

ATTACHMENTS

UNDER SEPARATE COVER 1

Ordinary Council Meeting

29 October 2024

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Taupō District Future Development Strategy



Taupō District Future Development Strategy

Planning for Growth in the Taupō District until 2060 (Pending Formal Adoption)

September 2024

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Summary

Please note that this Strategy has not yet been adopted by Taupō District Council and cannot yet be considered official Council policy.

Population projections show that we can expect an additional 25,500 people will call the Taupō District home by 2060. It is estimated that we will need another 12,400 homes to

accommodate this growth. The Future Development Strategy identifies our residential, retail, commercial and industrial growth needs and the constraints we face to meet anticipated growth.

	2030	2040	2050	2060
Population	46,700 +11% from 2023	53,300 +27% from 2023	60,300 +64% from 2023	67,400 +61% from 2023
Households	26,000 +9% from 2023	29,200 429% from 2023	32,700 +37% from 2023	36,200 +52% from 2023
New Builds	3,600	7,300	11,600	15,000
Housing Capacity	1,500	1 ,900	2,700	2,600

Taupō District Snapshot

[1] Housing capacity refers to our district's ability to accommodate the households expected to reside here in the future. It is the difference between projected housing demand with housing supply at any given year.

What is a Future Development Strategy and why do we need one?

The Future Development Strategy ('the strategy' or 'FDS') is our plan to manage growth in the Taupō District. It considers how future housing needs, carrying capacity of network infrastructure, tāngata whenua aspirations, and the natural environment are looked at holistically to ensure sustainable and effective growth.

This strategy proactively plans for growth and shapes the options for where future communities will live, how they will connect and how our natural and cultural landscape is protected and enhanced.

This strategy provides guidance on where development and growth are anticipated to occur. It helps Council to plan for infrastructure and gives the community and landowners certainty over where development is expected to be located and when. The strategy updates our growth management strategy, TD2050 which was developed in 2006 and updated in 2018. This strategy covers 35 years to 2060.

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This strategy is based on a set of projections on population and housing produced by the Council.

Click next to see more...



How much growth is anticipated over the next 35 years?

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How many additional homes we need and how much land for residential and for business development is expected to be needed and where should this be located?

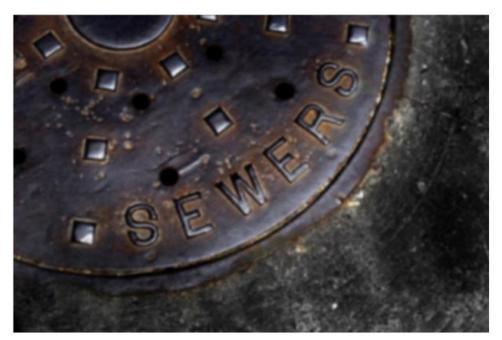


Whether additional residential or business land should be zoned, and if so:

- How much land should be zoned and where it should be located?
- When the zoning should occur?



How much development should be provided for through greenfield development and how much should occur through infill development (the redevelopment of existing sites)?



What infrastructure is needed to enable land development and when construction is required?



Are there any constraints inhibiting growth and development?

This strategy helps to prevent development occurring in an unplanned way. Unplanned development can:

- Result in higher infrastructure costs which can make development more expensive and result in greater long-term operating costs.
- Create inefficient land use which may mean valuable land is no longer able to be used for other purposes such as farming.
- Result in higher emissions through less compact settlement patterns.

The strategy will inform other key planning documents including the District Plan, Long-term Plan, Infrastructure Strategy and regional land transport plans. It does not directly change land use rules but informs and guides District Plan changes that should occur over the next 30 years. Future zoning changes and infrastructure funding decisions must consider this strategy.

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The Planning Process

The FDS will also help us to make sure we are meeting our requirements under the National Policy Statement for Urban Development (NPS-UD). The NPS-UD requires Council to make sure that there is enough development capacity for both households and business land over the next 30 years.

Our Vision and Outcomes

Our Council's vision is:

We will be a district of connected communities who thrive and embrace opportunities.

This vision was adopted as part of the Long-term Plan 2024-34.

Future Development Strategy Outcomes

The outcomes are aspirational and describe what we are aiming to achieve for growth and development in our district. Achieving the outcomes of this strategy will help to achieve the Council vision.

Our outcomes are:

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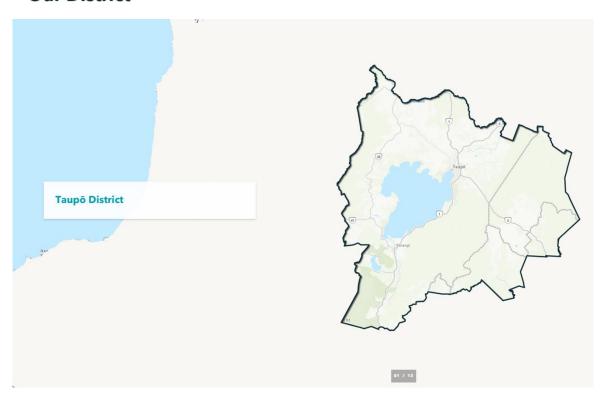
Outcome - what we want to achieve	How we are going to achieve the outcomes	Outcome - what we want to achieve	How we are going to achieve the outcomes
A district characterised by contained urban communities, bordered by a productive, functional rural environment.	We will develop land in urban areas efficiently. Avoid unnecessary development in rural areas. This keeps our rural land parcels large, productive and able to accommodate a wide range of rural uses. These rural activities may be productive uses that don't exist at the moment.	5. The cultural identity of tangata whenua is recognised and strong, collaborative relationships are fostered and enhanced.	Align with iwi and hapū aspirations on urban development and ensure planning decisions consider Te Tiriti o Waitangi principles.
2. A strong, innovative and productive economy that provides opportunities for our people to thrive.	Allow for commercial and retail activities within our existing areas zoned for those purposes. Avoid these activities in other areas.	6. Infrastructure provision is efficient, helping to minimise costs for our communities.	Make the best use of existing infrastructure. Where required, new infrastructure is planned, funded, and delivered to integrate with growth. Urban development ensures the long-term costs of new or upgraded infrastructure and its operational costs are acceptable.

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3. Vibrant, diverse places and spaces where people love to live, work, play and thrive.	Create desirable places for people through placemaking.	7. Development is managed to protect and enhance the natural environment.	Urban development is designed to support opportunities for renewable energy and avoid growth and development in areas exposed to natural hazards. Indigenous biodiversity is protected.
4. Compact, walkable, and resilient urban areas.	Ensure well-designed urban environments and intensification. Enable diverse housing types close to public transport and amenities.		

Our Outcomes

Our District



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Taupō District is located at the centre of the North Island.





The district is situated within four regions:

Waikato
Bay of Plenty
Manawatu-Whanganui
Hawke's Bay

Most of the district, including the urban areas, sit within the Waikato Region.

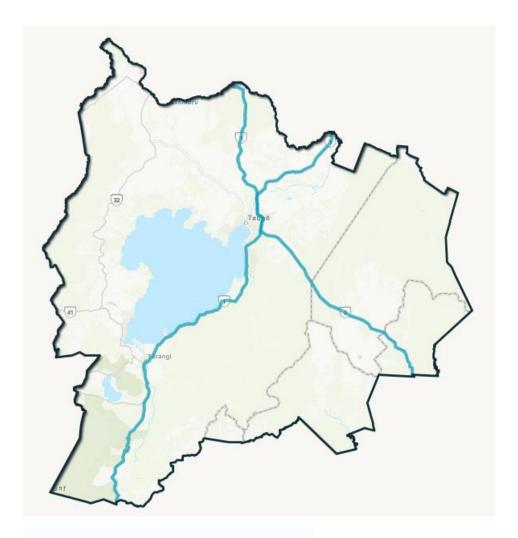


The total area of the district is 6,970km² with roughly 9% (616km²) taken by Lake Taupō.

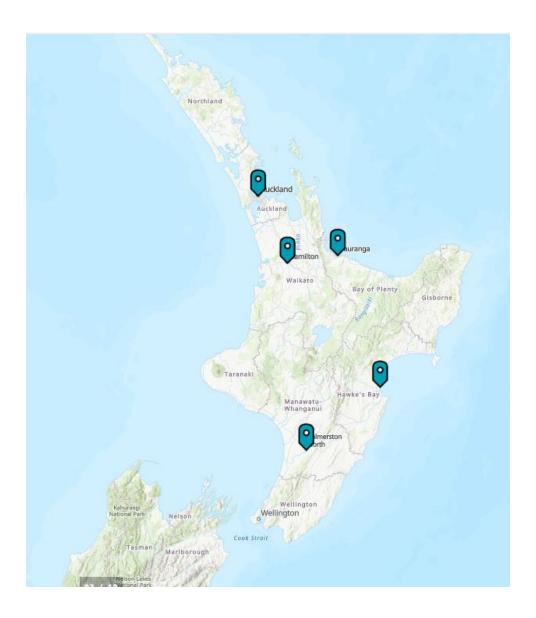


Lake Taupō

Lake Taupō is the largest freshwater lake in New Zealand and is a resource of national significance. Taupō also has geothermal resources.

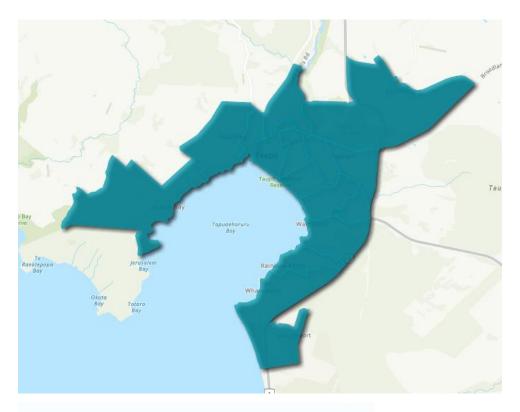


Tourism is a significant contributor to the economy of the district. Visitor and tourist flows to Taupō are mainly from \oplus State Highway 1 and \oplus State Highway 5.

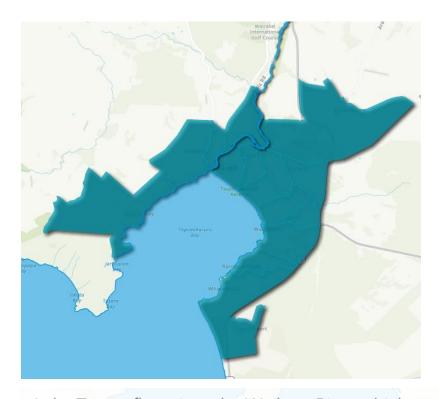


Taupō lies within 2-3 hours' drive of several main population centres including Auckland, Hamilton, Tauranga, Napier and Palmerston North.

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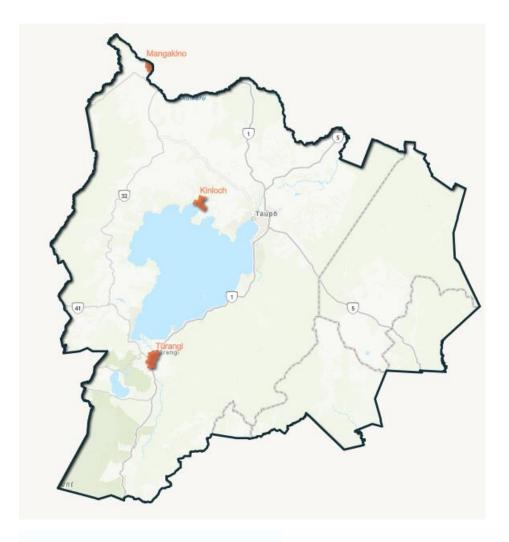
Taupō township is the largest urban area of the Taupō District.



Lake Taupō flows into the Waikato River which runs through the Taupō township, separating the central business district from the areas of Nukuhau, Acacia Bay and Mapara valley.

