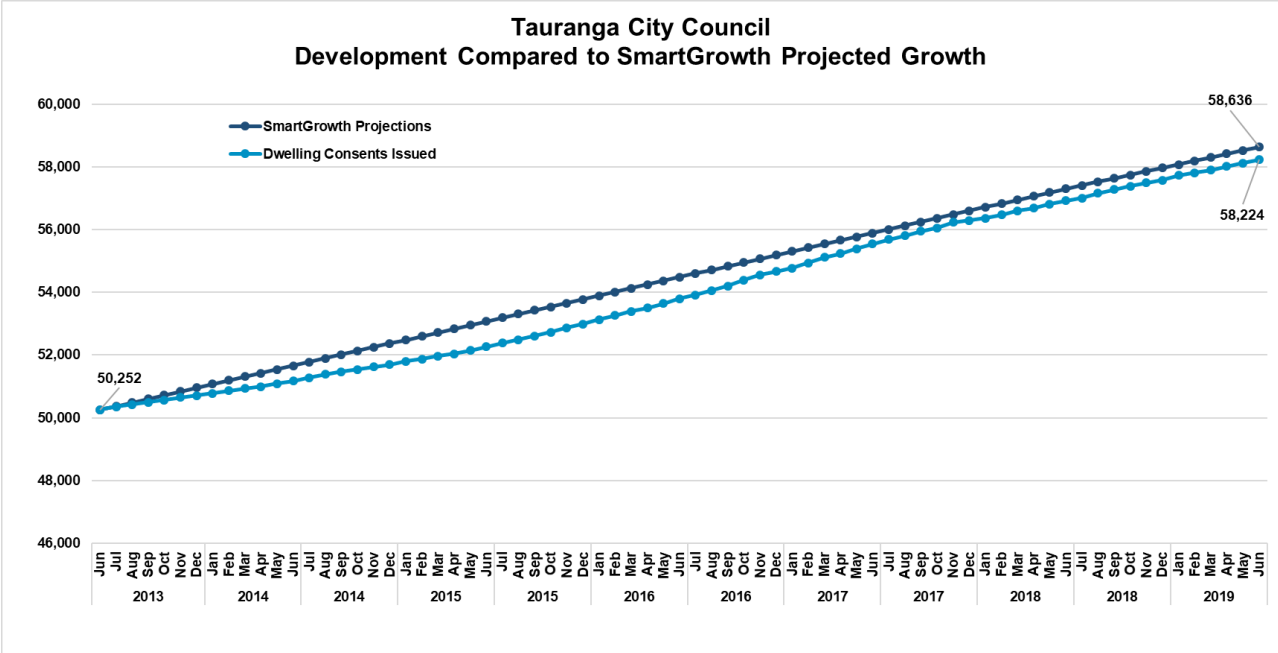
Dwelling consents issued in the Sub-region are very close to the dwellings projected. Between 1 July 2013 and 30 June 2019, 3.2% (342) less new dwelling consents were issued, than projected.

Figure 9 Dwelling consents issued compared to SmartGrowth projected growth, WBOPD, 2013 to 2019



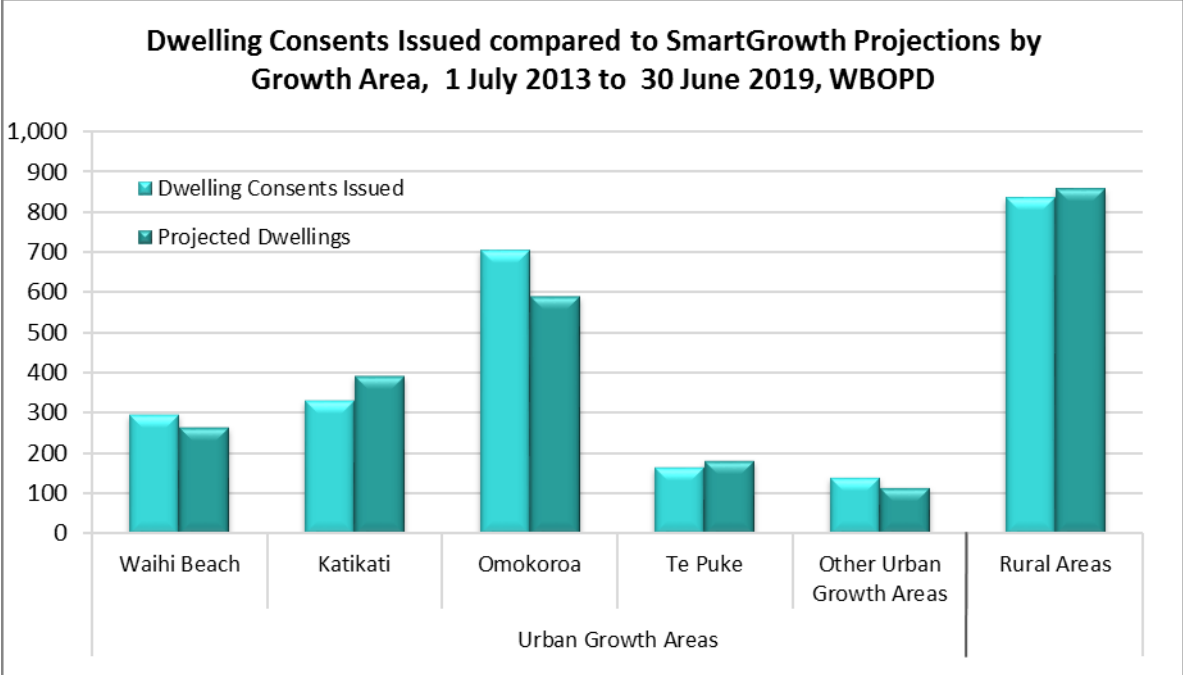
WBOP had 70 more dwelling consents issued than the SmartGrowth projections between 1 July 2013 and 30 June 2019.

Figure 10 Dwelling consents issued compared to SmartGrowth projected growth, Tauranga City, 2013-2019



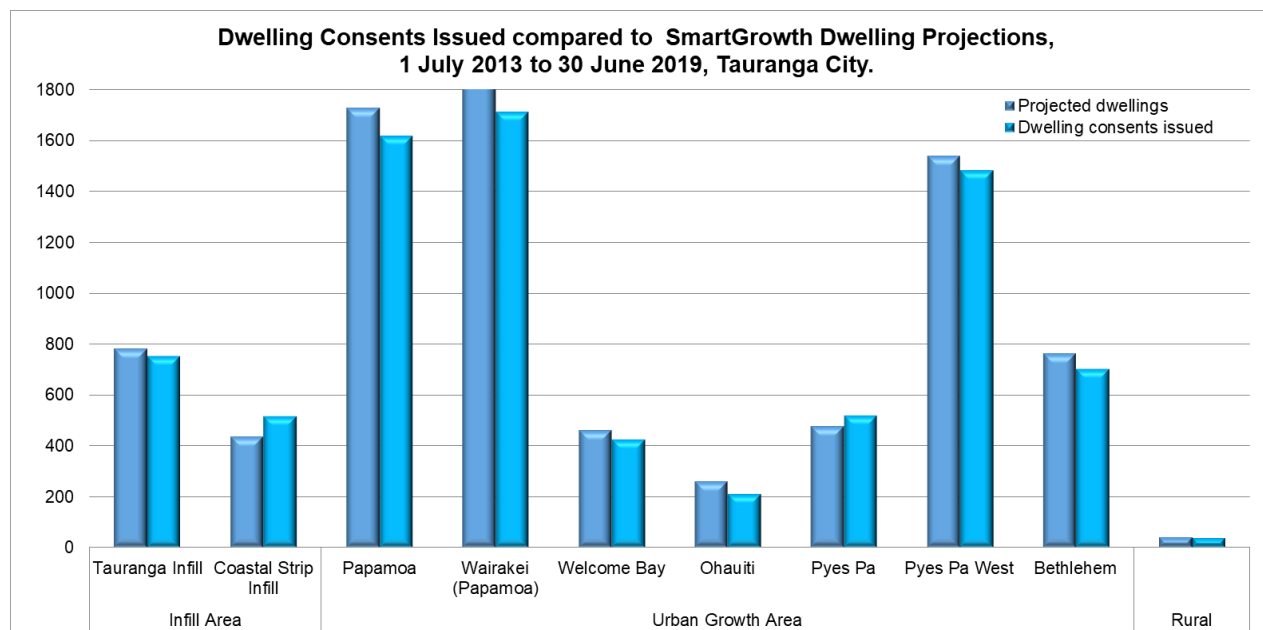
In Tauranga City, dwelling consents issued between 1 July 2013 and 30 June 2019 were less than the SmartGrowth projections by 5% (or 412 dwellings consents).

Figure 11 Dwelling consents issued compared to SmartGrowth projections by growth area, WBOPD, 1 July 2013 to 30 June 2019



In WBOPD, Katikati UGA has more dwellings projected (392) than new dwelling consents issued (332) from July 2013 to June 2019 and in Omokoroa UGA, 113 more dwellings (705) were issued than projected (592) for the same period. The projections (861 dwellings) for the rural areas are very close to the actual dwelling consents issued of 839 dwellings.

Figure 12 Dwelling consents issued compared to SmartGrowth projections by growth area, Tauranga City, 1 July 2013 to 30 June 2019



In Tauranga City, 385 less dwelling consents were issued compared to current SmartGrowth Projection allocation between 1 July 2013 and 30 June 2019. Among the UGAs Pyes Pa recorded an increase of 8% more dwelling consents issued than the number of dwellings projected, while other UGAs recorded declines in dwelling consents issued from the number of dwellings projected during the six-year period. An increase of 18% in dwelling consents issued compared to SmartGrowth projection was also observed in the coastal strip intensification/infill area.

Growth Rates – Land Availability

SmartGrowth requires that uptake rates and land availability for residential development be monitored. This is based on zoned residential land across the sub-region.

Tauranga City

Of the operative Greenfield UGA's, Pyes Pa UGA has the lowest proportion of remaining dwelling capacity (12%), while Welcome Bay has the lowest remaining dwelling capacity (261 dwellings), refer to Table 4.

Papamoa UGA which has the largest expected yield, has estimated potential for a further 1,558 dwellings. The majority of these are expected to be constructed in the Maranui Street area which includes the Mangatawa Block, and at the eastern end of Doncaster Drive in the Parton Road area.

Wairakei UGA in Papamoa East was made operative in May 2011, providing further capacity for an estimated 5,150 dwellings. At 30 June 2019 it had the largest remaining dwelling capacity (3,752 dwellings) and highest percentage of capacity remaining (73%).

Other Greenfield areas have been identified for future urban development and their suitability is currently being considered. Te Tumu in Papamoa East and Tauriko West future Greenfield UGA areas are currently being progressed through structure planning.

By June 2022 it is estimated that capacity for a further 5,138 dwellings will remain in the current operative Greenfield UGA's, which is 17% of the total estimated yield of these UGA's, falling to 1,292 dwellings (or 4% of total yield) by 2029. For the future Greenfield UGA's it is anticipated that a further 12,700 dwellings will be added to the yield by 2029, with capacity for a further 9,200 dwellings (or 72%) of this additional yield estimated to remain by 2029. It is anticipated that remaining dwelling capacity at Wairakei in 2029 will be mainly for residential activity in and around the Wairakei Town Centre.

An independent assessment of residential capacity in Tauranga City was completed in May 2019⁸. It concluded that in the short term (next 3 years from May 2019) that 77% of forecast residential supply is known with intent to be delivered leaving a shortfall of 910 dwellings. In the medium term (4-10 years) a shortfall of 4,843 known supply of dwellings has been identified. This medium term shortfall does not assume any uptake in any future Greenfield areas including Te Tumu and Tauriko West UGA's which are planned to be released within the medium term period. The implications of the residential capacity assessment results along with a review of population and dwelling projections currently underway will likely result in changes to both projected and allocated growth. Any resultant changes will be updated in the 2019/2020 SmartGrowth Development Trends Report.

Table 6 Growth Rate and Projected Uptake of Urban Growth Areas in Tauranga City

Greenfield Urban Growth Area (UGA)	Estimated Yield - Total Dwellings	June 2019 total dwellings (existing and consented)	Remaining capacity as at June 2019	Short term (3 years)		Medium Term (10 years)	
				Projected uptake June 2019-June 2022	Estimated remaining capacity at June 2022	Projected uptake June 2022-June 2029	Estimated remaining capacity at June 2029
Bethlehem	4,700	3,597	1,103	368	735	503	232
Pyes Pa	2,880	2,534	346	141	205	76	129
Pyes Pa West	2,600	1,812	788	494	294	280	14
Ohauti	1,800	1,386	414	187	227	210	17
Welcome Bay	2,150	1,889	261	128	133	120	13
Papamoa	11,900	10,342	1,558	733	825	657	168
Wairakei ²	5,150	1,398	3,752	1,033	2,719	2,000	719
UGA (current) Sub-Total	31,180	22,958	8,222	3,084	5,138	3,846	1,292
Te Tumu ¹	7,700					2,000	5,700
Tauriko West ¹	3,000					1,500	1,500
Keenan Road ²	2,000						2,000
UGA (future) Sub-Total	12,700					3,500	9,200
Greenfields Total	43,880	22,958	8,222	3,084	5,138	7,346	10,492

¹ Structure planning has commenced. ² Currently anticipated to be released in 2028-2033 planning period.

Western Bay of Plenty District

Te Puke and Waihi Beach UGA's have the largest design capacity in the District of just over 3,000 dwellings. Although Waihi Beach has a large design capacity, it has the lowest remaining capacity available of 5% due to coastal inundation areas. Omokoroa Stage 1&2 UGA has the largest dwelling capacity remaining in the District (745 dwellings), followed by Te Puke UGA with 447 dwellings. Katikati UGA does not include the Park Road dairy farm and Tetley Road orchard, and that leaves Katikati with only 327 dwellings remaining (refer to Table 7).

⁸ Western Bay Sub-Region Residential Development Capacity Review, Veros Property Services, May 2019

Table 7 Growth Rate of Urban Growth Areas in the Western Bay of Plenty District

Urban Growth Area	Total Capacity (Dwellings)	Short Term (3 Years)					Medium Term (10 Years)	
		June 2019 total dwellings (existing and consented)	Remaining capacity at June 2019	Protected uptake June 2019 – June 2022	June 2022 total dwellings (Estimated)	Estimated remaining capacity at June 2022	Protected uptake June 2022 – June 2029	Estimated remaining capacity at June 2029
Omokoroa – Stages 1 & 2	2,576	1,831	745	252	2,083	493	493	0
Kaitkati	2,519	2,192	327	260	2,452	67	67	0
Waihi Beach	3,230	3,053	177	46	3,099	131	85	46
Te Puke	3,550	3,103	447	169	3,227	278	208	70
Greenfields (current) Sub-Total	11,875	10,179	1,696	727	10,861	969	853	116
Omokoroa - Stage 3 (post 2021)	1,750	87	1,663	0	87	1,663	627	1,036
Katikati West (post 2021)	1,070	0	1,070	0	0	1,070	363	707
Greenfields (future) Sub-Total	2,820	87	2,733	0	87	2,733	990	1,743

¹ Exclude Park Road Dairy and Tetley Road Orchard.

² Structure Plan and new Urban Growth Areas under discussion.

A further estimated capacity of 969 dwellings will be available at June 2022 of which most are located in Omokoroa (493 dwellings). The overall capacity will fall to 116 dwellings by 2029. By 2021 a further 2,820 dwellings (or 97%) will be added to the Urban Growth Areas for Omokoroa-Stage 3 and Katikati West, with a further dwelling uptake of 990 dwellings from June 2022 to June 2029. This will give enough capacity for the medium term (refer to Table 7).

Occupied/Unoccupied Dwelling Ratio

SmartGrowth requires that “permanent” vs. “holiday residences” be monitored. A comparison of Census night occupied dwelling with unoccupied dwelling counts provides one indication of this. A table outlining occupied and unoccupied dwelling ratios based on 2018 Census is provided in Appendix 4 and a Statistical Area 2 (SA2) map is provided in Appendix 5⁹.

Western Bay of Plenty District

In the Western Bay of Plenty District the coastal settlements of Waihi Beach-Bowentown and Pukehina Beach show the highest ratios of unoccupied dwellings with 57% and 49% respectively, signifying a high number of holiday homes in these areas, refer to Appendix 4.

Other Statistical Areas (Athenree, Waiau, Maketu and Matakana Island) also indicate a relatively high proportion of non-permanent residences, each between 21% and 28% of homes unoccupied at Census time. Katikati and Te Puke have the least unoccupied dwellings available with 7% and 5% respectively.

Tauranga City

For Tauranga City the coastal strip SA2’s of Mount Maunganui North, Omanu, Te Maunga, Papamoa Beach East, Palm Beach, and Palm Springs all registered an unoccupied dwellings proportion of 9% or greater on Census night suggesting a higher rate of holiday residence in these areas, refer to Appendix 4. These results correspond with the traditional holiday nature of the coastal strip. Outside the coastal strip only Tauranga Central, and Sulphur Point SA2’s exceeded 9% unoccupied dwellings.

⁹ Note: Statistics NZ replaced “Census Area Units” (CAU’s) with “Statistical Area 2” (SA2’s) at 2018 Census.

3 Dwelling Sales Price and Rent Trends

Dwelling Sales Price

In the sub-region, actual dwelling sales prices stabilized in the last twelve months to June 2019. The June 2019 average dwelling sales prices (12-month rolling average) had a very slight increase of less than 1 per cent compared to March 2019, and slightly over 1 per cent compared to the same month last year. House price increases in the last ten years reached more than 70% in Tauranga City and 50% in WBOPD.

Figure 13 Dwelling sales prices, Tauranga City and WBOPD, 2000/2019

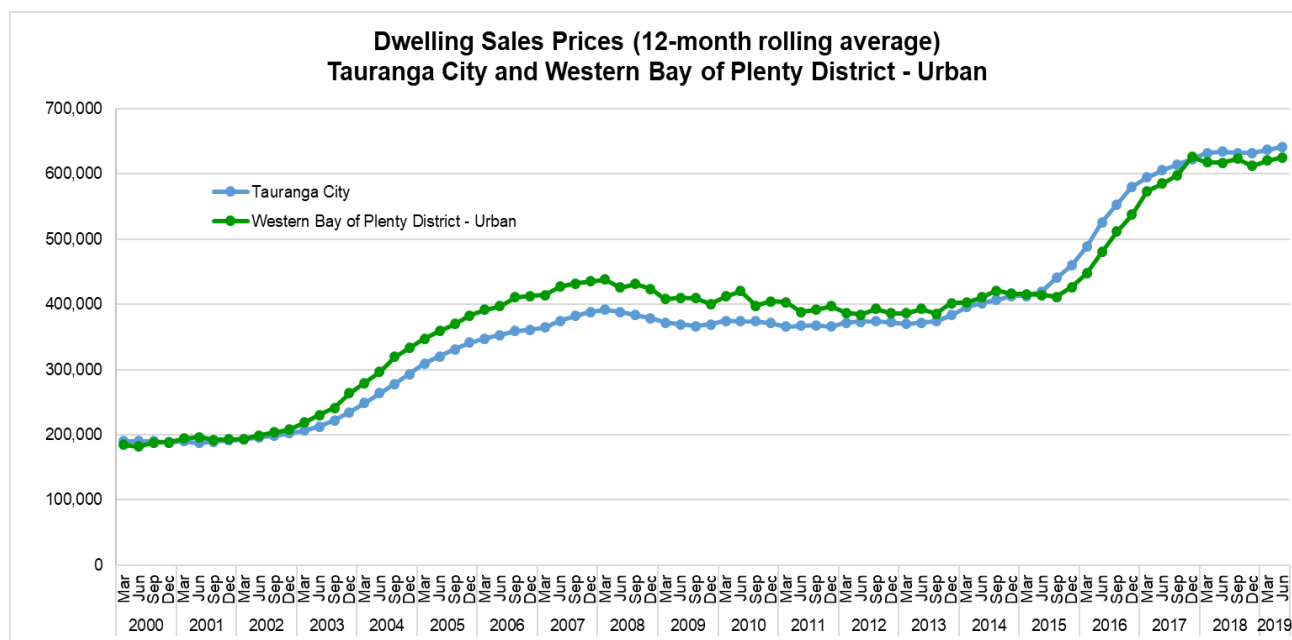


Table 8 Dwelling Sales Prices (12-month rolling average)

Dwelling Sales Price		Trend	Change	% Change
<i>Tauranga City</i>				
June 2019	\$641,750			
March 2019	\$637,000	↑	\$4,750	0.7
June 2018	\$634,125	↑	\$7,625	1.2
June 2014	\$401,750	↑	\$240,000	59.7
June 2009	\$369,250	↑	\$272,500	73.8
<i>Western BOPD – Urban</i>				
June 2019	\$625,723			
March 2019	\$620,518	↑	\$5,205	0.8
June 2018	\$617,418	↑	\$8,305	1.3
June 2014	\$410,902	↑	\$214,821	52.3
June 2009	\$410,374	↑	\$215,350	52.5

In WBOPD Athenree had the highest increase in median house price in June 2019 compared to the same month last year, while Paengaroa had the biggest decline of 44%.

In Tauranga City, Tauranga Central had the highest increase in median house price, while the biggest decline was recorded in Bethlehem in the same period.

Figure 14 Dwelling sales prices, June 2019

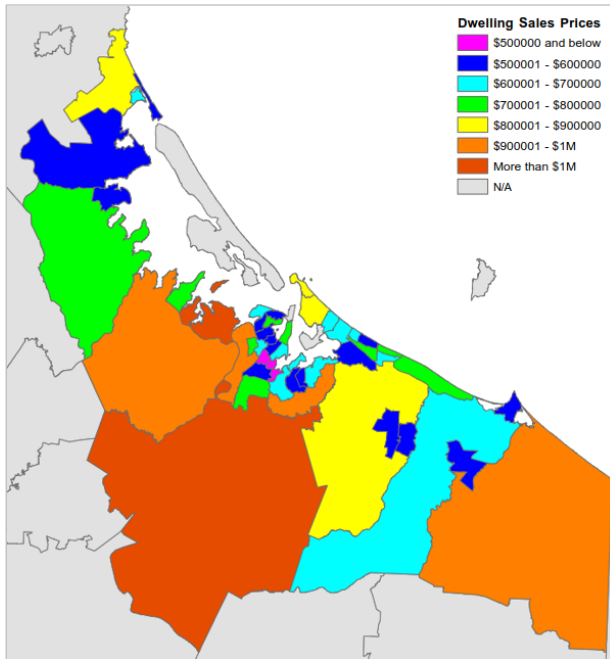
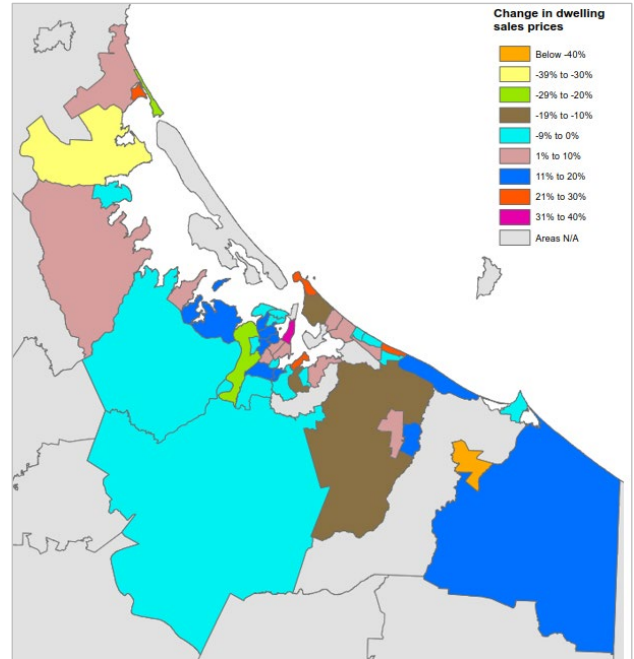


Figure 15 Change in dwelling sales prices, June 2018 to June 2019



Source: Corelogic – HUD Urban Development Capacity Dashboard

Dwelling Rents

The graph and table below show that dwelling rents were decreasing from high points in 2016 and followed the stability depicted by sales prices from the latter part of 2017. However, the percentage increase in rents had been considerably lower than that of sales prices. Refer Appendix 1 for an explanation of this indicator.

Figure 16 Dwelling rents, Tauranga City and WBOPD (urban), 2000/2019

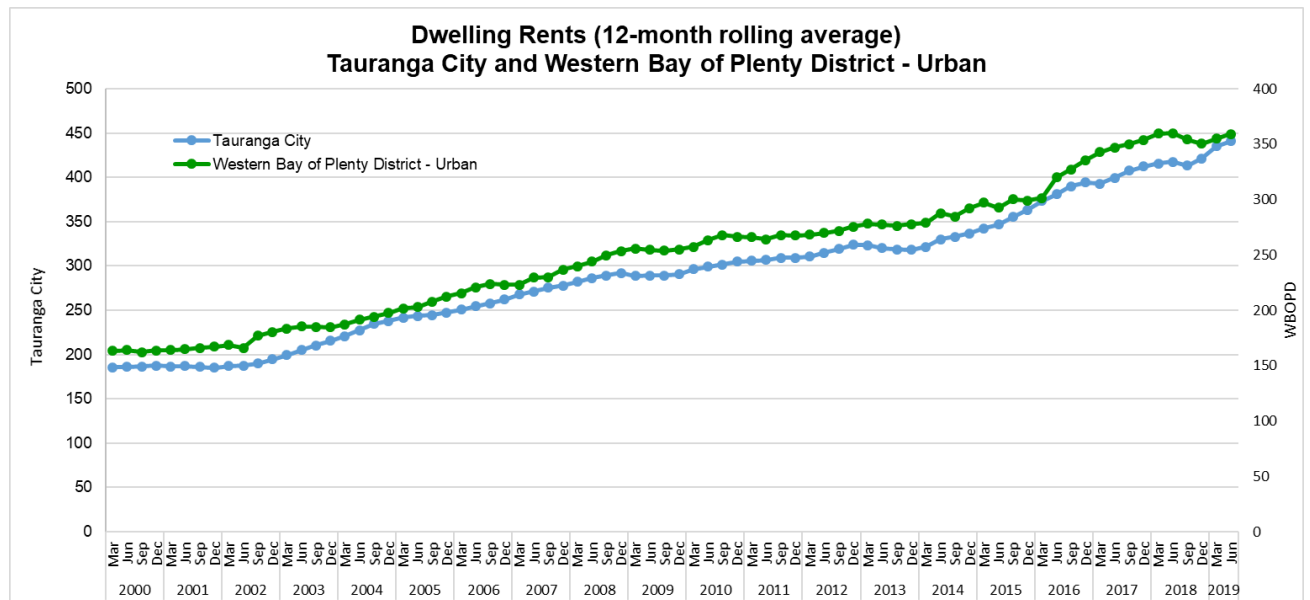
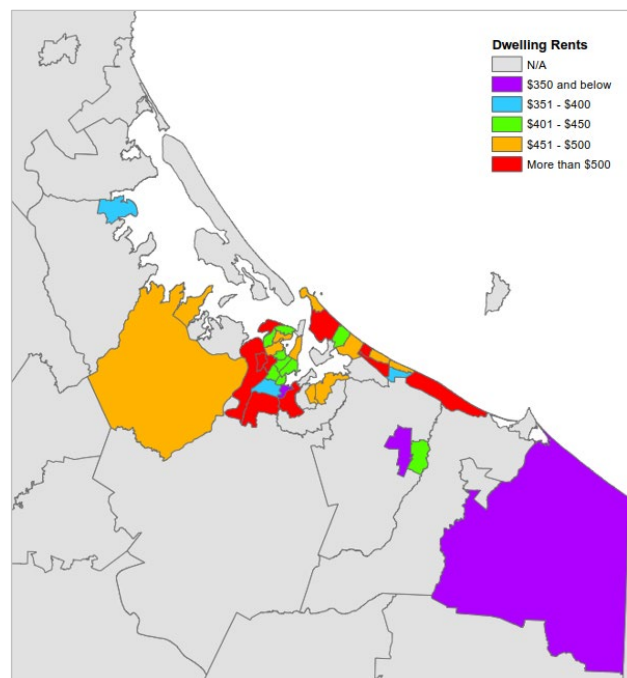


Table 9 Dwelling rents

Dwelling Rents	Trend	Change	% Change
<i>Tauranga City</i>			
June 2019			
June 2019	\$441		
March 2019	\$435	↑	\$6 1.4
June 2018	\$418	↑	\$23 5.6
June 2014	\$330	↑	\$111 33.6
June 2009	\$289	↑	\$152 52.5
<i>Western BOPD – Urban</i>			
June 2019	\$359		
March 2019	\$355	↑	\$4 1.1
June 2018	\$360	↓	-\$1 -0.2
June 2014	\$288	↑	\$71 24.7
June 2009	\$255	↑	\$104 41.0

Source: HUD NPS- Urban Development Capacity Dashboard

Figure 17 Weekly dwellings rents, Tauranga and WBOPD, June 2019



Dwellings Sold

The figure below shows that in the last two decades the number of dwellings sold in the sub-region was fluctuating with peaks observed in 2003 and 2016, and lows in 2001 and 2009. In the last twelve months to June 2019 WBOPD had 904 houses sold while Tauranga City had 3,044 houses sold. These sales were 42% and 30% below the highest annual sales volume recorded in 2015/16 for WBOPD and Tauranga City, respectively.

