



**Future Proof**  
*Te Tau Tītoki*

# North Waipā/ South Hamilton Spatial Study

## REPORT 1 - GAP ANALYSIS [FINAL DRAFT]

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# Executive Summary

In September 2024, the Future Proof Strategy update and Implementation Plan were adopted, outlining seven transformational moves for sustainable urban growth in the Future Proof area.

Transformational Move #5 focuses on establishing efficient economic connections between centres, employment hubs, metropolitan areas, ports, and airports within the Waikato Region. The two key activities under this move include: 1- Developing an integrated spatial framework for the North Waipā/South Hamilton region, and 2- Formulating a comprehensive economic and connectivity spatial concept for the Hamilton to Tauranga Corridor.

This report focuses on the North Waipā/South Hamilton area (activity #5.1) and is the first in a series of investigations to be undertaken as part of it. The study is anticipated to consist of three key phases and is scheduled for completion by March 2026.

This gap analysis forms the initial phase for the North Waipā/South Hamilton area spatial study. It identifies the current knowledge and key information gaps across several major themes affecting growth, infrastructure provision, land use integration, and environmental constraints.

The analysis is structured around the seven critical questions the study aims to address. For each theme, the report presents a synthesis of “What we know”—derived from existing technical reports and policy frameworks gathered during the stocktake phase—and “What we don’t know”—highlighting areas where there are tensions between the documents reviewed, or where further investigation, clarification, or guidance are required.

The following table summarises the gap analysis findings by study question:

<b>Demand for Land Use Change and Strategic Integration</b>	<ul style="list-style-type: none"><li>• Growth pressure is concentrated in key areas such as SH3, northern Waipā, and around the airport, necessitating proactive management and responsive planning tools.</li><li>• There are ripple effects and influences on nearby villages, including Rukuhia and Ōhaupō.</li><li>• Growth is unevenly distributed, with some areas advancing ahead of planned sequencing, resulting in a mismatch between policy intent and actual developments.</li><li>• Misalignments exist between infrastructure investments and residential or industrial density outcomes, indicating gaps in sequencing and integrated planning.</li><li>• While there is sufficient land identified in the Future Development Strategy (FDS) for residential development, the primary concerns are infrastructure and market conditions.</li><li>• In some parts of the study area, the nature of land use with the requisite infrastructure will be largely determined by the application processes outlined in the Fast Track Approvals Act 2024.</li></ul>
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	<ul style="list-style-type: none"> <li>The phased development of the study area is expected to align with the staged rollout of the Southern Links road project, as much as feasible.</li> </ul>
<b>Responding to unanticipated or out-of-sequence development proposals / Competing land uses</b>	<ul style="list-style-type: none"> <li>High-level frameworks such as the Future Proof Strategy, Ahu Ake - Waipā Community Spatial Plan and Hamilton Urban Growth Strategy (HUGS) are established; however, there are identified gaps in node-specific planning guidance, particularly for strategic locations like the areas surrounding Hamilton Airport, Mystery Creek, and adjacent areas. This gap presents challenges in responding consistently to emerging development proposals in a manner that is adjusted to the overall sub-regional context. The study aims to address these concerns.</li> <li>These frameworks serve as tools, but their effective implementation is often challenged by cross-boundary coordination. Additionally, there is uncertainty around what approaches will be used under the Resource Management reform.</li> <li>There is a gap in understanding how to apply key planning policy and principles (like out-of-boundary or unanticipated development provisions) practically. This creates a disconnect between policy intent and implementation on the ground.</li> </ul>
<b>Infrastructure Demands and Funding Challenges / Value Capture and Strategic Infrastructure Staging</b>	<ul style="list-style-type: none"> <li>There is ongoing uncertainty around what new funding tools will be enabled through legislation. The relationship between these new tools and existing approaches (e.g., development contributions) remains undefined, raising questions about future resourcing models.</li> <li>Infrastructure coordination – particularly in transport and waters – is critical to prevent ad hoc development and ensure effective service delivery. There are misalignments between infrastructure investments and residential or industrial density outcomes, highlighting a need for improved sequencing and integrated planning.</li> <li>The Future Proof Strategy and related planning tools support an integrated growth approach and encourage innovative financing and delivery methods. The Government's principle that “growth pays for growth” suggests a positive outlook, indicating that benefits should ideally cover costs. Development contributions (DC) and staging present existing and practical avenues. However, Hamilton City Council / Waipā District Council development contributions are not meeting this expectation. One uncertainty the study area faces is whether the DC models align correctly at a subregional level, and whether the upcoming central government tools, such as Development Levies, will help address this issue.</li> </ul>

<b>Agglomeration Benefits</b>	<ul style="list-style-type: none"> <li>• The Future Proof Strategy emphasises the importance of clustering ‘business’ activity near these nodes to leverage agglomeration benefits and drive regional productivity.</li> <li>• Hamilton Airport and Mystery Creek are consistently identified as high-value economic anchors for the region. While business clustering is assumed to generate economic benefits, evidence of such outcomes is limited in emerging areas like the Airport Business Zone. Further engagement is required to comprehensively understand what has been achieved and is feasible in the future.</li> <li>• These benefits are likely to be infrastructure-dependent and may take time to materialise, making it more difficult to justify rezoning or investment on speculative economic returns alone.</li> <li>• There is a lack of clarity around the future aspirations of some key stakeholders, particularly landowners and institutions at Mystery Creek and Hamilton Airport. Questions remain about the scale, nature, and timing of development in these areas, which limits the ability to plan proactively.</li> </ul>
<b>Environmental Constraints and Opportunities</b>	<ul style="list-style-type: none"> <li>• Peat soils, liquefaction, flooding, and biodiversity are prominent environmental factors across the study area.</li> <li>• These are framed as both constraints and opportunities, and the Future Proof Strategy clearly supports a resilience and protection approach.</li> <li>• While specific environmental risks are recognised, the full spatial extent of these constraints across the entire study area is still not well mapped or assessed. This limits the ability to take a precautionary or resilience-focused approach to long-term spatial planning.</li> </ul>

The findings from the gap analysis encourage us to reflect on the seven critical questions, using them primarily as prompts to stimulate meaningful discussion and increased shared understanding, rather than as queries to be definitively answered by the study. These prompts serve as a foundation for exploration, rather than focusing on specific elements like funding mechanisms or value capture, which this spatial study cannot resolve.

The next phase of this study, dedicated to scenarios and options development and assessment, will be essential for examining the application of these more intricate elements and understanding their potential outcomes in relation to these seven themes/questions.

# Introduction

## Scope and purpose of the report

In September 2024, the Future Proof Strategy - Future Development Strategy update and its Implementation Plan were formally adopted. These documents identified seven transformational moves, aiming to provide significant place-shaping elements in implementing the Future Proof settlement pattern and moving towards a more sustainable form of urban growth development.

These transformational moves were based on:

- Iwi aspirations.
- Give effect to Te Ture Waimana o Te Awa o Waikato - the Vision and Strategy for the Waikato River and its tributaries.
- A comprehensive and fundamental evolution of our transport system.
- A vibrant metro core and lively metropolitan and town centres.
- Strong and productive economic corridors.
- Thriving communities and neighbourhoods.
- Water-wise and water-sensitive communities.

Transformational Move #5: Strong and Productive Economic Corridors focuses on establishing efficient economic connections between centres, employment hubs, metropolitan areas, ports, and airports within the Waikato Region. Particular emphasis is placed on improving access between key productive areas: Hautapu, Ruakura, Hamilton central city, and extending northwards to Horotiu and Ngāruawāhia.

Under Transformational Move #5, two key implementation activities are proposed :

- Activity #5.1 - Develop an integrated spatial framework for the North Waipā/South Hamilton region.
- Activity #5.2 - Formulate a comprehensive economic and connectivity spatial concept for the Hamilton to Tauranga Corridor

This report focuses on the North Waipā/South Hamilton area (activity #5.1) and is the first in a series of investigations to be undertaken as part of it. The study is anticipated to include three key phases and is due for completion by March 2026.

