



**GREAT LAKE TAUPŌ**

Taupō District Council

# TAUPŌ DISTRICT 2050

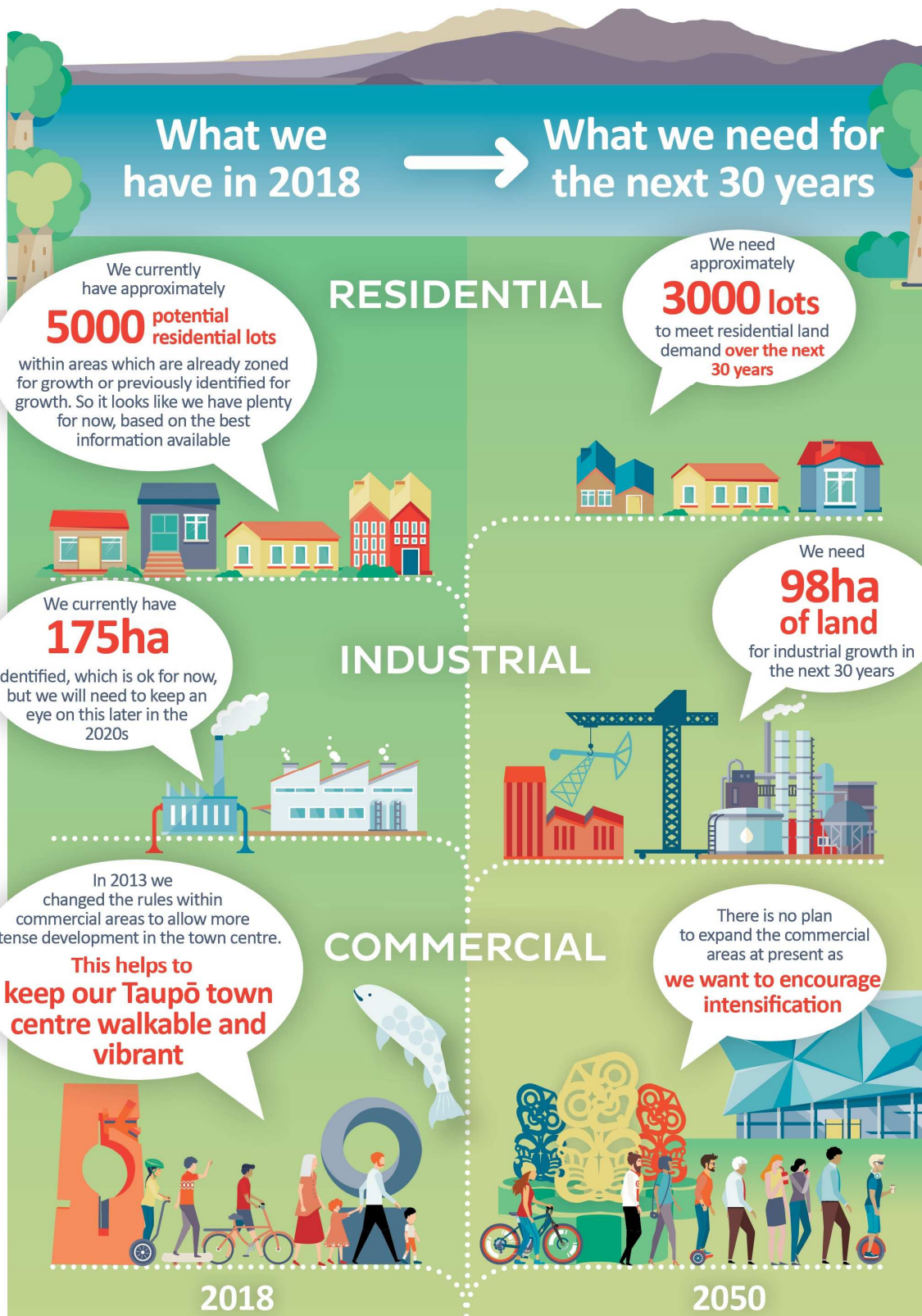
District Growth Management Strategy

*Draft Refresh of TD2050 2006*

<b>1</b>	<b>Taupō District 2050 background</b>	<b>4</b>
1.1	Background	5
<b>2</b>	<b>Vision and Direction</b>	<b>7</b>
2.1	Council Vision and Core Values	7
2.2	TD2050 Strategic Directions	8
<b>3</b>	<b>Future development pattern</b>	<b>9</b>
3.1	Development Pattern for the Taupō District	9
3.2	Managing Residential land	11
3.3	Managing Rural Land	12
3.4	Managing Commercial land	13
3.5	Managing Industrial land	14
3.6	Tangata Whenua and Multiply-owned Māori land	15
<b>4</b>	<b>Basis for TD2050</b>	<b>18</b>
4.1	Assumptions	18
4.2	The Demographic Snapshot	19
4.3	Anticipated capacity and demand	21
4.4	Matching Growth to Demand	21
4.5	Minimising Community Costs	22
4.6	Compact, Vibrant and Adaptable Communities	22
4.7	Whareroa North	22
<b>5</b>	<b>Next steps</b>	<b>23</b>