Likewise, annual house sales volumes to June 2019 in WBOPD and Tauranga City were higher by a respective 3.5% (31 houses) and 3.6% (105 dwellings) than the previous year. In WBOPD urban areas 7 more houses (10.3%) were sold during the year to June 2019 compared to the previous period. Refer Appendix 1 for an explanation of this indicator.

Figure 18 Dwellings sold, Tauranga City and WBOPD, 2000 to 2019

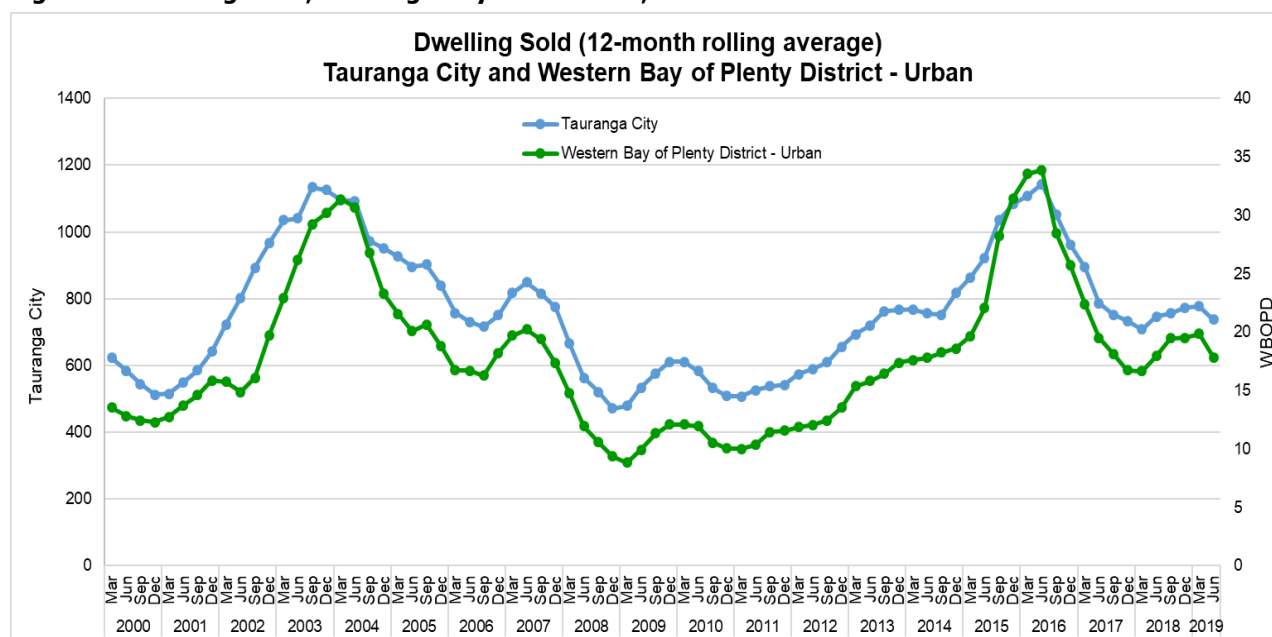
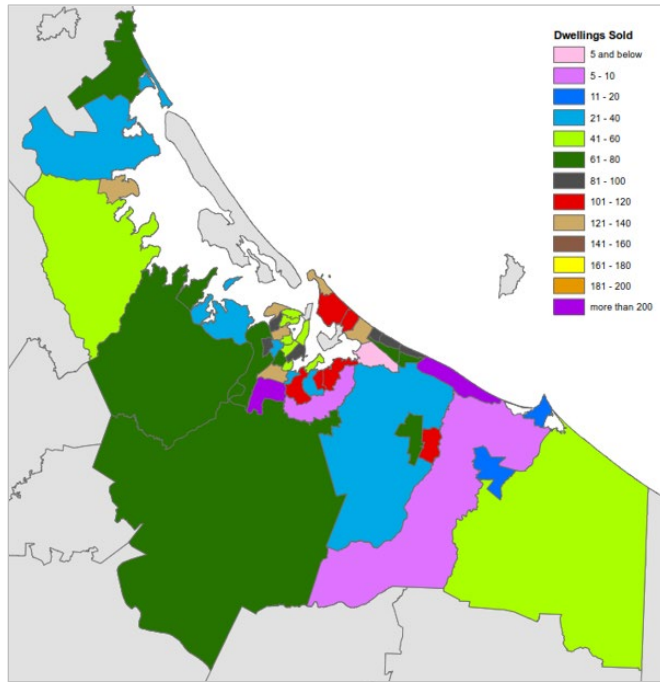
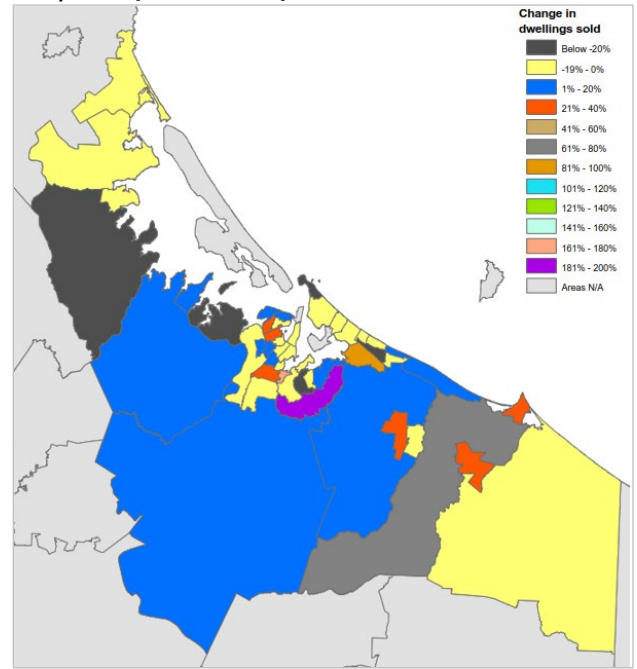


Figure 19 Dwellings sold, July 2018 to June 2019



Source: Corelogic – HUD Urban Development Capacity Dashboard

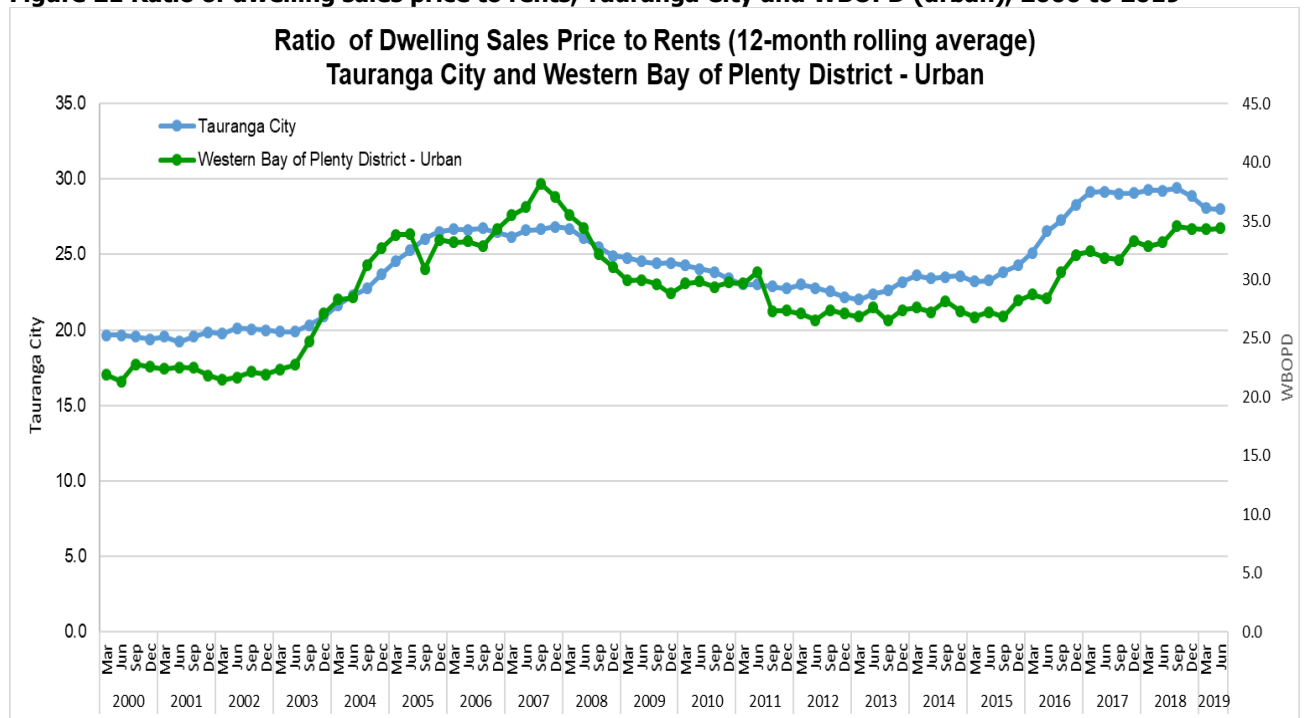
Figure 20 Percentage change in annual dwellings sold, 2017/18 to 2018/19



Ratio of Dwelling Sales Prices to Rent

The figure below shows that the ratios between house prices and rents increased in the urban areas in the sub-region between 2003 and 2008 and in the last few years (but fell noticeably for a few years following the global financial crisis). According to the HUD/MfE Guide, this is because, while both house prices and rents have increased over the last 20 years, rent increases have been flatter and have lagged house price increases, and especially so at the peaks of the cycle. Refer Appendix 1 for an explanation of this indicator.

Figure 21 Ratio of dwelling sales price to rents, Tauranga City and WBOPD (urban), 2000 to 2019

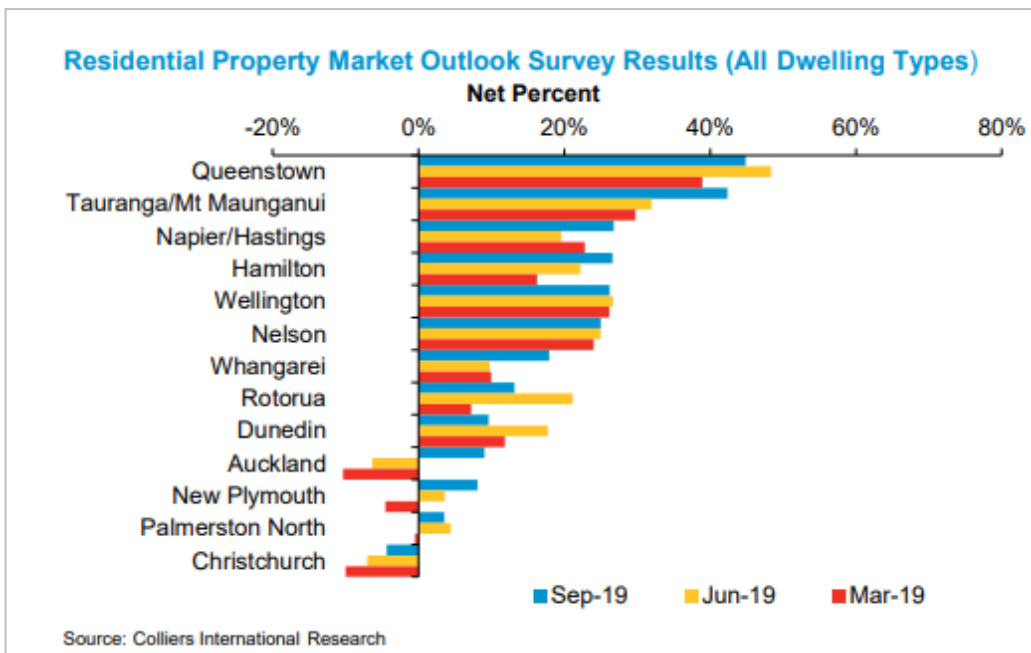


Residential Market Outlook

Colliers International runs a quarterly survey on Residential Market Outlook in a number of centres in New Zealand. The figure below shows that Tauranga and Mt Maunganui had 42% of respondents (net percent of optimists minus pessimists) that expect the median residential property price to increase in the next twelve months during the September 2019 survey. This was significantly higher than the June and March surveys respective proportion of 32% and 30%.

The graph also shows that Queenstown topped the New Zealand centres surveyed that expected residential prices to increase, closely followed by Tauranga/ Mt Maunganui in the last three quarterly surveys.

Figure 22 Residential property market outlook, March to September, 2019



HAM – Housing Affordability Measure

HAM-Buy

In the last twelve months to December 2018 housing affordability has improved in the sub-region. The graph and table below shows a declining quarterly proportion of first home buyer households that were below the benchmark. However, because of the age of this data the measure may not be an accurate representation of current affordability levels. Refer Appendix 1 for an explanation of this indicator.

Figure 23 HAM-Buy: share of first time home buyer households below the benchmark, 2003 to 2018

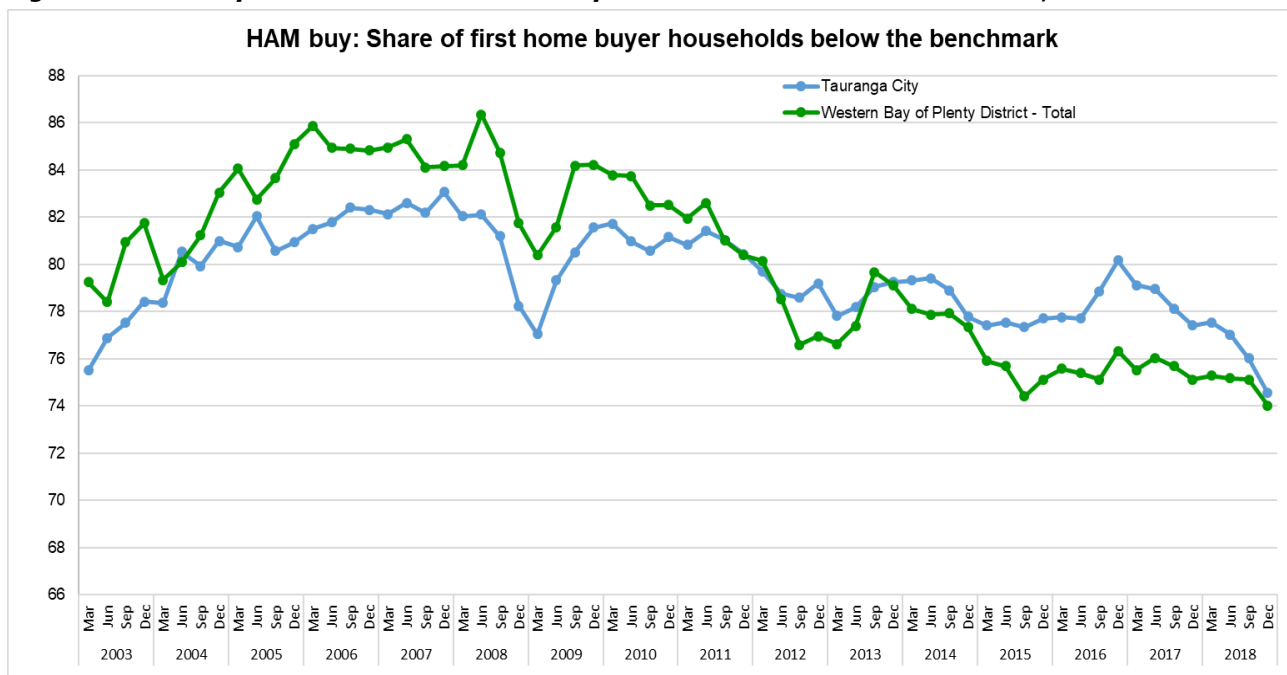


Table 10 HAM Buy

HAM-Buy		Trend	% Change
<i>Tauranga City</i>			
December 2018	74.5%		
September 2018	76.0%	●	-1.5
December 2017	77.4%	●	-2.9
December 2014	77.8%	●	-3.3
December 2009	81.6%	●	-7.1
<i>Western BOPD</i>			
December 2018	74.0%		
September 2018	75.1%	●	-1.1
December 2017	75.1%	●	-1.1
December 2014	77.3%	●	-3.3
December 2009	84.2%	●	-10.2

● More affordable ● Less affordable

Source: Corelogic – HUD Urban Development Capacity Dashboard

HAM Rent

The graph and table below shows an improved HAM-Rent in the sub-region in the last two years to December 2018. However, the HAM-Rent was lower than HAM Buy at 31 March 2018 in both Tauranga City and WBOP District, suggesting that it was more affordable to rent than to buy a home. Refer Appendix 1 for an explanation of this indicator.

Figure 24 HAM-Rent: share of renting households below the benchmark, 2003 to 2018

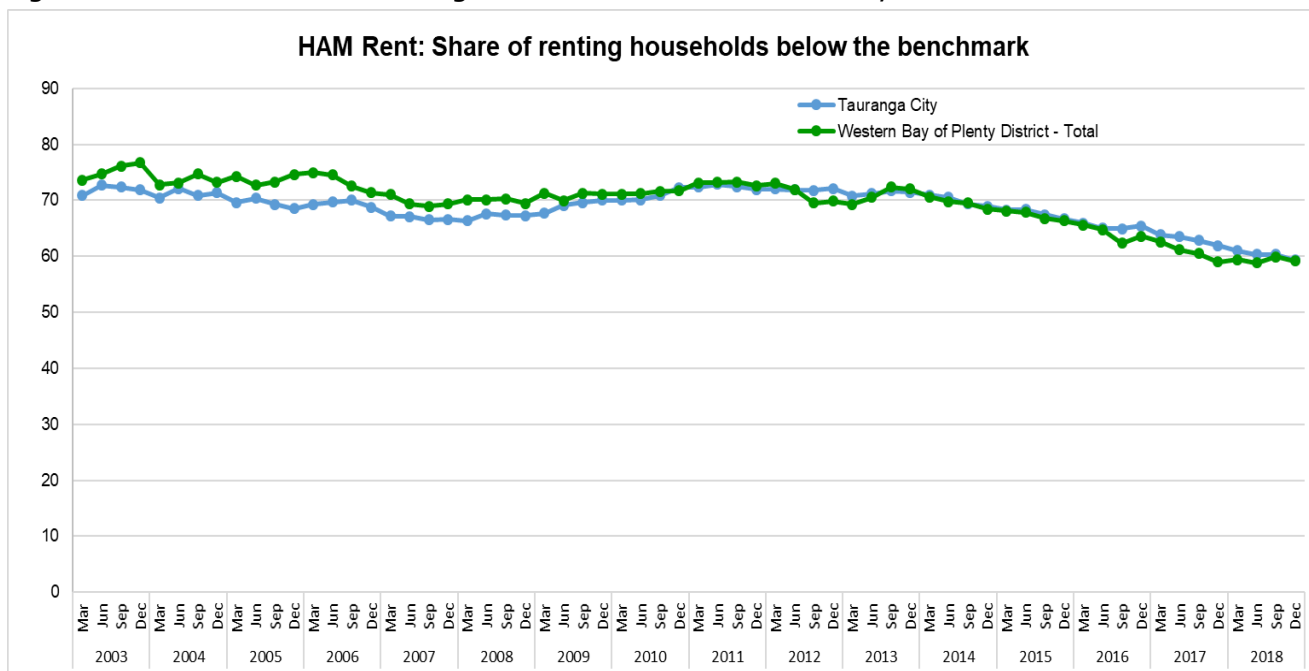


Table 11 HAM Rent

HAM-Rent		Trend	% Change
<i>Tauranga City</i>			
December 2018	59.4%		
September 2018	60.4%	●	-1.0
December 2017	61.9%	●	-2.5
December 2014	68.9%	●	-9.5
December 2009	70.0%	●	-10.6
<i>Western BOPD</i>			
December 2018	59.2%		
September 2018	59.9%	●	-0.7
December 2017	59.0%	●	0.2
December 2014	68.4%	●	-9.2
December 2009	71.1%	●	-11.9

● More affordable

● Less affordable

Source: Corelogic – HUD Urban Development Capacity Dashboard.

4 Residential section size

Tauranga City

The table below shows that nearly two-thirds of the new lots created in Tauranga City from July 2018 to June 2019 had areas of 500m² and below, while one third of the lots had areas greater than 500m². The lot size range of 326m² to 500m² had the highest proportion of 31%.

Table 12 Residential lot/section size for additional lots created in Tauranga City, July 2018 to June 2019

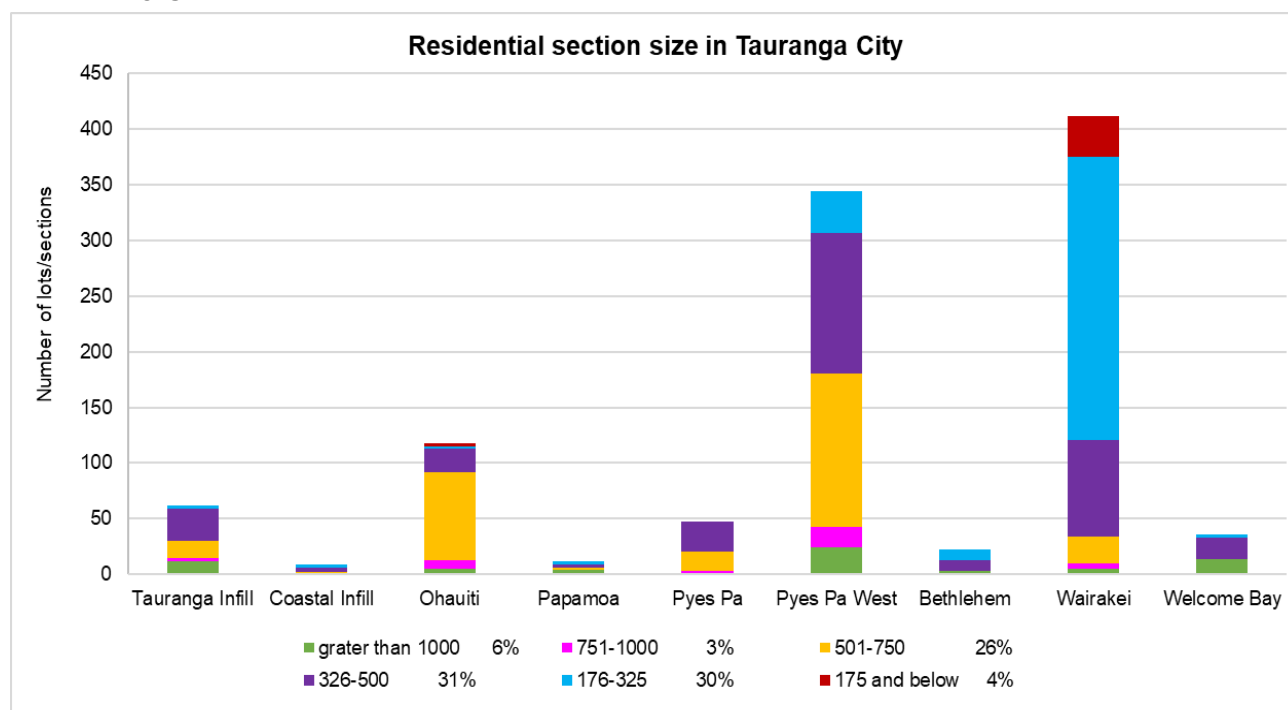
Residential lot/section size (m ²)	Dwelling yield per ha	Number of lots/sections	Per cent to total
175 and below	40 & above	40	4
176-325	21-39	314	30
326-500	14-21	327	31
501-750	9-14	275	26
751-1000	7-9	38	3
Above 1000	Below 7	68	6
Total		1,062	100

Dwelling yield per hectare based on the assumption that 30% of the land is lost to roads and reserves during subdivision

Tauranga City urban growth area

In the urban growth areas, around 61% of the lots had areas of 176m² to 500m². The prevalent lot size differs between areas. In Wairakei, the most prevalent lot size is 176m² to 325m² having a proportion of 62%. In Pyes Pa West and Ohauti a bigger lot size of 501m² to 750m² was most prevalent, having a respective proportion of 40% and 67%.

Figure 25 Residential lot/section size for additional lots created in Tauranga City, July 2018 to June 2019



Historical residential section size

The following graphs show that residential section size in Tauranga City has been getting smaller since July 2012, with an increasing number of lots smaller than 500m² and declining number of lots bigger than 500m². Significantly, the number of 176m² to 325m² lots has been steadily increasing reaching its highest point this year. While the larger lot size of 326m² to 500m² consistently had the highest proportion among lot sizes in the last five years, its proportion was at its lowest this year at 31% since July 2012, just 1% above the proportion of 30% for lot size 176m² to 325m².

It is noted that a number of lots in the 501m² to 750m² category were further subdivided in succeeding years.