Waikato River
Taupō CBD
Nukuhau
Acacia Bay
Mapara Valley

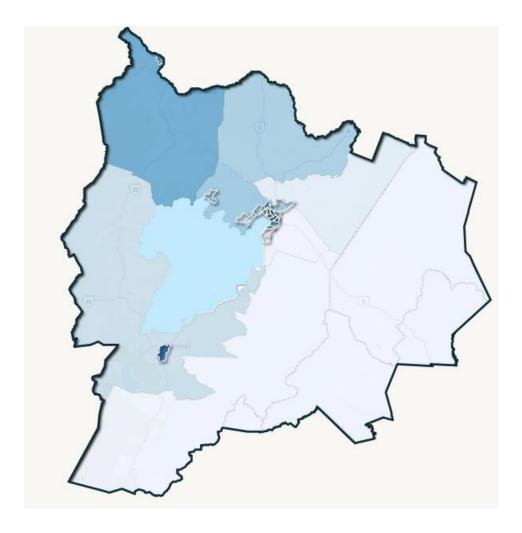
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The next largest urban settlements are:

Tūrangi
Kinloch
Mangakino

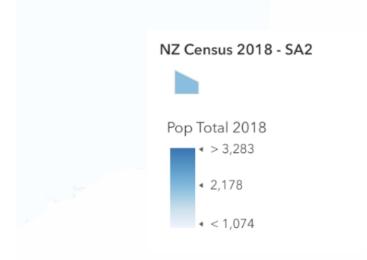
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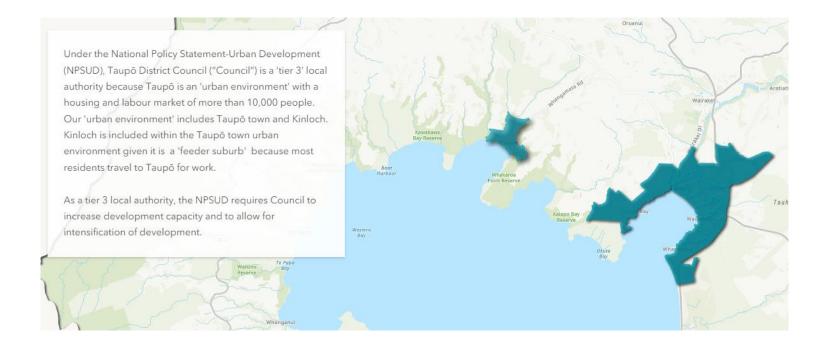
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In 2023, there were approximately 42,000 people living in the Taupō district, with the majority living within \oplus Taupō town, \oplus Kinloch, \oplus Tūrangi and \oplus Mangakino.



There are around 23,000 homes, with 18% of them being holiday homes.



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Working together with Iwi

Iwi within the Taupō Rohe (District)

The Taupō rohe (district) has a population of around 42,000 people, of whom around 30% are Māori. Māori are significant landowners and ratepayers in the district.

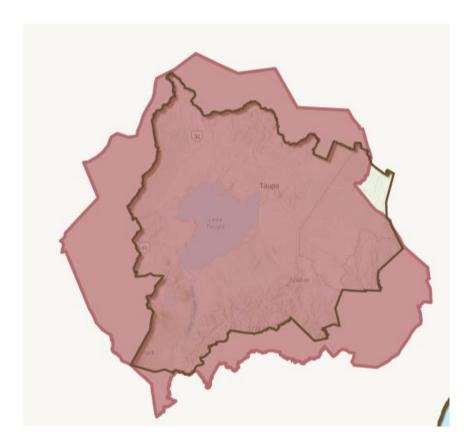


Within the boundaries of the Taupō District is the ancestral home to Ngāti Tūwharetoa, Ngāti Tahu/Ngāti Whaoa and Ngāti Raukawa.

Ngāti Tuwharetoa

Ngāti Tahu/Ngāti Whaoa

Ngāti Raukawa



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Ngāti Tūwharetoa holds mana whenua over a significant area of the district including Taupō Moāna and the tributaries.

There are 26 Tūwharetoa affiliated hapū in our district.



We also have relationships with the following iwi:

Ngāti Hineuru

Ngāti Manawa

Ngāti Whare

Ngāti Rangi

Ngāti Kahungunu ki Wairarapa

Iwi Statutory Acknowledgment



Partnership Agreements

Taupō District Council is committed to a partnership approach and acknowledge the rangatiratanga and status of our iwi, hapū and Māori in our rohe. In addition, we understand that strong strategic partnerships with iwi, hapū and Māori can help us deliver outcomes that exceed what we can deliver alone.

Taupō District Council works on many projects in partnership with iwi, hapū and Māori in our rohe. Council's Long-term Plan and Significance and Engagement Policy affirm Council's commitment to meeting its statutory Tiriti o Waitangi obligations and acknowledge partnership as the basis of Te Tiriti. This requires both parties to treat and work with each other in good faith and show good will to reflect the partnership relationship. We acknowledge these responsibilities are distinct from the Crown's Treaty obligations and lie within a Taupō District Council context.

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Joint Management Agreements

Taupō District Council has Joint Management Agreements with Ngāti Tūwharetoa, Ruakawa and Te Arawa River Iwi Trust (TARIT) which includes Ngāti Tahu - Ngati Whaoa.



Council has also partnered with iwi and hapū with the following:

Management protocol with the Tūwharetoa Māori Trust Board

This protocol, signed in 2005, establishes that the trust board and Council will regularly meet as a Joint Management Group to collaborate on key activities. This includes working together on resource consent applications and involving the trust board early in relevant council decisions, such as resource management plans and other legal processes. The protocol also notes that the trust board holds the title to the bed of Lake Taupō, as agreed in the deed with the Crown. The bed of Lake Taupō is defined to include the bed of the Waikato River from Lake Taupō to the Huka Falls, and parts of the beds of certain waterways flowing into Lake Taupō.



Waikato River arrangements

The Waikato River Authority was established in 2010 under the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act and section 23(1) of the Ngāti Tūwharetoa, Raukawa, and Te Arawa River Iwi Waikato River Act 2010. The Waikato River Authority oversee Te Ture Whaimana o Te Awa o Waikato, the vision and strategy document for the Waikato River. Te Turi Whaimana is currently being reviewed and more information can be found here:



Te Kōpu ā Kānapanapa & Te Kaupapa Kaitiaki

Te Kōpu ā Kānapanapa is a joint committee established under the Ngāti Tūwharetoa Claims Settlement Act 2018, involving the Waikato Regional Council, Taupō District Council, and Te Kotahitanga o Ngāti Tūwharetoa.

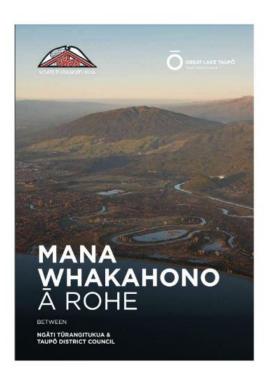
Te Kōpu ā-Kānapanapa's vision for the catchment is derived from the Ngāti Tūwharetoa settlement legislation:

For a healthy Taupō Catchment that is capable of sustaining the whole community and that is managed in a manner that reflects Ngāti Tūwharetoa tikanga.

Te Kaupapa Kaitiaki

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Together the committee developed Te Kaupapa Kaitiaki, a highlevel plan focusing on sustainable development and cultural values to guide environmental, social, and economic decisions in the Taupō catchment. The plan is based on Ngāti Tūwharetoa perspectives and reflects Ngāti Tūwharetoa aspirations and vision for the area's future.



Mana Whakahono ā Rohe

Ngāti Tūwharetoa hapū hold mana whenua over Tūrangi township and its surrounds. Council has a Mana Whakahono ā Rohe partnership agreement with Ngāti Tūrangitukua. The Mana Whakahono covers Resource Management Act [RMA], Local Government Act and Reserve Act matters. It is implemented by a co-governance committee equally made up of Ngāti Tūrangitukua and council appointees.

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Mangakino

The Mangakino/ Pouākani area is important in that a large proportion of the Māori community draw their ancestry from within the Ngāti Kahungunu people of the Wairarapa area (Ngāti Kahungunu ki Wairarapa). Many of the current Māori residents descend from those who relocated to the Mangakino Pouākani area in 1910, and have been born and raised in Mangakino.



Māori Engagement Strategy and Framework

Taupō District Council has adopted a Māori Engagement
Strategy and Framework, demonstrating our commitment as
kaimahi to engage and partner effectively. This strategy is an
internal facing document that outlines our intentions and goals to
ensure meaningful engagement.

Iwi And Hapū Values and Aspirations for Urban Development

The Te Ture Whenua Māori Act 1993 (Māori Land Act 1993) recognises land as a 'taonga tuku iho' (ancestral treasure) and promotes its retention, while also facilitating occupation, development, and use by its owners and their whānau, hapū, and descendants.

Aspirations for whenua Māori encompass a range of economic, cultural, environmental, and social outcomes. The potential for urban development on Māori-owned land varies with each block, depending on the owners' aspirations as well as the land's

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location and condition. As such, it is not appropriate to include a single statement to represent iwi and hapū aspirations for urban development in the Taupō rohe. Instead, we have incorporated feedback received through other Council processes, such as the Long-term Plan, and provided a summary of key information related to urban development from the Ngāti Tūwharetoa Environmental Iwi Management Plan 2003, Te Kaupapa Kaitiaki - Taupō Catchment Plan, and Taupō-nui-a-Tia Management Plan.

Iwi and Hapū Feedback on Land Use and Development Across the Rohe

Mana whenua organisations representing hapū and iwi in the Taupō rohe have consistently communicated their concerns, challenges, needs, and aspirations to Council. The following table summarises some of the feedback received through engagement on this strategy, other strategies and plans, and input on Council's Long-term Plan.

Te Taiao - Environment

- Priority to be given to protecting our Taiao and the life force of the water (mauri o te wai).
- Ensure new infrastructure and development does not adversely affect the natural environment and avoids adverse effects on Taupōmoana (Lake Taupō).
- Use best available technology and low impact urban design to minimise environmental impact. Local iwi/hapu should be consulted when planning decisions for future developments are being considered.

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Papakāinga & Housing

- Support the development of more affordable housing across the district.
- Support provisions to enable papakāinga.
- Adequate infrastructure and services are in place to to support Māori landowners to use their land productively and sustainably. Restrictive or lack of access to infrastructure is a significant barrier for iwi/hapū.

Support and Advocacy

- Develop clear pathways and guidelines to help whānau and Māori landowners navigate planning documents and consents. Adopt a more enabling approach to support iwi/hapū to navigate TDC regulatory processes.
- Supportive of any process and legislation that supports and provides Māori landowners with tools and infrastructure to help them reach their aspirations and full potential of land.
- The success of effective, progressive and strategic infrastructure and service planning plays a fundamental role in achieving iwi/hapū social, cultural, economic and environmental aspirations. Active participation and early engagement regarding Council projects within their area of interest is a priority and enables Council to give effect to their legislative responsibilities to iwi/hapū.

Taupō Catchment

- Have 'particular regard' to Te Kaupapa Kaitiaki.
- Adhere to Ngāti Tūwharetoa tikanga in the management of the Taupō catchment.

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Water and Wastewater

- Improve stormwater management.
- Council needs to update practices and provide advocacy to people developing land.
- Give priority to minimising wastewater spills and overflows into the moana and tributaries.
- High support for all projects proposing to upgrade wastewater treatment plants within the district.
- Oppose water metering.
- For Māori, water is the essence of life and wellbeing. Indicators of the health of a water body (such as uncontaminated water and species gathered for food, continuity of flow from mountain source to the sea) can provide a tangible representation of its mauri.
- Te Mana o Te Wai refers to the integrated and holistic wellbeing of a freshwater body. Te Mana o te Wai reinforces iwi positions that 'I am the water and the water is me'. Protecting Te Mana o te Wai provides for the mauri of the water.

Ngāti Tūrangitukua, interest to mana whakahono

For iwi and hapū the whenua connects them to their whānau, ancestors and to future generations.

The whenua is intrinsically linked to wellbeing. When the whenua thrives, the whānau thrives. Iwi and hapū seek to maintain the connection between the whenua and the wai, while also allowing for the economic development of their communities.

Ngāti Tūwharetoa's aspirations for urban development focus on ensuring that growth is sustainable, carried out in a way that is culturally respectful, and environmentally sound.

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Our Development History

This section provides a summary of how our district has grown over time.



Development history

The timelines provide an overview of the significant events and developments that have shaped the Taupō District from its early settlement by Māori tribes to its current status as a vibrant and thriving district.

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Taupō Town

c13th Century

The first Māori settlers, likely part of the Te Arawa and Tūwharetoa tribes, arrive in the Taupō region. They established small villages on the shore of Lake Taupō and surrounding lands.

c1830s-1869

The first European missionaries and explorers make contact with the Māori communities established in the Taupō area.

The township of Tapuaeharuru (modern Taupō) is established as a government outpost following the New Zealand Wars.

1897

Wairākei geothermal field is discovered, marking the start of the region's development as a geothermal energy resource.

1905

Taupō Totara Timber Company constructs a railway from Mokai to Putāruru, enhancing transportation and trade.

Late 19th and early 20th century

tourism begins to grow with visitors drawn to the geothermal activity and the scenic beauty of Lake Taupō.

1953

The Taupō Bungy jump site is constructed, which later becomes a major adventure tourism attraction.

1956:

Wairakei Power Station, one of the world's first geothermal power stations, begins operation, providing a significant boost to the local economy.

1960s

Lake Taupō is stocked with trout, transforming it into one of the world's premier trout fishing destinations.

1970s

The establishment of the Tongariro National Park enhances the region's appeal as a destination for outdoor and adventure activities.