# 1 TAUPŌ DISTRICT 2050 BACKGROUND



## 1.1 Background

Taupō District 2050 (TD2050) is a growth management strategy which outlines where Taupō District Council (Council) anticipates future urban growth to occur and the nature and scale of such growth. TD2050 is a review of the original version of TD2050 (TD2050 (2006)) created in 2006. It has been more than ten years since TD2050 2006 was developed and there have been some significant shifts within the planning framework and in the population and demographic projections for the Taupō District, the region and New Zealand.

TD2050 2006 was developed at a time when Council had a limited set of tools to manage urban growth. Council now has tools like development contributions, financial and infrastructure strategies to support the management of growth. This means this version of TD2050 can focus on ensuring there is a sufficient supply of land for the anticipated residential, commercial and industrial growth.

In the early 2000's Taupō was facing three key issues that drove the direction of TD2050 2006:

- ➔ Council needed to change the way the District Plan managed the effects of urban growth. The Proposed District Plan had created an ad hoc approach to development of residential living opportunities in the rural areas. The case by case consideration of subdivisions made it difficult to take into consideration cumulative effects of new developments. There was also growing pressure on Council to extend the town's infrastructure but no certainty about where future development would take place.
- ➔ The ongoing use of the Wairākei Tauhara geothermal field by Contact Energy was creating tensions with the growth of Taupō town. The use of the geothermal field to generate electricity was resulting in some areas of subsidence. Council wanted to ensure the town could continue to grow without being adversely affected by that subsidence, while Contact Energy wanted to protect their rights to continued use of the resource.
- ➔ The funding for the East Taupō Arterial was in question due to concerns about the Council's management of urban growth. Council required a significant investment for the New Zealand Transport Agency (NZTA) to build the road, however NZTA was concerned uncontrolled urban expansion might undermine the investment.

To address these issues TD2050 2006 established a long-term vision and strategy for land use and development. This included identification of land to be rezoned for future urban growth and a requirement for detailed structure planning for the remaining future growth areas. This was supported by a clear signal that urban development in the rural areas would not be permitted to avoid the cumulative effects of uncontrolled growth. The strategy also identified the East Taupō Arterial as the "urban fence" to the east of Taupō town, to help secure funding for the new road and to reduce the impacts on the town's growth on the geothermal field.

To make sure these fundamental changes to the way that growth was managed were successful, Council made a number of consequential changes:

- ➔ A philosophical change in the direction of the District Plan through Plan Changes 19-21 in 2010 to provide more direction on where urban development was appropriate. Growth areas that were ready to go were

rezoned, while the requirement for structure planning and a plan change was put in place for future growth areas requiring more detailed work.

- ➡ The development of the Māpara Valley Structure Plan (2009) and a subsequent district plan change and the designation of the West Kinloch Arterial (WEKA) route between Taupō and Kinloch through the Māpara Valley;
- ➡ The development of the Commercial Industrial Structure Plan (2011) and subsequent district plan changes to zone more industrial land and make it easier to develop in the town centre. This planning also emphasised the Taupō town centre as the primary commercial centre and restricted commercial development in other areas; and
- ➡ The development of the South-Western Settlements Structure Plan (2013).

In reality the district has not seen the level of growth that had been anticipated back in 2006. This is partly due to the Global Financial Crisis that started in 2008, which slowed the economy and caused a step change in the flow of credit to facilitate development. This is particularly relevant in a district where approximately one third of the housing is holiday homes.

Council's understanding of future demographic projections has also improved. In 2006 Council had anticipated residential growth would continue for the foreseeable future. This meant land could be identified for future urban growth and it would then be a matter of time before it was utilised. We now have the information from the Census in 2006 and 2013 and Statistics New Zealand have significantly changed their projections. The district's usually resident population is expected to peak in the late 2030's before going into decline. This has forced a rethink on how much land might be required for urban growth.

There have also been a number of other changes which have necessitated a refresh of TD2050 2006:

- ➡ A number of growth areas identified in 2006 covered areas of multiply-owned Māori land. At the time it had been assumed that they would be developed in a conventional manner, however multiply-owned Māori land tenure and the market have meant traditional development mechanisms have not worked and forced a reconsideration.
- ➡ New responsibilities under the National Policy Statement on Urban Development Capacity which reinforce a need for integrated planning;
- ➡ Identification of the Council's top challenges within the Challenges Report, which was adopted by the Council in 2018 and helps to drive decision making and priorities;
- ➡ The 2014 amendments to the Local Government Act 2002 placing an emphasis on asset management planning as part of the Council's prudent stewardship of resources and a requirement to prepare an infrastructure strategy for at least a 30 year period and incorporate this within its Long term plan (LTP);
- ➡ The adoption of the new Council Vision to be the most liveable and prosperous district by 2022;
- ➡ The District Plan is due for review and will need to have the future development pattern embedded within it.