Figure 26 Residential section size in Tauranga City, 2005/06 to 2018/19

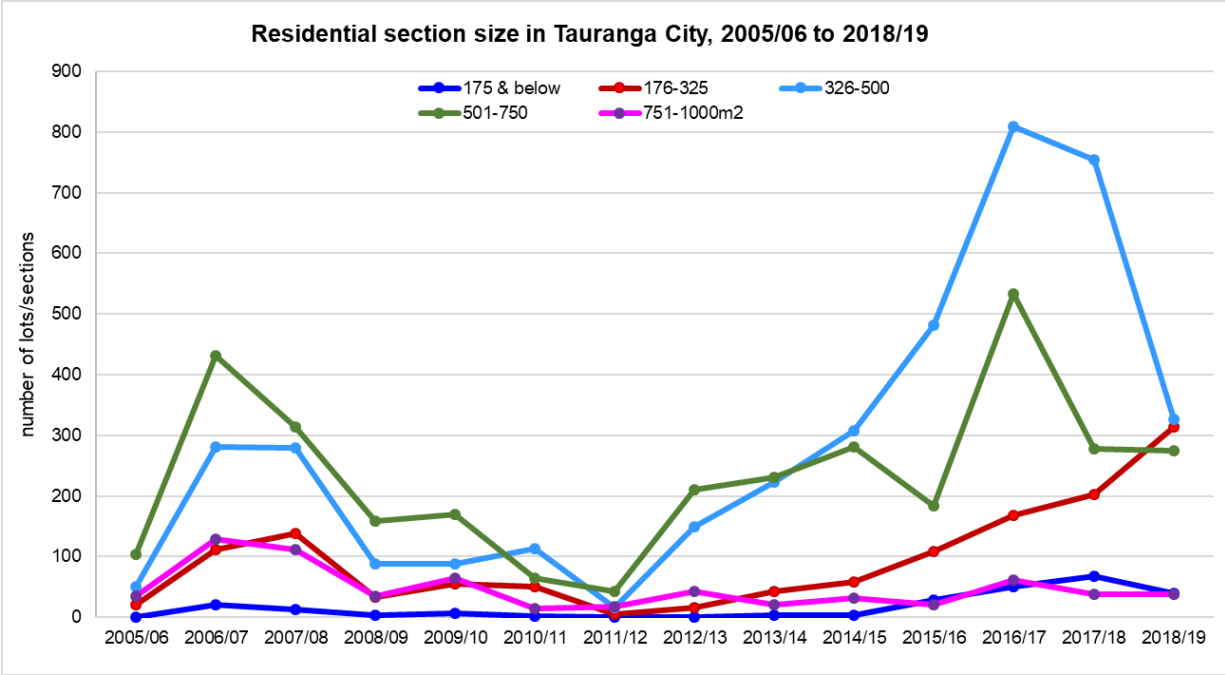


Figure 27 Residential section size in Tauranga City, 2005/06 to 2018/19

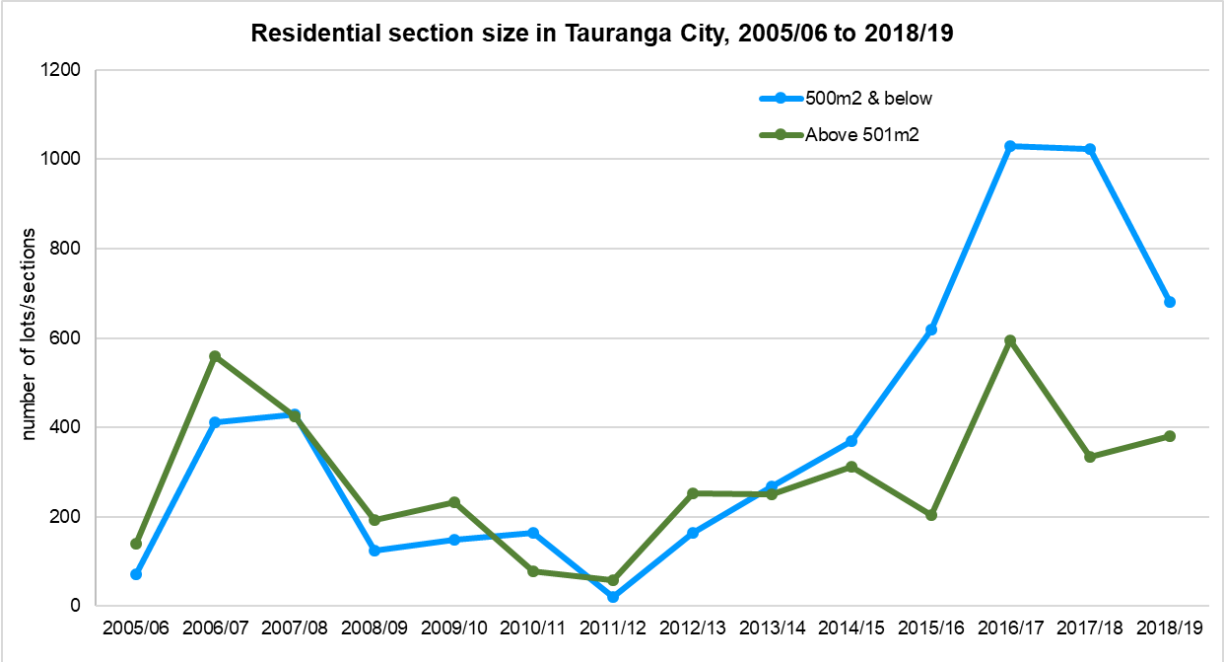
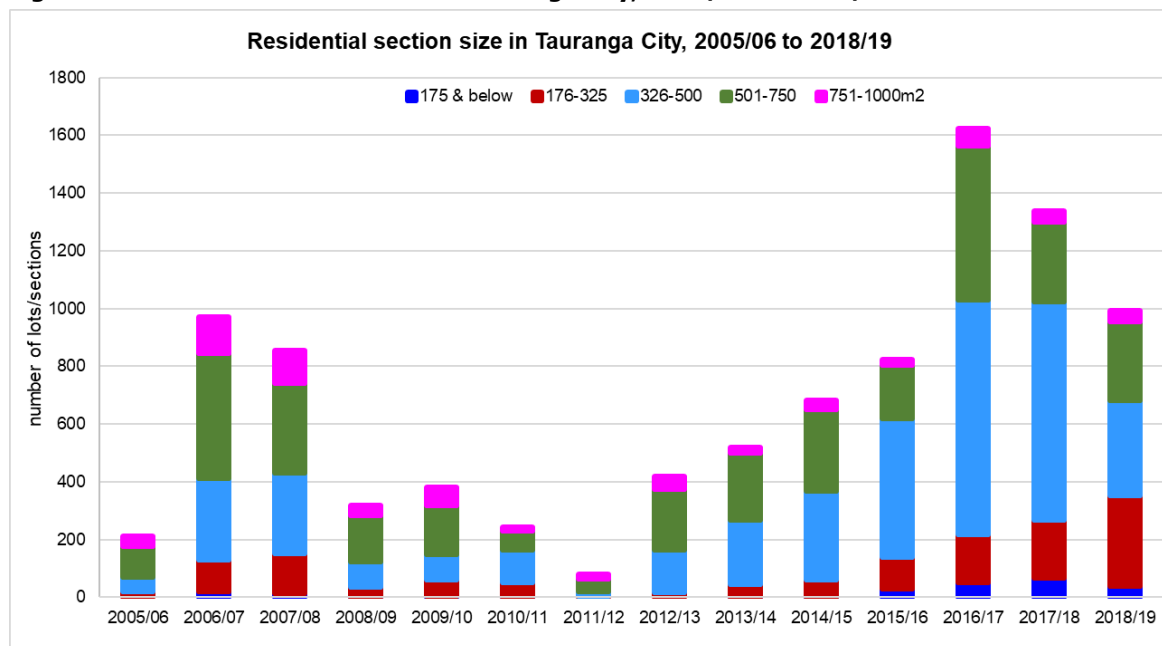


Figure 28 Residential section size in Tauranga City, 2005/06 to 2018/19



Dwelling density in Tauranga City urban growth areas

In Wairakei the developed areas are currently achieving a dwelling density of 16.3 dwellings per ha while proposed development a higher yield of 25.6 dwellings per ha, which together is estimated to deliver an overall net area dwelling density of 19.8 dwellings per hectare. In Pyes Pa West (the Lakes), a lower density of 13.0 dwellings per ha is being achieved in developed areas while in proposed subdivisions a higher yield of 18.0 dwellings per ha, which together is estimated to deliver an overall net area dwelling density of 13.4 dwellings per hectare. Both Wairakei and Pyes Pa West have further developable areas which may potentially increase density when developed. Refer to Appendix 6 for density figures and maps for Pyes Pa West and Wairakei.

In comparison, the older greenfield areas released for development in the early 1990's are currently estimated to deliver the following overall dwelling per ha densities based on current and proposed development; Ohauti 11.2, Welcome Bay 10.4, Bethlehem 11.6, Pyes Pa 15.0, and Papamoa 13.6.

5 Dwelling Typology

Tauranga City

Although there was a variation in the types of dwellings¹⁰ consented in Tauranga City from July 2018 to June 2019, standalone dwellings were the most prevalent dwelling type comprising two thirds (67%) of all the dwellings consented. The remaining one third (33%) of the consents were for other dwelling types, including duplex, attached dwellings and apartments in the established parts of Tauranga, coastal areas of Mount Maunganui and retirement village units in Pyes Pa. Residential apartments and retirement village apartments comprised 14% of the dwellings consented during the year. Most (96%) of the dwellings consented in Wairakei were standalone dwellings.

¹⁰ TCC classifies the dwellings into the following types: standalone dwellings, duplex, attached dwellings, apartments, retirement village units and secondary/minor dwelling. TCC further classifies dwellings in the retirement village units into standalone, duplex, and attached dwellings.

Figure 29 Type of dwellings consented in Tauranga City, July 2018 to June 2019

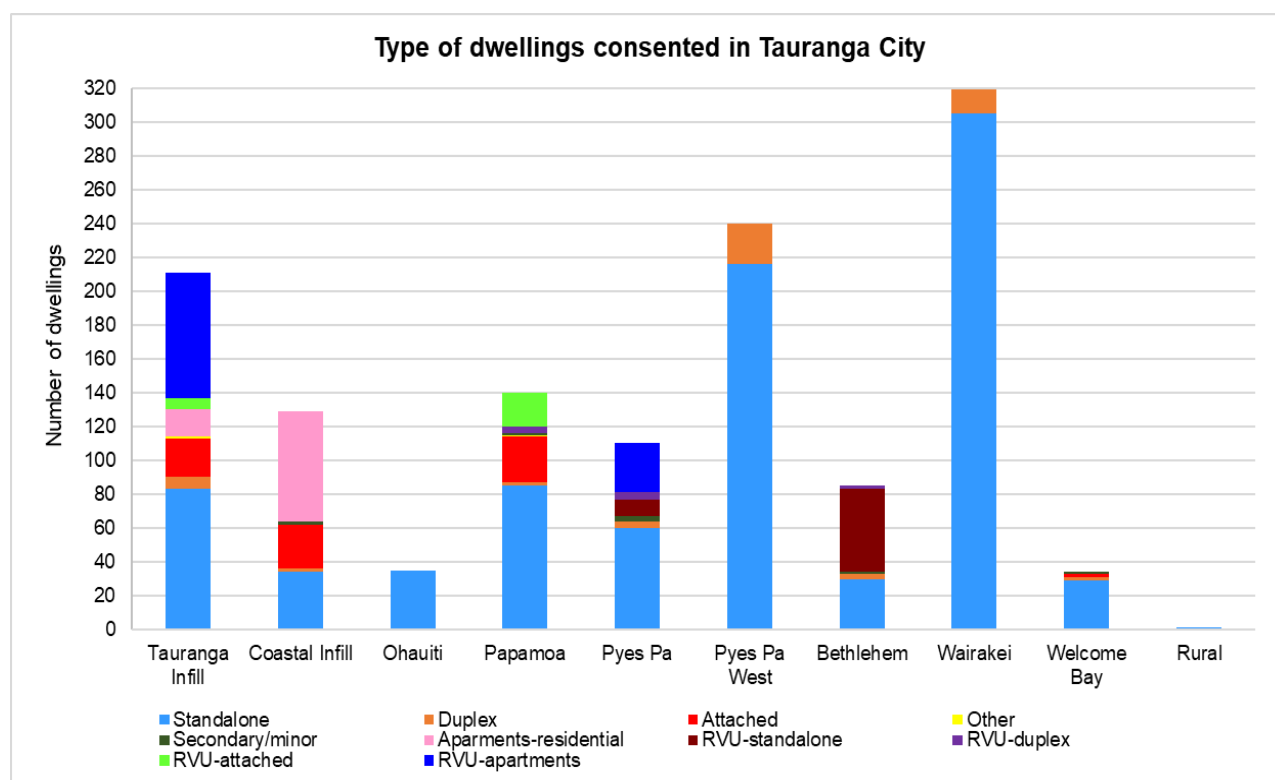


Table 13 Type of dwellings consented in Tauranga City, July 2018 to June 2019

Dwelling Typology	Number of units	Per cent to total
Standalone dwelling	878	67
Duplex	58	4
Attached dwellings	78	6
Secondary/minor dwelling	8	Less than 1
Apartments – residential	81	6
Other dwelling	2	Less than 1
Subtotal	1,105	85
Retirement village – standalone dwelling	59	5
Retirement village – duplex	10	1
Retirement village – attached dwellings	27	2
Retirement village - apartments	103	8
Subtotal	199	15
Total	1,304	100

Western Bay of Plenty District

Standalone dwellings were the most prevalent dwelling type in the WBOPD, comprising of 90% of the consents issued from July 2018 to June 2019 and no retirement village units were issued for the same year.

Figure 30 Type of dwellings consented in WBOPD, July 2018 to June 2019

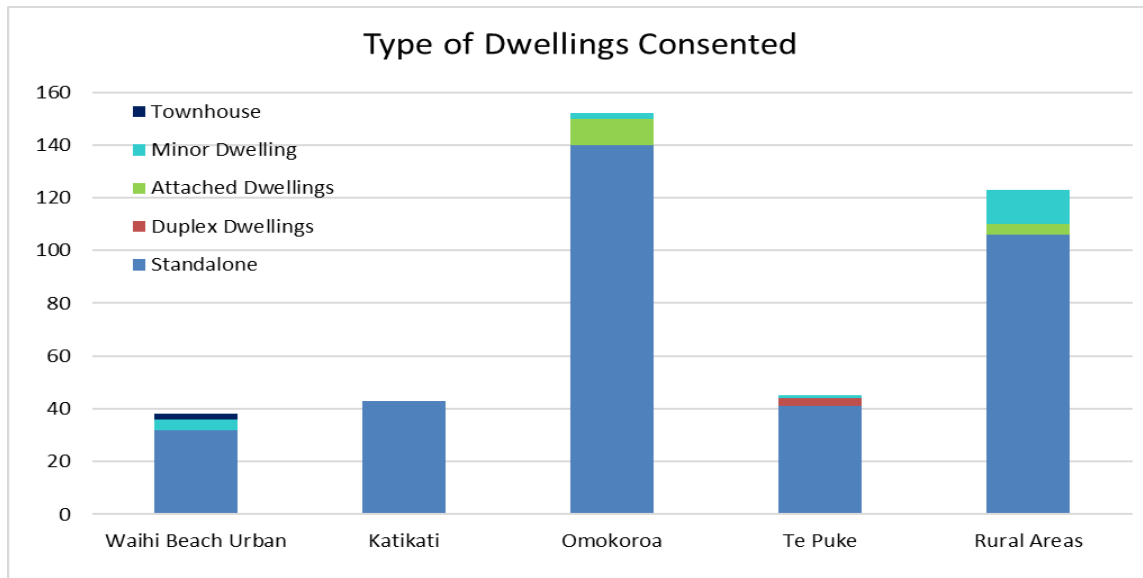


Table 14 Type of dwellings consented in WBOPDC, July 2018 to June 2019

Dwelling Typology	Number of Units	Pre cent to Total
Standalone Dwelling	362	90
Duplex Dwelling	3	Less than 1
Attached Dwelling	16	4
Minor Dwelling	20	5
Total	401	100

Number of storeys

Tauranga City

Nearly three fourths (74%) of the dwellings consented in Tauranga City from July 2018 to June 2019 were single level dwellings and 19% have 2 & 3 storeys. The remaining 7% of the dwelling units consented were located in residential apartment buildings having more than 3 storeys.

Figure 31 Number of storeys for dwellings consented in Tauranga City, July 2018 to June 2019

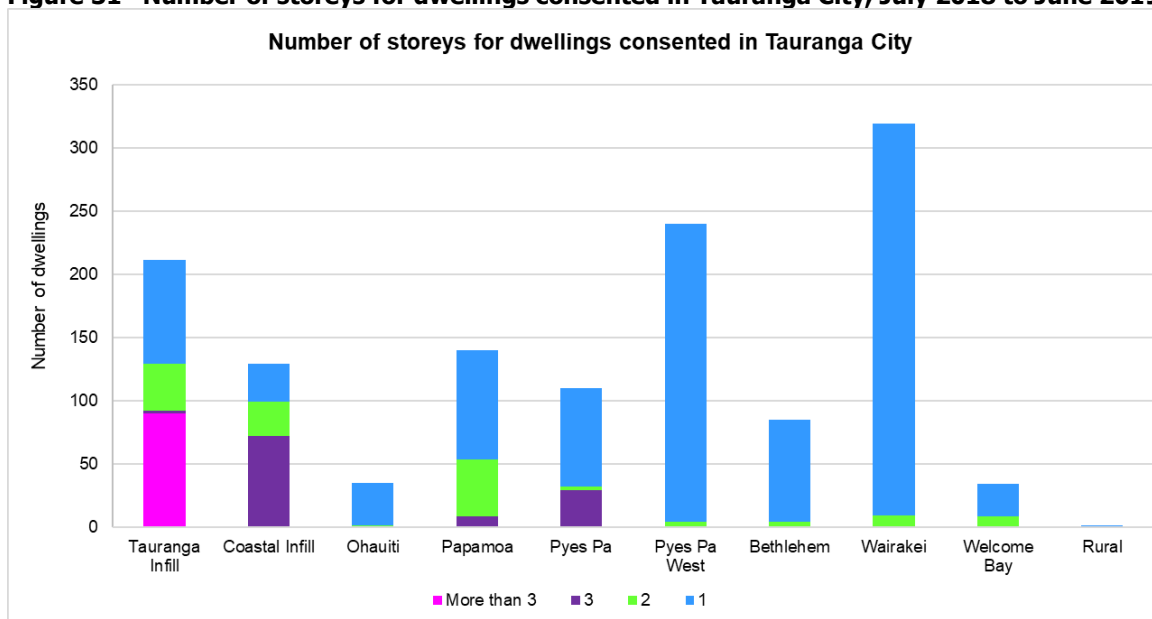


Table 15 Number of storeys for dwellings consented in Tauranga City, July 2018 to June 2019

Number of storeys	Number of dwellings	Per cent to total
1	965	74
2	138	11
3	111	8
More than 3	90	7
Total	1,304	100

Western Bay of Plenty District

Majority (86%) of the dwellings consented from July 2018 to June 2019 in WBOPD, were single level dwellings. Dwelling consents for 2-storey houses were more prevalent in Omokoroa with 41% and Waihi Beach with 34%.

Figure 32 Number of storeys for dwellings consented in WBOPD, July 2018 to June 2019

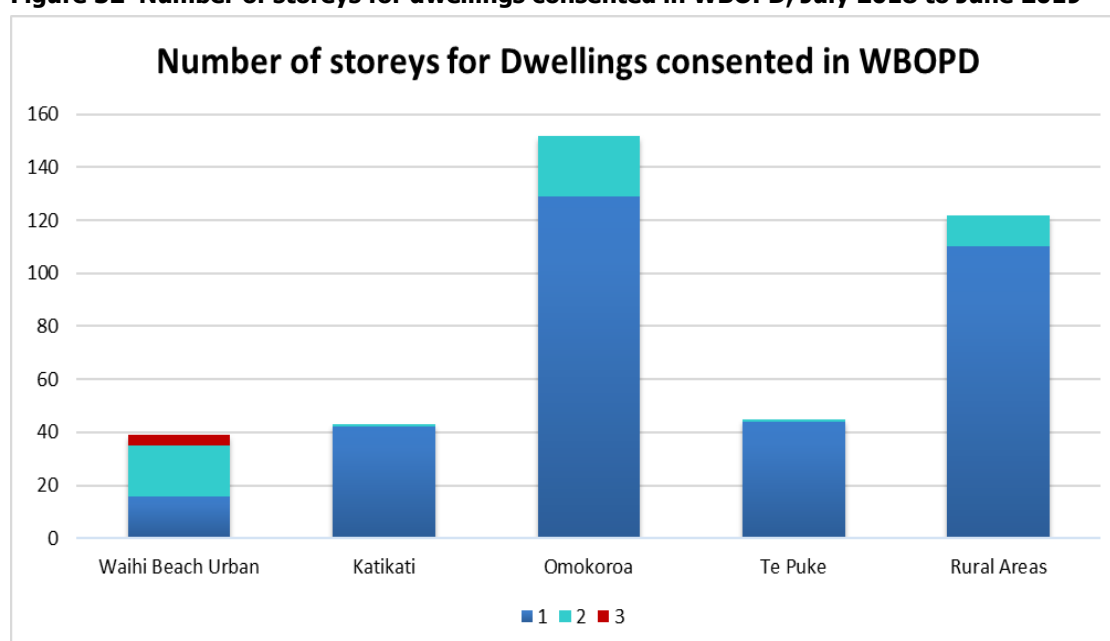


Table 16 Number of storeys for dwellings consented in WBOPD, July 2018 to June 2019

Number of storeys	Number of dwellings	Per cent to total
1	467	85.5
2	69	12.6
3	10	1.8
Total	546	100

Number of bedrooms

Number of bedrooms by growth area

Tauranga City

Around 46% of the dwellings consented in Tauranga City from July 2018 to June 2019 were 3-bedroom dwellings, with more than half located in Pyes Pa West (27%) and Wairakei (30%). Two bedroom and four bedroom dwellings comprised a respective 26% and 23% of the dwellings consented.

Figure 33 Number of bedrooms of dwellings consented in Tauranga City, July 2018 to June 2019

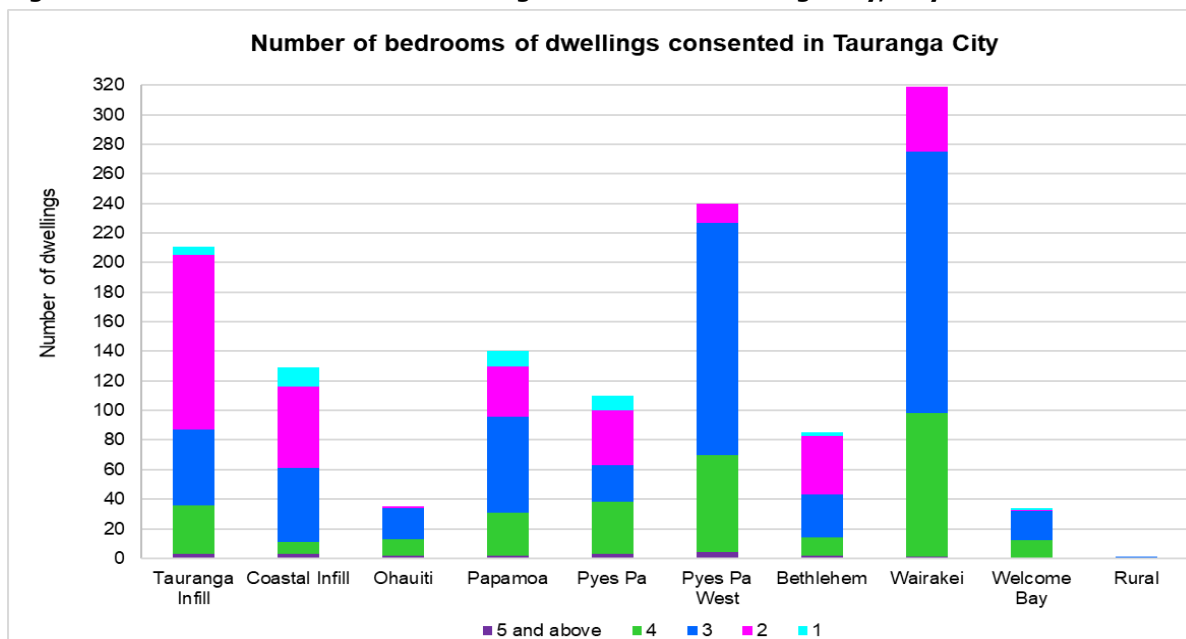


Table 17 Number of bedrooms for dwellings consented in Tauranga City, July 2018 to June 2019

Number of bedrooms	Number of dwellings	Per cent to total
1	42	3
2	343	26
3	596	46
4	303	23
5 and above	20	2
Total	1,304	100

Western Bay of Plenty District

In WBOPD most of the dwellings consented are 3- (56%) and 4- (26%) bedrooms from July 2018 to June 2019. In Omokoroa more 3-bedrooms (44%) were build, while in Te Puke (33%) and the Rural areas (39%) more 4-bedrooms were build.

Figure 34 Number of bedrooms of dwellings consented in WBOPD, July 2018 to June 2019

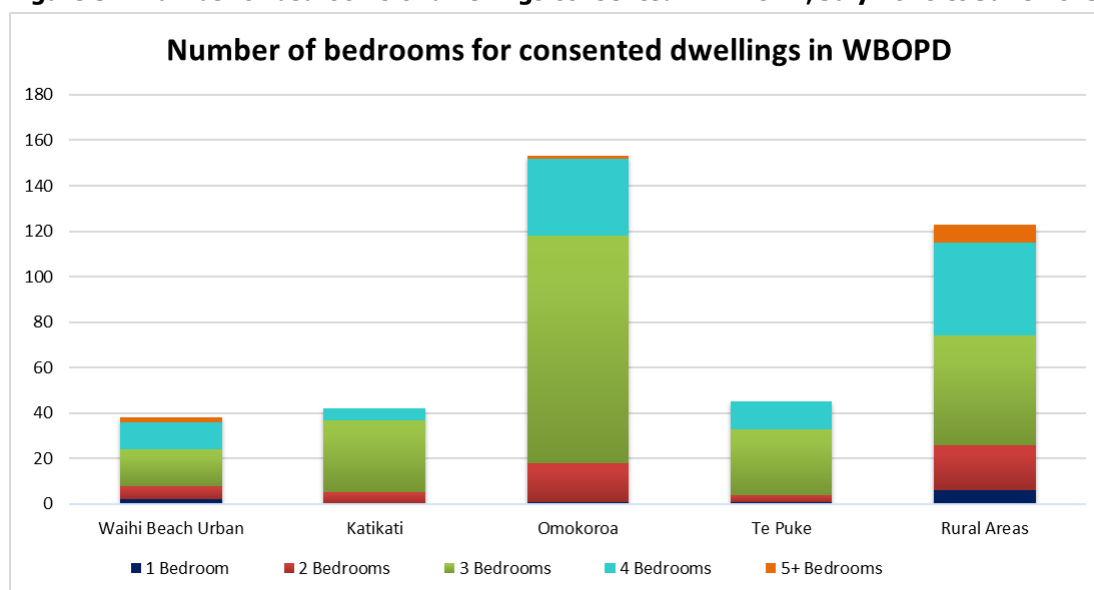


Table 18 Number of bedrooms for dwellings consented in WBOPD, July 2018 to June 2019

Number of Bedrooms	Number of dwellings	Per cent to total
1	10	2.5
2	51	12.7
3	225	56.1
4	104	25.9
5 and above	11	2.7
Total	401	100

Number of bedrooms by dwelling typology

Tauranga City

The three and four bedroom dwellings comprised more than two thirds (69%) of all the dwellings consented in Tauranga City from July 2018 to June 2019, of which 85% were stand alone dwellings. The two bedroom and single bedroom dwellings comprised a respective 26% and 3% of all the dwellings consented during the year.

A quarter of the two bedroom dwellings were stand alone while nearly half (165) were retirement village units. Of the two bedroom retirement village units, 58% (95) were apartments and 28% (46) were standalone dwellings.

More than half (57% or 46 units) of the residential apartments were two bedroom units.