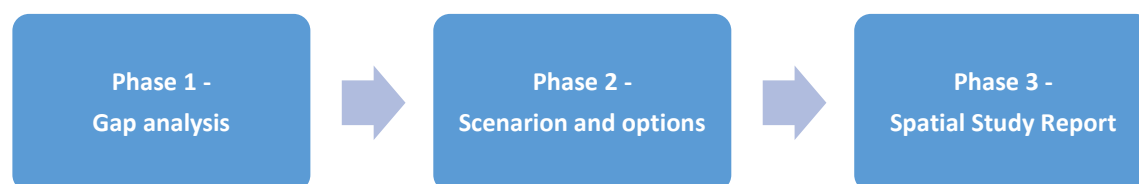


Figure 1 - Phases of the North Waipā/ South Hamilton Spatial Study project

The study will aim to identify the key land use and infrastructure investments needed to support future development surrounding the Southern Links road project across locations such as Mystery Creek, Rukuhia, Hamilton Airport, and extending towards Ōhaupō while protecting the environmental attributes significant and unique to the region (such as the extensive cover of highly productive land).

While the study aligns with the recently adopted Future Proof Strategy - Future Development Strategy (hereafter referred to as 'FDS'), it will also address any additional requirements not anticipated by it. The study will function as a comprehensive, scenario-based evaluation to inform and guide future FDS updates and/or the regional spatial plan.

This initial report serves as an inventory of the key issues and opportunities that could drive economic growth within the North Waipā/South Hamilton area. Sourced from an extensive literature review, it sets out to establish a clear understanding of what we currently know — and what remains uncertain — about the area's development potential. By systematically identifying knowledge gaps, tensions, and conflicts across existing documents and technical reviews, the gap analysis will help chart a clearer path forward for the next step and investigations.

Importantly, this gap analysis report provides insights into possible future states for the area, which have been either partially described by asset owners or technical reports prepared by Future Proof partners, but have not yet been comprehensively defined and/or agreed on.

### Study area

At the outset, it is important to note that the study area primarily focuses on land currently located in the northern part of the Waipā district, while also considering neighbouring areas within Hamilton and the Waikato districts. The areas of interest surround the Hamilton Southern Links Road project, identified in the Government Policy Statement on land transport (GPS 2024) as a Road of National Significance. It extends north toward the Peacocke neighbourhood within Hamilton City boundaries, east towards the Mystery Creek area and the shared Waikato and Waipā districts boundary, south toward the village of Ōhaupō, and west, beyond the North Island Main Trunk (NIMT) railway corridor along Rukuhia Road and towards Oregon Road.



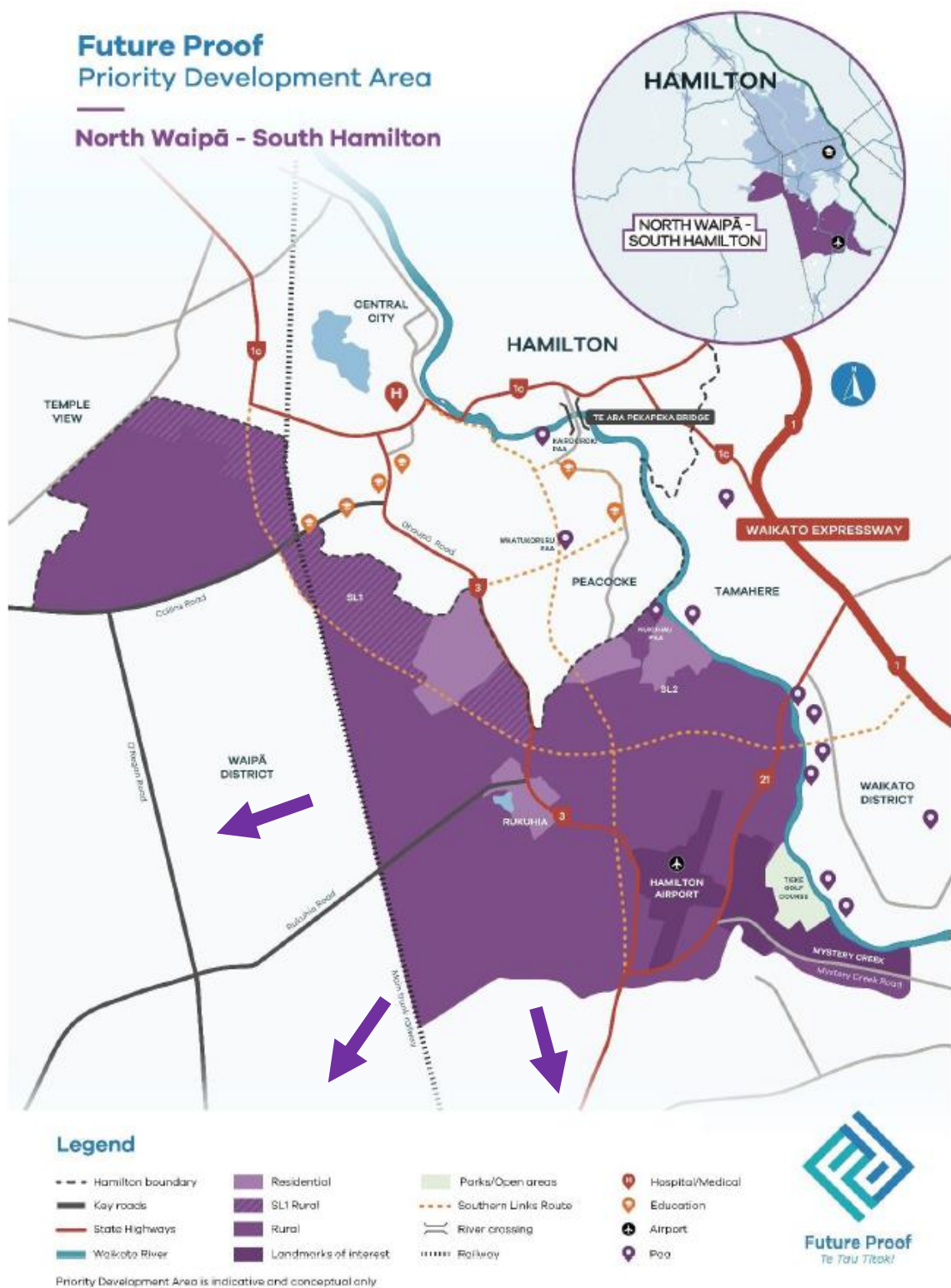


Figure 2 - North Waipā / South Hamilton Spatial Study core area (purple) and context of influence (purple arrows)



## Structure of the report

The report is structured in six sections:

1. Introduction (this section), which provides background information relevant to the study;
2. Methodology used in preparing this gap analysis and the critical questions to be addressed by the study.
3. Context and investigative environment for the study;
4. Findings tables for each of the critical questions;
5. Key summary of findings; and
6. Next steps.

## Methodology

This section outlines the method used to conduct this gap analysis.

## Data/Evidence collection, consolidation and analysis

The gap analysis was conducted through a desktop assessment, identifying areas of commonality and conflict among the various technical documents reviewed. Prior to the commencement of this study, Future Proof partners reached a consensus on seven critical questions that they expect the study to address as a minimum requirement. A structured assessment was conducted to understand how each of these technical documents addresses the questions, highlighting areas of consensus and potential conflicts. The documents reviewed are listed in Appendix A.

## Critical questions to be answered

### **1. Demand for Land Use Change and Strategic Integration:**

How can we ensure the strategic alignment of land use and infrastructure investments along the Hamilton Southern Links corridor to fully realise the benefits of this investment and avoid the consequences of ad-hoc development?

### **2. Responding to unanticipated or out-of-sequence development proposals:**

What measures can we implement to respond to out-of-sequence proposals in the South Hamilton and North Waipā area and proactively implement the settlement pattern established in the Future Development Strategy (FDS) – while maintaining flexibility where appropriate?

### **3. Infrastructure Demands and Funding Challenges:**

How can we generate the necessary funds and resources to meet the infrastructure demands caused by the planned and unplanned expansion of housing and industrial land along the southern links corridor and SH3 toward Ōhaupō?

### **4. Value Capture and Strategic Infrastructure Staging:**

What opportunities exist for value capture to fund growth infrastructure, and how can a

strategic approach to staging and sequencing infrastructure packages enhance delivery efficiency and effectiveness?

### **5. Agglomeration Benefits around Southern Hamilton periphery and Hamilton Airport and integration with Mystery Creek:**

How can we better understand and maximise the potential agglomeration benefits of land use around the Southern Hamilton periphery and Hamilton Airport to ensure more efficient and effective targeting of infrastructure investment? Are there any opportunities at, or in integration with, Mystery Creek?