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1980s

Significant improvements in road infrastructure, including the upgrade of State Highway 1, improve access to, and connectivity of, the Taupō District.

1983

The annual Lake Taupō Cycle Challenge is inaugurated, growing to become one of the largest cycling events in the Southern Hemisphere.

2001

The Great Lake Centre opens, providing a venue for cultural and community events and contributing to the region's social infrastructure.

2010

The Waikato River Trails, a series of walking and cycling tracks, are developed, promoting eco-tourism and outdoor recreation.

2011

The first upgrade of Taupō Airport is completed, enhancing regional connectivity and supporting tourism growth.

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Completion of the Taupō bypass road, which helps reduce traffic congestion and improves transit through the district.

2020

Taupō District Council implements its strategic growth plans focusing on sustainable development and environmental conservation.

2023

Introduction of new residential and commercial developments to accommodate a growing population and diversify the local economy.



Kinloch

•

c. 13th Century

The first Maori settlers, likely from the Ngati Tuwharetoa iwi, arrive in the area around Kinloch, using the lake and surrounding forests for food and resources.



1840s

European missionaries and explorers begin to interact with the Maori communities near Lake Taupō, including the Kinloch area.

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1860s

Early European settlers establish small farming and fishing operations in the region.

1884

Land acquired from Native Owners, with approval of Chief Judge of Maori Land Court

1920s-1930s

Kinloch remains a sparsely populated area with limited infrastructure, primarily known for its natural beauty and resources.

1950s

Development of holiday homes begins as the area's recreational potential is recognized, attracting visitors during the summer months.

1962

The Kinloch Marina is constructed, facilitating increased boating and fishing activities on Lake Taupō and enhancing the area's appeal as a holiday destination.

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Official establishment of Kinloch as a holiday village, with further development of holiday homes and amenities.

1970s

Kinloch's reputation as a holiday destination grows, with investments in infrastructure such as roads, utilities, and community facilities to support the growing number of visitors and residents.

1980s

Continued development of residential properties and enhancement of recreational facilities, including parks and walking trails.

Kinloch's population sees steady growth as more people seek the lifestyle and recreational opportunities offered by the village.

2004

The opening of the Kinloch Club golf course, designed by Jack Nicklaus, elevates Kinloch's status as a premier destination for golfing enthusiasts.

Expansion of the Kinloch Marina and improvements to waterfront facilities to accommodate increased boating and water sports activities.

2010

Launch of community initiatives to promote sustainable living and environmental conservation, reflecting the growing awareness of ecological preservation among residents.

2013

The introduction of new residential developments, catering to both permanent residents and holiday homeowners, contributing to the village's growth.

Expansion of the Kinloch Marina and improvements to waterfront facilities to accommodate increased boating and water sports activities.

2010

Launch of community initiatives to promote sustainable living and environmental conservation, reflecting the growing awareness of ecological preservation among residents.

2013

The introduction of new residential developments, catering to both permanent residents and holiday homeowners, contributing to the village's growth.

Upgrades to local infrastructure, including enhanced roadways and public spaces, aimed at improving the quality of life for residents and enhancing the visitor experience.

2020

Strategic planning by the Taupō District Council to manage Kinloch's growth sustainably, focusing on balancing development with environmental conservation.

2022

Implementation of new eco-friendly policies and projects, such as native reforestation efforts and sustainable tourism practices.

2023

Completion of the Kinloch Community Hub, providing a central location for community events, recreational activities, and social gatherings, further strengthening the community spirit.



Tūrangi

c. 13th Century

The first Māori settlers, likely from the Ngati Tuwharetoa iwi, establish small communities in the area around modern-day Turangi, utilizing the rich natural resources of the Tongariro River and the surrounding lands.

1840

European missionaries and explorers make contact with the Māori communities in the Tūrangi and surrounding areas.

1860s

European settlers begin to move into the area, engaging in agriculture and trading with the local Māori population.

1960

The New Zealand government decides to develop the Tongariro Power Scheme, a major hydroelectric project, requiring significant infrastructure and labor force in the region.

1964

Tūrangi is officially established as a town to house workers for the Tongariro Power Scheme. The town's layout and facilities are planned to accommodate the influx of workers and their families.

1966

Completion of the first stage of the Tongariro Power Scheme.

Tūrangi becomes the gateway to the Tongariro National Park, attracting tourists interested in outdoor activities such as hiking, fishing, and skiing.

1980s

Development of the Tūrangi Trout Centre, which becomes a major attraction for visitors interested in learning about trout fishing and conservation.

1986

The Tongariro Power Scheme is completed.

2000

The development of community projects and upgrades to public amenities, including parks and recreational facilities, enhance the quality of life for residents.

2006

Tūrangi hosts the World Fly Fishing Championships, raising its profile as a premier destination for anglers.

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2010s

Continuous efforts to promote ecotourism and conservation, leveraging the town's proximity to Tongariro National Park and the Tongariro River.

2015

Initiatives to diversify the local economy beyond tourism and hydroelectric power, including support for small businesses and local artisans.

2018

Launch of the Tūrangi Tongariro Community Board's strategic plan focusing on sustainable development, community well-being, and environmental stewardship.

Improvements to the Tūrangi town centre, including upgrades to infrastructure and public spaces.

2023

Continued emphasis on sustainable tourism and community engagement, with new programs to preserve the natural environment and promote cultural heritage.



Mangakino

c. 13th Century

The first Maori settlers, primarily from the Ngati Kahungunu and Ngati Raukawa tribes, inhabit the Mangakino area, utilizing its rich natural resources for sustenance and trade.

1840s-1860s

European explorers and missionaries make contact with the local Māori communities, though the area remains largely undeveloped.

1880s

Early European settlers establish small-scale farming in the region, but development remains minimal due to the remote location.

1946

The New Zealand government selects Mangakino as a base for workers building the Maraetai I and II hydroelectric dams as part of the Waikato River hydroelectric power scheme. The construction of these projects necessitates the rapid development of the town.

1947

Mangakino is established as a construction town, with infrastructure rapidly built to accommodate thousands of workers and their families.

1948

Schools, hospitals, and other essential services are constructed to support the growing population, transforming Mangakino into a fully functioning town.

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Completion of the Maraetai I hydroelectric dam, providing significant contributions to the national power grid.

1955

Mangakino reaches its peak population of around 5,000 residents, with a thriving community centered around the hydroelectric projects.

1960

Completion of the Maraetai II hydroelectric dam.

1960s

As hydroelectric construction winds down, many workers leave Mangakino, leading to a decline in population and economic activity.

1970s

The town transitions from a construction hub to a more rural, service-oriented community, with efforts to stabilize the local economy and maintain infrastructure.

1980s

Introduction of community initiatives to diversify the local economy, including promoting tourism and recreational activities around Lake Maraetai and the Waikato River.

1990s

Development of outdoor recreational facilities, such as parks and boating amenities, to attract visitors and enhance the quality of life for residents.

2000s

Continued efforts to promote ecotourism, with the development of walking and cycling trails, such as the Waikato River Trails, enhancing Mangakino's appeal to outdoor enthusiasts.

2005

Mangakino celebrates its history with community events and the establishment of heritage sites.

2010

Investments in community infrastructure, including upgrades to schools, healthcare facilities, and public amenities, support the town's growth and development.

2018

Introduction of new residential and commercial developments to accommodate a modestly growing population and stimulate local business.

Strategic planning by local government and community organizations to ensure balanced development, emphasizing sustainability and community wellbeing.

2023

Continued enhancement of recreational and tourism infrastructure, including new boating facilities and expanded trail networks, to attract more visitors and support the local economy.



Historic development of Taupō's town centre and residential areas 1938-2024

The slide bar shows how Taupo's town centre has developed since 1938. The focus of this strategy is to look at how best to accommodate the district's growth over the next 35 years, while achieving the Council vision and outcomes set in this strategy.

TD2050 - Growth Management Strategy

Our last Growth Management Strategy (TD2050) was adopted in 2018 and replaced the 2006 Growth Strategy.

In TD2050 we identified the future growth pattern and how we want to manage residential, industrial and commercial land based on the anticipated capacity and demand.

Click next to see what we said we would do in TD2050



Managing Residential Land

TD2050 identified areas of residentially zoned land and future residential growth areas that are not zoned as residential within the District Plan.

In TD2050, we said that we would limit commercial growth outside the town centre and have a renewed focus on the residential environments. This included enabling greater intensification of residential dwellings within and around the Taupō town centre. TD2050 also committed to providing for a wide range of housing types to be developed. We are currently reviewing our residential chapter of the Operative District Plan to ensure intensification. As part of our FDS, we are also ensuring that infill leads to good livability outcome.

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Managing Rural Land

In TD2050, we said that we would:

- Investigate whether it was necessary to identify some additional lifestyle block locations, and
- Review our District Plan to identify what level and types of activities are appropriate in the rural environment.

We have achieved these actions through our rural Plan Change (PC42) which included revoking the Mapara Valley Structure Plan. We are also currently reviewing our residential chapter to identify and enable additional low density residential locations.

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Managing Commercial Land

In TD2050, we said that we wanted to:

- Continue to strengthen the Taupō town centre's function as the commercial hub for the district.
- Ensure vibrant, walkable, and compact town centres.
- Street upgrades, renewal of street furniture, regular maintenance and investment in new facilities, removing car parking requirements, and flexibility in building heights.
- Making it easier to develop in laneways.

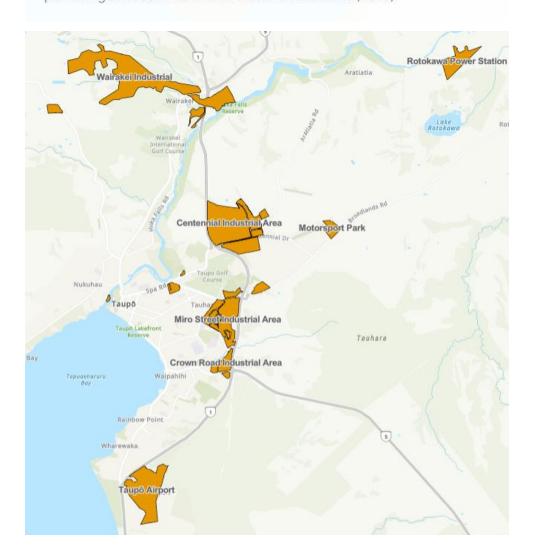
We have achieved these through our Taupō Town Centre Revitalisation project and our Taupō Town Centre Plan Change (PC40).

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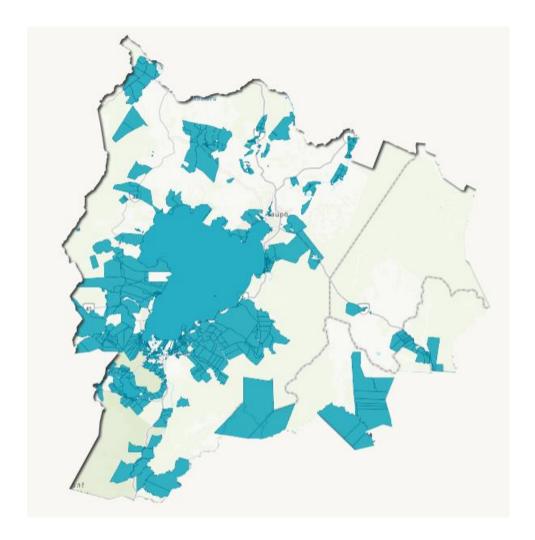
Managing Industrial Land

We said that it was necessary to ensure adequate industrial land supply capacity for both light and heavy industrial land uses. TD2050 also identified that it was necessary to have a better understanding of the vacancy in existing industrial properties and inefficiencies in currently developed industrial land.

We have undertaken an assessment on land supply capacity and a District Plan plan change on additional land for industrial zoned land (PC43).



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Tangata Whenua and Multiply owned Māori Land

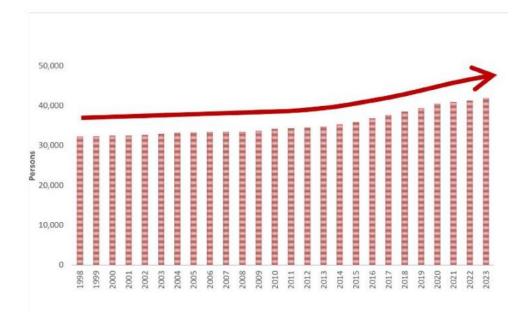
In TD2050, an outcome we sought was to build a strong relationship between tangata whenua and the Council. This included working with tangata whenua during the District Plan review to ensure:

- Effective papākainga provisions
- Marae development for iwi cultural wellbeing
- Appropriate identification and protection of cultural sites
- Appropriate mechanisms for development of multiply owned Māori land
- Assist, where practical, in the set up and operation of the new statutory board, Te Kōpua Kānapanapa.
- Ensure collaborative development and implementation of the Taupō Te Kaupapa Kaitiaki.
- Continue collaborative implementation of Joint Management Agreements
- Work with the owners of Paenoa te Akau and Rangatira E Trusts to consider development opportunities where appropriate.