Figure 35 Number of bedrooms by type of dwellings consented in Tauranga City, July 2018 to June 2019

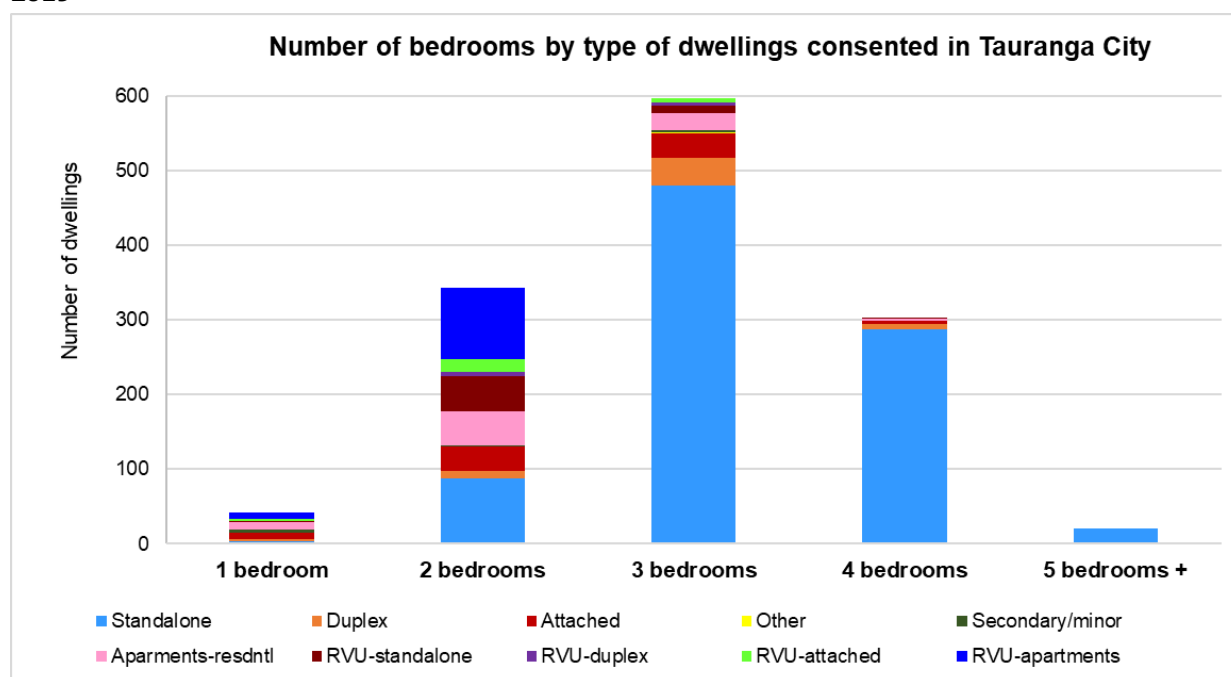


Table 19 Number of bedrooms by type of dwelling for dwellings consented in Tauranga City, July 2018 to June 2019

Type of dwelling	Number of bedrooms					Total
	1	2	3	4	5 & above	
Standalone dwelling	4	87	480	287	20	878
Duplex	2	11	37	8		58
Attached dwellings	9	32	33	4		78
Secondary/minor dwelling	4	1	3			8
Apartments – residential	10	46	23	2		81
Other dwelling		1	1			2
Sub-total	29	178	577	301	20	1,105
Retirement village – standalone dwelling	1	46	10	2		59
Retirement village – duplex		6	4			10
Retirement village – attached dwellings	4	18	5			27
Retirement village - apartments	8	95				103
Subtotal	13	165	19	2	0	199
Total	42	343	596	303	20	1,304

Floor size of dwellings

Tauranga City

More than half (55%) of the dwellings consented in Tauranga City from July 2018 to June 2019 were medium size having floor areas ranging from 126m² to 200m². Bigger dwelling units with floor areas of more than 200m² comprised of about 21% of the dwellings consented. Around 7% of the dwellings were smaller having a floor area of 76m² to 100m².

Figure 36 Floor size of dwellings consented in Tauranga City, July 2018 to June 2019

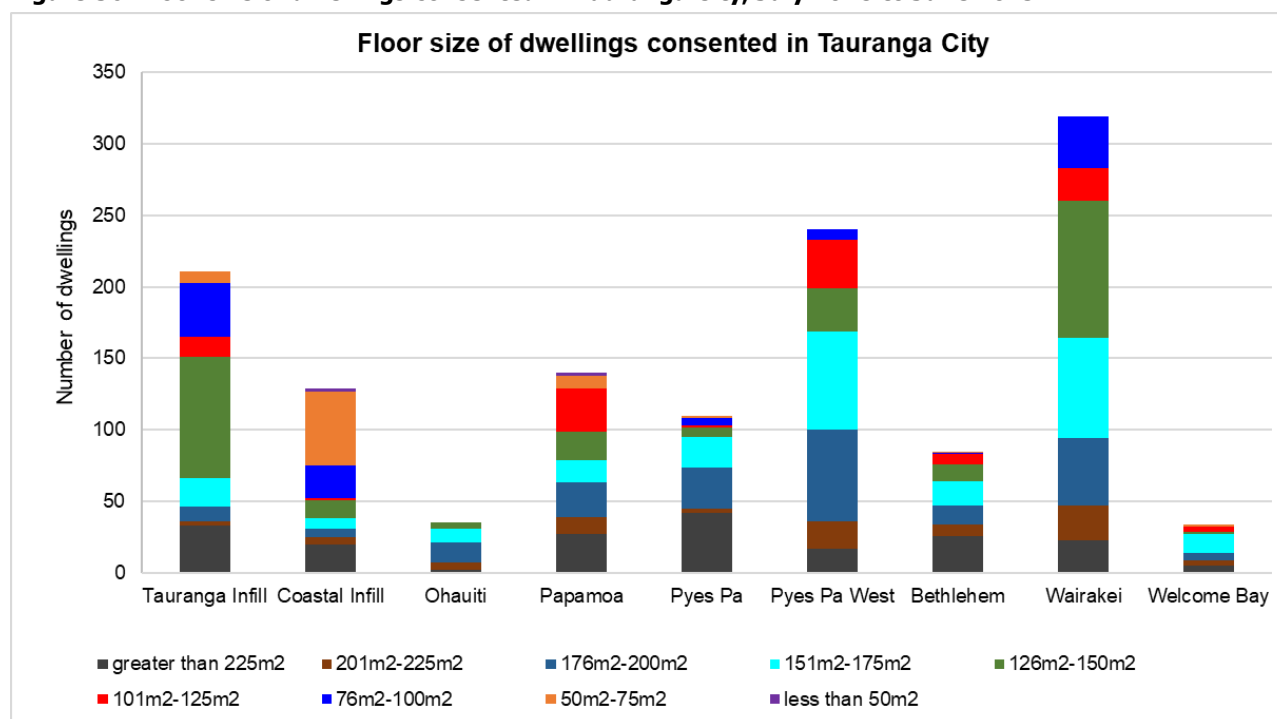


Table 20 Floor size for dwellings consented in Tauranga City, July 2018 to June 2019

Floor size (m ²)	Number of dwellings	Per cent to total
Less than 50m ²	4	Less than 1%
50m ² – 75m ²	74	5.7
76m ² – 100m ²	110	8.4
101m ² – 125m ²	113	8.7
126m ² – 150m ²	270	20.7
151m ² – 175m ²	243	18.6
176m ² – 200m ²	212	16.3
201m ² – 225m ²	83	6.4
Greater than 225m ²	195	15.0
Total	1,304	100

Western Bay of Plenty District

In July 2018 to June 2019, the dwelling floor size for most of the consented dwellings in the UGA's were between 100 to 199 m², for WBOPD. Bigger houses are built in the rural areas where 65 of the dwellings consented have a floor area above 220 m².

Figure 37 Floor size of dwellings consented in WBOPD, July 2018-June 2019

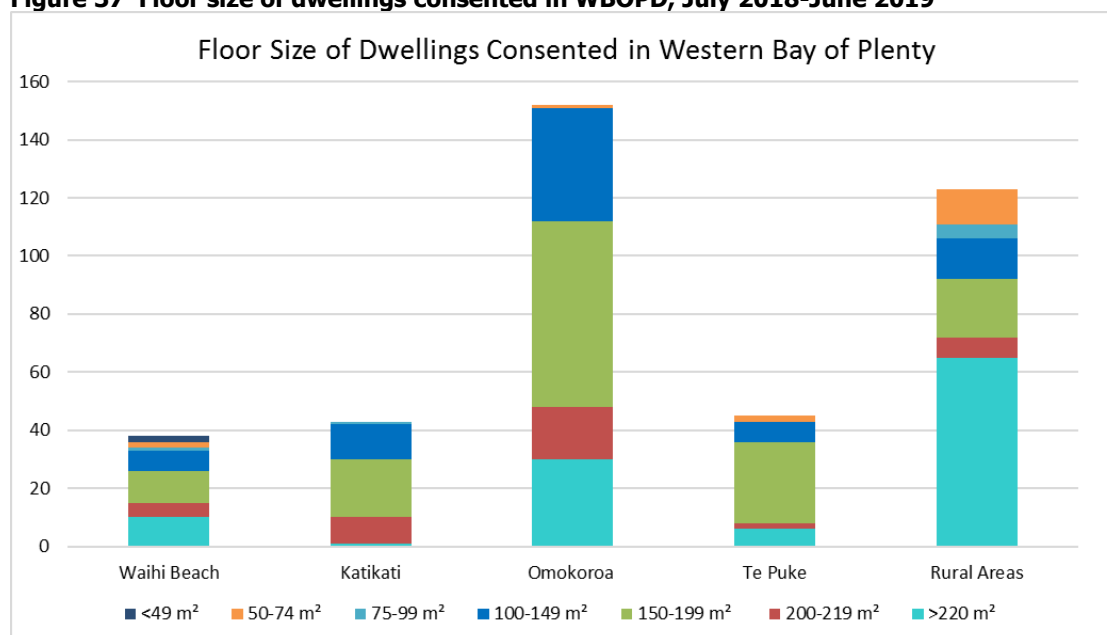


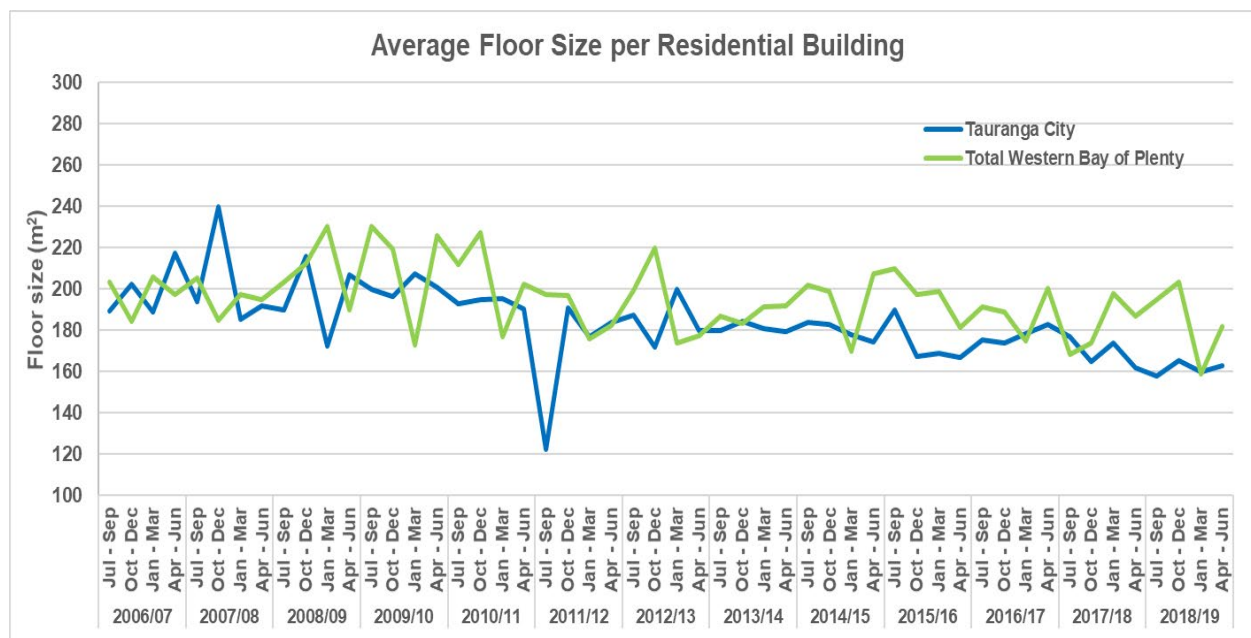
Table 21 Floor size for dwellings consented in WBOPD, July 2018 to June 2019

Floor size (m ²)	Number of dwellings	Per cent to total
Less than 50m ²	2	0.5
50m ² – 74m ²	17	4.2
75m ² – 99m ²	7	1.7
100m ² – 149m ²	79	19.7
150m ² – 199m ²	143	35.7
200m ² – 219m ²	41	10.2
Greater than 220m ²	112	27.9
Total	401	100

Floor Size per Residential Building

Average floor area have declined from 2007 to 30 June 2019 for both local authority areas with fluctuation over this period as illustrated in the figure below. In Tauranga City, the annual average floor area for residential dwelling consents declined from 170m² in 2017/18 to 161m² in 2018/19 while the WBOPD average floor area increased by a square meter during the same period from 180m² to 181m².

Figure 38 Average floor size per residential building, Tauranga City and WBOPD, July 2006 to June 2019



Source: Stats NZ Infoshare

Table 22 Average floor size

Average floor size (in m ²)	Trend	Change	% Change
<i>Tauranga City</i>			
This year			
161			
Last year	↓	-8	-5
Last 5 years (average)	↓	-11	-6.3
Last 10 years (average)	↓	-17	-9.4
<i>Western BOPD</i>			
This year			
181			
Last year	↑	1	0.6
Last 5 years (average)	↓	-6	-3.4
Last 10 years (average)	↓	-11	-5.8

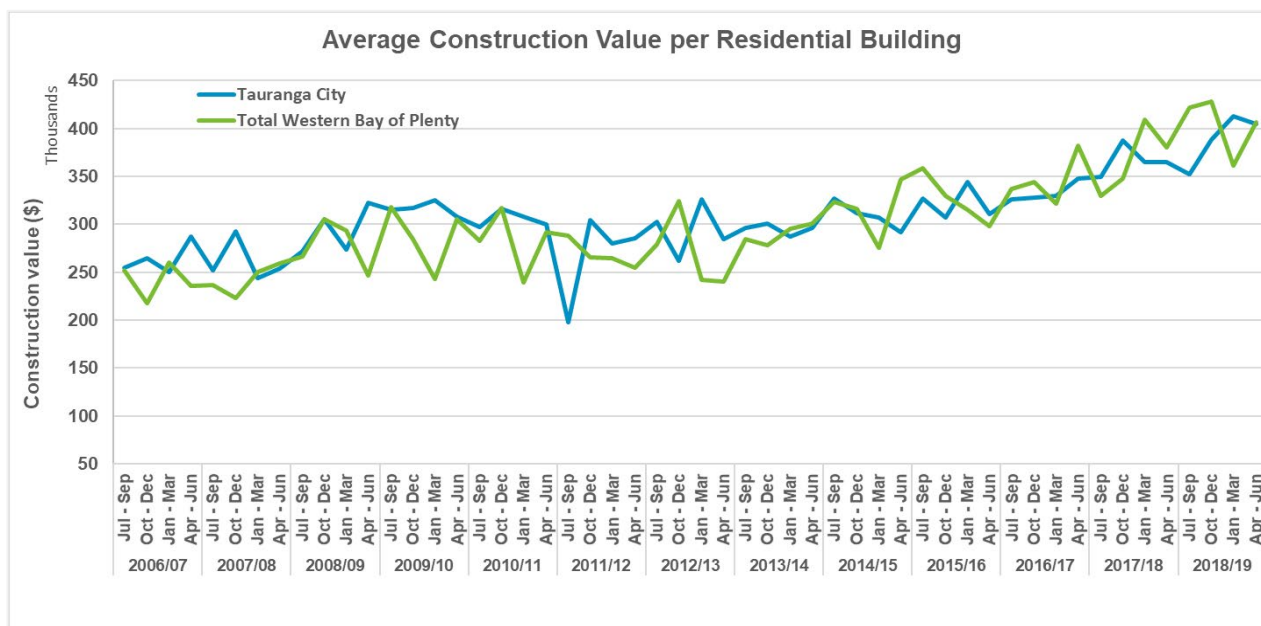
Construction Value per Residential Dwelling

The figure below shows that average construction value per residential dwelling increased in both local authority areas from July 2006 to June 2019, with fluctuations observed over this period. This construction value excludes land costs associated with new houses.

The table below shows the increase in construction value of residential dwellings during the July 2018 to June 2019 year compared to other time periods (last year, last 5 years and last 10 years).

The annual construction cost per square meter was increasing and was higher by 33% compared to the last ten year average.

Figure 39 Average construction value per residential building, Tauranga City and WBOPD, July 2006 to June 2019

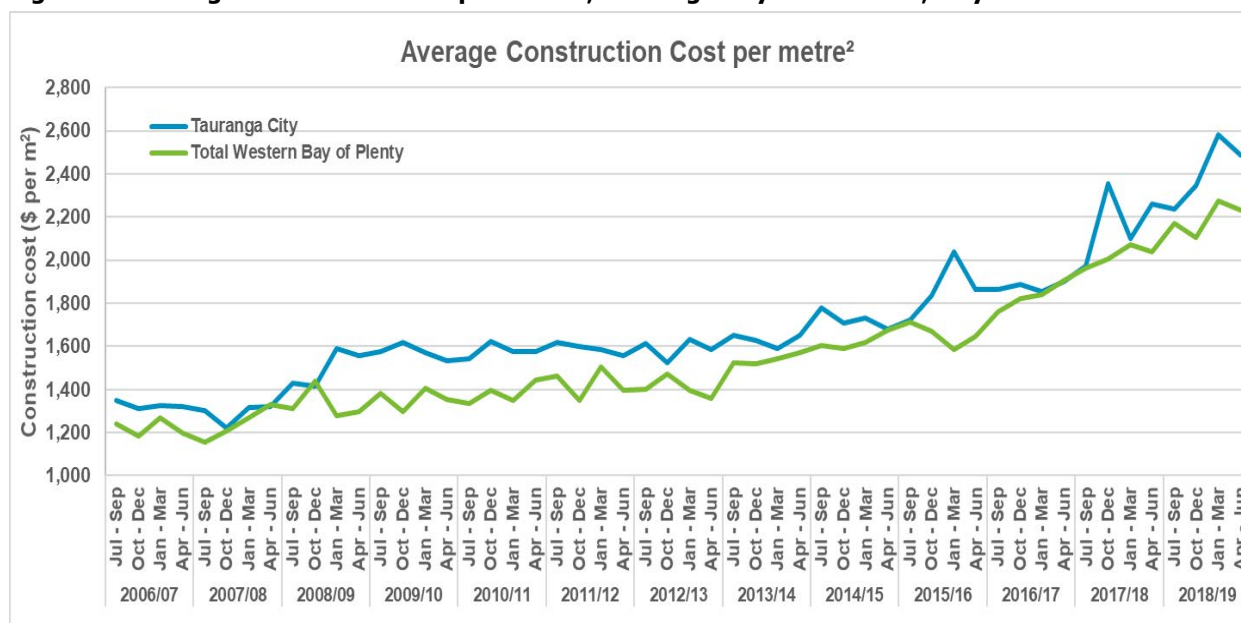


Source: Stats NZ Infoshare

Table 23 Average construction value

Average construction value	Trend	Change	% Change
<i>Tauranga City</i>			
This year			
Last year	↑	\$22,652	6.2
Last 5 years (average)	↑	\$44,759	13.0
Last 10 years (average)	↑	\$70,216	22.1
<i>Western BOPD</i>			
This year			
Last year	↑	\$36,010	9.9
Last 5 years (average)	↑	\$50,948	14.6
Last 10 years (average)	↑	\$85,241	27.1

Figure 40 Average construction cost per metre², Tauranga City and WBOPD, July 2006 to June 2019



Source: Stats NZ Infoshare

Table 24 Average construction cost per square meter

Average construction cost per m ²		Trend	Change	% Change
<i>Tauranga City</i>				
This year	\$2,409			
Last year	\$2,156	↑	\$254	11.8
Last 5 years (average)	\$2,006	↑	\$403	20.1
Last 10 years (average)	\$1,799	↑	\$610	33.9
<i>Western BOPD</i>				
This year	\$2,203			
Last year	\$2,017	↑	\$186	9.2
Last 5 years (average)	\$1,864	↑	\$339	18.2
Last 10 years (average)	\$1,642	↑	\$561	34.2

Dwelling Consents Issued by Type

Per Statistics New Zealand’s classification¹¹, standalone houses remained the main type of dwelling in the sub-region. As illustrated in the graphs and tables below the number and proportion of standalone houses has decreased in both Tauranga City and WBOPD in the last 12 months, compared to the last 5 year results. Retirement village units were the next largest type of dwellings consented in Tauranga City in the last 12 months, while it was the townhouses, flats, units and other dwellings type in the WBOPD.

¹¹ Statistics New Zealand classifies residential buildings into houses, apartments, retirement village units and townhouses, flats, units and other dwellings. This information is included in addition to Figures 26 and 27 as it provides a time-series data from 1996.

Figure 41 Dwelling consents issued by type, WBOPD, July 2006 to June 2019

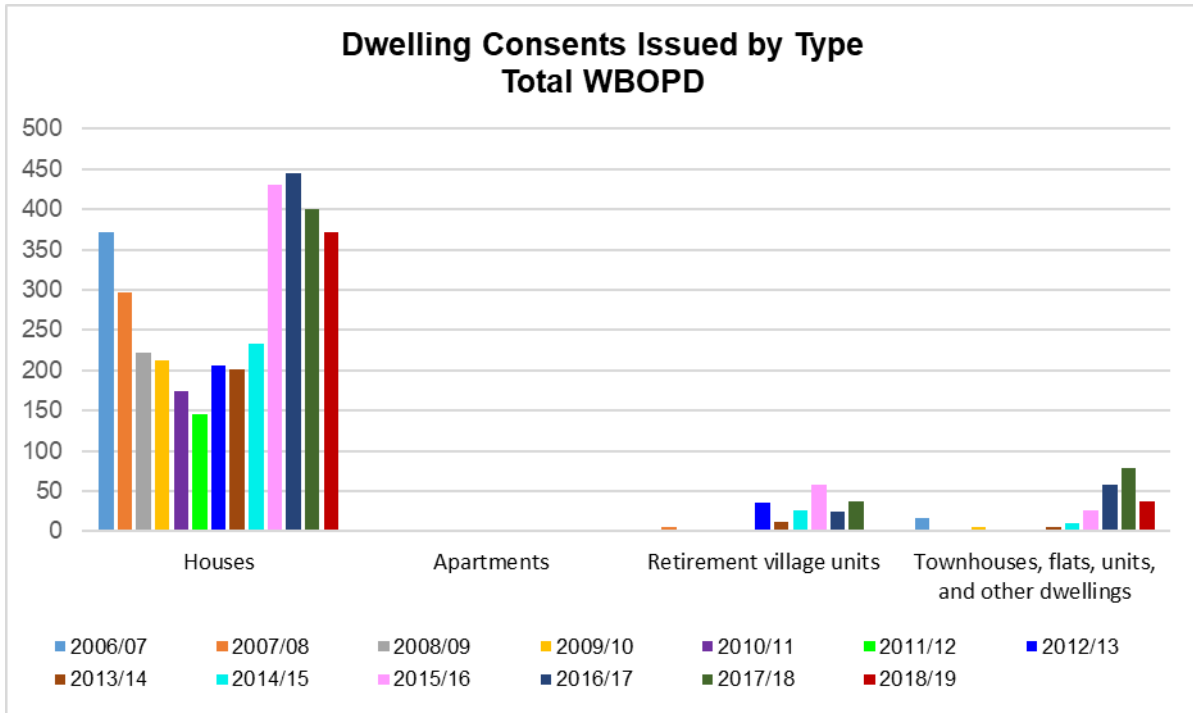


Figure 42 Dwelling consents issued by type, Tauranga City, July 2006 to June 2019

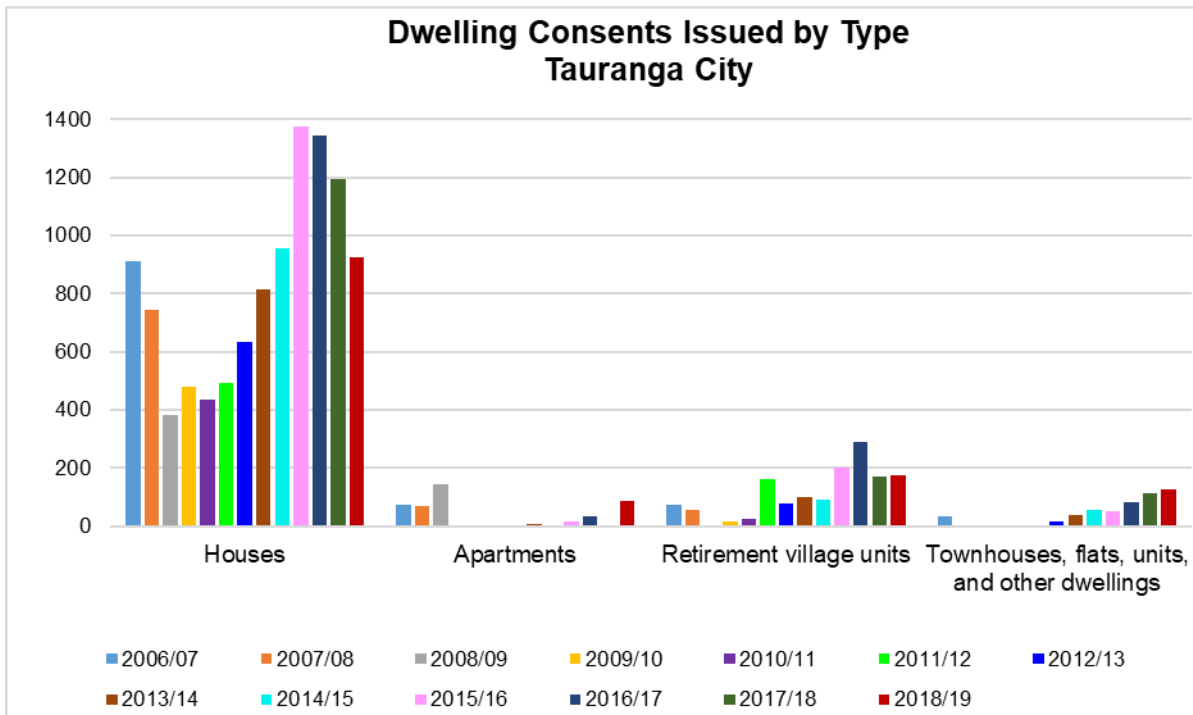


Table 25 All residential buildings

All residential buildings		Trend	Change	% Change
<i>Tauranga City</i>				
This year	1317			
Last year	1487	↓	-170	-11.4
Last 5 years (average)	1460	↓	-143	-9.8
Last 10 years (average)	1062	↑	225	24.1
<i>Western BOPD</i>				
This year	409			
Last year	517	↓	-108	-21.0
Last 5 years (average)	448	↓	-39	-8.7
Last 10 years (average)	325	↑	84	25.8

Table 26 Dwelling Type

Period	Territorial Authority	Houses	Apartments	Retirement village units	Townhouses, flats, units, and other dwellings
Last 12 months	Tauranga City	72%	6.3%	12.5%	9.2%
	WBOPD	91%	-	-	9.1%
Last 5 Years	Tauranga City	80%	2%	12.6%	6%
	WBOPD	84%	-	6.5%	9.4%

Table 27 Stand alone dwellings

Stand alone dwellings		Trend	Change	% Change
<i>Tauranga City</i>				
This year	927			
Last year	1,196	↓	-269	-22.5
Last 5 years (average)	1,160	↓	-233	-20.1
Last 10 years (average)	866	↑	61	7.0
<i>Western BOPD</i>				
This year	372			
Last year	401	↓	-29	-7.2
Last 5 years (average)	376	↑	-4	-1.2
Last 10 years (average)	282	↑	90	31.8

6 Price Efficiency

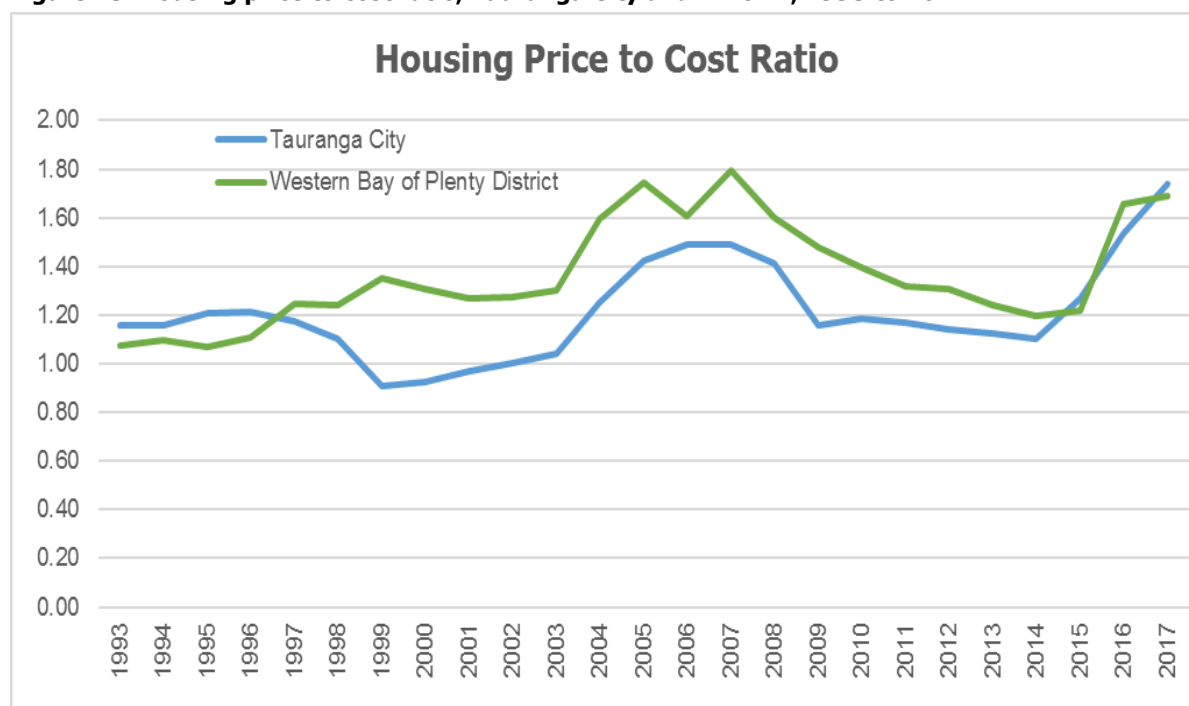
Housing price to cost ratio

Tauranga's house price to cost ratio was below the 1.5 benchmark (where the cost of the land is one-third of the house price) for 23 years from 1993 to 2015. The ratio increased at a fast rate from 1.1 in 2014 to 1.3 in 2015, and reached the record high of 1.7 as at 30 June 2017.