### **6. Competing Land Uses**

How can we manage competing and potentially conflicting land uses around the Hamilton airport node?

### **7. Environmental Constraints and opportunities for environmental benefits:**

How can we address significant environmental constraints and opportunities, such as highly productive land, peat soils, biodiversity habitats, species, flooding, and liquefaction risks, to realise the expected economic benefits from growth in this area while protecting and potentially enhancing the natural environment?

## **The investigative environment: assumptions and limitations**

### **The investigative environment for this spatial study is characterised by dynamic changes occurring across various levels.**

The context in which this spatial study and, consequently, this gap analysis is investigated faces various changes, ranging from international migration of people to local-level land use changes.

As noted in the Future Proof Strategy 2024-2054<sup>1</sup>, long-term planning for the study area—and the broader sub-region—must account for several key influences. These include effects of population ageing in the western world, technological change, particularly the increasing use of artificial intelligence, increasing climate hazards due to climate change, and due to the increasing interconnectedness of nations and societies, the effects on the local economy and risk of biohazards.

- **The area is an enabler of economic growth for the sub-region** —At a local level, the study area is directly affected by the southward growth of Hamilton City and by the growth of the Waipā population and economy. Within the study area, the largest single influence of change is the growth of industrial and business-related development around Hamilton Airport, which is expected to open an international terminal in June 2025.

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<sup>1</sup> <https://www.futureproof.org.nz/our-strategic-direction/#gsc.tab=0>.

- **Timespan for the Spatial Study—** The spatial study has a long-term planning horizon of over 30 years. However, the rapid announcement of various ad-hoc projects, including the fast-track application for the Southern Links 1 development (SL1) and two large-scale infrastructure proposals, the Hamilton Southern Links (HSL) roading project and the Southern Metro Wastewater Treatment Plant (SWWTP), has accelerated land use changes for the area. Recent progress with the southern wastewater treatment plant and the state highway component of the Southern Links arterial network have prompted the need to prepare an integrated spatial framework to guide the area's development over the next three decades, as there is high potential that both of these critical infrastructure investments could be substantially advanced within the next 10-15 years. Ultimately, the study is likely to provide an entry point to the multi-generational changes which are expected in this area of the Waikato region.
  
- **The land transfers between Waipā District Council and Hamilton City Council —** All of the study area, and where change in land use will predominantly occur, is wholly currently contained within the Waipā district. This land is currently predominantly zoned Rural in the Waipā District Plan and can be regarded as 'greenfield' land available for urban development. The portion of the study area north of the Southern Links Road designation was originally identified in the Hamilton Urban Growth Strategy 2023 as a future development area. This particular area is the subject of a strategic land agreement signed in 2022 between Waipā District Council and Hamilton City Council that identifies a process for the proposed transfer of land into the jurisdictional boundary of Hamilton City Council. In 2024, part of the proposed land transfer was identified as a listed project in accordance with the Fast-track Approvals Act 2024 (FTA Act 2024). It is intended to support forthcoming residential and industrial developments.
  
- **Progress of the fast-track application for the Southern Links 1 ( SL1) area —** SL1 is a project listed in Schedule 2 of the Fast Track Approvals Act 2024. It covers 114 hectares of land in the Waipā district, adjacent to Hamilton City. The project will aim to subdivide land to develop approximately 1,035 residential allotments on about 48 hectares and land for industrial activities on around 66 hectares. Currently, the project is at an information-sharing stage, and consideration is being given to increasing the scale of the project. Future development related to these applications may face limitations due to the capacity of the existing three-water infrastructure, the Southern Links road corridor, and the surrounding road network near Hamilton.
  
- **The NZTA investment case for progressing the development of the State Highway component of the Southern Links arterial network —** NZTA's Hamilton

Southern Links project is classified as a 'Road of National Significance' in the 2024 Government Policy Statement on land transport. NZTA is preparing an investment case for the project, but construction timelines are not yet set. The project, along with its supporting arterial network, has long been a priority for Future Proof to deliver housing and economic growth, but it competes with other road developments for limited government funds. There is a commitment to construct some form of road along the entire Southern Links designation. A preferred option business case is expected to be finalised for the NZTA Board by September 2025. If approved, the project will proceed to a pre-implementation stage for detailed design and consents.

- **Population growth trends and changes** —Population growth in New Zealand is expected to increase, and the FDS has proactively planned for this growth following volatility after the COVID pandemic, driven by regional migration, natural growth, and a resumption of international migration. The current population is 5.3 million, with significant growth attributed mostly to international migration.

The Future Proof subregion forms New Zealand's "Golden Triangle" southern point, encompassing Auckland, Hamilton, and Tauranga. These three cities and the economic node they form are responsible for approximately 50% of the country's economic output and are home to half of its total population<sup>2</sup>.

The Future Proof subregion is projected to continue experiencing notable growth despite an overall trend of ageing populations. Hamilton is the second fastest-growing urban centre in New Zealand, and its population is becoming increasingly ethnically diverse, with a notable presence of younger Pasifika and Māori groups. In Hamilton, 58% identify as being of European origin, and the median age is 33 years, with 12.3% over 65. In contrast, Waipā district has a less diverse population and an older median age of 41 years, with 19.9% over 65<sup>3</sup>.

- **Significant changes in resource management legislation** — and associated national policy are programmed to occur in the short term. This means we are operating in a legislative and policy environment that is subject to considerable change. The government has signalled that its intention is to have a more permissive planning regime based on property rights. The NPS-Urban Development will need to be revised, however, this is not likely to occur until new resource management/development planning legislation is introduced. The Government has also signalled changes to the NPS – Highly Productive Land to remove LUC Class 3 soils from what is considered highly productive land. Waipā has around 9% of New Zealand's high-class agricultural soils (LUC Class 1-3), with over 50% of the district land categorised as such<sup>4</sup>. On 24 March 2025, the Government announced that two

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<sup>2</sup> MBIE Regional Workforce Plan 2025

<sup>3</sup> StatsNZ 2018/2024

<sup>4</sup> Submission to the NPS-HPL, Waipā District Council, 2019

new acts would replace the RMA - the Natural Environment Act and the Planning Act. The Natural Environment Act is to focus on use, protection, and enhancement of the natural environment, while the Planning Act is to focus on regulating the use and development of land. It is understood that both acts will be based on the premise that a land use is enabled unless there is a significant impact on either the ability of others to use their land or on the natural environment. Direction under the Natural Environment Act will cover freshwater, indigenous biodiversity and coastal policy. Direction under the new Planning Act will cover urban development, infrastructure (including renewable energy) and natural hazards. The Government has also signalled that there will be a Regional Spatial Plan which will play a key role in the new system. It will identify the spatial implications of environmental constraints such as hazards, significant natural areas (SNAs), Outstanding natural features and landscapes (ONFLs) and highly productive land (HPL), and support a permissive approach to development in areas where those constraints can be avoided or appropriately managed. The Government has released a discussion document on proposed changes to the national direction. Of relevance to this work will be the National Policy Statement for Infrastructure and the National Policy Statement for Natural Hazards. The Going for Housing Growth national direction package is expected in early June 2025.

- **Future Bus Rapid Transit (BRT) Connection** - The Hamilton Airport area is currently not serviced by public transport. Hamilton urban buses serve the existing urban area of Hamilton, and the frequent Te Awamutu service passes through the study area but does not stop. The Hamilton Metro Spatial Plan (MSP) Transport Programme Business Case (PBC) provides a long-term vision for a bus rapid transit corridor (ten-minute frequency) connecting Hamilton Airport to the CBD, although it does not identify a specific route. The alignment staging of the development of this network would be subject to population and employment growth occurring in the study area.

Through the Waikato Regional Council's Public Transport (PT) Pathways Project, a network likely to service the subregion's needs over the next ten to fifteen years as we transition toward BRT has been identified. This network includes the potential for a bus service to the airport as demand builds.

- **Three Waters Infrastructure** - The investigative environment for managing the three waters in this area is not yet completely resolved. If the proposals to establish two water entities in the region are agreed, water services in this area will be under the control of two separate entities (one focused on Hamilton and Waikato District, the other on Waipā, Matamata-Piako, Hauraki, Ōtorohanga, Waitomo, South Waikato and Taupō Districts). Integration between these entities at the boundary will be critical to ongoing growth and development.