## 2 VISION AND DIRECTION

### 2.1 Council Vision and Core Values

TD2050 will help contribute to the overarching Council Vision to be:

***The most prosperous and liveable district in the North Island by 2022.***

Council wants the District to be the 'Heartbeat of the North Island' not only by its geographical position, but by creating world class, authentic and resilient communities people want to be a part of. A district to be known for its charm, to be vibrant, and to deliver a quality experience for both residents and visitors, while creating real value in what we offer and by the way we do things. We will work closely and collaboratively with our partners to ensure the best possible outcomes are achieved for our community, including iwi, and to maximise any opportunities. The core values to guide decision making in achieving the vision are:



World class – The work we do will maintain - and build on - our international reputation as a destination of choice. We will promote an excellent quality of life for our residents while protecting the natural environment that makes our district so special.



Authentic – We will be open and transparent in the way we carry out our business and offer an experience that is genuine and real.



Resilient – Our plans, infrastructure and work programmes will be designed to ensure we are prepared to withstand or recover quickly from disasters and/or difficult situations. We will be flexible and respond quickly to change.



Charming – Our district's reputation will be built on the attractiveness of our towns, the diversity of the experiences we offer, and the friendliness of our people.



Vibrant – The vibrancy of our district will be created by well-connected communities who work together to create a positive, fun environment people want to call home.



Quality – We will enable people to prosper by working to keep unemployment low, housing affordable and ensuring whatever we do is the best it can be.









Value – We will retain and attract residents and businesses by ensuring the district remains affordable and ensuring the work we do creates a better life for people and their families.

## 2.2 TD2050 Strategic Directions

Council's Vision and Values have been translated into six strategic directions related to the ongoing management of growth:

- ➔ Plan for a **district characterised** by contained urban communities, bordered by a productive, functional rural environment.
- ➔ Design and plan compact, walkable and adaptable **urban areas**.
- ➔ Create vibrant, diverse **places and spaces** where people love to live, work, play and invest.
- ➔ Recognise **tangata whenua**, cultural identity and build strong, collaborative relationships.
- ➔ Provide the platform for a **sustainable economy**.
- ➔ Integrate sustainable **infrastructure** provision, land use and funding.

The TD2050 Strategic directions link to and contribute in the achievement of Council's core values as shown on the following table:

TD2050 Strategic Directions	Related Council Values
1. Plan for contained urban communities, bordered by a productive, functional rural environment.	
2. Design and plan compact, walkable and adaptable urban areas.	
3. Create vibrant, diverse places and spaces where people love to live, work, play and invest.	
4. Recognise tangata whenua cultural identity and build strong, collaborative relationships.	
5. Provide the platform for a sustainable economy.	
6. Integrate sustainable infrastructure provision, land use and funding.	



# 3 FUTURE DEVELOPMENT PATTERN

---

## 3.1 Development Pattern for the Taupō District

Map 1 – Northern Growth Areas



# Map 2 - Southern Growth Areas



Land identified as Residential – ready to go, is currently zoned by the District Plan and can be developed on at any time. Future residential growth areas are not zoned as residential within the District Plan and require some further planning to establish how the land will be developed and the infrastructure requirements.

## 3.2 Managing Residential land

The previous growth management frameworks put in place have ensured Taupō has maintained its compact, walkable town centre by limiting commercial growth outside the town centre. This approach is to be continued but with renewed focus on the residential environments.

Territorial authorities are now obligated to ensure that urban land is used efficiently. Intensification/infill is allowing additional subdivision or development rights within residential areas that are already developed. It may involve an additional building being built/added to the site, or existing buildings being demolished and replaced with higher density dwellings. Permitting new areas for subdivision and providing expensive infrastructure when there is still capacity within existing areas is inefficient and imposes a greater cost on ratepayers, and the land consumed is then unavailable for other uses.

There is however, a balance to be met with how infill is carried out. Poorly done, intensification can lead to issues with privacy, light, noise, parking and amenity. Done thoughtfully, intensification can help to provide a diversity in housing types and lifestyles, especially meeting the needs of the increasingly ageing population.

During the District Plan Review it will be constructive to investigate with the community the level of intensification that is appropriate around the town centre and transport nodes. Best practice design will be critical in ensuring that infill leads to good liveability outcomes.