Similarly, WBOPD's house price ratio was below the 1.5 benchmark for ten years from 1993 to 2003. It fluctuated above 1.5 from 2006 to its highest point of 1.8 in 2007 but declined steadily to 1.2 in 2015 before climbing to its third highest point in the last 24 years of 1.7, as at 30 June 2017.

According to HUD/Mfe guidance, ratios above 1.5 may signal that the supply of sections and development opportunities are not keeping pace with demand and land prices are materially increasing prices. Refer to Appendix 1 for explanation of this indicator.

Figure 43 Housing price to cost ratio, Tauranga City and WBOPD, 1993 to 2017



Rural-urban zone land differentials

The value of Tauranga Urban Area’s urban residential land close to the rural-urban boundary was more than twice the value of the rural residential land on the rural-urban boundary in June 2016. This is equivalent to a difference of \$232 per square metre or \$139,135 per section of 600m². Auckland has the highest differential ratio at 3.15 (a difference of \$345 per square metre), followed by Queenstown at 3.12 (a difference of \$337 per square metre). Christchurch and Hamilton have differential ratios that are a little higher than Tauranga Urban Area, at 2.23 and 2.42, respectively, although in terms of dollar value Christchurch has the least differential of \$150 per square metre or \$90,136 per section of 600m². Christchurch land values are in general lower than in the Tauranga Urban Area.

According to HUD/MfE guidance, a rural-urban differential above 1 signals that zoning and/or other regulations are constraining development capacity enough to increase urban land values. It further interprets that if the differential is twice the value of adjacent non-urban land and the cost per section is above \$100,000 (Tauranga City’s differential is 2.02 and cost per section is \$139,135), the current plans provide insufficient urban development capacity. Refer to Appendix 1 for explanation of this indicator.

Table 28 Rural-urban zone land differentials

Urban area	Ratio	Difference (\$/m ²)	Difference (\$/600m ² section)
Auckland	3.15	\$345	\$206,722
Christchurch	2.23	\$150	\$90,136
Hamilton	2.42	\$227	\$136,213
Wellington	2.30	\$201	\$120,371
Queenstown	3.12	\$337	\$202,485
Tauranga	2.02	\$232	\$139,135
Whangarei	2.00	\$80	\$48,064

Figure 44 Tauranga: Parcel land values near rural-urban boundary

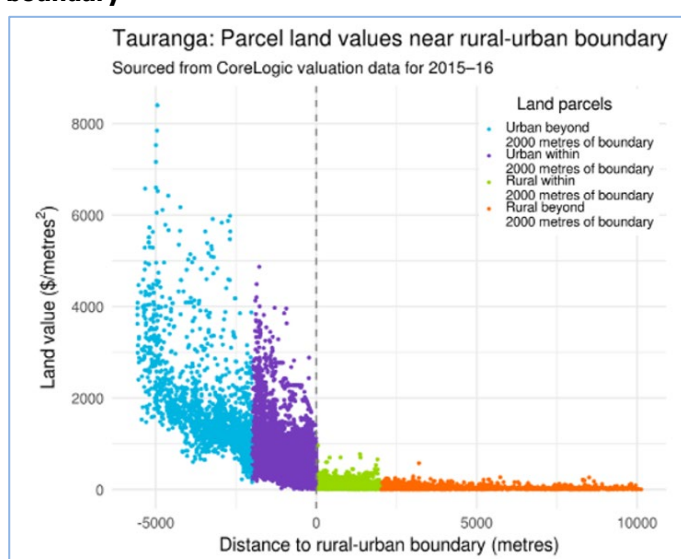
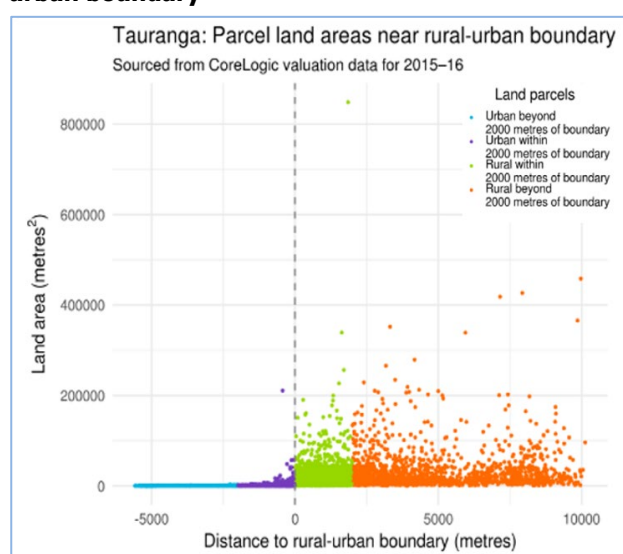


Figure 45 Tauranga: Parcel land areas near rural-urban boundary



Source: CoreLogic – HUD Urban Development Capacity Dashboard.

Land concentration control

According to HUD around 16% (777 ha) of the residentially zoned land (4,838 ha) in the Tauranga extended urban area is undeveloped with more than a quarter (27%) of this land being owned by the top five land owners, including Tauranga City Council. Excluding authority landowners (Council & Crown), undeveloped residential land accounts for 15% (712 ha) of the total residentially zoned land (4,773 ha).

Tauranga urban area has a land concentration index of 233. This index is relatively low and it shows that the residentially zoned and developable land across the whole of Tauranga extended urban area is not controlled or concentrated among few owners. According to HUD/MfE guidance, a high land concentration index means that land ownership is concentrated among few owners. Likewise a lower concentration index indicates that land holdings involve many smaller land-owners.

For more information on land concentration control, please see <https://www.hud.govt.nz/assets/Urban-Development/NPS-UDC/National-Policy-Statement-on-Urban-Development-Capacity-Price-efficiency-indicators-technical-report-Land-control-indicators.pdf>.

Table 29 Land concentration, Tauranga extended urban area

Item	Details
Valuation period	2015-2016
Total residential land area (ha)	4,838
Undeveloped residential area (ha)	777
Undeveloped residential area (%)	16%
Land concentration index	233
Urban area population (2017)	137,900
Population density (per residential ha)	28.5

Tauranga extended urban area covers urban areas of Tauranga City & Western Bay of Plenty District

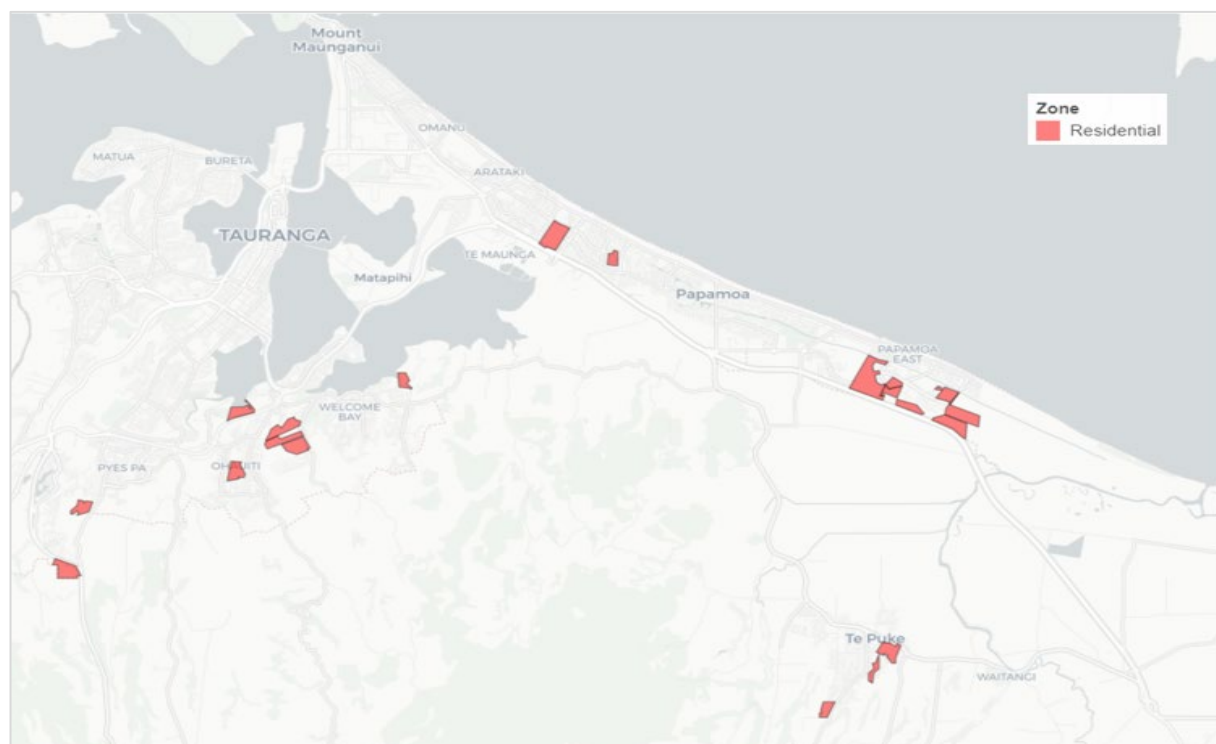
Source: CoreLogic – HUD Urban Development Capacity Dashboard.

Table 30 Largest owners of undeveloped residentially zoned land, Tauranga extended urban area

Rank	Area (has)	Number of titles	Land owner/ controlling entity	Type of entity	Market share
1	64	6	CLM Trustees Limited, Dulce May Taylor, L B D Trustees Limited	Consortium	8%
2	44	27	Bluehaven Holdings Limited	Individual entity	6%
3	39	40	Tauranga City Council	Related entities	5%
4	33	5	Port Contractors Limited	Individual entity	4%
5	32	2	The Proprietors of Mangatawa Papamoa	Individual entity	4%

Source: CoreLogic – MBIE Urban Development Capacity Dashboard.

Figure 46 Location of largest undeveloped residentially zoned land parcels, Tauranga and Te Puke¹²



Source: CoreLogic – HUD Urban Development Capacity Dashboard.

¹² Te Puke is the only urban growth area in Western Bay of Plenty District, added to the Greater Tauranga Urban Map, being close to Papamoa.

7 Business Land Trends

Zoned Business Land

SmartGrowth and the Regional Policy Statement (operative and proposed RPS) require that the business land area, uptake rates and land availability, be monitored in the sub-region. This is done by using zoned land as the basis for the assessment.

Commercial Zoned Land

Tauranga City

As at October 2018, there was 281.6 hectares of Commercial zoned land in Tauranga City. The two Parton Road commercial areas in Papamoa combined provide the largest area of 'Commercial' zoning at 39.3 ha, 2.6 ha greater in area than the Central Business District (CBD) in Tauranga Central, refer to Table 31. Smaller neighbourhood centres include Cherrywood, Bureta, and Welcome Bay. Supermarket based neighbourhood shopping centres include Bayfair, Bethlehem, Brookfield and Gate Pa. The Tauriko commercial area near the State Highway 29/36 intersection (Tauranga Crossing) is nearing full occupancy, with the construction currently on-going.

Future rezoning of land for commercial business activity is planned in Te Tumu in Papamoa East. Te Tumu is proposed to be released for both business and residential development in the latter part of the 2018-2023 planning period. A map of Commercial zoned areas is provided in Appendix 6.

Table 31 Operative and Future Commercial Zoned Land in Tauranga City

Location	Commercial Land (Ha)	
	Operative	Future
Bay Central	8.7	
CBD	36.7	
Eleventh Avenue	16.2	
Greerton	6.2	
Gate Pa	4.7	
Fraser Cove	21.7	
Bethlehem	12.6	
Brookfield	1.5	
Palm Beach	8.6	
Fashion Island	7.4	
Mount Maunganui	12.7	
Bayfair	7.7	
Owens Place	3.2	
Central Parade	1.3	
Cherrywood	0.7	
Historic Village	6.2	
Welcome Bay	1.1	
Tauriko	13.5	
Bureta	0.5	
15 th Avenue	3.6	
Parton Road (2 areas)	39.3	
Judea	2.7	
Wairakei Town Centre	27.0	
Wairakei Neighbourhood Centres	6.6	
Te Tumu ¹		1.4
Other ²	31.2	
Total	281.6	1.4

¹ The Te Tumu figure is preliminary. It is anticipated that the 60.3 ha of future Te Tumu employment land classified in Table 34 as Industrial will also provide for some commercial activity.

² Includes smaller parcels of Commercial zoned land which generally accommodate convenience type activities (dairies, takeaways etc) such as those areas located on Cambridge and Ohauti roads.

Of Tauranga City's Greenfield UGA's, vacant land was identified within the Bethlehem, Papamoa (Palm Beach and Parton Road) and Papamoa East (Wairakei) commercial zoned areas, refer to Table 32.

Table 32 Uptake of Commercial Zoned Land in Tauranga City

Urban Growth Area Commercial Centres ¹	Area Zoned Commercial (ha)	Vacant Commercial Zoned Land (ha)	Percentage (%) Vacant
Bethlehem	12.57	1.41	11
Papamoa - Palm Beach	8.55	1.76	21
Papamoa - Parton Road ²	39.28	8.62	22
Pyes Pa West - Tauriko	13.51	0	0
Papamoa East - Wairakei	33.60	33.60	100
Total	107.51	45.39	42

¹As at October 2018. Only Commercial zoned areas with remaining vacant land in Greenfield UGAs are included in this survey.

² The occupied area at Parton Road commercial area includes a retirement home (7.4 ha), a stormwater pond (2.8 ha), and a camp ground (1.2 ha). A number of housing developments have recently been approved and are currently under construction in this area.

Western Bay of Plenty District

Te Puke has the largest commercial zoned land in Western Bay of Plenty District. The second largest areas of zoned commercial land are located in the urban areas of Katikati and Waihi Beach with 9.21 ha and 7.34 ha respectively, refer to Table 33. In Waihi Beach the 7.34 ha of commercial land, largely consists of the Wilson Road shopping centre and an additional 1.53 ha is part of the commercial transitional zone.

Smaller neighborhood centres are located in Te Puna and Paengaroa. Other settlements in the District such as Athenree, Island View/Pios Beach, Minden, Pukehina and Maketu are serviced by comparatively small commercial areas up to 3 ha in size.

Table 33 Operative and Future Commercial Zoned Land in the Western Bay of Plenty District

Location	Commercial Land (ha)	
	Operative	Transitional ¹
Waihi Beach	7.34	1.53
Athenree	0.40	
Island View-Pios Beach	0.12	
Katikati	9.21	1.46
Omokoroa ²	4.08	
Minden	3.27	
Te Puna	2.97	
Te Puke	10.65	
Pukehina	0.43	
Maketu	0.87	
Paengaroa	2.15	
Total	41.49	2.99

¹ Transitional Commercial zoned land is located in Waihi Beach and Katikati.

²Exclude the Special Housing Area which falls in the commercial zone.

Availability and Uptake of Industrial Zoned Land Tauranga City

For Tauranga City, the largest area of industrial zoning is at Mount Maunganui, while the smallest area is at Sulphur Point, refer to Table 34 and Appendix 6. In May 2011 rezoning of 101.1 hectares of land for industrial purposes (Papamoa East Employment zone) was made operative at Wairakei in Papamoa East. A large proportion of employment land at Wairakei has been rezoned for residential activity

following approval of a number of Special Housing Area's under the Housing Accord and Special Housing Area legislation in this locality. This has reduced the employment land by 58.6 hectares to 42.5 hectares. It is expected that loss of employment land at Wairakei will largely be provided for in the future Te Tumu urban growth area.

Table 34 Operative and Future Industrial Zoned Land in Tauranga City

Location	Industrial Land (Ha)	
	Operative	Future
Judea	23.7	
Mt Maunganui	268.0	
Greerton	12.3	
Oropi (Maleme St)	49.5	
Owens Place	6.1	
Sulphur Point	3.0	
Port Industrial	190.7	
Te Maunga	174.6	
Tauriko	251.7	
Wairakei	42.5	
Te Tumu ¹		60.3
Total	1022.1	60.3

¹The Te Tumu figure is preliminary. It is anticipated that the 60.3 ha of future Te Tumu employment land classified in Table 14 as Industrial will also provide for some commercial activity.

Table 35 Uptake of Industrial Zoned Land in Tauranga City (as at January 2018)

Area	Vacant (ha) ¹	Partially Vacant (ha)	Total Vacant	Vacant but Not Available (ha)	Partially Vacant but Not Available	Occupied (ha)	Total Occupied (ha)	Total Area (ha) ³
General Industrial Zoned Land²								
Judea	0.00	0.00	0.00	0.00	3.26	20.46	23.72	23.72
Mt Maunganui	8.01	13.83	21.84	0.82	0.00	245.40	246.22	268.05
Oropi	0.88	0.00	0.88	0.59	5.27	42.71	48.57	49.45
Greerton	0.33	0.43	0.76	0.00	0.00	11.52	11.52	12.27
Sulphur Point	0.18	0.00	0.18	0.06	0.00	2.79	2.85	3.03
Te Maunga	54.05	0.00	54.05	9.02	25.33	86.15	120.50	174.55
Owens Place	0.00	0.00	0.00	0.00	0.00	6.13	6.13	6.13
Tauriko	181.88	14.63	196.51	0.71	0.00	54.46	55.17	251.67
Wairakei ⁴	30.11	0	30.11	12.37	0	0	12.37	42.48
Total	275.44	28.88	304.32	23.57	33.86	469.61	527.04	831.35
Port Industry Zone³								
Within Port Security Fence	0.58	0.00	0.58	0.00	0.00	156.56	156.56	157.14
Outside Port Security Fence	0.95	5.81	6.76	0.00	0.00	26.82	26.82	33.57
Total	1.53	5.81	7.34	0.00	0.00	183.38	183.38	190.71

¹ "Vacant" no structures and are largely clear of plant and material. "Partially Vacant" - up to and including 50% of the land contains structures, plant or material. "Not available" - land that is unsuitable or not available for development, due to being on unusable terrain, or designated for reserves, stormwater or future wastewater treatment use. "Occupied" - over 50% of the land contains structures, plant or material.

² General Industrial zoned land includes land zoned Tauriko Industry, Industry, and Papamoa East Employment.

³ Port Industry Zone land is surveyed separately as the majority of this zone applies to the Port of Tauranga which is not accessible for survey, and its function varies from the general industrial areas.

⁴ 12.37 ha of Wairakei Employment land is subject to designation for the future Papamoa East Interchange and classified "vacant but not available".

In Tauranga City's general industrial zoned areas vacant land was identified in most industrial areas except Judea and Owens Place - refer to Table 35. Overall 37% (or 304 hectares) of the 831.35 hectares

of zoned industrial land in Tauranga City was vacant as at January 2018, with 65% (or 196.51 hectares) of this vacant land located at Tauriko industrial area.

In the Port Industry zone 4% (or 7.3 hectares) of the 190.7 hectares of Port Industry zoned land was vacant as at January 2018.

While 311 hectares was identified as vacant industrial land, it is estimated that this will fall to significantly as new areas are developed for industrial activity (eg: as industrial zoned land is used for road corridors and stormwater reserves, and steep or low lying undevelopable land is deducted). Of this 76.5 hectares of vacant land was earth-worked, serviced and ready to accommodate industrial activity as at January 2018¹³.

While the 2018 industrial land survey estimated 197 hectares of vacant land in Tauriko industrial area, an assessment of this area in December 2019 identified that once undevelopable areas and future roads are deducted only approximately 34 hectares of vacant land remains in the developed stages of Tauriko industrial area, with a further 44 hectares of land supply to be released for development in the short term (next 3 years) which is all presold. A further 45 hectares of industrial land, the balance of Tauriko industrial area, is not expected to be able to be brought to market in the next 10 years due mainly to private landowners not wanting to develop or sell their land.

Western Bay of Plenty District

Te Puke has the largest amount of Industrial land available in Western Bay of Plenty District, with 86.4 ha zoned, while an additional 72 ha of Industrial land is zoned to meet future needs in the town and is expected to yield an additional 45 ha (refer to table 36). Katikati also contains a significant area of Industrial land with 46.64 ha zoned at present. In Omokoroa a part of the industrial land was used for the Special Housing Area with 18.07 ha still operative in Stage 2 of the Omokoroa Structure Plan.

In the western end of the District the Te Puna Rural Business Zone contains 30.58 ha for future use, while Rangiuuru in the eastern end contains 179 ha of Industrial land zoned in preparation for the Rangiuuru Business Park.

Table 36 Operative and Future Industrial Zoned Land in the Western Bay of Plenty District

Location	Industrial Land (ha)	
	Operative	Future
Waihi Beach		25.56
Katikati	46.64	17.0
Te Puna		30.58
Omokoroa	18.07	
Te Puke	86.41	72.29
Rangiuuru	37.03	179.33
Paengaroa	9.57	
Maketu	0.11	
Total	197.83	324.77

Industrial land in Te Puke includes 72 Hectares from Plan Change 70 which is dependent on roading and infrastructure upgrades.

In the Western Bay of Plenty District, vacant areas of available (able to be built on now) industrial land exist in Katikati, Omokoroa, Te Puke, Rangiuuru and Paengaroa. Of the total vacant industrial land, 379 ha is vacant but not yet available because more services like water connection and roading need to be

¹³ See the 2018 Tauranga City Industrial land Survey report, October 2018, for more information. The next survey of industrial land is programmed for January 2020.

added before they become available. In Western Bay of Plenty the largest uptake of industrial land is in Te Puke with 48.2 ha occupied followed by Katikati of 17.3 ha.

Table 37 Uptake of Industrial Zoned Land in the Western Bay of Plenty District

Industrial Zone – 2019								
Area	Vacant (ha)	Vacant but not yet available	Partially Vacant (ha)	Total Vacant (ha)	Not Available (ha)	Total Occupied (ha)	Reserve	Total Area (ha)
Waihi Beach		25.57		25.57				25.57
Katikati	17.61	17.00	11.77	46.38	0.06	17.26	2.34	66.04
Te Puna		30.58		30.58				30.58
Omokoroa	15.62			15.62		2.45	2.35	20.42
Te Puke	7.42	72.29	30.78	110.49		48.20	13.80	172.49
Rangiuru	5.48	233.65	31.54	270.67	1.51	3.09		275.27
Paengaroa	1.17		6.96	8.13		1.44		9.57
Maketu			0.11	0.11				0.11
TOTAL	47.30	379.09	81.16	507.55	1.57	72.44	18.49	600.05
%	7.88%	63.18%	13.53%	84.58%	0.26%	12.07%	3.08%	100.00%

¹ Include AFFCO as part of Total Occupied

Business Land/Population Ratio

SmartGrowth requires that the business land to population ratio be monitored, refer to Table 38. The 'business land' ratio has been split into "Industrial" and "Commercial" zoned land. For the sub-region land zoned industrial is considerably higher in total to that zoned commercial resulting in more industrial land per resident reflecting the more expansive nature of this type of business activity.

Table 38 Ratio of Industrial and Commercial Zoned Land per Person in the Western Bay of Plenty Sub region

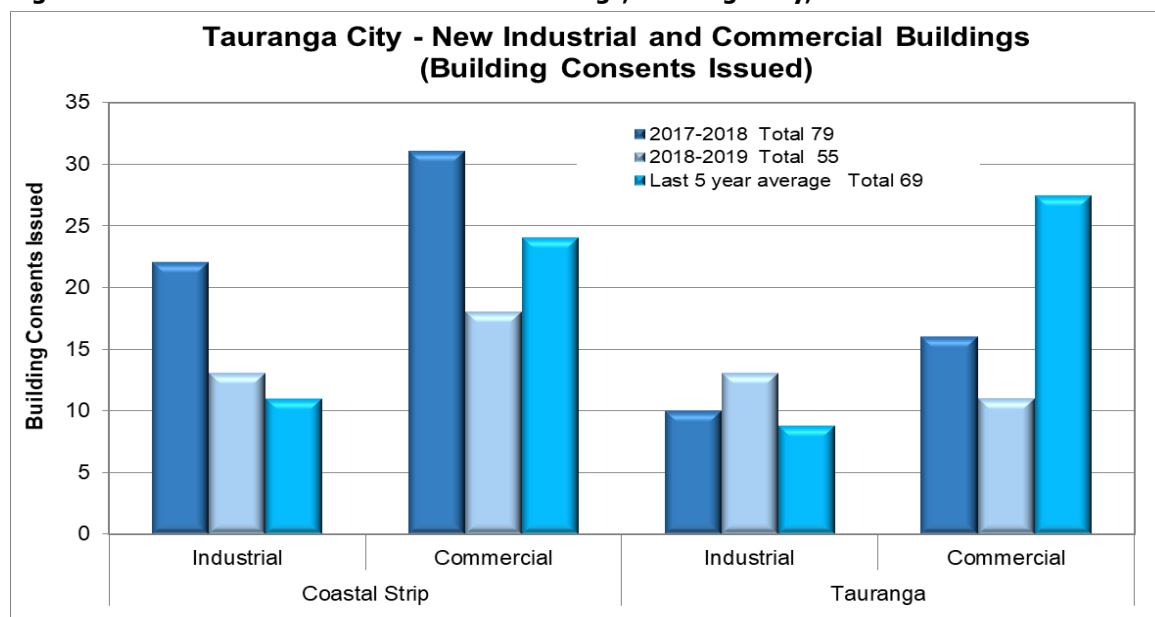
Territorial Authority	2018 Census Population	Industrial Land (ha)	Area (ha) Industrial Land per resident	Commercial Land (ha)	Area (ha) Commercial Land per resident
Tauranga City	136,713	1082.4	0.0079	279.8	0.0020
Western Bay of Plenty District	51,321	600.05	0.0117	41.49	0.0008
Total	188,034	1,682.45	0.0089	321.29	0.0017

Industrial and Commercial Building Consents Issued

Tauranga City

The figure below shows that the number of building consents issued for new industrial and commercial buildings declined by 30% (24 buildings) in 2018/2019 compared to 2017/2018. This is also lower than the 5 year average. The only increase noted occurred in the Tauranga area where there was an additional three industrial buildings consented.

Figure 47 New industrial and commercial buildings, Tauranga City, 2017 to 2019



Western Bay of Plenty District

No industrial building consents were issued in 2018/2019 for Western Bay of Plenty District while commercial building consents increased from 3 consents to 8 consents issued over the same period.