In this context, Hamilton City Council is progressing with the design and potential consent for a new Southern Wastewater Treatment Plant, in accordance with a business case endorsed by Hamilton, Waipā, and Waikato Councils. The new Wastewater Treatment Plant is configured to receive waste from this overall study area, should that prove appropriate. In the interim, land owners will continue to provide their own wastewater services, which can be on-site treatment or truck-and-transfer to the Cambridge Wastewater Treatment Plant. A site for the southern plant has been identified (to the north of the Hamilton Southern Links state highway designation), funding for the sites construction is in the Hamilton City Council Long-Term Plan , and a design team is in place. If the Hamilton City/Waikato District water entity is created, this project is likely to move across to that entity.

Water supply in the core study area is currently either reticulated by Waipā District Council through a network of six water treatment plants across the district or landowner-sourced. If newly developed areas were to receive public water supply, one of the two proposed new entities would be required to provide the water supply. This may require changes to the size of their water allocations over time.



# Findings

This section presents the findings from the literature review related to the seven critical questions addressed by the study. It explores the current knowledge base (“What we know”) alongside identified knowledge gaps (“What we don’t know”) to comprehensively understand the multifaceted study area's challenges and opportunities.

In doing so, it aims to provide insights into the areas where further investigation or clarification is needed to support the delivery of a well-functioning urban-rural environment and ultimately how Transformational Move #5: Strong and Productive Economic Corridors and other transformational moves in the FDS can be best delivered within the study area.

While developing these tables, several recurring themes were identified. Although not all themes are consistently present across the tables, they contribute to a clearer structure of the findings.

The identified themes include:

- Residential land use;
- Commercial & Industrial Land Use;
- Infrastructure – Transport;
- Infrastructure – Waters;
- Infrastructure – Social;
- Environmental Constraints & Opportunities;
- Economic Development & Agglomeration benefits;
- Conflict Management & Competing Uses;
- Planning and Staging tools and mechanisms; and
- Policy, Planning and Regulatory.

## Critical question 1: Demand for Land Use Change and Strategic Integration

How can we ensure the strategic alignment of land use and infrastructure investments along the Hamilton Southern Links corridor to fully realise the benefits of this investment and avoid the consequences of ad-hoc development?



Themes from analysis	What we know	What we don't know
<i>Residential land use</i>	<ul style="list-style-type: none"><li>• The Future Proof Housing and Business Capacity Assessment (here referred to as HBA) has identified that demand can be met through plan-enabled capacity as set out in the Future Proof Strategy. However, the HBA highlighted that infrastructure constraints exist across the sub-region. These constraints will ultimately lead to an insufficiency of supply. HCC has residential insufficiencies in the short, medium and long-term because of these infrastructure constraints. Waipā has a residential insufficiency in the short term.<sup>5</sup></li><li>• It is noted that demand for dwellings within Hamilton's outer suburban areas is projected to continue. The southern catchment is projected to account for 40% of demand by 2052.</li><li>• Limited high-density development in Hamilton may hinder population growth. Encouraging more medium-density development could help meet housing demand and provide more diverse housing options<sup>6</sup>.</li></ul>	<ul style="list-style-type: none"><li>• Effectiveness of new residential land supply to provide affordable housing</li><li>• Effect of fast track applications on strategic integration.</li><li>• Feasibility and staging of residential development</li></ul>

<sup>5</sup> Future Proof Housing Development Capacity Assessment, 2023

<sup>6</sup> Future Proof Locality and Market for Housing and Business Land, 2024

	<ul style="list-style-type: none"> <li>• Rukuhia and Ōhaupō are existing large lot residential zoned areas within or in close proximity to the study area that have growth areas (deferred large lot residential zones) associated with them.</li> <li>• Increased residential densities and growth in Rukuhia and Ōhaupō are likely to change these two smaller villages into larger ones. This could be enabled through the development of the southern wastewater treatment plant<sup>7</sup>.</li> </ul>	
<i>Commercial &amp; Industrial Land Use</i>	<ul style="list-style-type: none"> <li>• Consensus on limited large industrial land parcels available for purchase.</li> <li>• The Future Proof HBA identified that Hamilton City has a shortfall of industrial capacity in the long term (10-30 year period).<sup>8</sup></li> <li>• There is also an identified commercial land shortfall in the medium term (3 – 10 years) in Hamilton City and in the long term in both Waipā and Waikato Districts.</li> <li>• The HBA has identified that the leasehold tenure structures of much of the Ruakura land may act as a deterrent for some businesses and will need monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Type of industrial land/activities that is most beneficial or suitable for the Hamilton-Waipā area.</li> <li>• Future Proof Housing and Business Assessments do not include fast track or other emerging areas, or local water done well delivery stages.</li> <li>• Extent of demand for additional residential and business land within the study area.</li> <li>• Increasing industrial land being proposed in the SL1 area could potentially absorb any shortfall for Hamilton City and the subregion. It is unknown if this would extend to the long-term capacity.</li> <li>• How many commercial land proposals will fit with the current centres hierarchy?</li> </ul>

<sup>7</sup> Ahu Ake, Waipā Community Spatial Plan, 2025

<sup>8</sup> Future Proof Business Capacity Assessment, 2024

	<ul style="list-style-type: none"> <li>• Areas close to Hamilton (Airport and SL1) and accessible from arterial roads are considered attractive to businesses.</li> <li>• Hamilton Emerging Industrial Areas model could be used to determine the type and amount of industrial land needed.</li> <li>• The Airport Northern Precinct (Airport Business Zone) is live-zoned and provides additional capacity for a mix of commercial and industrial land use<sup>9</sup>.</li> <li>• Some of the Economic analysis associated with private plan changes in the Airport area has been critical of the Future Proof Housing / Business Assessment in understating demand for business land. This is a common issue where unanticipated or out-of-sequence development is sought to be justified.</li> </ul>	<ul style="list-style-type: none"> <li>• While all new larger developments south of Hamilton are proposing business centres to service their neighbourhood, it is unclear how small-scale retail commercial development could be provided in Rukuhia to service future growth in population.</li> </ul>
<p><i>Infrastructure – Transport</i></p>	<ul style="list-style-type: none"> <li>• The Hamilton Southern Links project has designated a complete arterial and state highway network to support the current planned settlement pattern. The state highway component is currently being investigated for potential construction as a Road of National Significance starting within the next ten years. The local arterial component has been partially completed, but construction of the final components is not in the current Hamilton long-term plan. It is a network, designed to be delivered collaboratively. Hamilton City Council has already started with the bridge, and the NZ Transport Agency is delivering the state highway components. However, to realise the housing and</li> </ul>	<ul style="list-style-type: none"> <li>• Staging of and timeline for the construction of the Southern Links state highway and arterial components are unknown at this point.</li> <li>• The future long-term (30 year +) benefits and potential of integrating existing and future land use in the study area with rail are not well known and merit further investigation.</li> <li>• The future form and function of the existing state highways (SH21 and SH3) through the study area, post completion of Hamilton Southern Links, is not known and will depend on the land use.</li> <li>• The timing of a regular bus service to Hamilton Airport and the ultimate transition to a bus rapid</li> </ul>

<sup>9</sup> Waipā District Plan, 2017

	<p>economic outcomes will require the full transport network (incl. public transport) to be delivered.</p> <ul style="list-style-type: none"> <li>• The North Island Main Trunk Railway forms part of the western boundary of the study area. It may provide potential for industrial development reliant on access to rail for the transport of goods and materials, such as logistics.</li> <li>• The MSP Transport Programme Business Case has provided clear direction favouring bus rapid transit over rail passenger transport for the next thirty years while maintaining the option to shift to a mixed BRT and rail model at some point in the future when economics and demand make rail more commercially viable (noting that generally rail requires high population densities living and working within close proximity to services to be viable).</li> </ul>	<p>transit corridor linking Hamilton Airport to the CBD is unknown. Still, it can be expected to be phased in over time, subject to demand.</p> <ul style="list-style-type: none"> <li>• Opportunities for intermodal operations, e.g. road/rail/air transfer; road/rail.</li> <li>• Scale of opportunity for an intermodal facility in the area to break down/distribute containerised freight into smaller ‘last mile’ delivery vehicles.</li> </ul>
<i>Infrastructure – Waters</i>	<ul style="list-style-type: none"> <li>• The Hamilton Southern Wastewater Treatment Plant site has been identified. According to the Hamilton Council approved business case, this site is intended to provide reticulated services for the study area, Matangi, Tauwhara Pa and southern Hamilton. The business case did not anticipate a connection to Rukuhia and Ōhaupō based on the currently planned density growth areas. No existing wastewater services are currently provided in the villages of Rukuhia and Ohaupo.</li> <li>• Individual landowners currently provide water supply at Rukuhia and partially for Ōhaupō.</li> </ul>	<ul style="list-style-type: none"> <li>• Timeline for construction of the southern wastewater treatment plant.</li> <li>• What areas will / could the southern wastewater treatment plant serve outside of the current business case – at what point would the Titanium Park precinct be reticulated for wastewater and water supply? What about other areas such as Rukuhia or Ōhaupō?</li> <li>• Water supply could be challenging depending on staging of development.</li> </ul>