Housing choice is a critical question facing councils in New Zealand. An aging population requires a new way of thinking around how to plan for housing demand, location and type<sup>1</sup>. Initial research shows diversity in housing types will be essential as well as an increasing demand for lifetime designed spaces. The following factors have been identified as improving the well-being and overall satisfaction of occupants and need to be considered during the review of the District Plan:

- Increased light and ventilation;
- Attractive environments close to shops and amenities;
- Social networks nearby;
- Single level;
- Well-designed spaces which allow easy access but low maintenance;
- Security and safety; and
- Integration of different demographics within neighbourhoods.

---

<sup>1</sup> The Ageing Population and the potential impact on Taupō Housing Research Report, 2017, Perception Planning.

***We will:***

*Enable greater intensification of residential dwellings within and around the Taupō town centre.*

*Provide for a wide range of housing types to be developed.*

***How we will do this:***

<b>Action</b>	<b>Strategic Direction</b>	<b>Process</b>
1. Work with communities during the District Plan Review to inform the desired amenity and character outcomes.	District Character	District Plan Review
2. Maintain clear limits to the outer extent of all urban areas.	Urban Areas	District Plan Review
3. Amend the District Plan to reflect the land settlement pattern as per Maps 1 and 2.	District Character	District Plan Review
4. Revoke redundant Structure Plans: <ul style="list-style-type: none"><li>• Māpara Valley Structure Plan 2009;</li><li>• Taupō Urban Structure Plan 2004;</li><li>• Taupō Town Centre Structure Plan 2004.</li></ul>	District Character	District Plan Review
5. Enable and encourage higher density residential development in appropriate locations in Taupō town.	Urban Areas	District Plan Review
6. Amend the Southern Settlements Structure Plan 2013 as required.	Places and Spaces	District Plan Review
7. Investigate the Lifemark Design Standards ( <a href="http://lifemark.co.nz">lifemark.co.nz</a> ) and their application within the District Plan.	Places and Spaces	District Plan Review

### **3.3 Managing Rural Land**

In the early 2000s the rural environment within Taupō was under significant pressure from lifestyle subdivision applications. At that point there were very few controls within the District Plan to limit this type of development and part of the suite of changes that resulted from TD2050 2006 involved strengthening the control of lifestyle block subdivision.

The backlog of lifestyle blocks appears to have since filled, and there is anecdotal evidence that the choices within this market are becoming limited. There is recognition that people like to live within the rural environment without necessarily undertaking a productive rural activity. This desire needs to be balanced with the protection of the productive use, the amenity that the rural environment provides the District, and the costs of dispersed living patterns. This issue needs further investigation as part of the District Plan review and potentially the identification of some defined areas for additional lifestyle block locations may be necessary.

The rural environment is showing a change in use over time. With less productive land (than many other areas of New Zealand) and nutrient restrictions, there is increasing use of rural land for a variety of alternative practices. While considering adverse effects and reverse sensitivity issues, the District Plan review will be the time to question what level and types of activities are appropriate in the rural environment.

**We will:**

*Prevent the urbanisation of the rural environment.*

*Protect functional activities within the rural environment.*

*Consolidate rural lifestyle opportunities within existing areas.*

*Ensure that the District Plan allows for appropriate and sustainable alternatives to farming.*

**How we will do this:**

Action	Strategic Direction	Process
8. Maintain the policy approach of controlling fragmentation of the rural environment below 10ha.	District Character	District Plan Review
9. Investigate the level of demand for lifestyle blocks (below 10ha) and ensure appropriate supply.	District Character	District Plan Review
10. Remove the WeKA (West Kinloch Arterial) designation except for the lower section between Wairākei Drive and Poihipi Road.	District Character	District Plan Review
11. Ensure the District Plan provisions support rural industries and innovative uses for rural land such as agribusiness, tourism and recreation opportunities that do not lead to an urbanisation of the rural environment.	Economy	District Plan Review

### 3.4 Managing Commercial land

We are focused on consolidating retail and office activity within the Taupō town centre. Doing so encourages more activity and vitality, it drives business activity with more foot traffic, creates a market incentive for building redevelopment and makes best use of the infrastructure and investments the community has already made.

To achieve this we have a proactive programme of investment in the public spaces to improve the look and feel of the town centre. There is a programme of progressive street upgrades, renewal of street furniture, regular maintenance and investment in new facilities. We have also made changes to the District Plan to encourage redevelopment by removing car parking requirements, introducing flexibility in building heights and other elements like making it easier to develop in laneways.

To support these proactive measures and achieve a consolidated and vibrant town centre, the District Plan was also amended to make it clear that retail and office activity belonged in the town centre. Restrictions were placed

on those activities locating in residential or industrial areas. This helps to create certainty for landowners and that helps to create the confidence to drive future public and private investment in our town centre.

This approach to managing our town centre was introduced in the Taupō Urban Commercial and Industrial Structure Plan (2011) and is supported through TD2050. It has been included in the District Plan and we expect it will continue to be supported through the upcoming review process.