We have been working on these actions, including the development of a Māori Purpose Zone to develop appropriate zoning provisions for māori land and working with the owners of Paenoa te Akau and Rangatira E. Paenoa te Akau are still working on their own aspirations for their land. Council will support them in the way that the Trust chooses.

Our Growth Picture

This section outlines the growth that has occurred in our district over time, and what growth we can anticipate in the future. Recent growth has been faster than projected, which has impacts on infrastructure and housing availability.



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How has Taupō grown in recent years?

Taupō has historically grown at a slow rate. Two decades ago, the population grew by less than 1% per year and projections were that population will reach a peak by mid-2030s and subsequently decline.

Up until recently, Taupō was considered to be a holiday destination and a place to retire somewhere quiet away from major cities. The district had fewer employment opportunities and saw substantial emigration of young, mostly educated professionals moving to larger towns and cities.

However, from 2014, population growth in Taupō increased considerably, exceeding 2% in some years. This growth was driven by several factors including a considerable pick up in the local economy, particularly tourism and light industry. More

employment opportunities attracted younger families to Taupō and encouraged existing residents to remain.

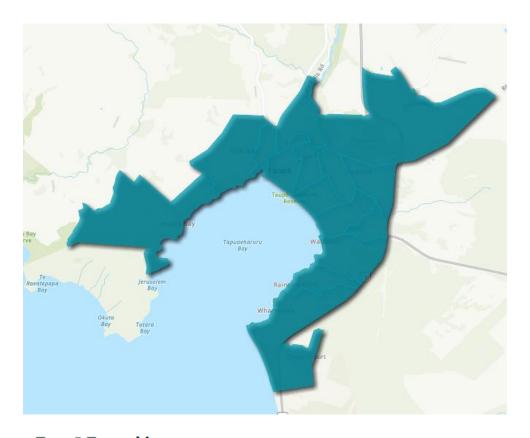
Another major driver of growth in recent years was the higher relative house prices between the larger towns and cities such as Auckland and Wellington compared to the smaller districts of the North Island, including Taupō, which led to younger families and retirees to buy their home in Taupō.



Within the Taupō District, the pace of population growth varies between the different areas. Those areas closer to the main Taupō town have grown at a faster rate than outlying settlements. In 2023, the Taupō district consisted of 23 statistical area 2 units [1] but 5 new areas were added in the Census 2023. These new areas are Kinloch, Mangakino, Rangatira Park,

Centennial and Invergarry. The resulting 28 area units are agglomerated into 6 community catchments encompassing the whole Taupō district.

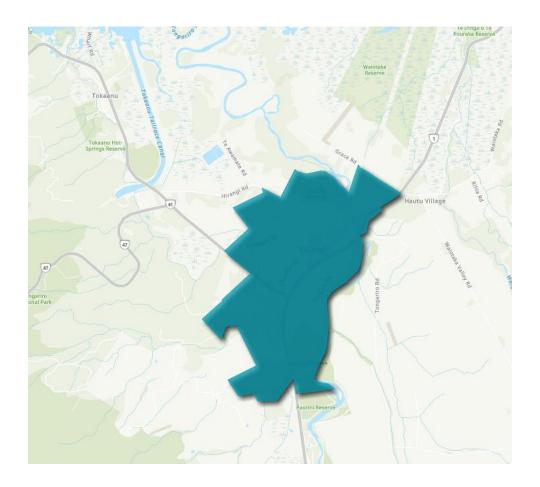
[1] A statistical area 2 unit is an area that typically covers a population of about 1000 to 4000 people and represents communities that interact socially and economically. These statistical areas help in providing a structured approach to geographic data collection and analysis, ensuring that statistical outputs are consistent and comparable over time and across different regions.



Taupō Township

The Taupō Township community catchment is made up of 16 Statistical Area 2 units. It is home to 27,400 or 66% of the District's usual resident population. Around 66% are of European ethnicity, 20% are Māori and 14% are from other ethnicities. Population growth averaged 1.8% per year from 2015 and is projected to continue at a slightly slower average of 1.3% per year between 2024 and 2060. This will require an additional 7,900 residential units to be built to accommodate this projected growth.

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Tūrangi

The Tūrangi catchment encompasses the main urban area. The town is home to 3,800 people and is the largest population centre outside of Taupō township. Around 51% of residents are Māori and 42% are of European ethnicity. Population growth averaged 1.9% per year from 2015 with the town being a popular holiday destination for locals to enjoy winter sports and trout fishing. However, projected growth rate is expected to gradually slow down to an average of 1.2% per year up to 2060. It is projected that an additional 1,100 residential units will be needed up to 2060 to meet the housing needs in Tūrangi.

Our projections indicate that there is sufficient land in Tūrangi to accommodate this growth, however there are opportunities to look at how land can be used more efficiently. We will work with Ngati Tūrangitukua to develop a spatial plan to which will plan for Tūrangi's growth.

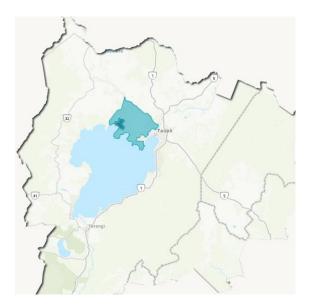
Action:

What will we do?	When will we do it?	Types of land supply that it will support
Work with Ngati Tūrangitukua to develop a spatial plan for Tūrangi	From early 2024	Residential, commercial and industrial

Mapara and Kinloch

The wider Mapara community catchment includes the town of Kinloch. This catchment is home to 2,300 persons or 6% of the District's usual resident population. Approximately 1,100 people

live in Kinloch. Around 66% are NZ European, 20% are Māori and 14% are of other ethnicities. The population grew rapidly between 2015 and 2023 - from 1,600 persons to 2,300 persons, or an additional 740 persons. This is the fastest growth, in percentage terms, of all catchment areas. This rapid increase is largely due to the increase in popularity of lifestyle living, and the development of large sections to accommodate this demand. Growth is expected to continue to be high, averaging 2% per year up to 2060. However, this growth is likely to be constrained by the limited available space for large residential developments, restrictions on land use and the cost of new infrastructure. Should this growth continue without any constraints, it would require an additional 1,200 residential units to accommodate future households.



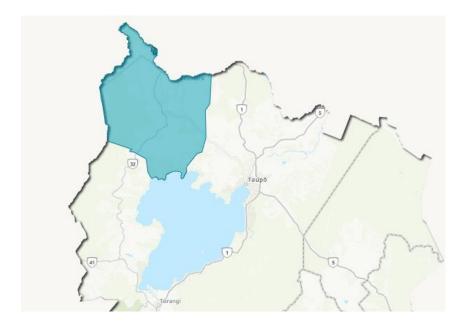
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Marotiri and Mangakino

Marotiri is a large area to the North of Taupō town. It is home to around 2,600 persons or 6% of the District's usual resident population. It includes the settlement of Mangakino, where around 900 persons currently reside. Growth in Marotiri and Mangakino averaged 1.1% per year between 2015 and 2023 but

is projected to decline to an average of 0.9% per year until 2060. Mangakino has a relatively older population and better job opportunities in Taupō town attract the younger cohort away from this area.

In order to meet the growth anticipated for Mangakino, this FDS has identified additional growth areas for Managkino, which will accommodate approximately 150 homes. To confirm that these sites are appropriate for residential development, in-depth site investigations would need to occur through a plan change process.



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Lake Taupō Bays

The Lake Taupō Bays community catchment includes several small settlements, with the largest three being Kuratau,

Omori and Pukawa. Other settlements included within this catchment area are: Whareroa, Tokaanu, Motuoapa,

Motutere, Hatepe and Waitahanui.

Cumulatively, the Lake Taupō Bays catchment is home to 1,800 people. Around 59% are of European ethnicity and 35% are

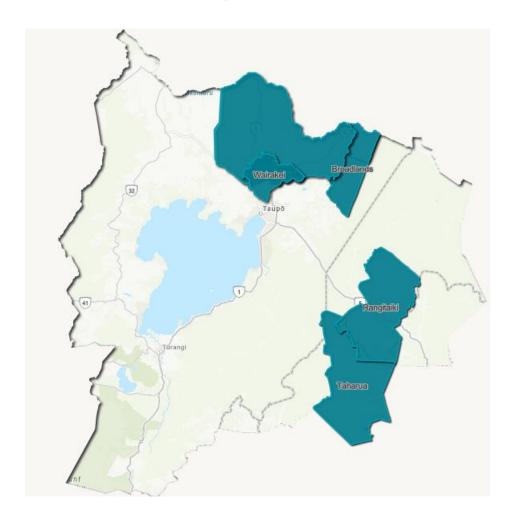
Māori. Forty percent of the dwellings in the Lake Taupō Bays are used as holiday homes with Kuratau, Omori and Motuoapa being popular holiday locations. Population growth was very slow between 2015 and 2023, averaging only 0.8% per year but it is projected to increase to an average of 1.4% up to 2060. If this projected growth occurs, it will require an additional 900 residential units by 2060.



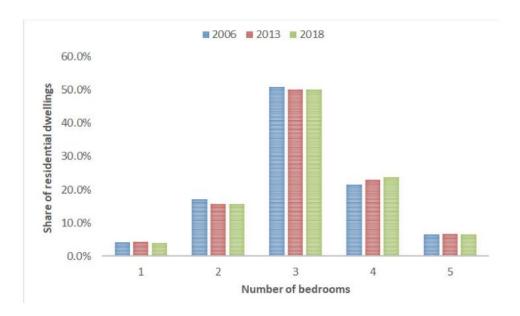
Northern and Eastern Rural settlements

The Taupō district has several smaller settlements to the north and east of the District. These include Ohakuri, Wairakei and Broadlands to the north and Kaimanawa, Taharua,

Te More and Rangitaiki to the east. These smaller catchments are home to around 3,900 people. But given their small individual size, projections on their population and demographics has a high level of uncertainty. Growth rate is expected to average around 1% per year which would require an additional 700 residential units up to 2060.



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What is the current state of the housing market in the Taupō District?

In the last decade, Taupō experienced rapid growth, averaging 2% per year, and this required more residential dwellings to be built at a faster rate. For a range of reasons, housing supply has not kept up and the district now faces a situation where suitable housing is not accessible for everyone, particularly for first home buyers and families on lower incomes.

Many houses in Taupō were traditionally built on larger parcels of land, so called 'quarter-acres'. Very few one or two-bedroom houses were built, and multi-storey apartments are limited even within the Taupō central business district.

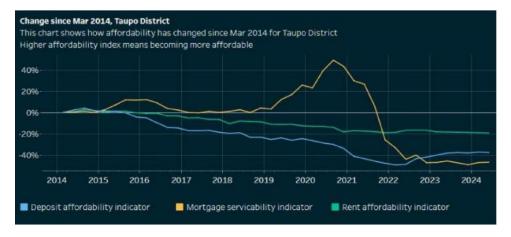
There is now a mismatch of housing supply and demand, with very few entry-level or affordable options. Long-term rental properties are also at an all time low and a number of them do not meet healthy homes standards.

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The share of one and two bedroom units in 2018 has remained roughly the same (and even slightly declined) as in 2006. One bedroom units make up only around 5% of total residential units while two bedroom units make up around 15%.

A variety of housing typologies is essential to accommodate the different needs of our community. Our Housing Strategy sets out the housing issues facing our district, including a lack of affordable houses and diverse typologies.

It is anticipated that as our share of elderly population continues to increase over the next 30 years, there is likely to be more need for smaller homes that accommodate one or two persons, and more homes that are suitable for multi-generational living.



The recent uptick in population growth was the key driver for rising house prices in Taupō. This growth was partly fueled by increasing number of people from larger cities like Auckland seeking to relocate to more affordable or lifestyle-driven regions, and from a substantial increase in international migrants coming to New Zealand. Taupō's reputation as a popular tourist

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destination makes it an attractive place for holiday homes and investment properties, further driving up demand.

The broader economic landscape has played a role in increasing house prices, with the low interest rates over the past decade made borrowing more affordable, encouraging more people to enter the property market. Investors also took advantage of these favorable conditions, increasing competition for available homes.

As a result, house prices have surged, making it increasingly difficult for first-time buyers and lower-income families to enter the property market. This trend is reflected in the deterioration of key housing affordability indicators.