<i>Infrastructure – Social</i>	<ul style="list-style-type: none"> <li>• Sites for two new schools in the Peacockes growth area in Hamilton (adjacent to SL1 within the study area) have been purchased by the Ministry of Education.</li> <li>• Network plans prepared by the Ministry of Education summarise where changes to the population affect plans for the schooling network. Noting existing schools in and adjacent to the study area, which are an existing part of the network.</li> <li>• Spatial plans inform catchment planning and school asset management.</li> </ul>	<ul style="list-style-type: none"> <li>• Changes to catchment planning based on emerging areas and fast-track applications.</li> <li>• Lack of understanding of opportunities that lie within the blue-green infrastructure across the study area.</li> </ul>
<i>Planning and Staging tools and mechanisms</i>	<ul style="list-style-type: none"> <li>• The SL1 area is identified by the Hamilton Urban Growth Strategy (HUGS) as an out-of-boundary area. HUGS introduces principles for out-of-boundary development that aim to guide these areas' growth<sup>10</sup></li> <li>• SL1 is not included as an urban enablement area in the FDS or Regional Policy Statement (RPS) and is therefore not staged.<sup>11</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Using infrastructure as a staging mechanism for development.</li> </ul>
<i>Conflict Management &amp; Competing Uses</i>		<ul style="list-style-type: none"> <li>• The effect that national direction through the NPS Highly Productive land will have on the ability for land along the corridor to be used and developed for urban purposes.</li> </ul>
<i>Policy, Planning and Regulatory</i>	<ul style="list-style-type: none"> <li>• SL1 is not included as an urban enablement area in the FDS or the RPS and, under usual processes, would be subject to the responsive planning criteria set out in the RPS.<sup>12</sup></li> </ul>	<ul style="list-style-type: none"> <li>• How Resource Management Law Reform will change how new urban areas and zoning are established.</li> </ul>

<sup>10</sup> Hamilton Urban Growth Strategy, 2023

<sup>11</sup> Future Proof Strategy 2024, Waikato Regional Policy Statement

<sup>12</sup> Ibid



- SL1 is identified in the FDS as a future strategic node for investigation.<sup>13</sup>
- The Fast-Track proposals for this area would circumvent HUGS, the FDS and the RPS, and if granted, apply urban zoning to this area in the short to medium term.<sup>14</sup>

#### In summary:

The literature review presents high confidence that there will be ongoing and localised demand for additional urban development in the study area. Appropriate urban development will need to take into account the environmental opportunities and constraints and be facilitated through the staging of key transport and three waters infrastructure.

Current evidence suggests that the initial accommodation of urban residential demand will occur north of the Southern Links Corridor within the SL1 project area. The alignment of land use with the requisite infrastructure will largely be dictated by the application processes set under the Fast Track Approvals Act 2024.

Key considerations include the capacity and catchment areas of the Southern Wastewater Treatment Plant (SWWTP), alongside the potential for future connections from remaining Waipā regions. Notably, the airport, Rukuhia, and Ōhaupō—located south of the Southern Links corridor—represent areas where accessing the SWWTP could yield advantageous land use outcomes, from which additional investment benefits could be realised.

The funding landscape for the Southern Links arterial remains uncertain. Should the government approve funding and financing for its development, construction and operationalisation, it is expected to occur in stages. As each segment is completed and operationalised, it will likely enhance accessibility for development in adjacent areas. The phased development of the study area will likely correspond with the staged rollout of the Southern Links road project to the extent that it is feasible.

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<sup>13</sup> Future Proof Strategy 2024, Map 7, page 84

<sup>14</sup> Fast-track Approvals Act 2024

Moreover, the proposed SL1 industrial area, together with the area surrounding the airport, presents a significant opportunity for employment growth in Hamilton South. This development could aim to counterbalance the current dominance of existing industrial and business employment concentrated in central and northern Hamilton.

## Critical question 2: Responding to unanticipated or out-of-sequence development proposals

What measures can we implement to respond to out-of-sequence proposals in the South Hamilton and North Waipā area and proactively implement the settlement pattern established in the FDS while maintaining flexibility where appropriate?

Themes from analysis	What we know	What we don't know
<i>Residential land use</i>	<ul style="list-style-type: none"><li>• There are development pressures along State Highway 3 to the south and west of Hamilton.</li></ul>	<ul style="list-style-type: none"><li>• Feasibility of development due to infrastructure constraints.</li></ul>
<i>Commercial &amp; industrial land use</i>	<ul style="list-style-type: none"><li>• The emerging industrial areas model can calculate demand for industrial activity types. This can be used to determine the type of industrial land needed and how this integrates with the wider study area. Market Economics prepared Housing and Business Development Capacity Assessments for the Future Proof partner councils. The most recent assessment was completed in 2023/ 2024. This assessment identified that Hamilton City has a shortfall of industrial capacity in the long term (10-30 year period). There is also an identified commercial land shortfall in the medium term (3 – 10 years) in Hamilton City and in the long term in both Waipa and Waikato.<sup>15</sup></li></ul>	<ul style="list-style-type: none"><li>• How the development market operates at a sub-regional level. The Housing and Business Development Capacity Assessments treat each council area as a discrete entity. However, developers and markets don't generally operate within strict administrative boundaries.</li></ul>

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<sup>15</sup> Future Proof Business Capacity Assessment, 2024

<i>Infrastructure – transport</i>	<ul style="list-style-type: none"> <li>• Strategic alignment with infrastructure provision is crucial to avoid ad hoc development.</li> </ul>	<ul style="list-style-type: none"> <li>• Impact of additional greenfield development on the implementation of the MSP Transport Programme Business Case.</li> <li>• Detailed alignment of infrastructure staging with potential development.</li> </ul>
<i>Infrastructure – waters</i>	<ul style="list-style-type: none"> <li>• Interim solutions for wastewater management at Hamilton Airport have enabled industrial and commercial development to occur without reticulated services in place. This is an example of how flexibility can be used to enable proactive land release; however, this is not a favoured option for residential development.</li> </ul>	<ul style="list-style-type: none"> <li>• Risks associated with the cumulative effects or inefficiencies of interim wastewater solutions compared with network infrastructure</li> <li>• How new waters CCOs will operate.</li> </ul>
<i>Planning and staging tools and mechanisms</i>	<ul style="list-style-type: none"> <li>• Waikato Regional Policy Statement (through Plan Change 1) and Future Proof Strategy set out criteria to be applied for development proposals which are unanticipated or out-of-sequence.</li> <li>• Future Proof Strategy contains a series of growth management directives and guiding principles that can influence decisions affecting settlement patterns.</li> <li>• Master planning and structure plans can be used to manage risks associated with unanticipated or out-of-sequence development by establishing a structured framework for growth within specific areas.</li> <li>• Principles for out-of-boundary development within HUGS provide an alternative way to view how unanticipated / out-of-sequence development can be accommodated in a manner that could be proactive and provide flexibility based on developer</li> </ul>	<ul style="list-style-type: none"> <li>• Specific details/guidance on how principles for out-of-boundary, unanticipated and out-of-sequence should be applied in practice.</li> <li>• More granular guidelines specific to individual development nodes (e.g., Airport) would be helpful for managing out-of-sequence developments and competing land use activities.</li> <li>• The timing for actioning the strategic boundary agreement is currently uncertain</li> <li>• How Resource Management Law Reform and national direction might affect responsiveness policies.</li> </ul>

	undertakings as to development outcomes and responsibility for meeting these (e.g. Growth pays for Growth).	
<i>Policy, planning and regulatory</i>	<ul style="list-style-type: none"> <li>• As above</li> </ul>	<ul style="list-style-type: none"> <li>• How Resource Management Law Reform and national direction will change the way in which unanticipated or out-of-sequence development proposals are currently considered and activated.</li> </ul>

In summary:

The current frameworks for addressing unanticipated and out-of-sequence development proposals, set out within the Future Proof Strategy and incorporated into the Waikato Regional Policy Statement, serve as an effective foundation. Additionally, the application of master and structure plans can enhance this process by delineating development staging, land use allocation, infrastructure provision, and other strategic outcomes that align with the Future Proof settlement pattern.