**We will:**

*Continue to strengthen the Taupō Town centre's function as the commercial hub for the district.*

*Ensure vibrant, walkable and compact town centres.*

**How we will do this:**

Action	Strategic Direction	Process
12. Maintain provisions within the District Plan which strengthen the Town Centre Environment's role as the primary business, retail, recreational and entertainment hubs.	Urban Areas	District Plan Review
13. Buildings are designed to reflect best practice such as the Urban Design Protocol.	Places and Spaces	Facilities management
14. Achieve design excellence for the form and function of all new prominent community buildings and public spaces.	Places and spaces	Facilities management
15. Design new public spaces according to best practice including CPTED principles and the Urban Design Protocol.	Places and spaces	Facilities management

### 3.5 Managing Industrial land

The total current industrial land provision within the Taupō district equates to around 1090ha, however, a large portion of this land is considered to be 'special use'. Special use is land which represents a specific or unique land use that is not available to be traded on the market or likely to be redeveloped by the market for general industrial activity (for example, power stations and the Taupō Airport). Removing these special use areas, as well as encumbered land and gullies which are not able to be developed reduces the available/developable industrial land provision of 423ha, of which 175ha is classified as vacant at present.

Under the medium growth scenario (to 2048) the District is estimated to require an additional 98ha of industrial land (of what is currently developed) factoring in the National Policy Statement on Urban Development Capacity long term buffer of 15 per cent.

The identified 175ha of developable vacant industrial zone land means the Taupō District has enough vacant land to service the market requirements for the next thirty years.

There are a few important qualifications to these projections. Encumbrances currently on some industrial land may alter as certainty increases regarding Contact Energy’s land requirements. The analysis assumes all vacant land is developable for industrial use and therefore finer grained analysis is required to ensure that the assumption that all vacant land is developable is correct. This is especially relevant for Contact and Tenon land which may have limitations on the type of industrial activities that can occur. Master planning is also being undertaken for the Taupō airport that will inform whether further land is required. In addition a better understanding of the vacancy in existing industrial properties, and inefficiencies in currently developed industrial land should be completed.

<b>We will:</b>		
<i>Ensure adequate industrial land supply capacity for both light and heavy industrial land uses</i>		
<b>How we will do this:</b>		
<b>Action</b>	<b>Strategic Direction</b>	<b>Process</b>
16. Monitor the amount of land available for development.	Economy	District Plan Review
17. Undertake further analysis on industrial land supply to ensure all land identified can be developed for industrial uses, as well as gaining a better understanding of the vacancies and inefficiencies in currently developed industrial land.	Economy	District Plan Review
18. Provide for the co-location of industrial activities and geothermal power generation where those two land uses are compatible.	Infrastructure	District Plan Review

### 3.6 Tangata Whenua and Multiply-owned Māori land

The Taupō District is the ancestral home of three iwi (tribes). These are Ngāti Tūwharetoa, Ngāti Tahu and Raukawa. Each tribe has associated hapu or sub-tribes. These ‘tangata whenua’ groupings hold mana whenua and kaitiakitanga over parts of the Central North Island Plateau. As kaitiaki, tangata whenua have an intrinsic duty to ensure that the mauri and the physical and spiritual health of the environment is maintained, protected and enhanced.

Ngāti Tūwharetoa not only hold manawhenua over the entire District, they also own approximately half of the land in the District (including the bed of Lake Taupō). The Treaty settlement process between Ngāti Tūwharetoa and the

Crown has identified additional areas of land to return to Tūwharetoa that are now available for development, and must be considered as part of the Taupō district’s overall development picture.

There has been significant change in the way local government work with tangata whenua in recent years. This has included the development of Joint Management Agreements with Ngāti Tūwharetoa, Ruakawa and Te Arawa River Iwi Trust (TARIT) which includes Ngāti Tahu. The development of the Te Kaupapa Kaitiaki, the plan for the Lake Taupō catchment, will be delivered by Te Kōpua Kānapanapa. This is a joint committee consisting of representatives of Ngāti Tūwharetoa, Council and Waikato Regional Council. This was a result of the Treaty settlement process, a critical step in establishing the way in which local government and Ngāti Tūwharetoa work together.

Over time our understanding of multiply-owned Māori land has changed. A conventional approach to development of this land has not worked for the landowners. The previous approach required an extensive structure planning process where all landowners agree on the nature and scale of development, infrastructure requirements and staging. This mechanism has proven to be unrealistic for multiply-owned Maori land and is no longer considered an appropriate approach to managing urban growth.

While these relationships and processes are still establishing and evolving, it is clear tangata whenua will hold a key role in land development in the district. A strong relationship between Council and tangata whenua is critical.