Table 39 Consents for Industrial and Commercial Buildings in the Western Bay of Plenty District

Year	Industrial Building Consents	Commercial Building Consents
01/7/2012 - 30/6/2013	0	0
01/7/2013 - 30/6/2014	0	0
01/7/2014 - 30/6/2015	0	0
01/7/2015 - 30/6/2016	4	2
01/7/2016 - 30/6/2017	6	5
01/7/2017 - 30/6/2018	4	3
01/7/2018 - 30/6/2019	0	8
5 Year Average	2.8	3.6

Non-Residential Building Consents Issued by Type

The graphs below illustrate the substantial variation in the type of non-residential buildings consented in the sub-region. In WBOPD, higher number of farm buildings was recorded due to the more rural nature of activities in the district. Tauranga City had higher number of commercial buildings and factories, industrial and storage buildings consented.

In both areas the number of building consents issued have been relatively high from July 2014 to June 2019 compared to the two years prior when the number of buildings consented was lowest since 2006/2007. The highest number of non-residential building consents since 2006 was recorded in 2006/2007 at 215 and 169, for WBOPD and Tauranga City, respectively.

Figure 48 Non-residential building consents, WBOPD (total), 2006 to 2019

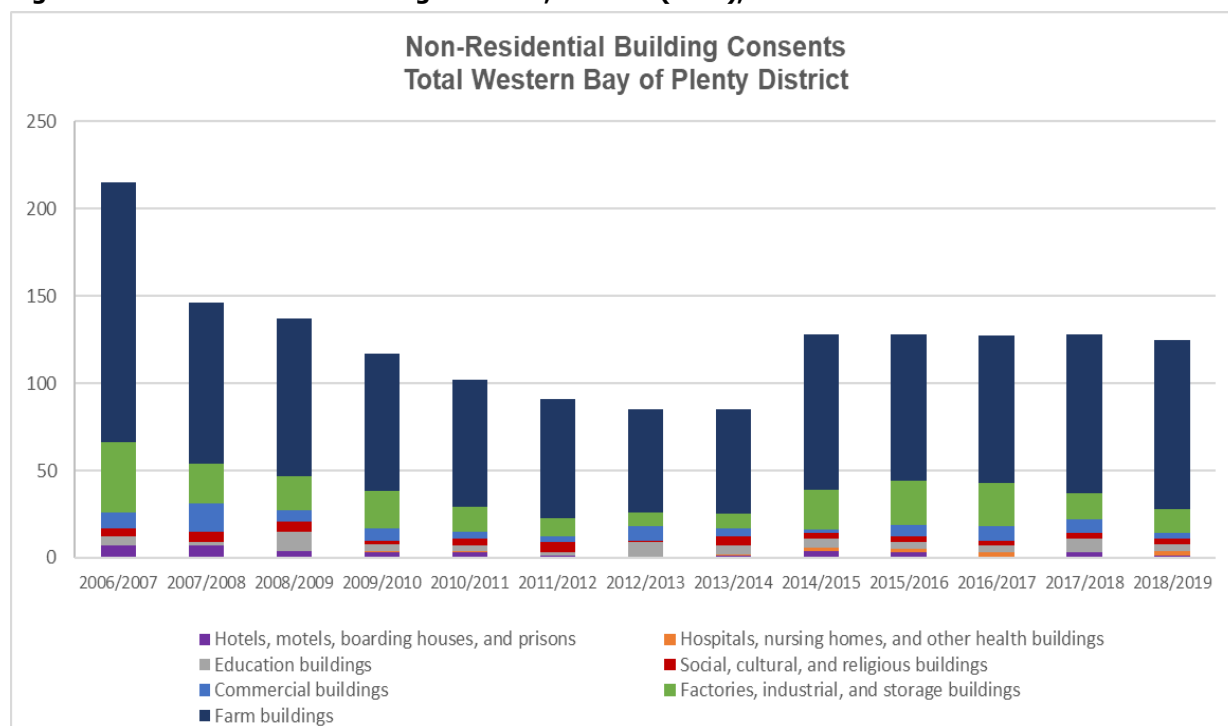
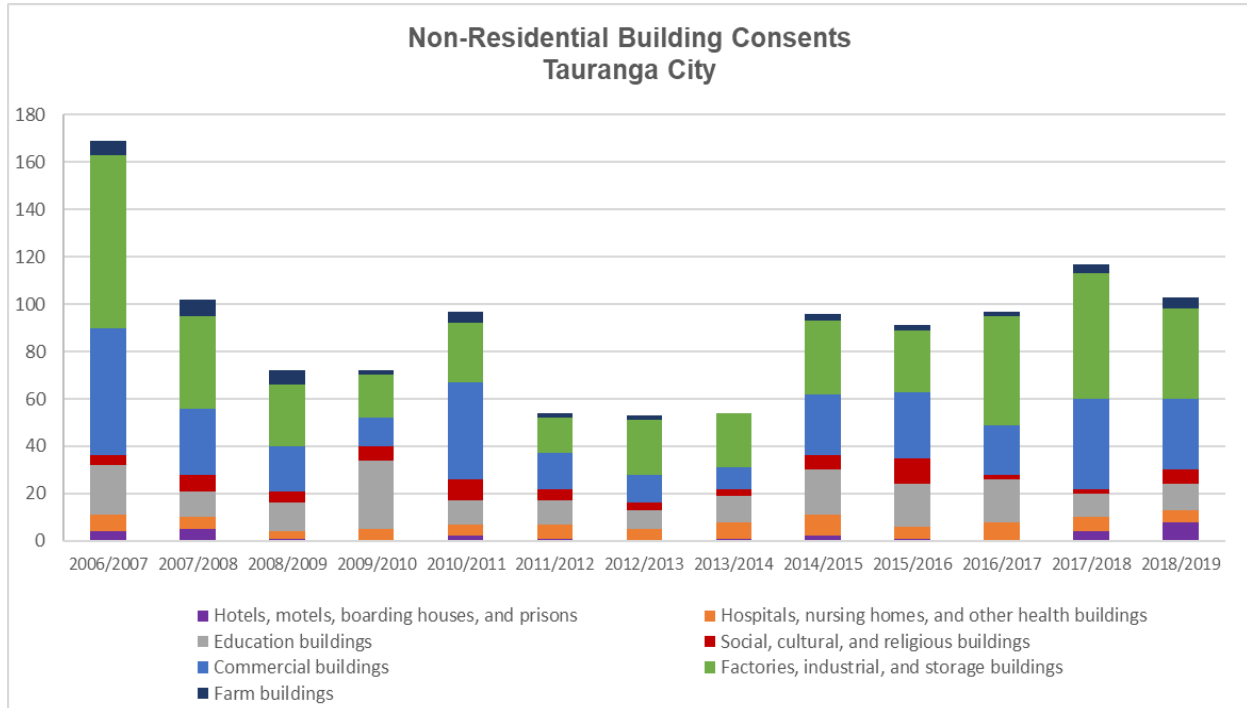


Table 40 All non-residential buildings

All non-residential buildings	Trend	Change	% Change
<i>Tauranga City</i>			
This year			
103			
Last year	↓	-14	-12
Last 5 years (average)	↑	2	2.2
Last 10 years (average)	↑	20	23.5
<i>Western BOPD – Urban</i>			
This year			
125			
Last year	↓	-3	-2.3
Last 5 years (average)	↓	-2	-1.7
Last 10 years (average)	↑	13	12

Figure 49 Non-residential building consents, Tauranga City, 2006 to 2019



Source: Statistics NZ Infoshare

Non-Residential Building Consents by Construction Value

The following graphs show that the change in total construction value and number of consents follow a similar trend for both Tauranga City and WBOPD. A number of high value non-residential building consents has increased the total value above the number of consents from July 2014 to June 2019.

Figure 50 Non-residential building consents and average construction value, WBOPD, 2006 to 2019

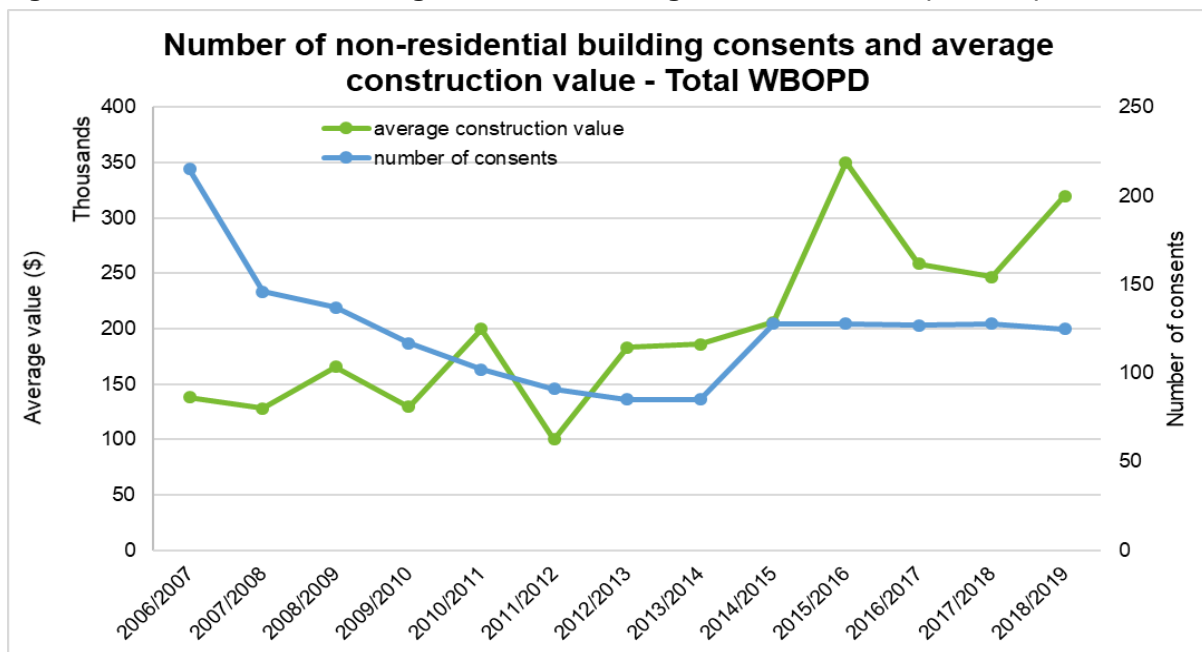
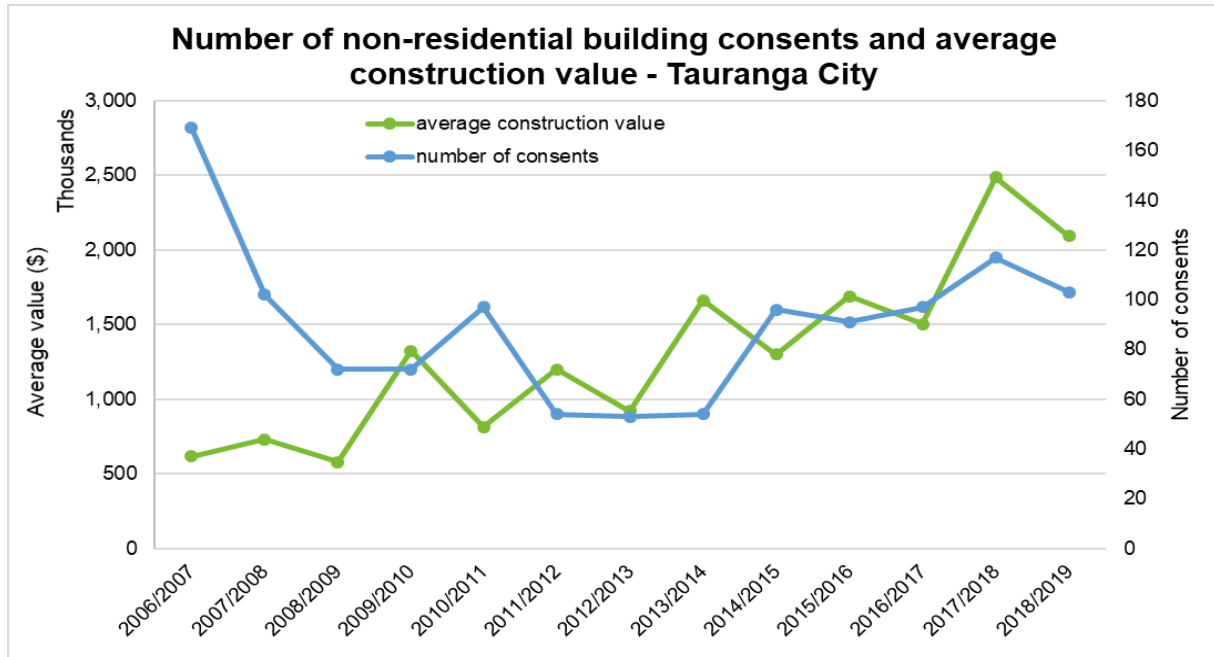


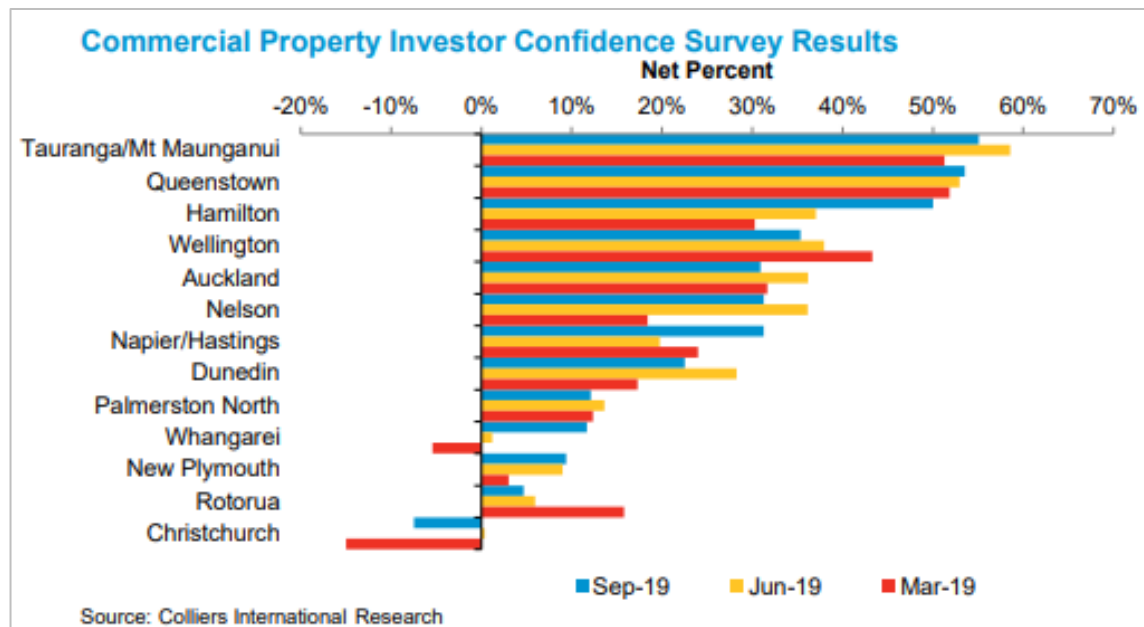
Figure 51 Non-residential building consents and average construction value, Tauranga City, 2006 to 2019



Commercial Property Market Outlook

Colliers International Research conducts a quarterly commercial property investor confidence survey. The June and September 2019 surveys revealed that among the commercial centres in New Zealand, Tauranga/Mt Maunganui occupied the top spot for investors' confidence, achieving 55% and 59% rating in the respective surveys. In 2018, Tauranga/Mt Maunganui achieved a confidence rating of 51% during the September quarter and nearly 59% during the June quarter.

Figure 52 Commercial property investor confidence survey results, March to September, 2019



The consistent high investors' confidence rating is evident in the value of all commercial buildings consented during the year amounting to more than \$360 million, an \$8 million increase from last year's record of \$352 million.

The table below shows that the value of all new commercial buildings consented from July 2018 to June 2019 was \$63 million comprising 29% of the value of all new non-residential buildings consented. This, however was \$98 million or 61% below the previous year’s record of \$161 million which was a record high for value of new commercial buildings consented since 2006.

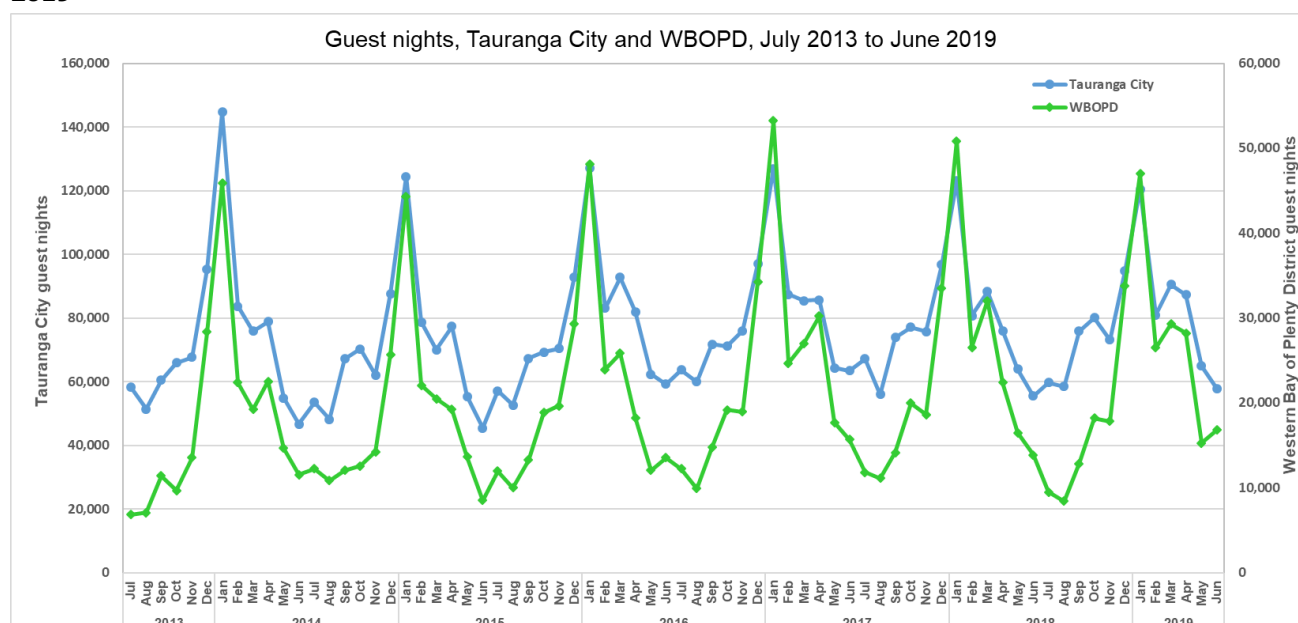
Table 41 Value and per cent share of new commercial building consents to all new non-residential building consents, Tauranga City

Year	Value of consents (million \$)	% share to total value of non-residential building consents
2006/2007	40.7	39.0
2007/2008	24.7	33.1
2008/2009	5.7	13.6
2009/2010	8.5	8.9
2010/2011	40.5	51.2
2011/2012	36.0	55.6
2012/2013	8.5	17.5
2013/2014	15.0	16.7
2014/2015	48.8	39.1
2015/2016	69.2	45.1
2016/2017	28.9	19.8
2017/2018	161.4	55.5
2018/2019	62.8	29.1

Accommodation and Retail Market

The accommodation sector has a seasonal characteristic as shown in the graph below. The peak months are December to February with the highest number of guests arriving and staying in commercial accommodation (including hotels, motels/apartments, backpackers, holiday parks) in January each year. December and January are also the period when retail sales in the region are at its peak.

Figure 53 Guest nights in commercial accommodation, Tauranga City and WBOPD, July 2013 to June 2019



8 Current and Future Monitoring Reports

As indicated in Section 2, the SmartGrowth Development Trends report continues to report on key SmartGrowth, RPS and NPS-UDS indicators on an annual basis. For the three quarters in between the annual reports, a simpler quarterly monitoring report is prepared to meet the NPS-UDC requirements starting from September 2017.

From March 2018, the indicators of price efficiency have been added to quarterly monitoring as required by NPS-UDC Policy PB7.

The quarterly monitoring reports provide SmartGrowth a tool to use in improving its understanding of housing and business markets.

SmartGrowth is committed to improving these monitoring documents over time. Hence, a number of indicators on dwelling typology and residential section size have been added to this year's report and will be monitored and included in future annual and quarterly monitoring reports. Dwelling density (for Tauranga City) is also added in the report and will be continuously monitored as future development occurs.

Appendix 1

Explanation of HUD/ MfE Indicators for the National Policy Statement on Urban Development Capacity¹⁴.

Dwelling sales prices (actual) – (SGDT Ref: Section 4.1)

Technical notes

Prices are presented in nominal terms; that is, they have not been adjusted for general inflation. Median prices are heavily influenced by the sale of existing stock, as new builds comprise a small proportion of total sales in any given period. They are also affected by the composition of sales, including the size and quality of dwellings, as well as type (houses, apartments etc.), which may vary by area and over time. This median price series is not adjusted for size and quality of dwellings.

Interpretation

This indicator shows the median prices of residential dwellings sold in each quarter. It provides a broad and recognisable picture of absolute price levels and is therefore a useful starting point for analysing price trends. Significant dwelling price growth can increase the feasibility of new developments (eg suburban apartments). On the other hand, rapid price increases can fuel land banking, where landowners expect continued future increases.

In general, if dwelling prices are rising, we would expect to see dwelling building consent numbers rise in response. If prices are rising without evidence of growth in consents, it may indicate a constraint on supply and should motivate further investigation.

Variations in prices between different areas may reflect a range of factors, including differences in demand for housing due to different wage levels or different levels of consumer and natural amenities; or imbalances between demand and supply due to constraints on housing development. Where price differences persist over long periods of time and coincide with similar rates of housing supply, they are more likely to reflect differences in demand.

Price trends reflect many different forces acting in the market, including but not limited to the effect of urban planning policies. Developing a narrative about which factors are driving price trends is challenging but can provide useful insights for a local authority's planning response to these trends.

Nominal dwelling rents – (SGDT Ref: Section 4.2)

Technical notes

This indicator reflects nominal mean rents as reported in bonds lodged with HUD, in dollars.

The data is for private bonds (private landlords) and hence excludes social housing.

The mean used is the geometric mean. The reason for using this mean is that rents cluster around round numbers, and tend to plateau for months at a time (spiking up by say \$10 or \$20 at a time). This makes analysis of time series difficult and using the geometric mean is a way of removing this clustering effect.

There are a number of caveats on these data series:

- Property type is self-reported so can be inconsistent, particularly the distinction between apartment and flat as there is no clear separation between these categories.
- It captures bonds at the time of lodging (typically at the start of a tenancy), so doesn't reflect subsequent changes in these rents. It will therefore tend to understate the rent over the term of a tenancy.

Interpretation

Like the median dwelling sale price indicator shown in Figure 13, this measure provides a broad and recognisable picture of absolute rent levels, and should therefore be the starting point for analysing trends in rents. In general, strong and persistent growth in rents indicates, even more strongly than house price increases, that housing supply is insufficient to meet demand.

This is because rents tend to be more sensitive to income levels than dwelling prices, and on average, renters also have lower incomes than home owners. For this reason, rent increases tend to follow incomes more closely than house prices and are less volatile.

Estimates of mean rents at a local level may be affected by the composition of rental stock (ie the size and type of rental dwellings). This does not vary markedly between territorial authority areas. However, there may be significant differences between suburbs that may make a 'like for like' comparison difficult. For instance, the Auckland city

¹⁴ National Policy Statement on Urban Development Capacity: Guide on Evidence and Monitoring, Ministry of Business, Innovation and Employment and the Ministry for the Environment, June 2017

centre has a high proportion of one bedroom apartments while other suburbs are dominated by three-bedroom stand-alone houses. More disaggregated data on rent trends for different types of rental accommodation is available on the HUD website.

The rental stock is typically of lower quality and less well maintained than owner-occupied dwellings. This means that comparing average prices with average rents may be misleading as the characteristics of the average rental property are likely to be different than the characteristics of the average dwelling sale.

The chart above presents geometric median rents for five high-growth urban areas. It shows that:

- The cost of renting is highest in Auckland and lowest in Hamilton, which is consistent with differences in median sale prices between cities
- Rents in Christchurch rose rapidly after the 2011 Canterbury Earthquake, due to the shortage of housing resulting from earthquake damage, but they have fallen since the start of 2016.

To assist in interpreting data on rents, information on the share of households living in rented accommodation versus owner-occupied housing, and the characteristics of those households, is available on Statistics New Zealand's website.

Ratio of dwelling sales prices to rents – (SGDT Ref: Section 4.4)

Technical notes

This indicator shows the ratio of nominal median dwelling prices to nominal (geometric) mean rents. The geometric mean is used to help smooth the data by removing the "clustering effect" (where rents cluster at round number amounts).

House prices relate to the whole housing stock in the selected area, not just the rented stock. As owner-occupied housing tends to be of better quality and of higher value than rented stock—this ratio tends to over-state house prices (relative to the median price for rented housing only).

This relationship between rents and house prices is often expressed as a rental yield to investors using the same data, which is calculated by mean rents divided by the median house price.

Interpretation

This indicator reflects the relationship between median house prices and mean rents in the same geographical area.

The higher the house price/rent ratio:

- *The greater the gap between renting and buying.* A ratio of 30 indicates that the price of a median house is 30 times the mean annual rent paid. High ratios will tend to reduce home ownership rates due to it being more attractive or affordable for many to rent than to buy a dwelling.
- *The lower the average yield to an investor from renting out a dwelling.* Investors vary in their motivations for purchasing rental properties, and in the types of properties they are interested in owning. Income-focused investors will seek to maximise rental yields while others may be more motivated by the expectation of capital gains over the longer term. When increases in rents don't keep pace with house prices, investors increasingly rely on capital growth as a source of returns rather than rental yield.

Further analysis of trends in home buyers may assist the interpretation of this measure. CoreLogic has a "buyer classification" that disaggregates sales according to whether the purchasers are first home buyers, existing owner 'movers', or investors. This data also records where investors are based or movers are from, so is a useful indicator of the impacts of one local area on another.'

Housing affordability indicators – (SGDT Ref: Section 4.6)

Technical notes

HAM Buy and Rent measures have been released as an 'experimental' series that will eventually be turned into official statistics on housing affordability.

These measures use data on household incomes and rents from Statistics New Zealand's Integrated Data Infrastructure, Corelogic sales price information, and mortgage interest rates.

For potential home-owning households, HAM Buy calculates what their residual income would be after housing costs if they were to buy a modest (ie lower quartile) first home in the area in which they currently live. For renting households, HAM Rent calculates what their residual income would be after paying the rent.

Households are then classified as being either above or below a 2013 National Affordability Benchmark. This is set as the median affordability for all homeowners and renters, nation-wide, in June 2013.

HAM measures are available for territorial authorities, and also for Auckland wards. At the time this guidance was released, they were only available through the first quarter of 2016, ie with a one-year lag. This indicator will be updated to be more timely in future releases. For further information, refer to HUD's website.

Interpretation

The HAM indicators provide a picture of national and regional housing affordability trends, bringing together the impact of changes in house prices or rents, mortgage interest rates and incomes.

The indicators calculate how much money households have left over after paying for their housing costs. For renting households, HAM Rent reflects how much money is left over after paying rent for an appropriately sized dwelling in the area in which they currently live. For the population of potential first home buyers, HAM Buy reflects how much money they would have left over if they were to transition from renting to home ownership by purchasing a modest home in the area in which they currently live.

These residuals are then compared with a 2013 National Affordability Benchmark, which is the national average for all renting and home-owning households. Because renting households typically have lower incomes relative to housing costs than home owners, more than half of them fall below the 2013 National Affordability Benchmark.

A higher number on the charts indicates a lower level of affordability, as it indicates that more households fall below the affordability benchmarks, and vice versa.

