



Review of the suitability of existing industrial and business land

Input into the Wellington NPS-UD Business Land Capacity Assessment

April 2023




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Executive summary

As part of the Housing and Business Development Capacity Assessment (HBA) in 2018, a multi-criteria analysis (MCA) was developed to help evaluate the development feasibility of business land in each of the Tier 1 council areas in the Wellington region. Panels of local business stakeholders scored the development feasibility areas of business land against the range of criteria in the MCA.

This report presents the results of a review of the development feasibility of business land in 2022 using the MCA, based on engagement with industry stakeholders and council officers at each of the five Tier 1 councils. It also provides the baseline assessment of the MCA for the Horowhenua District and the Wairarapa council areas. This ensures the regional HBA aligns with the Wellington Regional Growth Framework (WRGF) area.

The report recommends changes to the MCA scores from 2018, to help inform the 2022 HBA.

The report presents updated results of the multi-criteria analysis as well as a summary of the qualitative comments made by council officers and industry stakeholders. This summary is intended to support the desktop demand analysis being undertaken for the HBA. Ultimately this analysis will support the councils to quantify the real supply of currently zoned land to inform future growth planning.

Purpose

Under the National Policy Statement on Urban Development 2022 (NPS-UD) Tier 1 councils are required to identify whether there is sufficient development capacity to meet future demand for business land in time to inform their Long-Term Plans for 2024.

The 2018 HBA included an assessment against the first iteration of the MCA. At this time the MCA was undertaken for the five Tier 1 councils in the Wellington Region (Wellington City Council, Porirua City Council, Kāpiti Coast District Council, Hutt City Council and Upper Hutt City Council). This updated assessment provides a review of the 2018 analysis as well as a baseline assessment for the Horowhenua District and Wairarapa Council areas. This ensures the full regional HBA aligns with the Wellington Regional Growth Framework (WRGF) area.

The approach

The Wellington Regional Leadership Committee (WRLC) contracted TPG to engage with council officers and local business stakeholders to assess business land using the MCA in order to identify any changes since 2018. The engagement process involved undertaking a number of workshops and meetings to assess business demand and business development capacity against criteria in the MCA for each of the districts within the Wellington region.

The MCA used in this assessment is the same one that was used to inform the 2018 HBA. The MCA criteria were developed in 2018 by TPG in collaboration with the five Tier 1 councils. These criteria include key factors influencing the feasibility of land for business development.

Scoring against the MCA criteria for Horowhenua District and Wairarapa Councils is included in Appendices 2 and 3. Scoring against the MCA criteria for the Tier 1 Councils (Wellington City Council,

Porirua City Council, Kāpiti Coast District Council, Hutt City Council, Upper Hutt City Council) is included in Section 4 of the report.

Key factors influencing uptake and suitability of business land

The findings of the workshops and interviews held for each council area have identified several challenges influencing the uptake and suitability of commercial and industrial land across the region.

Since the 2018 HBA was prepared, the impact of COVID, including increasing construction costs and labour force shortages, the demands of population growth and change and the recent investment in the state highway network have been identified as key factors driving a change in the take up and suitability of business land across the region. Whilst these factors require further detailed economic analysis to understand the impact in full, the stakeholder engagement undertaken as part of this assessment provides evidence of the impacts these wider changes are having on business growth.

Overall, both the industry stakeholders and council officers identify a current shortfall in industrial land available for development, in particular larger sites for heavy industry in the region. The compounding impact of this shortfall on the cost of construction materials was highlighted as a concern by industry stakeholders. Also identified were challenges in the redevelopment of existing commercial and industrial spaces associated with high construction costs and challenging market conditions. The investment in large infrastructure improvements, including the opening of Transmission Gully, have had a noticeable impact on the demand for business land (including retail, commercial office and light industrial space), as the northern areas of the region become more accessible to a larger market.

With the introduction of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 councils have a unique opportunity to lead and shape the nature of commercial development by potentially making mixed use developments on commercial land more viable. However, there is also a demonstrated need to ensure the region supports the ongoing needs of light and heavy industry and safeguards this land from other urban development. Supporting adequate land for industry is essential to supporting our construction sector and will in turn support the delivery of affordable housing.

In summary, the assessment has identified the following key factors that influence the uptake and development of business land in the region:

Limited supply of industrial land	Across most areas a shortfall in availability of industrial land has been identified, both greenfield development areas and capacity within existing industrial zoned areas.
Commercial feasibility	Feasibility of new development within business zoned land is challenging due to the changing nature of the market demands, including competing demand from residential development, increasing development costs and the cost/provision of supporting infrastructure connections. In particular, the region has increasing costs associated with the cost of addressing resilience.