However, the ongoing effectiveness of these mechanisms is undermined by the Fast Track Approvals Act and is likely to be influenced by prospective reform in resource management legislation.

### Critical question 3: Infrastructure Demands and Funding Challenges

How can we generate the necessary funds and resources to meet the infrastructure demands caused by the planned and unplanned expansion of housing and industrial land along the southern links corridor and SH3 toward Ohaupō?

Themes from analysis	What we know	What we don't know
<i>Residential land use</i>	<ul style="list-style-type: none"> <li>Infrastructure investments are not fully aligned with potential residential density outcomes.</li> <li>The HBA highlighted that infrastructure constraints exist across the sub-region. These constraints will ultimately lead to an insufficiency of supply. HCC has residential insufficiencies in the short, medium and long-term because of these infrastructure constraints. Waipā has a residential insufficiency in the short term.<sup>16</sup></li> </ul>	<ul style="list-style-type: none"> <li>Feasibility of residential development in the study area, especially if new 'growth pays for growth' funding tools are applied</li> <li>Full infrastructure costs and funding gap to support development</li> </ul>
<i>Infrastructure – transport</i>	<ul style="list-style-type: none"> <li>Targeted investment along SH3, SH21 and the Tamahere interchange, along with construction of the Southern Links arterial network, is needed. Funding will come from a mix of National Land Transport Fund and growth funding through development contributions (existing) or levies (to be confirmed).</li> </ul>	<ul style="list-style-type: none"> <li>Whether the funding tools identified will cover the transport infrastructure costs.</li> <li>How infrastructure will be funded – how far does 'growth pays for growth' extend? For example, additional public transport services.</li> </ul>
<i>Infrastructure – waters</i>	<ul style="list-style-type: none"> <li>Development proposals can be required to provide infrastructure reports and plans which provide an overview of infrastructure requirements and solutions.</li> <li>Alternative and additional ways to fund the delivery of strategic infrastructure need to be explored. These may include government grants, Waikato Regional Deal,</li> </ul>	<ul style="list-style-type: none"> <li>What funding tools will be available to the new water entities</li> </ul>

<sup>16</sup> Future Proof Housing Development Capacity Assessment, 2023



	Infrastructure Funding and Financing Act (IFF) - special purpose vehicles, utilising the changes to targeted rates and private developer agreements.	
<i>Economic development &amp; agglomeration benefit</i>	<ul style="list-style-type: none"> <li>Upzoning can significantly change land value. Mechanisms that enable the Council to take contributions based on the value increase are needed.</li> </ul>	<ul style="list-style-type: none"> <li>How economic benefits generated from increased business activities and employment opportunities can be captured and ultimately offset infrastructure costs over time, and address funding challenges associated with growth.</li> </ul>
<i>Planning tools &amp; staging mechanisms</i>	<ul style="list-style-type: none"> <li>Development agreements provide a means by which responsibilities for infrastructure provision and upgrades are determined.</li> <li>Future Proof strategy acknowledges the infrastructure funding challenge and suggests innovative funding and financing methods, including public-private partnerships.</li> </ul>	
<i>Policy, planning and regulatory</i>	<ul style="list-style-type: none"> <li>The government has signalled that the principle of “growth pays for growth” will be implemented through a Local Government (Infrastructure Funding) Bill, which is expected to be introduced in late 2025. This will introduce provisions for development levies and targeted rates.</li> </ul>	<ul style="list-style-type: none"> <li>We do not yet know what funding opportunities will be made available through new legislation or how these will be used.</li> </ul>

#### In summary:

Determining sustainable funding mechanisms to address the infrastructural demands associated with urban expansion is a complex challenge. There are no easy answers to how funding (beyond increased borrowing, long-term plans, rates and development contributions) can be generated to meet the costs associated with infrastructure demands and requirements of urban expansion. This study does not aim to develop a comprehensive infrastructure funding strategy, recognising that such granularity exceeds the scope of

our analysis and acknowledging the evolving nature of government funding tools. Instead, this study will attempt to provide an examination of the issue and present observations and recommendations based on our findings.

Additional tools are expected to be available through the Local Government (Infrastructure Funding) Bill. The Government's principle that “growth pays for growth” suggests a positive outlook, indicating that benefits should ideally cover costs. However, this expectation is not being met through our development contributions (DC). One uncertainty the study area faces is whether the DC models align correctly at a subregional level, and whether the upcoming central government tools, such as development levies (not yet applied), will help address this issue.

For the costs to be offset effectively, there needs to be a mechanism in place to capture the anticipated benefits when business activities are initiated or approved. Exploring successful international examples of value capture will support this understanding.

#### Critical question 4: Value Capture and Strategic Infrastructure Staging

What opportunities exist for value capture to fund growth infrastructure, and how can a strategic approach to staging and sequencing infrastructure packages enhance delivery efficiency and effectiveness?

Themes from analysis	What we know	What we don't know
<i>Infrastructure – Transport</i>	<ul style="list-style-type: none"><li>• Staging of the construction of Southern Links is being explored, but there is merit in exploring further opportunities that might arise from the necessary investment in the local road network, including PT infrastructure.</li></ul>	
<i>Economic Development &amp; Agglomeration benefit</i>	<ul style="list-style-type: none"><li>• Suggestion that leveraging the airport-led growth and nearby urban expansion to explore value capture mechanisms (including development contributions and land value uplift) could be explored.</li><li>• Significant changes in land value occur when upzoning takes place. Upzoning creates an opportunity for Council to take contributions based on the value increase at the time rezoning takes place, as opposed to taking 'development contributions' once development of land occurs.</li></ul>	<ul style="list-style-type: none"><li>• We do not yet know what funding opportunities will be made available by new legislation or how these will be used, including whether value capture may be leveraged at the time land upzoning occurs.</li></ul>

*Planning Tools & Staging Mechanisms*

- Master and structure planning can be used to identify development staging, enabling development up to a point where infrastructure upgrading requirements can be sequenced and introduced over time.
- Staged development approaches can facilitate value capture mechanisms, such as development contributions to fund infrastructure.
- Future Proof strategy references harnessing property values uplift with rezoning and infrastructure development. There is implicit recognition that infrastructure should be delivered in stages and be responsive to growth.
- Development agreements can provide a form of value capture to fund infrastructure and can also provide for staging.
- The Central Government has signalled it will look at broadening existing tools to support value capture and cost recovery by enabling the IFF Act to be used for major transport projects.

In summary:

There are limited mechanisms available to facilitate the capture of increased land values resulting from upzoning. Existing options, such as development contributions, are currently maximised in their application. However, the forthcoming Local Government (Infrastructure Funding) Bill may introduce additional avenues for value capture to finance growth-related infrastructure.

Infrastructure staging presents a practical approach to mitigating the initial financial burden associated with infrastructure provision; however, the suitability of this method must be evaluated on a case-by-case basis to ensure its appropriateness.

## Critical question 5: Agglomeration Benefits around the Southern Hamilton periphery and Hamilton Airport and integration with Mystery Creek

How can we better understand and maximise the potential agglomeration benefits of land use around the Southern Hamilton periphery and Hamilton Airport to ensure more efficient and effective targeting of infrastructure investment? Are there any opportunities at, or in integration with, Mystery Creek?