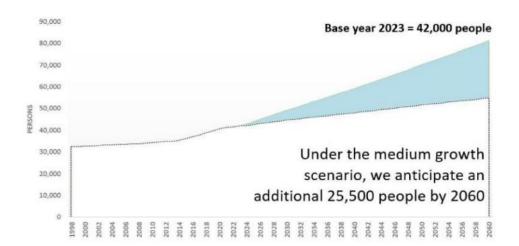
Our Housing Strategy notes that:

"Across the district Māori are significantly worse off in finding a healthy and affordable home for their whānau compared to other ethnicities. Overcrowding and higher exposure to dampness and mould are key issues. In addition, there can be many financial and regulatory obstacles to overcome that prevent iwi and hapū from developing their land and achieving their housing aspirations.

To be a well-functioning district and an attractive place to live, we want everyone to have access to a decent home that is warm, dry, safe, and affordable. We also want people to see our district as a place to live in and do business, rather than just a nice place to come for a holiday or retire."

We are currently reviewing the residential chapters of the District Plan to ensure that they enable a wide variety of housing typologies. Each time we review the residential chapters of the district plan, we will undertake a housing assessment to understand what the District Plan can do to enable the construction of the appropriate typologies that meet the needs of our communities.

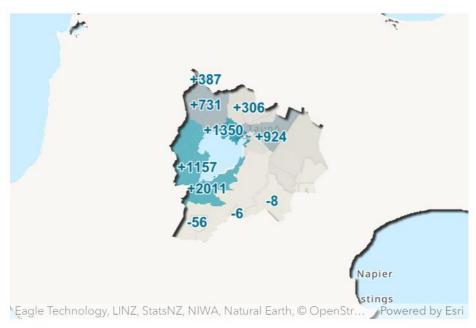
Through the Long-term Plan, Council has committed to partnering with construction partners to build up to 38 residential units in the East Urban Lands, suitable for first home owners.



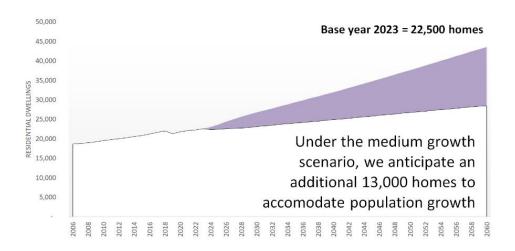
How many people do we expect to be living in the Taupō District by 2060?

We anticipate that by 2060, we will need to accommodate an additional 25,500 people, mostly within the Taupō town and Kinloch area. We also expect some growth, to varying degrees, in Tūrangi, Mangakino and Lake Taupō Bays, particularly Kuratau, Pukawa and Omori.

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Projected population growth (medium scenario) until 2060. Source: Taupō District Council Growth Model 2023-2060

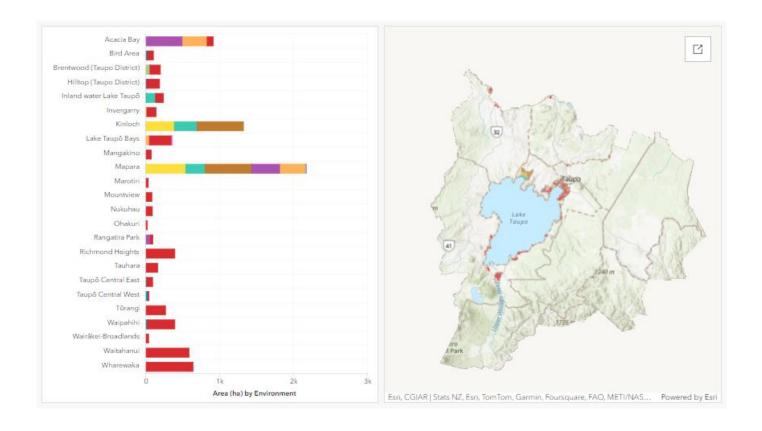


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How many residential dwellings will we need?

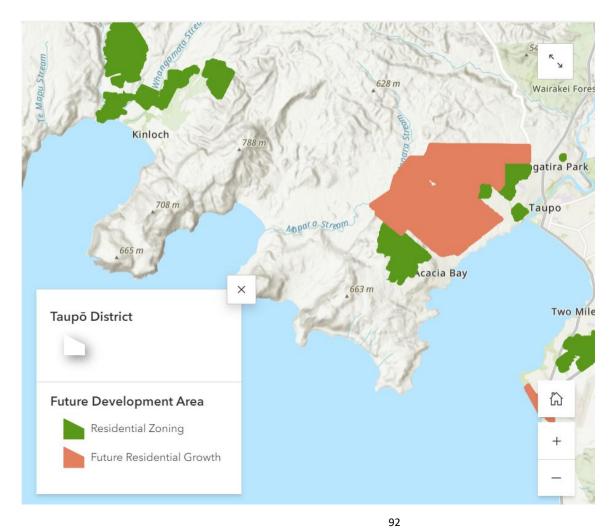
Our projections indicate that over the next 35 years (up to 2060) we will need to build around 12,400 houses to accommodate an additional 25,500 people. This figure is based on the assumption that average household size remains consistent at 2.4 to 2.6 persons per household and a similar share of holiday homes to

the current one of around 18% of total households (or 24% of permanently occupied households).

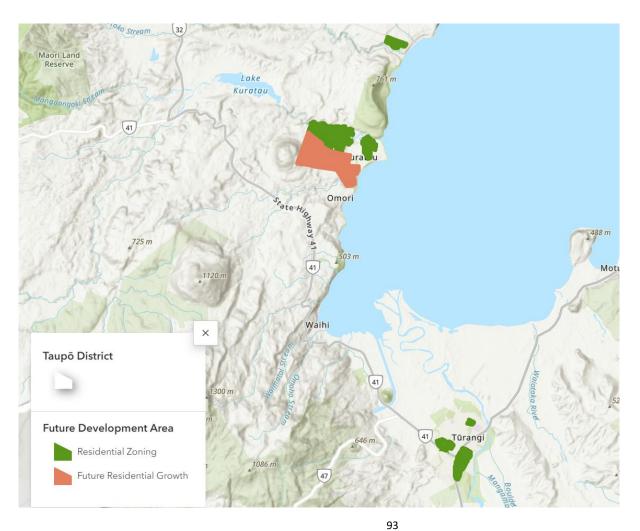


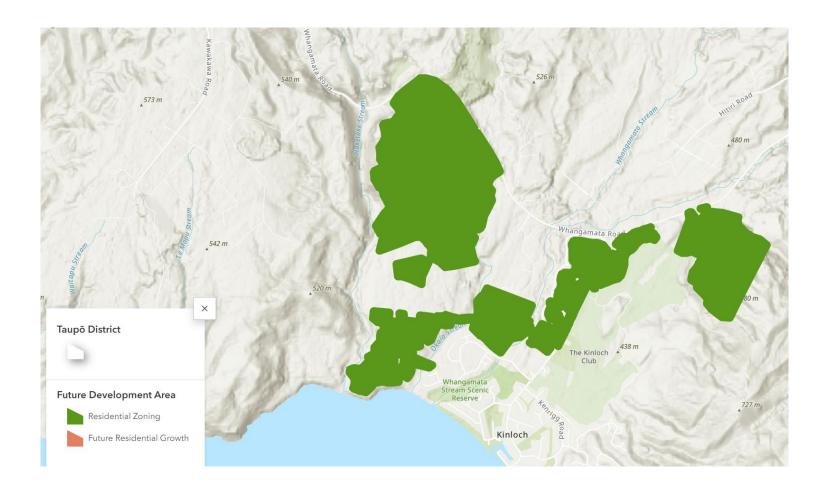
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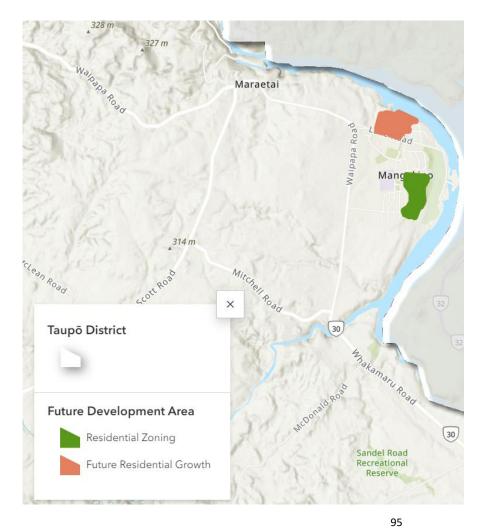


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Residential growth areas - when, where and how many housing developments do we expect to happen?

The map to the right shows where we expect future residential growth areas to occur. The gross area is estimated to be 1,800 hectares with around 6% of this land owned by Taupō District Council. Although not included in the map, 61 Huka Falls Road has been considered a Future Residential Growth Area.

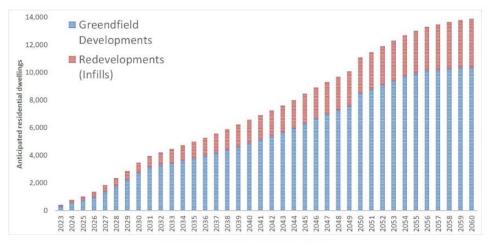
Greenfield developments are expected to account for 80-85% of future residential housing, with the remaining 15-20% expected to be provided through redevelopments (infills) and more housing intensification in certain areas. The total residential units that could be provided on both greenfield developments and infills are estimated to be 15,000 units by 2060. This figure rests on several assumptions, including the viability of certain greenfield developments, changes in housing density, and preferences towards smaller housing units.

The timing when these residential units are built is also important to meet the demand for housing at every point in time. There is more certainty on when, and how many, new units will be built for developments planned within the next 5 years. While developments occurring beyond the next 5 years have a high level of uncertainty.

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The exact timing when a housing development will occur depends on several factors, not least on the prevailing state of the housing market. During a market downturn, private developers are likely to reconsider their plans and could delay, diminish, or discontinue their planned development while during a market upturn, developers will bring forward their development and build at a higher density.

Information on the timing and density of future residential developments in greenfield areas was obtained from resource consent applications or directly from developers. Infill developments were modelled using multi-criteria analysis which indicated that around 15-20% of new housing by 2060 will be from these redevelopments.



Anticipated new residential dwellings 2023-2060

Source: Taupō District Council Growth Model 2023 -2060

The NPS-UD requires Council to ensure that land is infrastructure ready. This means:

- For the short term (3 years), there is adequate existing infrastructure to support development of the land.
- For the medium term (3-10 years), either land is zoned in an operative district plan, or funding for development is identified in Council's Long-term Plan
- Long the long term (11-30 years) either land is zoned in a proposed district plan or infrastructure is identified in council's Infrastructure Strategy.

Do we have the right infrastructure in place to accommodate future growth?

Planning for population and housing growth is important to ensure that infrastructure is ready when it is needed and is sized correctly. Once infrastructure is built, it is difficult and expensive to upgrade or replace it. Anticipating growth in our district will save money and effort, as well as, reduce inconveniences to our community.

This future development strategy has an important role in this planning process and helps signal where there are constraints on existing infrastructure that impact future development.

Ultimately the infrastructure we provide needs to be cost effective, deliver quality service to our communities, meet legislative requirements, and consider the environmental impacts.

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Effective urban and rural land use planning requires the analysis of the overall capacity for development. Subsequently, assessing the development suitability of a given area entails the careful examination of the range of infrastructure required to service new growth and maintain the existing levels of service for both the current and future communities in all areas of the Taupō district.

Carrying capacity within the context of the Future Development Strategy refers to the population load that is sustainable given the current infrastructure.

A sustainable population load is not fixed, it changes due to several factors including migration, tourism and visitor numbers, location, consumption preferences and type of industries.

As population moves closer to this sustainable load, greenfield development opportunities become less and less available while the need for redevelopment in existing areas increases because it optimizes the use of existing infrastructure.

The pattern of development and the rate of population growth varies between different areas of the Taupō district. Similarly, the capacity, age and condition of existing infrastructure varies between areas as well.



Housing in our rural areas

Housing in rural areas is different to urban areas as it is often associated with employment such as farm employees living in houses on the farms they work on. It is important that our rural communities thrive as they provide jobs, support our towns and provide primary products for export. Over the years, our rural communities have changed due to various reasons, including land use change i.e. changes from forestry or drystock or dairying.

Through our pre-engagement, we have heard that there is a need to ensure that there is adequate housing in our smaller villages and towns such as Mangakino, Whakamaru and Atiamuri to accommodate those who are working rurally but may not have accommodation provided.

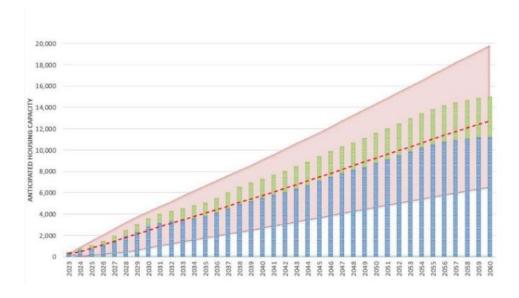
The District Plan has generous housing allowances in the General rural zone, allowing one house per 10ha.