<b>We will:</b>		
<i>Build a strong relationship between tangata whenua and the Council.</i>		
<b>How we will do this:</b>		
<b>Action</b>	<b>Strategic Direction</b>	<b>Process</b>
19. Work with tangata whenua during the District Plan review to ensure effective papakainga provisions.	Tangata whenua	District Plan Review
20. Work with tangata whenua during the District Plan review to ensure marae development can occur in a way that provides for iwi cultural wellbeing.	Tangata whenua	District Plan Review
21. Work with tangata whenua during the District Plan review to ensure the appropriate identification and protection of cultural sites.	Tangata whenua	District Plan Review
22. Work with tangata whenua during the District Plan review to identify appropriate mechanisms for development of multiply-owned Maori land.	Tangata whenua	District Plan Review
23. Assist, where practical, in the set up and operation of the new statutory board, Te Kōpua Kānapanapa.	Tangata whenua	Te Kōpua Kānapanapa



24. Ensure collaborative development and implementation of the Taupō Te Kaupapa Kaitiaki.

Tangata  
whenua

Te Kōpua  
Kānapanapa

25. Continue collaborative implementation of Joint Management Agreements.

Tangata  
whenua

Te Kōpua  
Kānapanapa

26. Work with the owners of Paenoa te Akau and Rangatira E Trust to consider alternative development opportunities better suited to the tenure.

Tangata  
whenua

Te Kōpua  
Kānapanapa

# 4 BASIS FOR TD2050

## 4.1 Assumptions

TD2050 aims to provide clear guidance for the next 20 years, however the future can never be predicted with absolute certainty. Therefore, in order to plan for growth, a number of assumptions need to be made with regards to the district's future.

The assumptions are made to ensure planning for growth is undertaken in a pragmatic manner. The assumptions have been developed from consideration of other planning documents, reflect environmental constraints, previous The Council decisions and approaches to managing growth. These will be subject to review and will be monitored over time. The assumptions are:

- The key approach to managing growth in the Taupō District will be consolidation within existing zoned areas and the development of new urban areas adjacent to existing serviced urban areas.
- Population numbers will eventuate as projected by Statistics New Zealand.
- The East Taupō Arterial will remain as an “urban fence” to development.
- Identification of new land for development, and the process for developing land will follow a risk based approach in relation to natural hazards so that risks do not exceed acceptable levels.
- Land owned by the Department of Conservation (DoC) will not be used for urban development.
- All new residential and low density residential development will be fully reticulated (serviced) with water and wastewater services.
- Some development will occur outside of the areas identified by the Strategy, but in a manner and at a rate not considered of significance to the overall implementation of the Strategy (an example of this is papakainga housing).
- Holiday home ownership will remain at approximately 30 per cent of dwellings in the District.
- Kinloch will develop as per the densities set out within the Kinloch Structure Plan, given that infrastructure has been designed and planned for on this basis.

---

*Low fertility and a large ageing baby boom cohort have raised the prospect of slow or no growth in the future. ...The general demographic outlook for New Zealand over the coming decades is for slowing growth, a narrowing gap between births and deaths, and an ageing population. This is a radical departure for a society accustomed to a growing population. Any innovative or expansionist planning or business programme must take account of structural shifts in progress (Statistics New Zealand).*