Themes from analysis	What we know	What we don't know
<i>Commercial &amp; Industrial Land Use</i>	<ul style="list-style-type: none"><li>• The Airport Business Zone surrounding Hamilton Airport provides for clusters of like-minded activities over a large area. The ability to maximise agglomeration benefits relates back to the mix and type of activities that are provided for in the underlying zone. In this respect, the Airport Business Zone contains a permissive and mixed activity list (providing for both commercial and industrial development opportunities).</li><li>• There is pressure for more rezoning of rural land at the Airport for the Airport Business Zone. This is currently realised through Plan Change 33 to the Waipā District Plan, which has been lodged with Council.</li><li>• Commercial plan enabled capacity at Titanium Park scores lower than other commercial areas due to its location away from population centres.</li><li>• The Hamilton Emerging Industrial Areas Model allows for the demand for different types of industrial activity to be calculated.</li></ul>	

	<ul style="list-style-type: none"> <li>• The Mystery Creek Events Zone provides for a limited range and type of activities, which are not infrastructure dependent</li> <li>• Diversifying commercial development at the right scale in North Waipā could provide more local amenities and reduce the need for residents to travel to Hamilton for services.</li> </ul>	
<i>Infrastructure – Transport</i>	<ul style="list-style-type: none"> <li>• The area around the airport provides a strategically valuable location for aeronautical, air transport, and freight-related services. This is being amplified with international flights between NZ and Australia now being offered.</li> </ul>	
<i>Economic Development &amp; Agglomeration</i>	<ul style="list-style-type: none"> <li>• The economic analysis undertaken to support expansion of the Airport Business Zone through Plan Change 20 to the Waipā District Plan identified that agglomeration benefits arise from concentrating businesses near Hamilton Airport.</li> <li>• Agglomeration benefits occur where the movement of goods, workers and ideas relates to the same or similar market.</li> <li>• Hamilton Airport and Mystery Creek identified as high-value economic anchors with agglomeration potential.</li> <li>• Hamilton Airport and Mystery Creek are identified by the Future Proof strategy as being an emerging innovation district.</li> <li>• Future Proof strategy promotes the clustering of activities around key nodes to drive efficiencies and enhance the overall productivity of infrastructure investments.</li> </ul>	<ul style="list-style-type: none"> <li>• The development of the Airport Business Zone is in its infancy. PC20 has rezoned a large area of land for development as the Airport Business Zone. It is too early to determine what agglomeration benefits occur in this location.</li> <li>• What are the future development aspirations of Mystery Creek, beyond what is currently provided for in the Mystery Creek Events Zone?</li> <li>• It is unknown how and whether the airport will be used for additional international air services in the future; the area's locational value should also be enhanced.</li> <li>• What is the potential air and ground freight capacity at the Airport - how much tonnage could the Airport handle in terms of airfreight in/out? Likewise, ground freight. This is important in understanding the type of business that could be</li> </ul>



attracted to this area, e.g. export food value added. Cluster industry development opportunity?

- Why do businesses choose to establish themselves in the Airport Business Zone, and what agglomeration benefits are associated with being located near the airport?
- What, if any, relationship is there between the airport and inland ports (Ruakura & Horotiu)?

#### In summary:

The Airport Business Zone is live-zoned and open for development, which will primarily be driven by the market. Infrastructure provision and investment will currently need to comply with the rules of the Airport Business Zone, the airport structure plan, and development agreements that have been entered into.

To gain a comprehensive understanding of agglomeration benefits, engagement with stakeholders who have established and are operating within the zone will be paramount.

Development opportunities within the Mystery Creek Events Zone are limited. Establishing communication with Mystery Creek to clarify their development goals and aspirations is recommended.

Maximising agglomeration advantages for infrastructure investment could be further explored when considering the potential rezoning of adjacent areas surrounding the Airport Business Zone (e.g. Plan Change 33) and assessing the viability of additional development opportunities at Mystery Creek.

## Critical question 6: Competing Land Uses

How can we manage competing and potentially conflicting land uses around the Hamilton airport node?

Themes from analysis	What we know	What we don't know
<i>Commercial &amp; industrial land use</i>	<ul style="list-style-type: none"><li>• There is demand for the extension of the Airport Business Zone and the development of industrial/ agri-tech on land adjacent to / adjoining the existing Airport Business Zone</li><li>• The Airport Business Zone has a mixed use and permissive nature, and as such enables a variety of activities to occur in it.</li><li>• South Hamilton has fewer commercial and industrial zones than other parts of the city. Expanding these zones could help balance residential growth and provide local employment opportunities, reducing the need for long commutes.</li></ul>	
<i>Environmental constraints &amp; opportunities</i>	<ul style="list-style-type: none"><li>• Land surrounding the Airport Business Zone is comprised predominantly of Class 1 and 2 highly productive soils, and, beyond the Mystery Creek Events Zone, is used for farming purposes and subject to the NPS - Highly Productive Land.</li><li>• A focus of the NPS is avoiding the potential for reverse sensitivity complaints to be generated in rural areas.<sup>17</sup></li><li>• The NPS-HPL prioritises the use of highly productive land for land-based primary production.<sup>18</sup></li></ul>	<ul style="list-style-type: none"><li>• The loss of highly productive land is a concern for the region due to economic consequences and the loss of land that generates a significant food supply. Detailed assessments of the land in the study area have not yet been undertaken.</li><li>• How Resource Management Law Reform and proposed changes to the NPS-HPL will affect the current approach</li></ul>

<sup>17</sup> National Policy Statement for Highly Productive Land, 2022 (updated August 2024), Policy 9

<sup>18</sup> Ibid, Policy 4

<p><i>Conflict management &amp; competing uses</i></p>	<ul style="list-style-type: none"> <li>• Potential conflicts exist between residential expansion, industrial / logistics activities tied to the airport and rural land use.</li> <li>• Conflict management through zone reviews and clearer delineation of rural/urban functions, especially in the airport periphery and along SH3 toward Ōhaupō.</li> <li>• Future Proof strategy calls for a planning approach that delineates acceptable land uses and appropriate mitigation measures. Land use zoning around the airport needs to be complementary to and compatible with the activities and operations of the airport. Noise contours and Noise Management Plans are in place to ensure that development does not adversely impact the operation of the Airport. This will have an impact on the type of development that can occur near the Airport.</li> <li>• The area contains significant bat habitats</li> </ul>
<p><i>Policy, planning and regulatory</i></p>	<ul style="list-style-type: none"> <li>• Documents such as Future Proof provide directives and principles which guide consideration of unanticipated, out-of-sequence, out-of-boundary development proposals. These enable consideration of conflicting land use activities.</li> <li>• How Resource Management Law Reform will change how Councils have function and autonomy to develop plan provisions that seek to address land use conflicts and competition, and determine the nature and extent of zones (including proposals for unanticipated and/or out-of-sequence development).</li> </ul>

In summary:

Current legislation, along with national guidance and strategies like the Future Proof strategy, provides a clear approach to managing competing land use activities around the airport node. The airport has stringent measures in place to protect the airport functions in terms of noise nuisance effects on surrounding residential areas (primarily the Tamahere area).

Apart from areas directly adjacent to airports, most airport noise issues are associated with the flight paths to and from runways. Keeping any intensive residential development from these flight paths will be important. Locating business uses in these areas and adjacent to the airport is a lot less problematic. Any consideration of future intensification of residential development in Tamahere will have to figure in the Airport flight path noise restrictions, and should really be avoided.

At this stage, it is unclear how resource management law reform, intended to protect private property rights, will enable or provide Councils with the autonomy to address these issues.

This gap analysis underscored the significance of the issue at hand. It raises the question of whether there is a genuine interest in developing residential or commercial properties in close proximity to the airport. If such interest exists, various concerns may emerge, including reverse sensitivity, the potential loss of valuable industrial land, the dilution of existing retail centres, or a combination of these factors.

### Critical question 7: Environmental Constraints and opportunities for environmental benefits

How can we address significant environmental constraints and opportunities, such as highly productive land, proximity to Te Awa, peat soils, biodiversity habitats, species, flooding, and liquefaction risks, to realise the expected economic benefits from growth in this area while protecting and potentially enhancing the natural environment?

Themes from analysis	What we know	What we don't know
<i>Infrastructure – Waters</i>	<ul style="list-style-type: none"><li>• Water systems need to be managed in a holistic manner, taking into account that all three waters infrastructure needs to be designed to protect and enhance the environment and give effect to Te Ture Whaimana</li><li>• Incorporation of Mātauranga Māori Design and environmental protection methods and techniques when designing water and wastewater systems.</li></ul>	<ul style="list-style-type: none"><li>• The extent of installation of on-site wastewater treatment</li></ul>
<i>Environmental Constraints &amp; Opportunities</i>	<ul style="list-style-type: none"><li>• Constraints/opportunities predominantly relate to the Waikato river catchment and waterways, highly productive land and ecology (particularly bat habitat along river and gully corridors, shelterbelts and farm trees).</li><li>• Need to acknowledge environmental considerations, including the presence of peat soils, and habitats for native species. Utilise existing information from previous studies, including Southern Links ecological assessments (Flora and fauna, Bat Studies, etc)</li><li>• Rural and urban economies in Waipā are closely linked, and there is a significant focus on promoting land-based primary production by safeguarding high-class soils and significant mineral resources from unsuitable</li></ul>	<ul style="list-style-type: none"><li>• The full nature and extent of environmental constraints to development across the study area as a whole are not well known (mapped) at this stage.</li></ul>

development, improper subdivision, and inappropriate use of natural resources.