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The growth model does not anticipate growth in these towns/villages except for modest growth in Mangakino. There is enough residential land available in these villages to allow redevelopment for extra houses if needed. In addition, we are undertaking a review of the residential chapter of the district plan to allow for greater intensification.

Action:

Continue to monitor the rural housing situation annually through the development of the Housing and Business Assessment. If needed, updates to this strategy and the residential chapters of the district plan can be undertaken.



What is the anticipated capacity for housing in the Taupō District?

There is currently sufficient land zoned for residential development purposes to meet expected housing needs until 2060 under the medium growth scenario.

Greenfield developments and infills could provide up to 15,000 residential units by 2060, which is higher than the anticipated housing need of 12,400 home.

However, if population growth turns out to be closer to the high growth scenario or if the competitiveness margin[1] set out in the NPS-UD is added on top of the medium growth scenario, then there is likely to be an under-supply of housing in the medium to long-term. Conversely, if population growth is slower than projected by the medium growth scenario, there will likely be an over-supply of residential units.

The Figure shows the anticipated housing capacity when considering the full range of growth projections. The shaded area represents the projected new households with the dotted line representing the medium growth scenario. The bars represent the anticipated new residential units expected to be built in greenfields (blue bars) and infills (green bars).

	2030	2040	2050	2060
Low growth	3,100	5,000	7,300	8,900
Medium growth	1,500	1,900	2,700	2,600
High growth	-300	-1,500	-2,500	-4,500

Anticipated Over-or-(Under) Supply of Residential Units

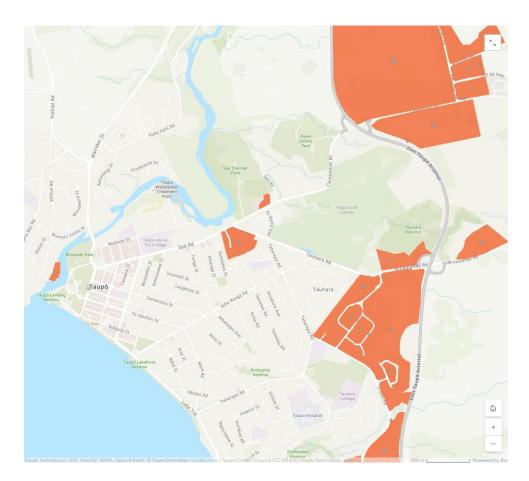
A persistent under-supply of housing adversely impacts house prices and rents with both rising in response to higher unmet demand. In these circumstances, it is expected that developers will respond to these higher house prices by bringing forward their development and build residential units earlier than planned. The number of redevelopments are also expected to increase in response to persistently high house prices. Hence, an

under-supply housing situation would be resolved through market forces and through Council intervention if high prices are persistent.

We will monitor and assess the situation on an annual basis and will be a key consideration when we review our FDS every three years.

[1] The NPS-UD defines a competitiveness margin as 'a margin of development capacity, over and above the expected demand that tier 1 and tier 2 local authorities are required to provide, that is required in order to support choice and competitiveness in housing and business land markets. The competitiveness margin is set at 20% for the short and medium terms and 15% for the long term.

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Do we have sufficient industrial land development capacity?

Taupō District currently has 1,083ha of land zoned for industrial purposes. Around 914ha (or 84%) is in close proximity to the Taupō urban area. Two additional areas were recently rezoned from Rural Environment to Taupō Industrial Environments as part of Plan Change 43. These sites are Broadlands Road West, which is around 20ha and Napier Road which is 3.5ha. Some industrial sites are for specific purposes, including the Taupō Airport (144ha), the Taupō Motorsport Park (17ha) and Rotokawa Power Station (2.9ha).

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There are other industrial sites outside Taupō township, including 46ha in Tūrangi and several smaller sites dotted in the rural areas between Taupō township and Mangakino (194ha). Cumulatively, these sites total 240ha.

The utilisation of industrial land periodically changes as new businesses set up while others close down. The current vacancy rate is around 7%. This does not account for under-utilized land that could be shifted into the rural zoned land such as storage units and parking spaces for heavy equipment and machinery.

We estimate that there are 38ha of industrial land that is vacant but serviced. This is sufficient to meet the industrial land required for the next decade of projected growth.

However, projections [1] indicated that industrial land will become increasingly scarce beyond the next decade and we will need an additional 53ha of industrial capacity to meet medium-to-long term growth. An undersupply of industrial land capacity will manifest in a reduction in productivity to the Taupō district, as well as:

- · A loss of employment opportunities
- · A reduction in economic and social wellbeing
- Higher rents and land purchase costs for the remaining zoned industrial land.

However, there are also positive and negative economic impacts of providing a considerable surplus of industrial land than that

required in the long term. At a high level, the costs and benefits can include:

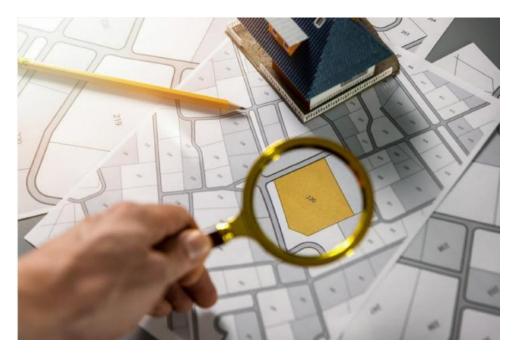
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Benefits	Costs
Attracts investment and diversification	Decreased intensified / efficient industrial development.
Discourages ad hoc and inappropriate out of zone industrial activity	Opportunity cost for other types of development and displacement of non-industrial economic activities
Supports local businesses and contributes to employment	Environmental impacts and degradation
Supply chain growth and more export opportunities	Environmental impacts and degradation

High level costs and benefits of industrial land surplus

[1] source: Property Economics, Economic Assessment, June 2021

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Do we have sufficient Retail and Commercial space?

The Taupō Town Centre is the commercial, retail, civic, administrative, entertainment, transport, tourist, recreational, event and cultural hub of the total Taupō District market. It comprises significant physical, economic and social resources. It services residents from across the district, visitors to the district and is Taupō's dominant commercial employment base.

Over the past few years, several threats have emerged that threaten the viability and sustainability of retail outlets and food and beverage establishments in the Taupō Town Centre. These include the current economic downturn and high inflationary environment, the growing influence of internet banking, the emergence of the 'fast food' market and petrol stations expanding their non-petrol offer to become 'mini dairies', and the opening of the East Taupō Arterial which diverted a proportion of tourists away from the CBD.

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The Taupō Town Centre can defend its role and function by continuing to consolidate and add to the existing retail provision to make sure it is not undermined or compromised as a result of these threats. The CBD is also more resilient compared to many other traditional town centres in smaller provincial towns because of its ability to attract substantial tourist activity.

Our approach to retail and office activity continues to be focused on consolidation within the Taupō town centre. This approach was first adopted in TD2050 and is now well entrenched in our growth management, resource management and operative District Plan. Concentrating these activities in a central area drives foot traffic and encourages more vitality within the centre and adjoining areas. It drives business activities and creates a clear incentive for building redevelopments.

There are two exceptions where retail activities are permitted outside the town centre: (1) neighborhood shops that provide for local needs such as small scale dairies, takeaways and some services like hair dressing and laundromats, and (2) trade based retail which typically require large sites with large outdoor spaces such as garden centres and building materials.

The Taupō CBD has around 103,700sqm gross floorspace (GFA) retail floor space supply. Plan change 40 enabled higher building limits within the CBD, and consequentially increased the available gross floorspace by 32,700 square metres from the previous 71,000 square metres. The vacancy rate stood around 4% of GFA but anecdotal evidence suggests that this has risen to 6% as a result of the current economic downturn. There are currently around 272 retail and commercial operators within the CBD. These are not expected to substantially increase over the next decade and the current available floorspace is sufficient to cater for the next three decades of floorspace needs.

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Retail and commercial activities are also provided in the settlements outside Taupō town. There are currently around 11,800sqm of GFA in the wider Taupo township with around 4,400sqm added with the new Kokomea area. This raises the total to 16,200sqm of GFA.

In Tūrangi, there are around 164 business premises within the town centre and industrial areas. 65 premises are in the town centre and 99 premises are in the industrial areas. The total GFA is around 1,300sqm. Out of these 164 premises, 66% are occupied and active businesses while a relatively high 27% are vacant, for sale or for lease. The remaining 6.7% have no visible business activity and are used as storage facilities/yards or for residential purposes. This high vacancy rate reflects the slowdown in economic activity observed over the past decade. In the smaller settlement of Mangakino, there are currently 21 premises with 62% are occupied and 38% are either vacant or for sale.

Planning for Growth

Population and business growth create the need for new subdivisions and developments, and this growth places increasing demands on the infrastructure and facilities provided by Taupō District Council. As a result, significant investment in new or upgrades to assets and services is required to meet the demands of growth.

Without this investment, Council will not be able to provide basic services such as drinking water or wastewater disposal to service the new communities, which would constrain growth in the district. Furthermore, the lack of adequate infrastructure could deter businesses from establishing in the area, limiting job creation and reducing economic opportunities. This could also lead to higher costs for development, slowing down both residential and commercial projects and affecting overall economic prosperity in the district.

In addition to infrastructural constraints, the natural topography of the district poses further constraints on growth. Protected areas, highly productive agricultural land, and natural hazards such as erosion, geothermal activity, and land slips limit the

available land for development. These environmental factors not only restrict expansion but also require careful planning and resource management to avoid environmental degradation and ensure safety. As a result, growth must be strategically managed to ensure that the available land is fully utilised for residential development purposes such as by raising housing densities and minimizing vacant land.

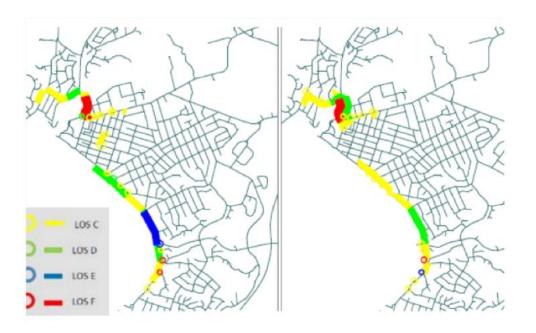
This section sets out what council needs to think about when planning for growth.

Key industries

Council has a leadership role in facilitating the development of the district's economy. We do this as a planning authority, provider of infrastructure and a land owner and through support of other economic development entities. We aim to ensure the Taupō District has a competitive advantage when it comes to securing business growth, attracting visitors, and building a skilled workforce.

Key industries in the Taupō District include geothermal energy, forestry and wood processing, agriculture and tourism.

To support economic development, it is critical that there is sufficient business land available for existing businesses to expand and new businesses to relocate along with homes available work workers in these industries.



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Road Network constraints

Control Gates Bridge Congestion

The traffic volumes travelling over the Control Gates Bridge are reaching maximum levels. Growth areas in the Nukuhau and Acacia Bay areas will not be able to develop without a second and/or new bridge crossing.

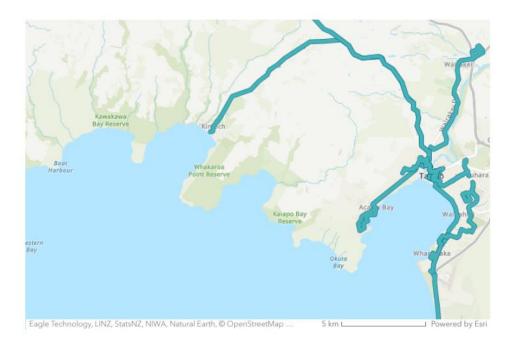
There are already rules in the Operative District Plan which constrain development of existing residential zoned land in Nukuhau without suitable investigations and plans for new infrastructure.

The Control Gates Bridge is owned by Mercury Energy while Council owns the road infrastructure.

Council has identified in the Long-term Plan 2024-34 and Infrastructure Strategy 2024-54 that it will need to work with local iwi and hapū and Mercury Energy to identify options for the bridge.

A detailed design is anticipated to be produced in 2027/28 and with construction starting in 2029/30. It is anticipated that that options for the future bridge will be consulted on as part of the Long-term Plan 2027-37.

Traffic & Incidents



Public Transport

This map shows the District's public transport route, which consists of a public bus service. The service is provided by Waikato Regional Council, however Taupō District Council funds 50% for the provision of this service. The remaining 50% is funded by the New Zealand Transport Agency. Council will need to work with Waikato Regional Council to monitor demand and ensure adequate services are provided throughout the district where and when they are needed.

In addition, a review of the Residential Rules in the District Plan will consider whether it is appropriate to allow for greater intensity developments in urban areas along the public transport route.