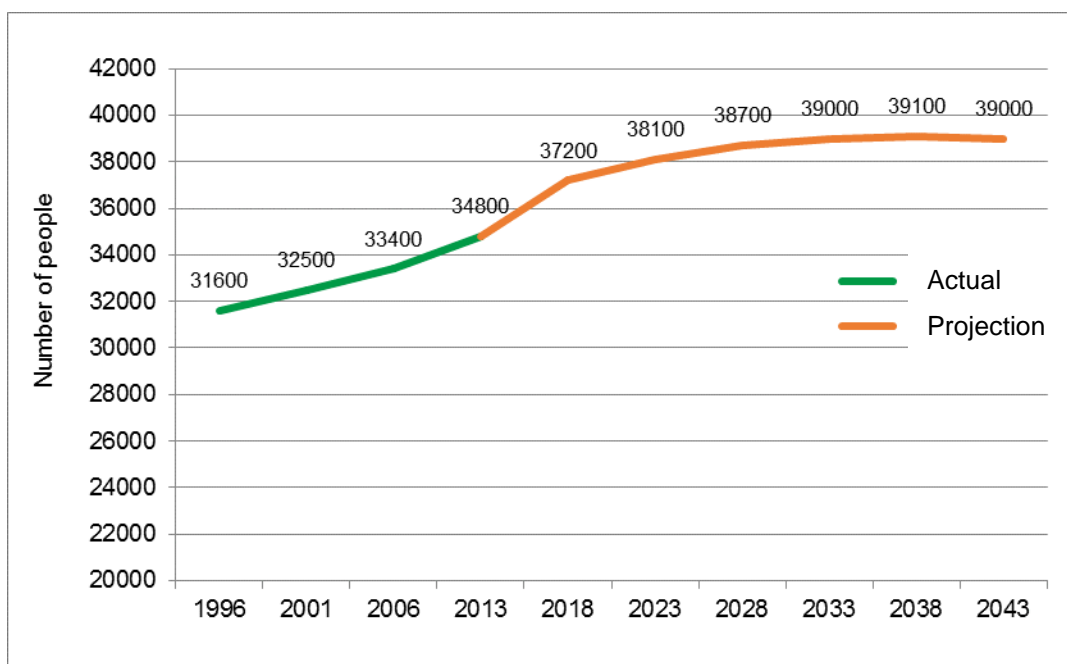
---

## 4.2 The Demographic Snapshot

Council has adopted the Demographic Snapshot that was developed in 2016 and updated in 2017<sup>2</sup>. The document is intended to be the single source of population information used to inform a variety of Council documents including TD2050. The full document can be viewed on Council’s website, but a summary is incorporated below.

Overall the data projects that recent steady population growth in the district will continue modestly before peaking in late 2030s (refer fig 1).

**Figure 1: Estimated and projected resident population**

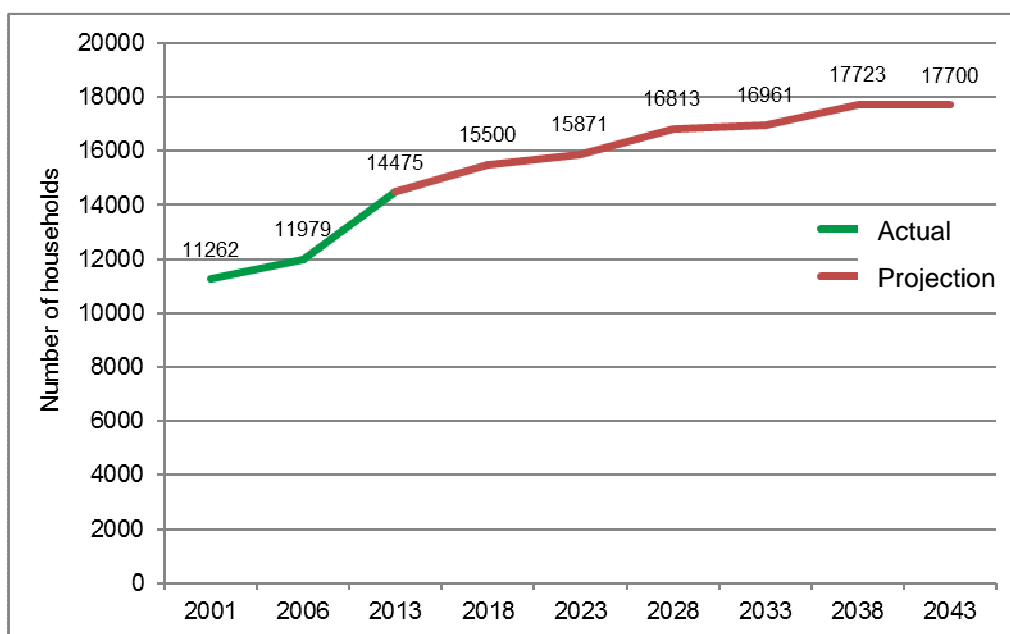


Source: Statistics New Zealand – extracted May 2017

A decline in population is expected after 2040. This is indicative of an ageing population, lower birth-rates and a lower number of people per household. Households are projected to grow at a rate slightly faster than the population (refer fig 2) as a result of the lower average number of people per household.

<sup>2</sup> Taupō District Council Demographic Snapshot, [www.taupo.govt.nz](http://www.taupo.govt.nz), adopted as part of the Long Term Plan 2018.

**Figure 2: Household estimates and projections**



Source: Based on estimated and projected resident population Statistics New Zealand – extracted May 2017

Residential activity in Taupō town has picked up in the past five years, with reduced vacancy rates, a solid sales market and a limited number of sections currently available for immediate building.

Kinloch has experienced an increase in residential development since 2006. The population in Kinloch is likely to continue rising over the next 25 years. Historically Kinloch has been dominated by a large non-resident population with roughly one in four property owners resident in 2010. By 2016, this had increased to approximately one in three property owners being resident.

Lakeside settlements have shown modest population growth over the past ten years. They are projected to continue to show modest growth over the next couple of decades before levelling off. In most of these settlements there is more than enough land already zoned for development to provide for this growth. Motuoapa is the only exception to this with limited areas for growth left due to land tenure.

Mangakino, Turangi and Tokaanu have been in population decline and this decline is projected to continue. Managing decline in these areas and avoiding significant decentralised growth will be important considerations.

Farming areas such as Marotiri, Tatua and Oruanui have seen some residential growth related to farming developments. These areas have relatively high population projections, possibly driven by anticipated further farming development. It is predicted growth in rural areas will ebb and flow depending on the state of the farming industry. The projected growth of these areas has been accounted for within the wider district growth numbers.