It is most appropriate to use HAM Buy and HAM Rent to understand trends in housing affordability in a particular area. If the share of households that do not meet the affordability benchmark is rising, it indicates that housing is becoming less affordable in an area. Comparisons between cities may be less meaningful.

Differences in the level of HAM indicators between cities could reflect a combination of factors. For instance, Auckland and Wellington have lower HAM Rent indicators than other cities (indicating better rental affordability) in spite of the fact that rents in these cities are generally higher. This reflects the fact that renting households in these cities also have higher incomes.

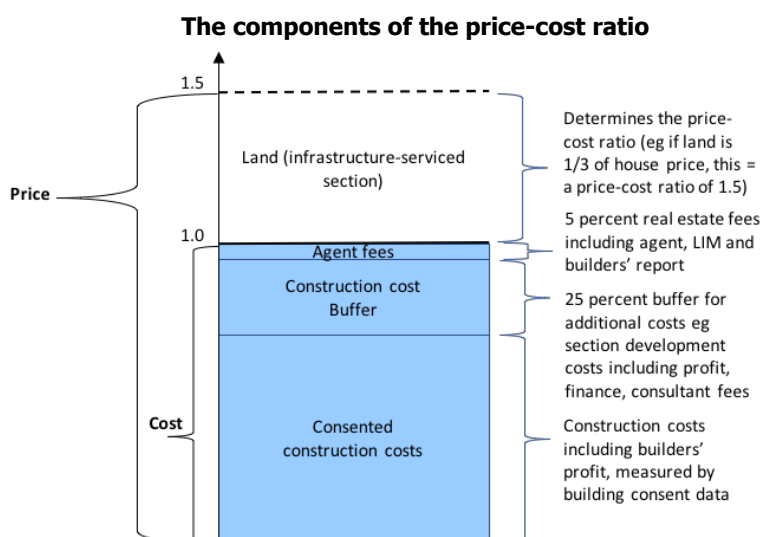
Given evidence that dwelling sale prices in several cities have risen significantly from 2016, it seems likely that home buyer affordability will have deteriorated. This should be picked up as the indicator is updated.

Price-Cost Ratio – (SGDT Ref: Section 6.1)

The price-cost ratio measures the relative contribution to house prices of:

- construction costs and purchase costs such as real estate agency fees
- land (infrastructure-serviced sections).

The ratios are developed by comparing the price of each house sold with the relevant building consent values, plus a 25 per cent “construction cost buffer”, and 5 per cent for real estate fees and other costs of buying a home. The amount left over is the imputed cost of land (the section). The results for each house are aggregated for urban areas. The price-cost ratio is 1.5 when the cost of a section comprises one third of the house price as illustrated below.



The price-cost indicator provides a general indication of how responsive land markets are to demand, relative to construction activity.

When there are enough infrastructure-serviced sections to meet demand, land should be a minor component of the cost of a home. The price of a home should mostly reflect the cost to build it. Construction and land prices might both increase commensurately with growth in demand.

But when there is a shortage of sections for some reason, land prices can push house prices far beyond construction costs. So the gap between house prices and construction costs – the *price-cost ratio* – can be used as a general indicator of the flexibility of land markets to accommodate new homes.

The price-cost ratios calculated for high and medium growth urban areas suggest that:

- Ratios below 1 might occur in places or times where there is no growth, with houses selling below the construction cost to replace them.
- Ratios between 1 and 1.5 (that is, where the cost of an infrastructure serviced section comprises up to one-third of the price of a home) are common where the supply of land and development opportunities are relatively responsive to demand. All New Zealand urban areas had price-cost ratios of between 1 and 1.5 about 20 years ago when land and housing markets delivered more affordable housing, and these ratios are still common in places where homes are cheaper.
- Ratios above 1.5 signal that the supply of sections and development opportunities is not keeping pace with demand and land prices are materially increasing house prices.

Rural-urban differentials – (SGDT Ref: Section 6.2)

Land price differentials quantify the difference in values of land either side of a boundary between one set of land-use regulations and another set of land-use regulations. These differentials can be expressed as ratios and as dollar differences.

The rural-urban differential is a specific type of differential. It compares the value of land zoned for residential urban development with the value of land zoned for non-urban development (primarily “peri-urban” land).

Rural-urban differentials show the costs to households of land use regulations that constrain development across the city and at the city boundary. The differentials do not account for any of the benefits of land use regulation. But using the dollar values in the dashboard can help local authorities evaluate both.

When costs are high, this indicates that insufficient development capacity is materially affecting the prices of residential sections and therefore homes. The rural-urban differential provides information about whether development capacity is *currently* sufficient. This should be considered alongside household growth forecasts and development feasibility modelling in the housing and business development capacity assessment.

Differentials can also be calculated to assess the impact of zoning for different activities or to assess the impact of different regulations within a zone (eg, restrictions on density, height etc.) These various types of differentials are illustrated in the figure below: (i) rural-urban differentials, (ii) industrial zone differentials, and (iii) differentials between properties subject to different regulations in the same zone.

Interpretation

Rural-urban differentials measure the impact on urban residential section values (and therefore costs to households) of land use regulations that constrain urban development capacity. The availability of infrastructure and the way it is funded may also have some impact.

Such regulations include zoning and restrictions on density, (height limits, section coverage etc.), to avoid, remedy or mitigate the effects of urban development. These make trade-offs between minimising environmental effects and development. They affect the size of the city, how much land is allocated to different uses and the density of land uses.

Significant and/or increasing rural-urban differentials signal that these regulations, while they may exist for positive reasons, also have high or increasing costs. This can be the case when there is rapid growth in demand for housing and land use regulations are not adjusted commensurately. A high differential indicates that these regulations have been overly constraining supply and there is a need to provide more development capacity.

The logic underpinning rural-urban differentials is:

- Prices for different properties vary by location reflecting the demand/supply balance for land and housing with particular attributes, such as proximity to the coast and town centres.
- In a well-functioning land market (one where overall supply can increase responsively to demand) similar properties will have similar values. Adjacent land parcels are likely to be more similar. Large differences (jumps) in prices for similar adjacent land that cannot be explained by differences in their underlying characteristics indicate that something else is distorting prices.
- If discontinuities in prices for similar land are observed at the edges of zones that allow urban development on one side but not on the other side, then it is reasonable to infer that the regulatory constraint on development is increasing prices.

A rural-urban differential above 1 signals that zoning and/or other regulations are constraining development capacity enough to increase urban land values. The dollar per hectare difference between urban and non-urban land can be divided by the typical number of sections per hectare, to produce an estimate of the cost per section (or per household).

If the differential shows that urban land is worth, say, twice the value of adjacent non-urban land, and there is a per section cost of more than \$100,000, it seems clear that current plans provide insufficient urban development capacity.

The NPS-UDC requires local authorities to address this situation by providing additional capacity and enabling development where people would like to live. This might include closer to the city centre as well as at the city fringe.

While a rural/urban differential signals the extent to which development capacity constraints are affecting land prices, it does not identify which regulations are causing this. It may be due to restrictions on densities, insufficient residential zoning compared to other uses, or limits to urban expansion.

Using rural-urban differentials

The differential is expressed both as a ratio (ie, urban land is valued at X times the value of non-urban land), and as a dollar amount per hectare (the dollar difference between urban and rural land). These measures have different uses. The ratio is easier to remember, while the dollar difference is useful for quantifying the costs of regulations, e.g. in Section 32 analyses. Ratios and dollar differences might not move in the same direction over time. If both urban and non-urban land values are increasing, the dollar difference might also increase but the ratio might stay the same. Both measures are best used in tandem.

Care needs to be taken when comparing rural-urban differentials between cities. Prices for land (both rural and urban) vary between locations according to their relative demand/supply, and the differentials do not adjust for this. For example, rural land outside of the Auckland region can be twice as expensive as rural land close to other urban centres, and urban land prices are also much higher, reflecting the value of locating in, or near, a much larger city. The higher land values of both might produce a more significant dollar difference between rural and urban land in Auckland than is observed elsewhere.

Land ownership concentration – (SGDT Ref: 6.3)

The land concentration control indicators provide information about how concentrated the ownership of undeveloped residentially zoned land is in different urban places. They indicate whether the decisions of a few individual land owners have the potential to significantly affect the supply and price of land for residential development, and hence affect housing supply.

The geographic starting point for land concentration indicators was the 'extended urban area' – which comprises the full area of territorial authorities that have jurisdiction over an area as defined by Statistics New Zealand in 2017. The Tauranga extended urban area includes the areas of Tauranga City and Western Bay of Plenty District. Three sets of information are provided for an extended urban area:

1. A table showing the total area of land zoned in the District Plan for urban residential development and the proportion of this that is 'undeveloped', alongside Stats NZ estimates of population for urban areas and zones.
2. An index of land concentration control of undeveloped land that is zoned for urban residential development. This index produces a single number from close to zero (highly distributed ownership where each parcel is the same size and is owned by different entity) and 10,000 (where all of the land would be owned by one entity).
3. A table identifying the largest owners of undeveloped land zoned for residential development, the number of cities and total area of land that they each own, and their share of the market; and a map of where the parcels are located.

Land concentration control indicators use three sources of data:

- CoreLogic's rating valuation data, which provides information on the zoning of individual sites within urban areas, existing land use, building floor area and property valuations, which are used to estimate capital/land value ratios
- Land Information New Zealand's (LINZ) land parcels and titles database, which provides information on parcel sizes and the names of people and/or companies listed as owners on the title
- Companies Office data on companies and their shareholders and holding companies, which can be matched to land title data to identify owners that are related via company structures.

The land ownership concentration indicators are designed to be used as a package. Together they indicate:

- how much undeveloped land is currently zoned for residential development in a local area (compared to other places)
- whether or not this land is held by a few land-owners that could have a disproportionate impact on its availability for development, and therefore on prices
- whether land that might be zoned for urban residential development in the future would be concentrated in the lands of a few land-owners, leading to an uncompetitive situation in future
- where is the land owned by the most significant land-owners.

The indicators indicate whether concentrated land ownership can help explain high or increasing price-cost ratios up until now and provides a picture of what could happen in the future. This can help inform future development strategies that identify the location and timing of rezoning and infrastructure provision.

Appendix 2

Explanation of Development Terms

"Urban" refers to subdivisions or dwelling consents in:

Western Bay of Plenty District - Residential, Future Urban, Commercial, Industrial, or Multi zones.

Tauranga City – Suburban Residential, High Density Residential, City Living, Wairakei Residential, Papamoa East Employment, Town Centre Core (Wairakei), Town Centre Fringe (Wairakei) Marae Community (Urban), Rural-residential, Commercial and Industry zones.

"Rural" refers to subdivisions or dwelling consents in:

Western Bay of Plenty District - Rural, Rural-residential or Lifestyle zones.

Tauranga City – Rural, Rural Marae Community), and Te Tumu Future Urban zones.

Other terms used:

Western Bay of Plenty District – "Other urban areas" refers to minor urban areas such as Maketu, Pukehina, Paengaroa, Tanners Point, Kauri Point etc.

Tauranga City – "Coastal Strip" refers to Mt Maunganui-Papamoa, specifically the area units of Mt Maunganui North, Omanu, Matapihi, Arataki, Te Maunga, Pacific View, Palm Beach, Gravatt, Papamoa Beach East, Palm Springs, and Doncaster. "Tauranga" refers to all other area units in Tauranga City.

Greenfield UGA – Greenfield Urban Growth Area.

SP – Structure Plan.

Subdivision Process

Subdivisions go through a staged approval process that can last up to eight years.

Stage 1 Subdivision Plan

Subdivision is approved by the Council under section 104 of the Resource Management Act 1991 (RMA). This approval has a legal life of up to 5 years.

Stage 2 Survey Plan

This is approved under section 223 RMA. This approval has a legal life of up to 3 years.

Stage 3 Final Approval

Occurs under section 224 RMA. This is confirmation that all conditions of the subdivision consent have been complied with. After the Council issues a Section 224 Certificate individual property titles can be issued, once the subdivision proceeds to title issue under the Land Transfer Act. It is assumed for monitoring purposes that all Section 224 Certificates proceed to title issue.

A distinction is made between subdivisions approved and additional lots created at the Section 224 Certificate stage. The number of subdivisions approved does not necessarily indicate the likely future number of new lots created in the District, and hence the demand for services.

A more accurate indicator of growth is additional lots created at Section 224 approval stage. For monitoring purposes, this figure is used to interpret land uptake rates (along with dwelling consent data)

and vacant land supply. In the Western Bay of Plenty District the ratio of urban land uptake in Greenfield UGA's to rural subdivision is expected to increase as infrastructure is improved at Waihi Beach, Katikati, Omokoroa and Te Puke.

In Tauranga City, the uptake of urban land in Greenfield UGA's is calculated from Section 224/new title information to indicate the proportion of planned capacity that has been "urbanised". The predictive value of this measure is reduced in the infill area primarily in areas where unit title developments are more common (such as Mount Maunganui and Tauranga Central) as these are issued at the time of, or after, the building consent has been approved.

Before a subdivision reaches final approval stage, variations to the original application can be submitted to the Council. Either a variation or the original application may go through to final approval stage. For this reason variations are not included in the total subdivisions approved, so as not to count them twice.

Subdivisions are only indicative of development where additional lots to the original title or titles are created. For this reason all subdivisions reported on do not include resource consent approvals for boundary adjustments or access ways etc. that do not result in additional lots being created.

Building Consent Issue for Dwellings

Western Bay of Plenty District

In the Western Bay of Plenty District, building consents issued for new dwellings provide a good indicator of growth rates in different areas. It should be noted that where dwelling consents are referred to in this report, the figures include consents for new and resited dwellings, but not for additions or alterations to existing dwellings.

Tauranga City

Building consents issued for new dwellings make up about 45% of all building consents issued. New dwellings are recorded in a similar manner to the Western Bay of Plenty District, including new dwellings, relocated dwellings and conversions of existing buildings to dwellings; it does not include additions or alterations to existing dwellings. Where dwellings are demolished or removed from a site, or changed in use to a non-residential activity, they are deducted from the "new dwelling" count to produce an "additional dwelling" count for comparison with the SmartGrowth dwelling projections in Section 3.3 of this report.

Residential Growth Areas

Western Bay of Plenty District

These areas are the settlements of Waihi Beach (including Island View, Pios Beach, and Athenree), Katikati, Omokoroa and Te Puke. These areas have been identified as the urban growth centres for the District in the Western Bay of Plenty District Council.

All residential growth areas in the District; Te Puke, Katikati, Waihi Beach and Omokoroa, are now serviced by comprehensive sewerage schemes while the communities of Maketu/Little Waihi and Pukehina are currently served by septic tanks. Plans for a wastewater collection, treatment and disposal system or transfer pipeline for these areas are currently progressing.

The Western Bay of Plenty District Plan contains different subdivision standards in recognition of the ability of areas to accommodate future growth. This is dependent upon infrastructure availability, particularly wastewater disposal.

- For unsewered urban areas, a minimum net lot size of 1600m² is required to subdivide, as the minimum net lot size is 800m². To allow for access ways, 1800m² is used for monitoring purposes for subdivision potential.
- For sewered urban areas, a minimum net lot size of 700m² is required to subdivide, as the minimum net lot size is 350m². To allow for access ways, 800m² is used for monitoring purposes for subdivision potential except in Omokoroa where a minimum lot size of 400m² is permitted in Stage 1 and a minimum of 600m² is allowed in the existing village.

For monitoring purposes, the future growth potential of areas is limited largely by the sewerage systems available.

Tauranga City

The Greenfield UGA's are the developing suburbs of Bethlehem, Pyes Pa, Pyes Pa West (the Lakes), Ohauti, Welcome Bay, Wairakei (Papamoa East) and Papamoa. The Greenfield UGA's are part of a comprehensive infrastructure planning approach to "greenfield" urban development. Areas outside the identified Greenfield UGA's do not have services supplied to them. In this way the Council manages the uptake of land for development.

The other significant areas of urban development is infill development in established residential areas, and residential intensification (currently limited to the Mount Maunganui High Density Residential zoned area northwest of Banks and Salisbury avenues, and the City Living zoned areas surrounding the Tauranga CBD) within established residential areas of Tauranga.

Vacant Land

Vacant residential land is generally identified in the sub-region as either *infill* or *greenfield*. Monitoring infill subdivisions tells us the rate of land uptake within established residential areas. Infill subdivisions are expected to continue to accommodate a substantial proportion of projected growth, especially close to main commercial areas.

In Western Bay of Plenty District, a subdivision yield of 11 sections per hectare is used for determining the development potential of residential greenfield areas. This figure is reflective of current development patterns. In Tauranga City, the yield varies from 9 to 15 sections per hectare in response to physical constraints (e.g. topography) and to the strategic intent for each Greenfield UGA structure plan.

Western Bay of Plenty District

Vacant residential land is identified in the Western Bay of Plenty District as either *infill* or *greenfield* determined by the size of the land parcel. This is reported on for the residential growth areas in the District.

Residential infill

existing urban areas of Western Bay District where a land parcel is 800m² or with the potential to enable subdivision to a minimum lot size of 350m². Except in Omokoroa where a minimum lot size of 400m² is permitted in Stage 1 and a minimum of 600m² is allowed in the existing village.

Residential greenfield

any land parcel which is subdivided within Greenfield UGAs (constituting "traditional" rezoning of rural land to residential, and subdivision and development for residential purposes).

In the Western Bay of Plenty District a practical figure of potential infill development is calculated by taking the number of developed lots over 800m² (sewered) and 1800m² (unsewered) in a residential zone and multiplying this figure by 56%¹.

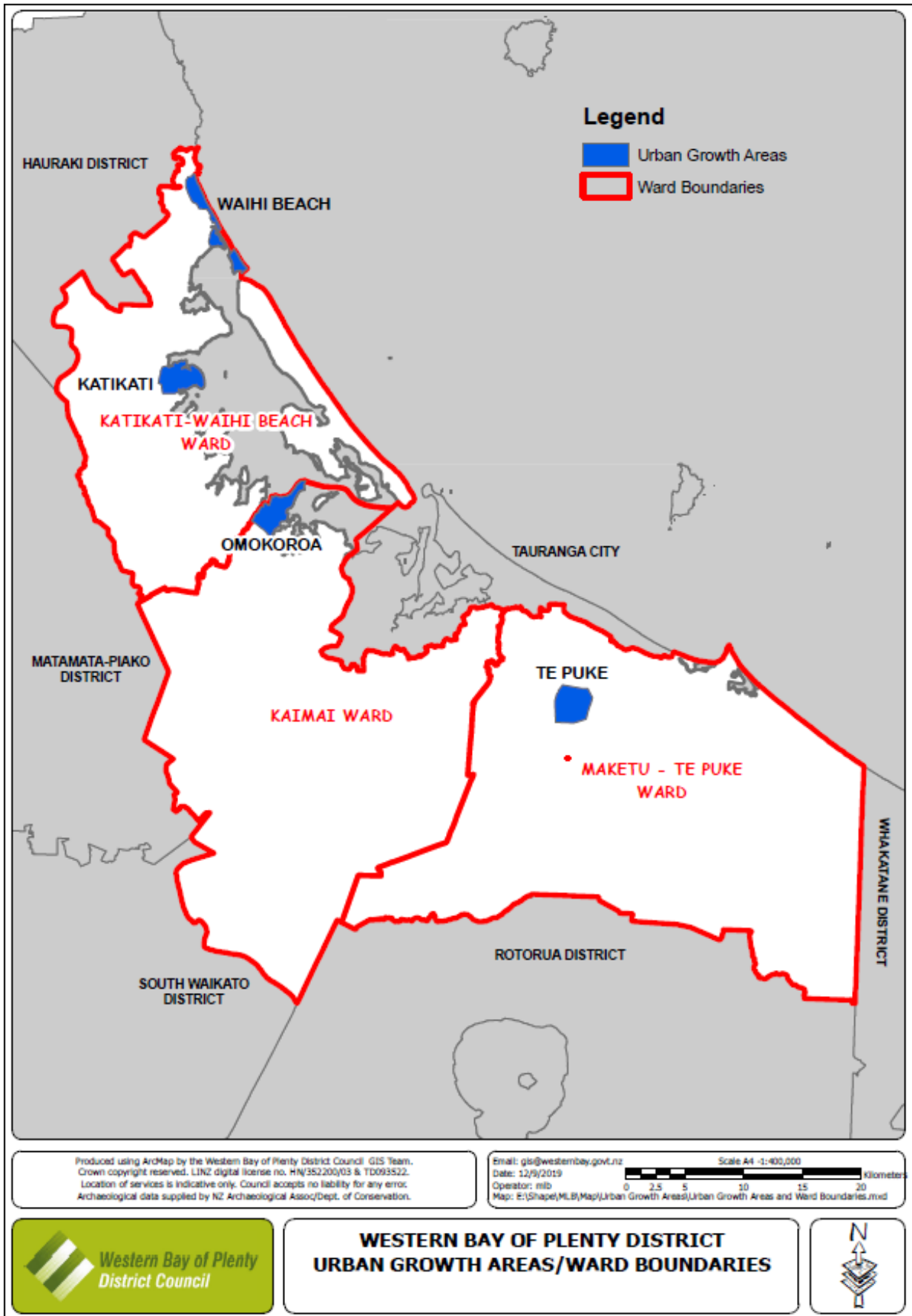
Tauranga City

Vacant residential land is classified in Tauranga City as either Infill, Rural Infill or Greenfield UGA. Within the infill areas some residential intensification is expected within identified Residential Intensification Areas and within general residential infill/ intensification areas where appropriate.

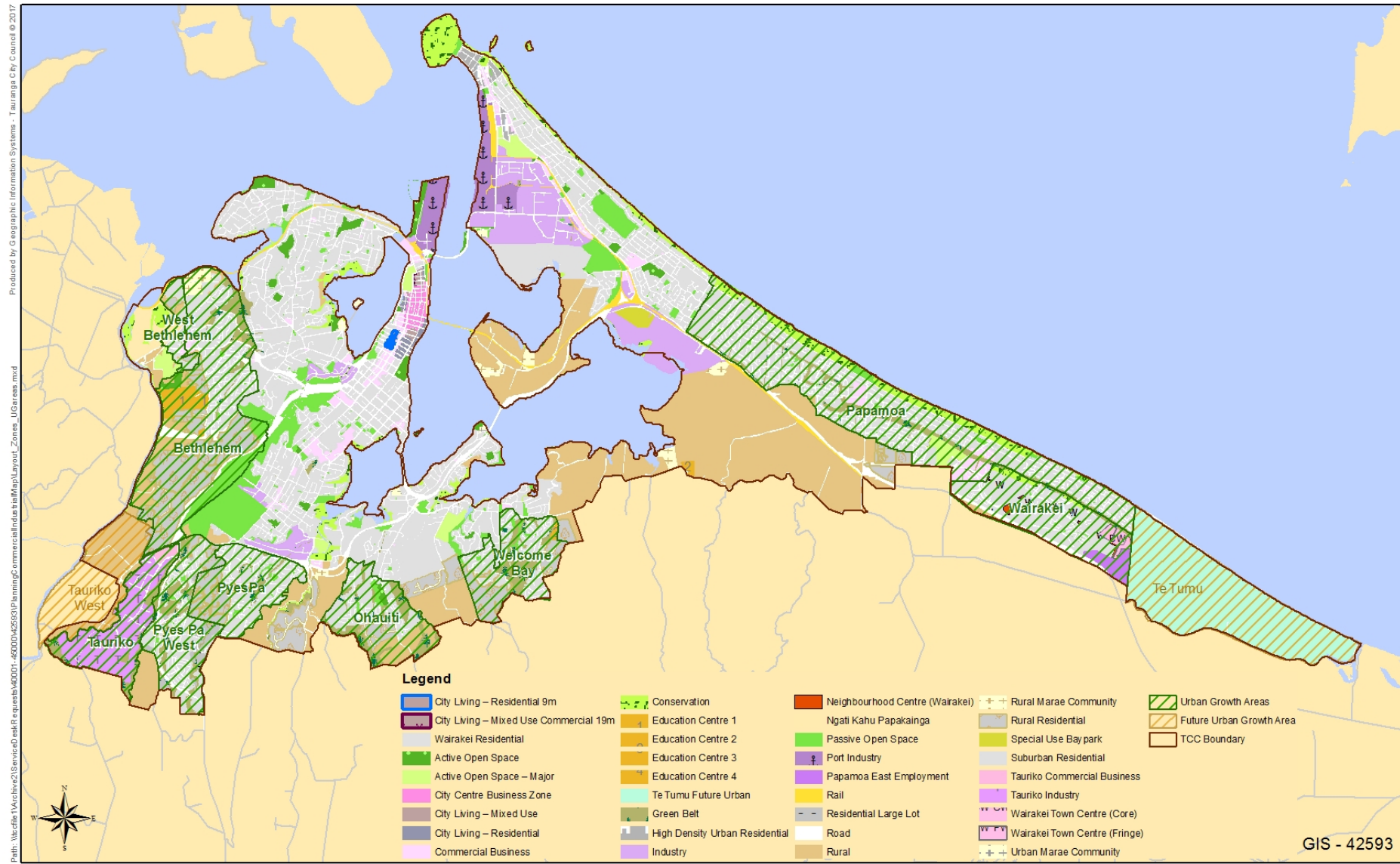
<i>Residential Intensification Areas</i>	currently this classification is applied to development within the High Density Residential zoned area in Mount Maunganui North, and City Living and City Centre zoned areas where greater density is permitted.
<i>Residential infill/ Intensification</i>	existing urban areas of Tauranga zoned Suburban Residential where a land parcel is 650 m ² or with the potential to enable subdivision to a minimum lot size of 325 m ² . Includes residential growth in other zones within the infill area such as in Commercial Business zoned areas.
<i>Rural Infill</i>	Areas of Tauranga City with Rural zoning outside the Greenfield UGA's
<i>Residential Greenfield UGA's</i>	any land parcel which is subdivided within Greenfield UGA's (constituting "traditional" rezoning of rural land to residential, and subdivision and development for residential purposes).

¹ Theoretical calculations assume that every developed lot has only one dwelling, and that it is positioned in such a way that there is enough spare land to locate an additional dwelling. This of course is incorrect and a theoretical figure is produced when all of these properties are calculated. To obtain a more realistic figure of properties that could be further developed, the theoretical figure is multiplied by 56% to give a practical figure. This percentage was obtained through a desktop analysis of aerial photographs of Waihi Beach in late 1998. A sample area was examined to obtain a realistic number of developed properties that had potential for further development, without shifting the existing dwelling, and a comparison made back to the theoretical figure calculated for that exercise.

Appendix 3 Western Bay of Plenty District Development Map

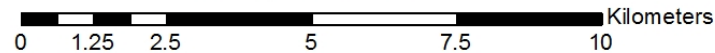


Tauranga City Development Map



PLANNING ZONES AND URBAN GROWTH AREAS

- Tauranga City Council -



Information shown on this plan is indicative only. The Council accepts no liability for its accuracy and it is your responsibility to ensure that the data contained herein is appropriate and applicable to the end use intended.

Appendix 4

Dwelling Occupancy by Census Area Unit – Western Bay of Plenty District and Tauranga City.

Stats NZ change the geographical areas in 2017 and the Census Area Units (CAU) changed to Statistical Area 2 (SA2). The 2018 Census results were released at SA2 level.