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Connectivity

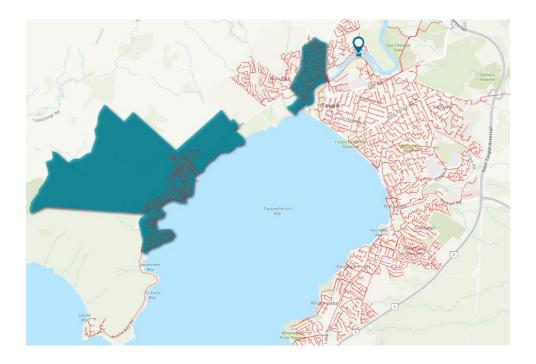
Connectivity within and beyond the district is key to facilitate growth and supports economic development. State Highway 1 between Taupō and Tūrangi has been identified as a constraint to growth.

Lack of resilience is a key issue. Crashes on this stretch of road can lead to road closures resulting in a several hour diversion. In the past, trucks have crashed into Lake Taupō resulting in contamination and hazardous materials entering the Lake.

SH1 between Taupō and Tūrangi has been identified in the Waikato Regional Land Transport Plan 2021-51 as a resilience

issue. Council will continue to advocate with central government and Waka Kotahi NZTA for this issue to be addressed.

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Wastewater Infrastructural constraints

Taupō North

The disposal of wastewater in Acacia Bay and Nukuhau is a constraint to further growth in these areas.

Wastewater from Acacia Bay is treated at a wastewater treatment plant which is now at full capacity. The wastewater from Nukuhau is transported across the Waikato River to the

Taupō Wastewater Treatment Plant via a pipe across the Control Gates Bridge, which is also at full capacity.

Additional capacity is needed to support growth in the Northern Taupō residential areas that have been recently zoned and are identified as future growth areas within this growth strategy.

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Council has been working closely with a steering group of local lwi and hapū on possible solutions to these issues. This steering group will continue to explore a long-term solution for a wastewater treatment and disposal system in the North of Taupō that avoids connections across the Waikato River.

Within the next 10 years, the Long-term Plan sets aside funding to increase the capacity of our wastewater connections in Taupō Town across the Waikato River.

Council is committed to continue to work with iwi and hapū, through the established steering group, to identify the long-term solution (beyond 10 years) for managing wastewater on the Rangatira side of Te Awa o Waikato.



Tūrangi

The Tūrangi wastewater treatment plant is operating outside of its consent under an extension granted by Waikato Regional Council. It has been made clear to Taupō District Council that no

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further extensions will be granted and a future consent is likely to be contingent on improvements to wastewater treatment and disposal at the site.

Council agreed to budget \$6.8 million over the next 5 years for improvements to the existing site to meet the conditions of a resource consent. However, this is contingent to Council being able to find an alternative land disposal site.

Council is committed to continue working with a local steering group, including lwi and hapū, to find alternative disposal sites for the long-term.

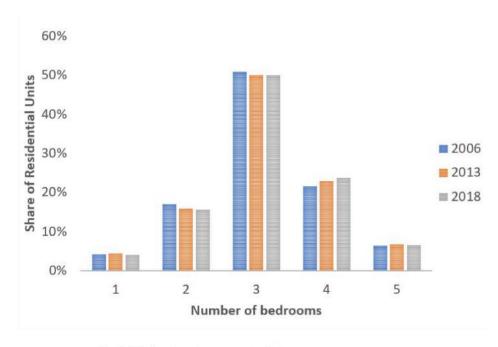


Mangakino

Mangakino is a small community of approximately 885 residents, located about 50 km from Taupō and away from the main State Highways. Historically, the town experienced a declining population, leading to a disproportionate number of vacant homes. However, in recent years, Mangakino has seen renewed

growth, driven by its rising popularity as a destination for holiday homes. Local developers have expressed plans to rezone several sites for future residential developments, signaling a shift toward further expansion.

The existing wastewater treatment plant, which currently services the community, is nearing its capacity. To support Mangakino's continued growth, an upgrade to the plant is essential. The Council is exploring multiple options to ensure the future upgrade is appropriately scaled to meet the town's evolving needs.



Social Infrastructure constraints

In addition to the infrastructure that is provided by council, other organisations provide infrastructure that is required to support growth and economic development. This can include facilities and services for the district such as schools, hospitals and tertiary education facilities. While Council is not responsible for providing these services, it does have a role in advocating for the

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delivery of these services when and where they are needed to support growth.

Housing Affordability and Availability

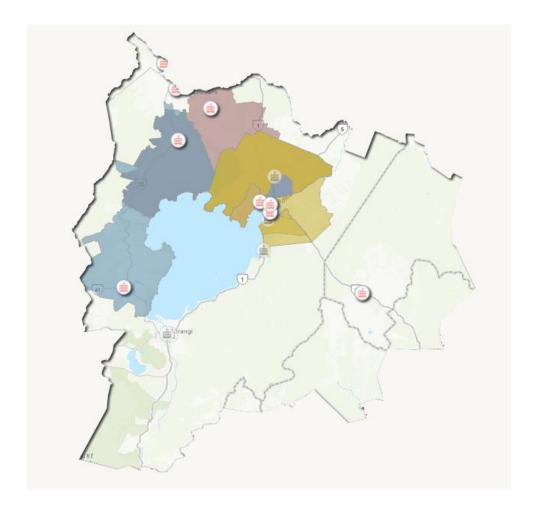
Since 2013, the Taupō District has experienced growth at levels faster than anticipated. Housing supply has not kept up with this growth and average house prices have increased faster than average incomes. Moreover, the houses that were built largely consisted of three- or four-bedroom houses on a large section. Only around 26% of these houses were one or two bedrooms.

Affordability has worsened in recent years in our district. A standard three-bedroom house now costs 9 times the median household income of a two-person household. This is three times what is considered affordable. Housing unaffordability in our district is now on par with Auckland and is less affordable than in Wellington.

The lack of affordability for entry level housing has put pressure on rentals, both in their availability and affordability. This is further exacerbated by the presence of peer-to-peer accommodation in our district.

Unaffordable entry-level housing directly impacts economic growth by limiting labor mobility, increasing operational costs for businesses, and reducing consumer spending. As potential workers struggle to find appropriate or affordable housing in Taupō, local businesses will increasingly face labour shortages. High housing costs also leaves individuals with less disposable income, which dampens demand for local goods and services, and constraints business growth. In the long-term, this can slow population growth, discourage homeownership, and weakening business growth in the district.

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Primary and Secondary Education Facilities

Some schools in Taupō town are at capacity. Growth is anticipated to continue, which will continue to exacerbate capacity of schools in the district. Over the next 35 years projections indicate that options for increasing primary and secondary school capacity in Taupō town need to be investigated. Options could include a new primary school or the relocation of an existing school/s to a larger site.

The Ministry of Education is responsible for public schools in New Zealand and Council's role is limited to advocacy.

Action:

What will we do?	When will we do it?	Type of land supply it will support
Continue to advocate to the Ministry of Education to investigate the need for a new primary school and/or relocation of an existing primary school in Taupō town	Ongoing	Residential



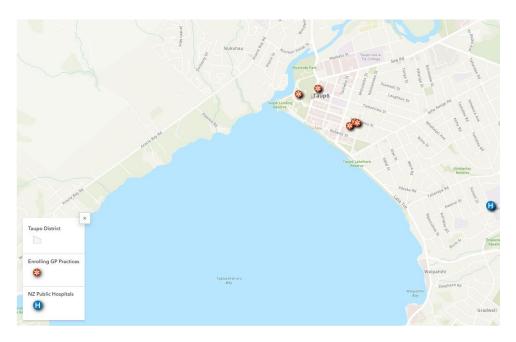
Tertiary Education Facilities

Toi Ohomai Institute of Technology has a campus in the Taupō town centre and provides courses to support local careers such as accounting, agriculture and automotive. An additional 25,000 residents will likely increase the demand for tertiary education in our district and will help reduce young people from leaving our district for higher education.

The Taupō District Economic Strengthening Strategy was adopted in 2018 and identified that a Tertiary Hub as a key catalyst project to support economic development within the district.

Council will continue to work with and advocate to tertiary providers for increased tertiary offerings in our district.

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Medical and health facilities

There is already a shortage of General Practitioners (GPs) in the Taupo District. This is demonstrated by the fact that some clinics will not take on new patients and some have wait times of up to six weeks to see a doctor. An additional 25,000 residents is going to put additional pressure on health facilities, including GPS and the Hospital. Council will continue to advocate for increased health services within our district.



Natural hazards and Environmental constraints

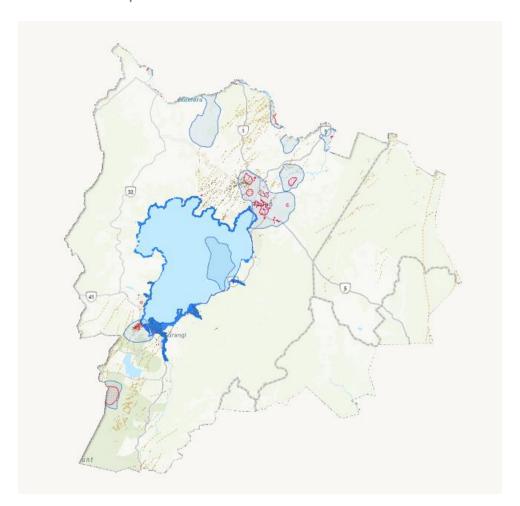
Highly Productive Land

The National Policy Statement for Highly Productive Land (NPS-HPL) provides policy direction to manage the use of highly productive land. Land Use Capability (LUC) classifies prime soils, which are Class 1, 2, or 3. The NPS-HPL aims to protect high-class soils are from unnecessary and inappropriate urban development. Taupō district has small amounts of class 2 and 3 soils, including adjacent to the Tūrangi and Mangakino townships. This will influence how and where growth can be accommodated in these townships.

Protected areas

Outstanding Landscape Areas, Amenity Landscape Areas, and Significant Natural Areas are areas identified in the District Plan.

These areas have protected areas from urban development given its value as regionally or nationally significant. OLA or SNA are not appropriate to enable future residential developments as it is regionally or nationally significant. Therefore, no existing land is zoned in these areas or areas containing elevated natural hazard risk. Whereas ALA is anticipated to have urban development under the district plan.



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Natural hazards

The Taupō District is susceptible to a number of natural hazards. Avoiding inappropriate development on land that is prone to natural hazards to ensure that lives and homes are protected. This needs to be considered when identifying growth areas.

The map in shows the range of the natural hazards that our district is prone to.

Some areas of anticipated growth in the district are unsuitable for urban development as it contains natural hazards such as:

- · Erosion near greenfield areas
- Geothermal areas north of Taupō town
- Land slips

Expanding urban development is limited in land instability areas. These areas are identified near Low-Density Residential Zones in the district.

Hilly topography and the characteristics of rock and soil are vulnerable to land instability. The severity and frequency of land slip is impacted by climate change, weather patterns. Active landslides are hazardous and should be avoided to develop, and steeper slopes are challenging to develop due to harder earthworks.

Our Implementation Plan

This table outlines the actions that we will undertake and when we will meet them to ensure the Taupō District meets its growth aspirations

What will we do?	When will we do it?	Type of land supply it will support	What else do we need to think about?
Work with Ngati Tūrangitukua to develop a spatial plan for Tūrangi	Start in early 2025	Commercial, industrial and residential	We know the Türangi has projections for modest growth. We believe that there is sufficient land in Türangi to accommodate this growth, however there are opportunities to look at how land can be used more efficiently.

Identify additional residential growth areas for inclusion in the next FDS.	Before mid 2026, to inform the next Long-term Plan	Residential	If population projections continue on a similar trajectory, we will need additional growth areas to cater for residential growth beyond 2060. Identifying additional growth areas will require comprehensive investigations.
Identify additional industrial growth areas for inclusion in the next FDS.	Before 2026, to inform the next Long- term Plan.	Industrial	The current population projections indicate that we will need an additional 50ha of industrial land for 20 to 35 years.
Complete a Housing and Business Assessment (HBA) under the National Policy Statement Urban Development	Completed now, but with annual updates	All	The HBA determines how much demand there is for commercial, industrial and residential land and whether there is adequate supply. It will help inform future reviews of the FDS.