## 4.3 Anticipated capacity and demand

TD2050 is primarily concerned with identifying the future development pattern for the urban areas of the district. This requires projections of the future usually resident population as well as the holiday home market. While the likely increases in short term visitors to the district will place additional pressure on services like water supplies, they are unlikely to drive significant demand for additional housing stock.

There is sufficient capacity to accommodate future growth within land which has already been zoned or future urban growth areas. These estimates extend 20 years to 2038 at which point the projections estimate the usually resident population reaching a peak. It should be noted that:

- No infill potential is included within the capacity estimates which potentially increases the potential capacity;
- 30 per cent is the average rate of vacant dwellings (primarily holiday homes) in the district and this has been included within the demand estimates below. A higher rate of vacant dwellings has been applied to the Southern Lakeshore Settlements projected household demand.

**Figure 3: Projected Lot Supply vs Demand**

<i>Location</i>	<i>Capacity for new residential lots (estimate)</i>	<i>Projected household demand until 2038 (estimate)</i>
<i>Taupō, Kinloch and surrounds</i>	4700	2870
<i>Southern lakeshore settlements</i>	300	60
<b>Total</b>	<b>5000</b>	<b>2930</b>

## 4.4 Matching Growth to Demand

The extent of the future growth areas is limited, largely in response to the subdued population growth that is anticipated. As a planning authority Council has responsibilities under the Local Government Act 2002 to plan for and manage the effects of urban development. This comes through requirements to identify future demand, prepare financial and infrastructure strategies, prepare asset management plans and administer development contribution policies. There are also responsibilities under the Resource Management Act. The National Policy Statement on Urban Development Capacity<sup>3</sup> has a requirement for local authorities to promote the efficient use of urban land and infrastructure. Requirements under the Waikato Regional Policy Statement (RPS) set out policies on planned and coordinated subdivision use and development, the information required to support new urban

<sup>3</sup> National Policy Statement on Urban Development Capacity, objective groups A to D and policies PA1 to PA4.

development and a coordinated approach to growth and infrastructure<sup>4</sup>. The RPS also includes a set of development principles which prioritises existing urban areas rather than the creation of new ones.

## **4.5 Minimising Community Costs**

There are risks of oversupplying land for future development. New growth areas require the extension of infrastructure networks like water, wastewater and roading and services like rubbish collection and public transport. Providing that infrastructure and those services comes at a cost to the community, so if there is no need to provide them costs to the community can be minimised. Similarly, there are opportunity costs to the community if opening new areas up for development means we are not making the most of the investment in existing areas. Some of these costs are upfront in terms of capital expenditure, while others are longer term such as depreciating assets, increased operating costs and the renewal of infrastructure.

Along with the financial costs there are potential social implications associated with an oversupply of residential land. Assuming the decline in the usually resident population occurs, we could end up with reduced demand for residential housing, disconnected communities and an increase in crime.

## **4.6 Compact, Vibrant and Adaptable Communities**

By placing limits on the extent of new growth areas we are able to build urban communities consistent with our strategic directions. Accommodating the limited usually resident population in the future within well-defined urban areas will mean we can maintain a critical mass of people. This helps make housing more affordable, enables businesses to provide goods and services and it supports public transport, walking and cycling. Urban areas with more people and efficient infrastructure can better adapt to economic shocks and social change.

## **4.7 Whareroa North**

Whareroa North is included as a future growth area on the basis that it has previously been identified in planning documents and Council has recently received a private plan change seeking to have the zoning changed. It will need to be demonstrated that there is demand for this land and that costs to the community can be appropriately managed. Ultimately its future will be determined through the private plan change process.

---

<sup>4</sup> Waikato Regional Policy Statement – section 6.1 Planned and coordinated subdivision, use and development; 6.1.8 Information to support new urban development; and 6.3 Coordinating growth and infrastructure.

## 5 NEXT STEPS

TD2050 is a strategy document which provides direction for decision making. As an example, TD2050 sets a proposed landuse pattern that will be implemented through the review of the District Plan. As a result, some of the changes proposed within this document may take some time to occur on the ground.

A review of TD2050 will likely be required prior to the next District Plan review (completed every 10 years), but if ongoing monitoring shows land is being taken up faster than anticipated or updated population projections radically shift, then a review may need to occur earlier.

What is clear is that the Taupō District is well positioned to be able to meet projected growth for the next twenty years and beyond. We have the luxury of having plenty of land which is adjacent to existing urban areas and easy to develop. A challenge remains with ensuring this land is developed efficiently and cost-effectively, and maintaining compact, vibrant and adaptable urban areas. Done right, the Taupō District will be well on its way to becoming ***the most prosperous and liveable district in the North Island.***