- Development proposals need to be supported by expert reports identifying environmental effects and providing mitigation measures to manage these effects.
- Need to balance urban growth with protecting HPL (highly productive land) and SNAs (Significant Natural Areas).
- Peat soils and liquefaction risks are present in the airport corridor and the Tamahere area..
- Known flooding risks are associated with some waterbodies and private stormwater ponds within parts of the study area.
- Necessary to integrate transport and stormwater design with environmental design as per the Blue-green network.
- Spatial planning is needed to avoid development in ecologically sensitive areas and indicate future infrastructure and growth areas.
- NPS – Indigenous Biodiversity contains national direction on loss of flora/fauna values, which must be given effect to in considering development proposals.
- The Future Proof strategy emphasises sustainable development and the protection and enhancement of the natural environment. It recommends resilience measures to address key risks like flooding and liquefaction

*Policy,  
Planning and  
Regulatory*

- Waikato Regional Policy Statement and Future Proof contain directives and principles that guide the consideration of environmental effects. These provide a starting point for determining environmental constraints for development and identifying areas and locations where development should not take place.
- How Resource Management Law Reform and proposed changes to the national direction will affect the current approach.

In summary:

Environmental and ecological constraints affect the study area and need to be spatially mapped and investigated based on existing and further technical expert analysis and Mātauranga Māori principles. While urban development will be inappropriate in some areas, it will also provide the catalyst for environmental protection and enhancement in other situations.

Significant strategic guidance and direction is provided through national policy statements, the Waikato Regional Policy Statement, the Future Proof Strategy, Hamilton Waikato Metropolitan Spatial Plan and District Plans and Strategies. These provide the high-level framework within which a more detailed investigation can take place.



## Summary of findings

Based on the previous sections, the analysis identifies several key findings across the critical study questions to be addressed by the study:

### **Demand for Land Use Change and Strategic Integration:**

- Growth pressure is concentrated in key areas such as SH3, northern Waipā, and around the airport, necessitating proactive management and responsive planning tools.
- There are ripple effects and influences on nearby villages, including Rukuhia and Ōhaupō.
- Growth is unevenly distributed, with some areas advancing ahead of planned sequencing, resulting in a mismatch between policy intent and actual developments.
- Misalignments exist between infrastructure investments and residential or industrial density outcomes, indicating gaps in sequencing and integrated planning.
- While there is sufficient land identified in the Future Development Strategy (FDS) for residential development, the primary concerns are infrastructure and market conditions.
- In some parts of the study area, the nature of land use with the requisite infrastructure will be largely determined by the application processes outlined in the Fast Track Approvals Act 2024.
- The phased development of the study area is expected to align with the staged rollout of the Southern Links road project, as much as feasible.

### **Responding to unanticipated or out-of-sequence development proposals / Competing land uses:**

- High-level frameworks such as the Future Proof Strategy, Ahu Ake - Waipā Community Spatial Plan and Hamilton Urban Growth Strategy (HUGS) are established; however, there are identified gaps in node-specific planning guidance, particularly for strategic locations like the areas surrounding Hamilton Airport, Mystery Creek, and adjacent areas. This gap presents challenges in responding consistently to emerging development proposals in a manner that is adjusted to the overall sub-regional context. The study aims to address these concerns.
- These frameworks serve as tools, but their effective implementation is often challenged by cross-boundary coordination. Additionally, there is uncertainty around what approaches will be used under the Resource Management reform.
- There is a gap in understanding how to apply key planning policy and principles (like out-of-boundary or unanticipated development provisions) practically. This creates a disconnect between policy intent and implementation on the ground.



## **Infrastructure Demands and Funding Challenges / Value Capture and Strategic**

### **Infrastructure Staging:**

- There is ongoing uncertainty around what new funding tools will be enabled through legislation. The relationship between these new tools and existing approaches (e.g., development contributions) remains undefined, raising questions about future resourcing models.
- Infrastructure coordination – particularly in transport and waters – is critical to prevent ad hoc development and ensure effective service delivery. There are misalignments between infrastructure investments and residential or industrial density outcomes, highlighting a need for improved sequencing and integrated planning.
- The Future Proof Strategy and related planning tools support an integrated growth approach and encourage innovative financing and delivery methods. The Government's principle that “growth pays for growth” suggests a positive outlook, indicating that benefits should ideally cover costs. Development contributions (DC) and staging present existing and practical avenues. However, Hamilton City Council / Waipā District Council development contributions are not meeting this expectation. One uncertainty the study area faces is whether the DC models align correctly at a subregional level, and whether the upcoming central government tools, such as Development Levies, will help address this issue.

### **Agglomeration Benefits :**

- The Future Proof Strategy emphasises the importance of clustering ‘business’ activity near these nodes to leverage agglomeration benefits and drive regional productivity.
- Hamilton Airport and Mystery Creek are consistently identified as high-value economic anchors for the region. While business clustering is assumed to generate economic benefits, evidence of such outcomes is limited in emerging areas like the Airport Business Zone. Further engagement is required to comprehensively understand what has been achieved and is feasible in the future.
- These benefits are likely to be infrastructure-dependent and may take time to materialise, making it more difficult to justify rezoning or investment on speculative economic returns alone.
- There is a lack of clarity around the future aspirations of some key stakeholders, particularly landowners and institutions at Mystery Creek and Hamilton Airport. Questions remain about the scale, nature, and timing of development in these areas, which limits the ability to plan proactively.

## Environmental Constraints and Opportunities

- Peat soils, liquefaction, flooding, and biodiversity are prominent environmental factors across the study area.
- These are framed as both constraints and opportunities, and the Future Proof Strategy clearly supports a resilience and protection approach.
- While specific environmental risks are recognised, the full spatial extent of these constraints across the entire study area is still not well mapped or assessed. This limits the ability to take a precautionary or resilience-focused approach to long-term spatial planning.

## Next steps

The next phase will focus on exploring various potential future scenarios, considering different development options throughout the study area.

These scenarios will be informed by this report, while the critical themes and questions that the study aims to address will be translated into specific criteria guiding a possible multi-criteria assessment (MCA), such as:

*Criteria 1- Demand for Land Use Change and Strategic Integration:  
What scenario best ensures the strategic alignment of land use and infrastructure investments along the Hamilton Southern Links corridor while fully realising the benefits of this investment and avoiding the consequences of ad-hoc development?*

# APPENDIX A – List of documents reviewed

## List of documents reviewed for this Gap Analysis Report:

Ahu Ake, Waipā Community Spatial Plan, 2025 & associated submissions.

Arataki - Waikato Regional Directions, 2023

Economic assessment for the proposed expansion of Titanium Park's northern precinct, 2022

Emerging areas studies (R2 / SL1 / Te Kowai East / WA)

Future Proof Strategy, 2024

Future Proof Implementation Plan, 2024

Future Proof locality and market for housing and business land, 2024

Hamilton City Council Bat Management Plan, 2022

Hamilton Southern Links Form and Function Review, 2023

Hamilton Urban Growth Strategy (HUGS), 2023

Hamilton- Waikato Metro Spatial Plan, 2020

Housing and Business Capacity Assessment, 2023-2024

Industrial land scoping study, 2023

Infometrics projections for Waipa Economic Wellbeing strategy, 2024

Infometrics- projections for waipā economic wellbeing strategy, 2024

## Ministry of Education:

- National Education Network plans update
- the school property strategy 2030 overview - ministry of education
- tpa\_catchment\_methodology.pdf
- National Education Growth Plan 2019
- Te Tira Hou

Southern Links 1 and associated fast-track applications, 2024

Southern Metro Wastewater - Detailed Business Case Summary - June 2022

Te Ture Whaimana o te Awa o te Waikato

Waikato Bat Alliance Spatial Planning, 2021

Waikato Regional Policy Statement

Waikato Tainui Iwi Management Plan, 2013

Waipā 2022 Transport Strategy and Cambridge Connections

Waipā district plan and associated plan changes, 2017 -2025

Waipā\_DC\_Transport\_Strategy 2022