Review the Residential Chapters of the District Plan to ensure that they enable different typologies and allow for intensification. Public transport routes are to be taken into account when considering intensification provisions.	We are reviewing our Residential Chapters now. We will undertake future reviews when required.	Residential	We are required to review our FDS every three years. When reviewing the FDS we will undertake an assessment to determine how well the Residential Chapters of our District Plan are enabling different typologies and intensification. If the review determines that we need to adjust the District Plan, we will initiate a review of the Residential Chapters.
Each time we review the Residential Chapters of the District Plan, undertake an assessment to determine whether future growth areas need to be rezoned.	Now, and every three years as part of the review of the FDS.	Residential	We are required to review our FDS every three years. When reviewing the FDS we will undertake an assessment to determine whether rezoning of growth areas is needed. If the review determines that we need to adjust the District Plan, we will initiate a review of the Residential Chapters.
Review and revoke the following structure plans: • Kinloch Community Structure Plan • Mapara Valley Structure Plan • Southern Settlements Structure Plan • Taupō Town Centre Structure Plan • Taupō Urban Structure Plan • Urban Commercial and Industrial Structure Plan	Ongoing over the next three years	Residential, commercial, industrial	Some of our structure plans have been given effect to. These structure plans will be gradually reviewed and revoked over the next three years if appropriate.

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Continue to monitor the availability of housing supply in rural towns, villages to ensure there is adequate housing for those who are working rurally	With each HBA update and FDS review	Residential		
Work with landowners to ensure there is adequate low density residential land available	Through each review of the residential chapter of the District Plan	Residential	Comprehensive assessments will to need to be undertaken to determine demand and ensure there is appropriate infrastructure provision	

What will we do?	When will we do it?	Type of land supply it will support	What else will we think about?
Undertake the necessary work to address the northern access bridge and wastewater issue on the northern side of Taupō.	As identified in the Long-term Plan 2024- 34	Residential	

Have your say

We want to hear from you!

Planning for our future and ensuring that we provide housing and growth capacity is important for the community's wellbeing. This is your opportunity to help shape our district as it grows over the next 30 years. We want your feedback.

To have your say, you can:

- Visit taupo.govt.nz
- Email futuredevelopment@taupo.govt.nz
- · Visit your local service centre or library

If you would like to meet someone to discuss the draft Future Development Strategy, please email futuredevelopment@taupo.govt.nz.

Submissions close on Friday, 20 December 2024 at 4pm.

All submissions will be made available to the public via the Council website.

A public hearing will be held in February 2025 where submitters have the opportunity to speak to their submission. Following the hearing and deliberations, decisions will be made on any changes to the proposed Future Development Strategy. Submissions of the public consultation will be summarised and a report will be provided.

Appendix



The Future Development Strategy is a foundational document

This Strategy supports the vision and outcomes of key Council strategies, including the Housing Strategy, the Transport Strategy and the Climate Change Strategy. The Local Government Act 2002, sets out that in taking a sustainable development approach, a local authority should take into account:

- The social, economic, and cultural wellbeing of people and communities; and
- The need to maintain and enhance the quality of the environment; and
- The reasonably foreseeable needs of future generations.

At the local scale these include providing the opportunity for people to meet most of their daily needs within their own community promote community cohesion and encourage an active lifestyle through all stages of life, in a healthy and safe environment.

At the site-specific scale, it requires the provision and design of development that meets the diverse needs of the community, and maintains or enhances the quality of public and private spaces and places.



Housing Strategy

Our housing strategy set four goals and five focus areas with a view at ensuring that everyone in Taupō lives in a safe, warm, dry home that they can afford. The Future Development Strategy supports this outcome by:

- Ensuring that there is enough housing capacity to meet the needs of our communities in the short, medium and long term
- Proactively looking at our land capacity development areas and housing sufficiency
- Facilitating more housing intensification
- Encouraging different housing types and typologies at a range of price points.

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Climate Change Strategy

Climate change is happening now and the impacts on our environment and communities will be significant over time.

Climate change will bring more extreme weather patterns. Issues such as drought, water security and flooding will become more severe.

Our climate change strategy was the first of its kind for the Taupō District. It sets out ambitious targets to reduce Council's emissions in-line with the national net zero emissions target by 2050. It recognises that Council should do its fair share to reduce emissions and show leadership in this space.

This FDS encourages a more compact town centre with higher housing densities, while limiting commercial growth to the centre. This maximizes the land available for housing

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developments, better utilises existing network infrastructure, encourages shorter travel times and the use of cycling and walking, while maintaining access to green open space.

Through land use planning, the FDS and changes to our District Plan have a key role to play in supporting a reduction in greenhouse gas emissions and ensuring that communities can adapt to the effects of climate change over time.

Council follows several climate change related policies and strategies. These include the:

- National Policy Statement of Urban Development, which
 requires that New Zealand's urban environments should:
 "support reductions in greenhouse gas emissions; and are
 resilient to the current and future effects of climate change. It
 also requires that when making planning decisions that affect
 urban environments, decision-makers must have "particular
 regard" to the likely current and future effects of climate
 change.
- The Zero Carbon Act 2019 sets out a government target for net zero greenhouse gas emissions (excluding biogenic methane) by 2050.
- · Council's own climate change strategy.

These documents direct the way Council operates and must be considered when we plan the future development of the district. When planning infrastructure Council asset managers are expected to consider the best ways to reduce emissions both during the construction of infrastructure and over the life of the asset.

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Transport Strategy On a page STRATEGY • Recognises that transport is our mains of connecting to people and places we want, safely and sustainably." PRINCIPLES • Selecting amount in not a burner to project transport chairmagner chairmagner their provides on the selecting around in not a burner to project transport chairmagner chairmagner their provides of the selecting around in not a burner to anyone. Self is confort frampore connectivity, inclusivity safety and sustainability. Is destines actions to deliver the vision and priorities. Selection and reliable transport in the face of growth. In definition of the selection of the selection

Our Transport Strategy

Making it easier to get to the people and places we want, safely and sustainably."

Taupo District Council Transport Strategy

This future development strategy supports the approach adopted in the Transport Strategy which encourages a more compact development and better connected communities by:

- Proactively looking at our transport network carrying capacity and integrate transport and land use planning.
- Encourage multi-modal transport options and shifts to cleaner transportation alternatives.
- Enabling greater intensification of residential dwellings within and around the Taupō town centre.
- Reviewing our District Plan to identify what level and types of activities are appropriate in the rural environment.
- Limiting commercial growth outside the town centre and to continue to strengthen the Taupō Town centre's function as the commercial hub for the district.
- Looking at vacancy rates in our industrial sites and under utilisation of industrial zoned land.
- Developing an interconnected network of open spaces, reserves and ecological corridors.

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Glossary

Acronym	Full Name
FDS	Future Development Strategy
НВА	Housing and Business Assessment
NPS-HPL	National Policy Statement Highly Productive Land
NPS-UD	National Policy Statement Urban Development
ODP	Operative District Plan
RPS	Regional Policy Statement
SNA	Significant Natural Area
TD2050	Taupo District 2050 - the previous Growth Management Strategy for the District

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3. FINANCIAL SUMMARY

3.1 REVENUE & EXPENDITURE PERFORMANCE

\$000	YTD Actual	YTD Budget	YTD variance to budget	Full year Annual Plan
REVENUE				
Rates	26,718	26,980	(262)	107,921
Subsidies and Grants	1,561	162	1,399	7,072
Development Contributions	1,657	1,962	(305)	7,757
Fees and Charges	4,086	4,059	27	22,164
Finance Revenue	1,805	1,800	5	7,010
Other Revenue	297	263	34	7,265
TOTAL REVENUE	36,124	35,226	898	159,189
EXPENDITURE				
Personnel Costs	7,974	7,675	(299)	30,615
Depreciation	8,501	8,716	215	34,561
Finance Costs	3,044	3,211	167	12,193
Other Expenses	12,210	13,751	1,541	65,107
TOTAL OPERATING EXPENDITURE	31,729	33,353	1,624	142,476
NET SURPLUS /(DEFICIT)	4,395	1,873	2,522	16,713

Figure 1:Statement of Revenue & Expenses at 30 Sept 2024

Figure 1 (above) sets out the Revenue & Expenses for the financial year to September 2024.

Total revenue is ahead of budget by \$898,000, with the following variances noted:

- Subsidies and grants are ahead of budget, due to the final milestone payment from Central
 Government in relation to work completed in 2023/24 on Turangi Kerb & Channel of \$1M, a grant
 from NZ Charitable Trust for Owen Delaney Park Lighting of \$75,000, a grant from Bay of Plenty Local
 Authority Shared Services for CCTV of \$60,000, the balance relates to unspent grants brought forward
 from 2023/24.
- Development contribution revenue and rates revenue are behind budget due to timing of developments.

 $Total\ operating\ expenditure\ is\ lower\ than\ budget\ by\ \$1.6M,\ with\ the\ following\ variances\ noted:$

- Personnel costs are above budget, due to a decrease in turnover. The dollar value of churn is much
 lower due to the mix of roles that have been vacant. The Executive team have been looking at
 options to address this and will bring back to Council in the next performance report.
- Other expenses are \$1.5m lower than plan. This is due to timing of expenditure, with the late adoption of the Long-term plan delaying some of the operational spend.

Changes to year-end forecast

Changes to forecast in current month: Nil

3.2 CAPITAL INVESTMENT PERFORMANCE

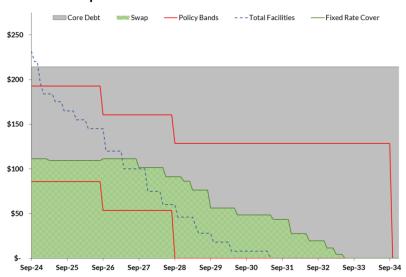
We have deployed \$17.9m of capital expenditure for the three months to 30 September 2024. The budget for 2024/25 is \$71.5m plus an estimated carry forward from 2023/24 of \$48m, giving a total capital budget for 2024/25 of \$119.5m. No reforecasting of capital expenditure has been completed to date.



4. TREASURY REPORT

Taupo DC - debt and cover profile

Taupō District Council - Debt and Cover Profile



The above graph demonstrates that Council is within its policy bands for interest rate risk coverage as per the Treasury Management Policy 2024.

Councils current and budgeted debt position is shown in the table below. Council's debt position is on track, as follows:

The performance of Council's Taupō Electricity Ltd (TEL) fund, is shown on the graphs below:

TEL Investment - Fund Managers Report September 2024

Taupo District Council

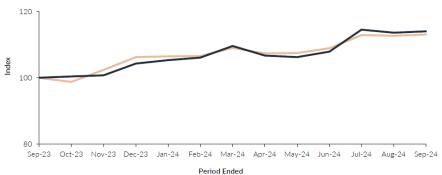
Period Ended 30 September 2024

	1 Month	Quarterly	1 Year (Annualised)	2 Years (Annualised)	3 Years (Annualised)	Since Inception Oct-2023
Benchmark	+0.32%	+3.83%	+13.05%	n/a	n/a	+13.05%
Portfolio	+0.58%	+4.86%	+14.01%	n/a	n/a	+14.01%
Value Added	+0.26%	+1.03%	+0.96%	n/a	n/a	+0.96%

Returns Relative to Benchmark Performance

---Benchmark

--Portfolio



Portfolio Summary

Taupo District Council

Adviser Names: Andrew Bateman & Roger FitzGerald

Customised Investment Solutions

As a Wholesale Advice Client and a Wholesale DIMS Investor you have authorised Forsyth Barr Limited to manage this portfolio in accordance with the Service Agreement for our Wholesale Portfolio Advisory & Management Service, a discretionary portfolio advisory and management service.

Your portfolio is managed on a discretionary basis in accordance with our Service Agreement and with reference to your Statement of Investment Policy & Objectives (SIPO), noting in particular any investment limitations or exclusions in your SIPO.

Asset Allocation	Underlying sectors in which the portfolio is inv		
Sector	NZ Dollar Value	Portfolio %	
Cash	6,615,434.70	8.9	
Fixed Interest	23,418,757.23	31.6	
Property	3,841,878.88	5.2	
NZ Equities	6,250,150.00	8.4	
Australian Equities	8,185,300.04	11.1	
International Equities	25,696,257.60	34.7	
Total	\$74,007,778.46	100.0	

Currency Allocation		Currency	of market on which the	e security trades
Assets by Currency	Native Value	FX Rate	NZ Dollar Value	Portfolio %
New Zealand Dollar	40,517,900.44	1.0000	40,517,900.44	54.7
Australian Dollar	25,747,020.93	0.9180	28,045,644.91	37.9
United States Dollar	3,457,632.45	0.6351	5,444,233.11	7.4
Total			\$ 74 007 778 46	100.0





4.2 CEO DELEGATIONS REPORTING

CEO approval of budgeted expenditure over \$500,000:

14/06/2024 CN000584 Earthworks 204 Crown Road Subdivision - Stages 1 & 2 \$1,400,001.00

Contractor: Cambridge Excavators Ltd T/A Camex Civil

18/06/2024 CN000527 Road Maintenance, renewal & network, management of TDC road corridor \$79,932,184.11 (as per Council Resolution TDC202405/16)

Contractor: HEB Construction

CEO approval of unbudgeted expenditure over \$50,000: Nil to report