Western Bay of Plenty District (2018 Census)

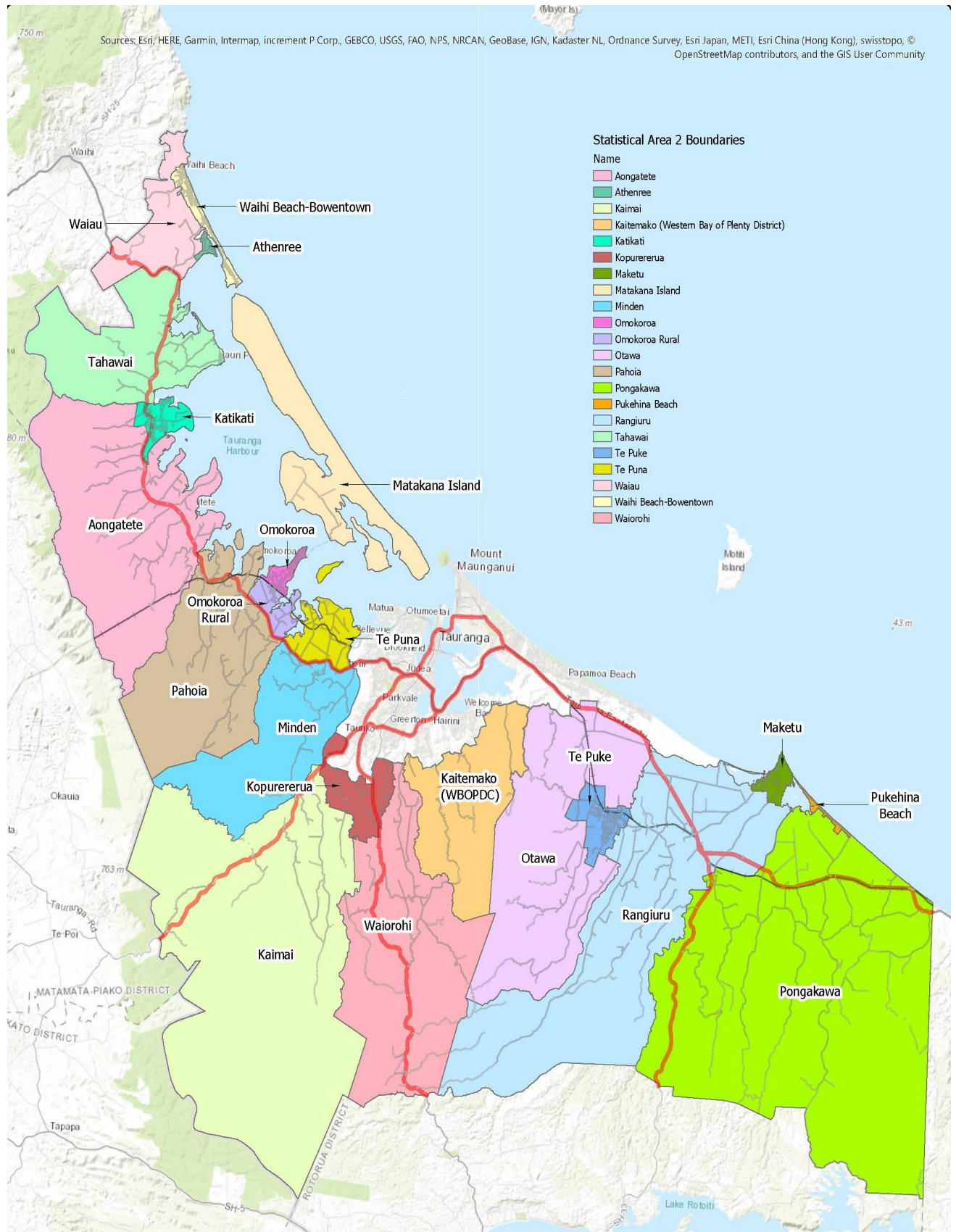
Statistical Area2	Population	2018 Occupied Dwelling Count	2018 Unoccupied Dwelling Count	Total Dwellings 2018	Unoccupied/ Total Ratio (%)
Waihi Beach-Bowentown	2,484	1,071	1,410	2,481	57
Athenree	804	297	117	414	28
Waiau	333	123	45	168	27
Tahawai	1,833	744	87	831	10
Aongatete	3,279	1,305	108	1,413	8
Katikati	5,010	2,040	147	2,187	7
Matakana Island	183	78	21	99	21
Omokoroa	3,210	1,323	177	1,500	12
Omokoroa Rural	744	282	24	306	8
Te Puna	2,262	750	48	798	6
Pahoia	3,198	1,164	78	1,242	6
Minden	2,133	717	48	765	6
Kaimai	2,028	681	48	729	7
Kopurererua	1,167	417	33	450	7
Kaitemako (WBOPD)	1,752	609	30	639	5
Waiorohi	2,520	825	96	921	10
Otawa	1,932	666	57	723	8
Rangiuru	2,676	879	102	981	10
Pongakawa	3,081	1,083	138	1,221	11
Maketu	1,197	414	138	552	25
Pukehina Beach	804	339	324	663	49
Te Puke	8,688	2,805	159	2,964	5
TOTAL	51,318	18,612	3,435	22,047	16

Tauranga City (2018 Census)

Statistical Area2	Population	2018 Occupied Dwelling Count	2018 Unoccupied Dwelling Count	Total Dwellings 2018	Unoccupied/ Total Ratio (%)
Matua North	2,844	1,134	81	1,215	7
Mount Maunganui North	3,720	1,575	897	2,472	36
Matua South	2,523	939	63	1,002	6
Bethlehem North	3,387	1,329	99	1,428	7
Bellevue	3,825	1,290	51	1,341	4
Otumoetai North	4,266	1,839	117	1,956	6
Otumoetai South	3,780	1,443	78	1,521	5
Brookfield West	2,928	1,086	51	1,137	4
Bethlehem Central	4,125	1,557	57	1,614	4
Brookfield East	2,808	1,017	51	1,068	5
Mount Maunganui South	3,021	1,107	222	1,329	17
Tauranga Central	3,072	1,134	150	1,284	12
Mount Maunganui Central	309	132	42	174	24
Judea	2,640	1,017	45	1,062	4
Te Reti	1,839	624	24	648	4
Bethlehem South	1,083	351	18	369	5
Omanu Beach	2,916	1,119	168	1,287	13
Tauranga Hospital	2,328	789	78	867	9
Tauriko	177	60	3	63	5
Gate Pa	3,996	1,344	99	1,443	7
Greerton South	720	261	18	279	6
Tauranga South	4,950	2,001	183	2,184	8
Arataki North	3,153	1,242	138	1,380	10
Matapihi	720	192	21	213	10
Pyes Pa West	3,447	1,206	87	1,293	7
Greerton North	3,402	1,416	114	1,530	7
Yatton Park	2,595	798	69	867	8
Pyes Pa North	4,620	1,662	87	1,749	5
Arataki South	2,844	1,005	138	1,143	12
Pyes Pa South	1,419	456	24	480	5
Poike	774	261	18	279	6
Te Maunga North	3,234	1,434	177	1,611	11
Maungatapu	2,847	1,074	69	1,143	6
Hairini	3,324	1,233	84	1,317	6
Pyes Pa East	651	201	15	216	7
Te Maunga South	4,140	1,713	150	1,863	8
Kaitemako (Tauranga City)	1,467	507	36	543	7
Ohauiti	3,243	1,224	45	1,269	4
Baypark-Kairua	642	168	24	192	13
Welcome Bay West	2,778	915	66	981	7
Welcome Bay East	2,508	852	48	900	5
Pacific View	3,036	1,074	66	1,140	6
Welcome Bay South	3,441	1,113	48	1,161	4
Palm Beach North	3,159	1,089	81	1,170	7
Palm Beach South-Gravatt	3,834	1,470	129	1,599	8
Papamoa Beach North	2,766	975	114	1,089	10
Doncaster	3,123	1,077	66	1,143	6
Papamoa Beach South	2,688	1,014	138	1,152	12
Motiti	3,321	1,152	174	1,326	13
Wairakei	3,351	1,236	99	1,335	7
TOTAL	137,784	50,907	4,920	55,827	9

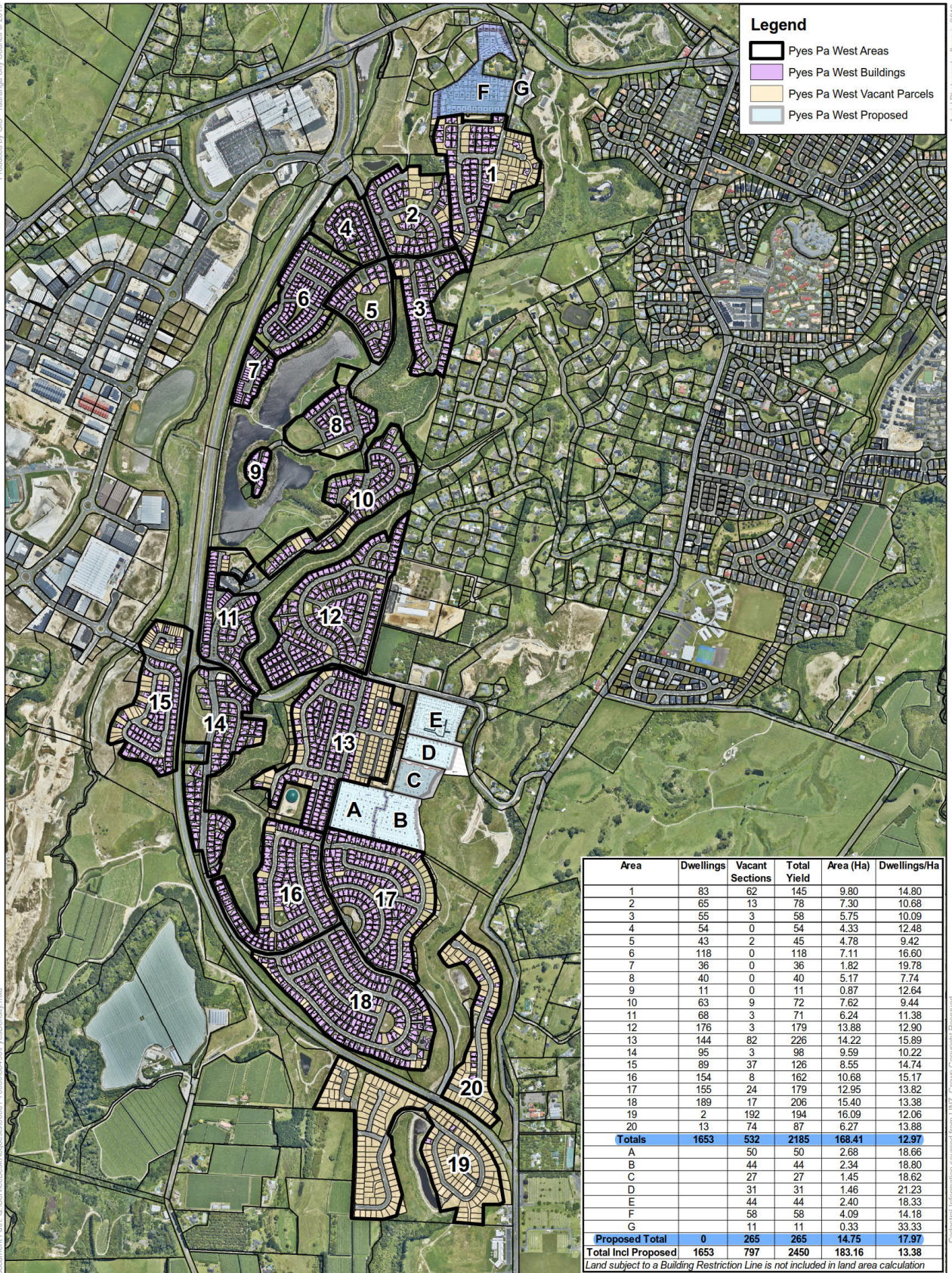
Appendix 5

Western Bay of Plenty District Statistical Area 2 Map



Tauranga City Density Maps

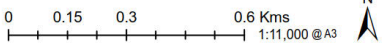
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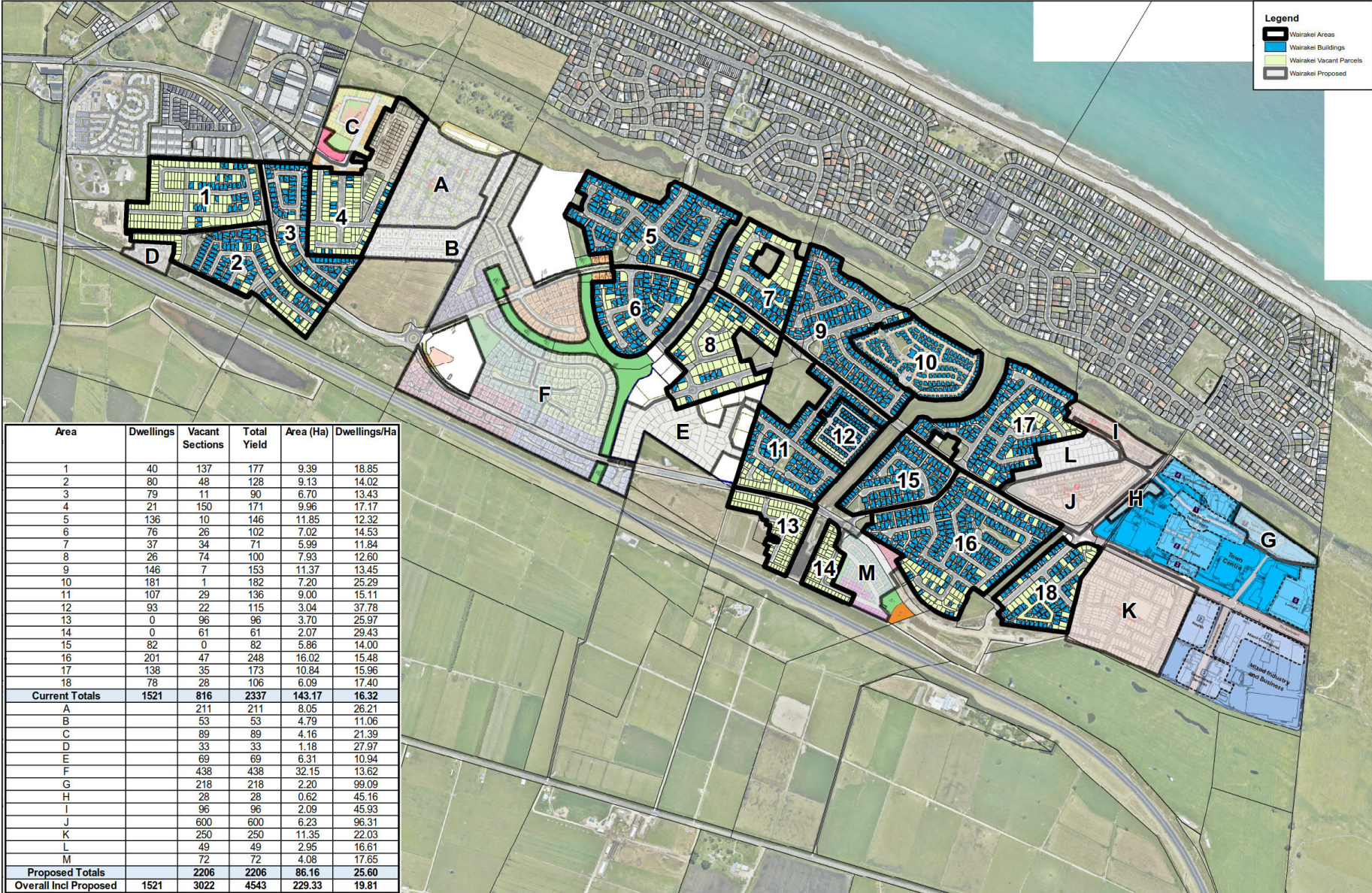
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Pyes Pa West Dwelling Density



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Area	Dwellings	Vacant Sections	Total Yield	Area (Ha)	Dwellings/Ha
1	40	137	177	9.39	18.85
2	80	48	128	9.13	14.02
3	79	11	90	6.70	13.43
4	21	150	171	9.96	17.17
5	136	10	146	11.85	12.32
6	76	26	102	7.02	14.53
7	37	34	71	5.99	11.84
8	26	74	100	7.93	12.60
9	146	7	153	11.37	13.45
10	181	1	182	7.20	25.29
11	107	29	136	9.00	15.11
12	93	22	115	3.04	37.78
13	0	96	96	3.70	25.97
14	0	61	61	2.07	29.43
15	82	0	82	5.86	14.00
16	201	47	248	16.02	15.48
17	138	35	173	10.84	15.96
18	78	28	106	6.09	17.40
Current Totals	1521	816	2337	143.17	16.32
A		211	211	8.05	26.21
B		53	53	4.79	11.06
C		89	89	4.16	21.39
D		33	33	1.18	27.97
E		69	69	6.31	10.94
F		438	438	32.15	13.62
G		218	218	2.20	99.09
H		28	28	0.62	45.16
I		96	96	2.09	45.93
J		600	600	6.23	96.31
K		250	250	11.35	22.03
L		49	49	2.95	16.61
M		72	72	4.08	17.65
Proposed Totals	2206	2206	86.16	25.60	
Overall Incl Proposed	1521	3022	4543	229.33	19.81

Wairakei Dwelling Density

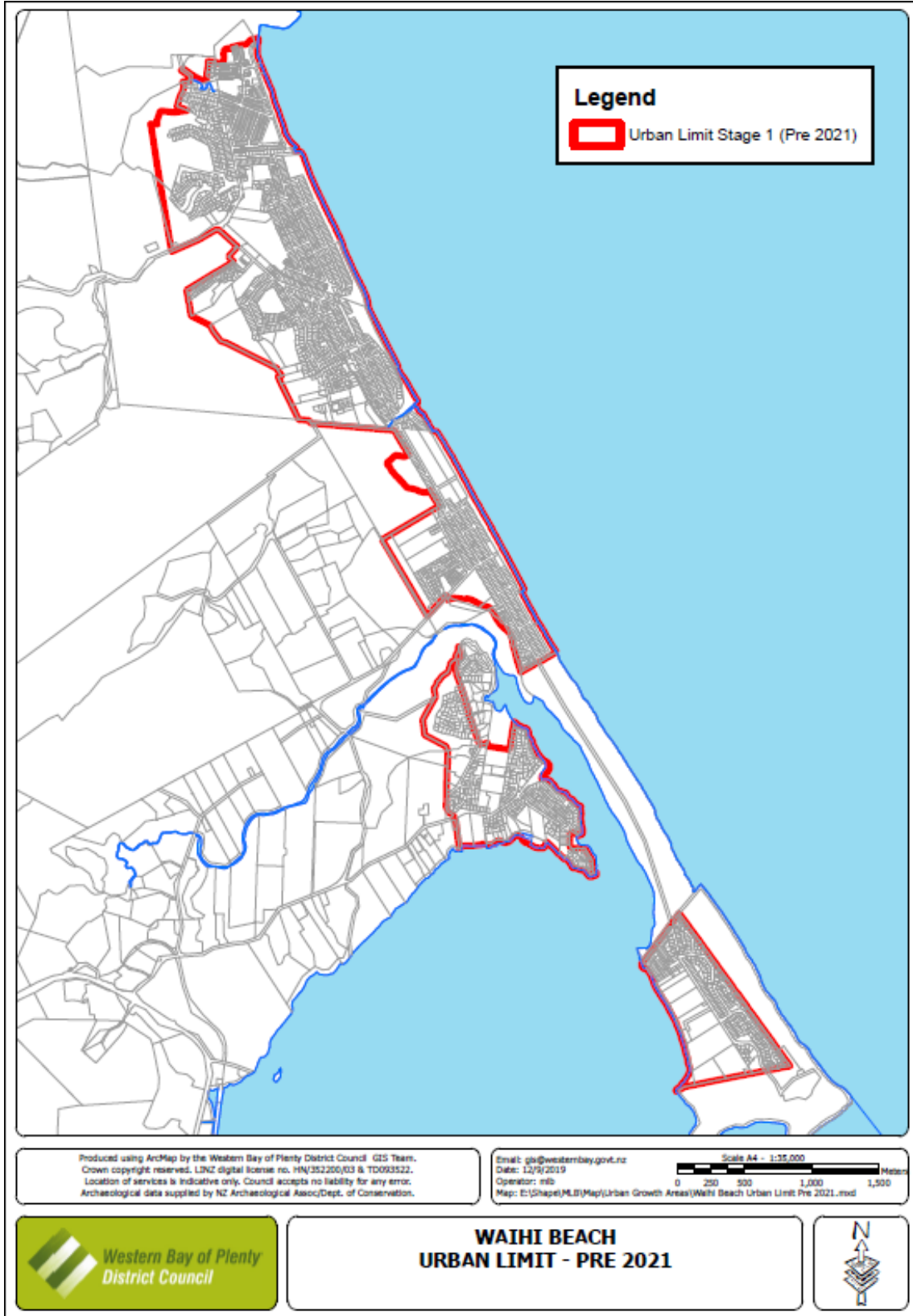
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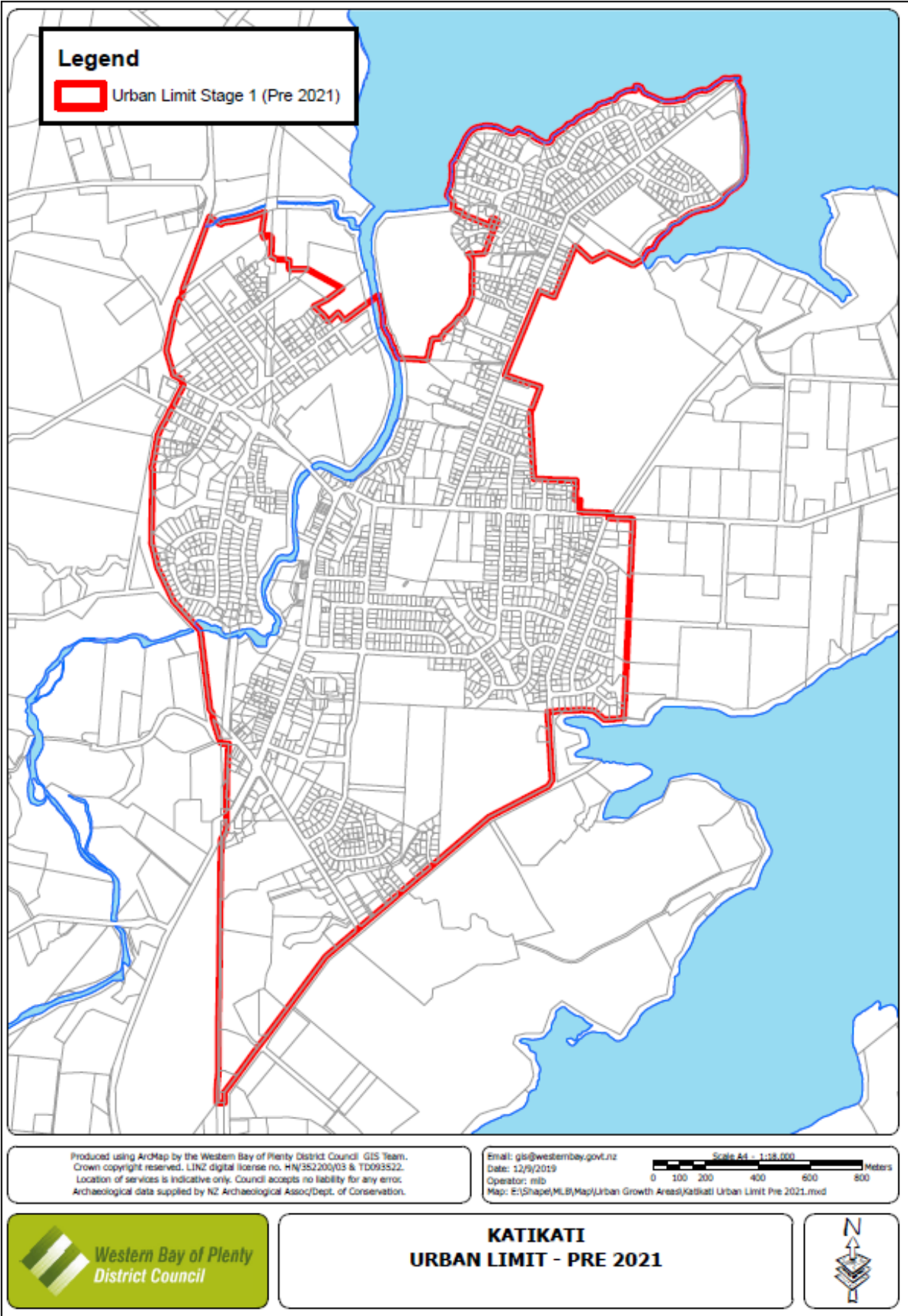


Appendix 7 Western Bay of Plenty District Stage 1 Areas for Urban Growth Area Sequencing

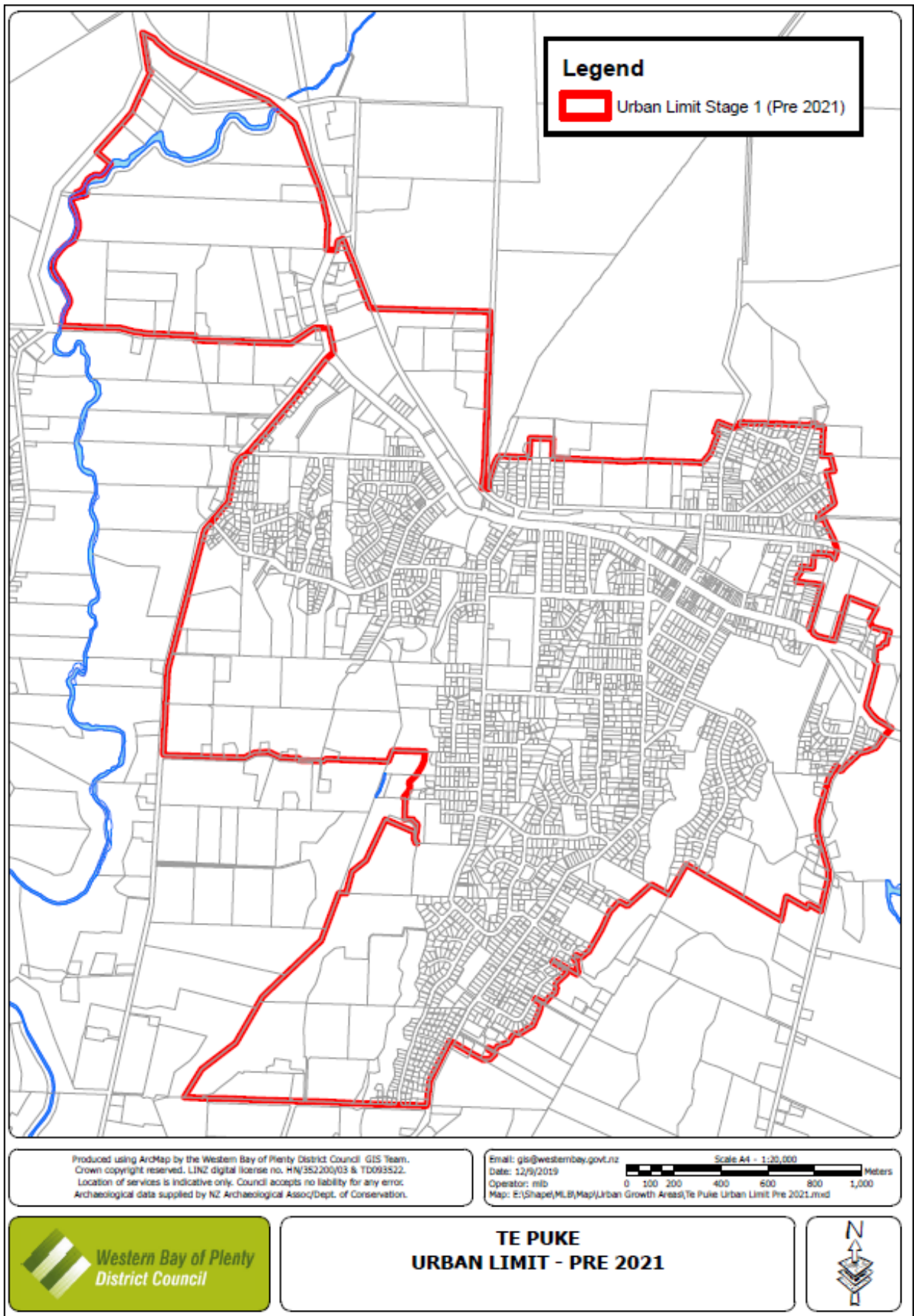
Waihi Beach



Katikati



Te Puke



Omokoroa