Strategic projects	The timing of strategic projects in the region, such as Transmission Gully and IAF developments, has and will affect the timing and rate of uptake of business land as well affect the type of land in demand.
Planning risks	The District Plans and how they are applied provides some uncertainty to developers in terms of how their resource consent will be processed (e.g., activity status and notification) and information requirements (design guides), which has significant cost and time implications. Uncertainties are also associated with changing national planning legislation.
Developer obligations	Costs associated with providing infrastructure to sites makes development of business land less viable.
Residential growth	Local population growth generally causes a growth in business land uptake in the city/district. Key factors affecting uptake is protecting business land from encroachment from residential activities or, where appropriate, enabling mixed use developments.

1. Introduction

Objectives

The Wellington Regional Leadership Committee (WRLC) is undertaking the HBA for the wider Wellington Region and Horowhenua District Council areas – which aligns with the Wellington Regional Growth Framework (WRGF) area.

To inform the regional HBA, the WRLC is undertaking modelling of business demand and business development capacity across each of the underlying districts. As part of this modelling and to meet the NPS-UD requirements, it is necessary to identify whether there is sufficient development capacity to meet future demand for business land over the short (3 years) medium (10 years) and long-term (30 years).

The previous HBA used a multi criteria analysis (MCA) to help provide additional context and consideration to this analysis. This included a better understanding of the nature, differences, and advantages of locations to meet future business demands. The analysis showed the distribution of business types, as well as potential clusters of low or high feasibility rates within each city or district.

The five Tier 1 councils identified and assessed their respective business areas in 2018. TPG undertook a review of the business areas identified in 2018, with input from business sector stakeholders and council officers, and facilitated the MCA assessment for those councils new to the regional HBA (the Wairarapa councils, and Horowhenua).

The approach

The WRLC contracted TPG to complete this HBA project which involved undertaking a number of workshops and meetings to assess business demand and business development capacity against an agreed MCA across each of the underlying districts. The project involved the following steps:

- a. Meetings were held with key council staff from each of the five Tier 1 councils to review the 2018 HBA outcomes and understand where change has occurred.
- b. One-on-one discussions were had with a range of business sector stakeholders who are active in the business/commercial market (property developers, commercial agents, consultants and business group representatives) who could provide a business perspective on individual council areas or a pan district view across various parts of the region.
- c. Workshops were held with Horowhenua District Council and the combined Wairarapa Councils (Masterton District Council, Carterton District Council, South Wairarapa District Council) to complete the MCA for each area against the same criteria established for the Tier 1 Councils in 2018. Workshops included both key Council staff and business sector stakeholders who are active in the business/commercial market (property developers, commercial agents, consultants and business group representatives) in both the Horowhenua and Wairarapa Districts.

The approach involves the application of a MCA tool to help evaluate existing zoned and vacant business zoned land across the districts within the wider Wellington region. Ultimately this analysis will support the TLAs to quantify the real supply of currently zoned land to inform future growth planning.

2. Context

Policy and Strategic Context

Under the NPS-UD Tier 1 councils are required to undertake a HBA in time to inform their Long-Term Plans for 2024.

To inform the regional HBA, the WRLC is undertaking modelling of business demand and business development capacity across each of the underlying districts in the Wellington Region. As part of this modelling and to meet the NPS-UD requirements, it is necessary to identify whether there is sufficient development capacity of future demand for business land over the short (3 years) medium (10 years) and long-term (30 years).

The initial HBA for the Wellington Region was released in 2019. As part of the preparation of the HBA 2019, the five Tier 1 councils identified and assessed their respective business areas in 2018. A MCA was developed to help provide additional context and consideration to this analysis. This included a better understanding of the nature, differences, and advantages of locations to meet future business demands.

As part of the 3 year update to the HBA, as required by the NPS-UD, the WRLC is undertaking a review of the business areas identified in 2018 with input from business sector stakeholders and Council officers. In addition, the WRLC is extending the HBA assessment to Horowhenua and Wairarapa Districts to include all districts in the Wellington Region.

The review of the business demand and business development capacity across the region will inform planning decisions and related strategies, as well as meet Councils' obligations under the NPS-UD.

2018 Multi-Criteria Analysis Assessment of Business Land and Development Capacity

Stakeholders from the local land development business and commerce sectors came together in 2018 to form a panel to evaluate the feasibility of developing business areas in each of the five Tier 1 Councils, being Wellington City Council, Porirua City Council, Hutt City Council, Upper Hutt City Council and Kāpiti Coast District Council. At the half day workshop, panellists were provided with remote access to an online web-map system, which detailed relevant District Plan layers, Business Areas, and other layers such as public transport, natural hazards, and residential demand results, as a means to assist in the evaluation of business area feasibility.

The panel at each Council evaluated Business Areas using the MCA criteria. This assessment process was independently facilitated by TPG, and was assisted by council planning staff from consenting and policy teams. Panellists were asked to score each site against a range of criteria that were agreed by the Tier 1 councils in 2018, as those likely to influence the feasibility of developing business zoned land. Each score was out of 5, with 1 being the lowest score (i.e. poor level of feasibility). The panel discussed each parameter and a final score was agreed upon.

The results of the 2018 panel assessments are included in [Appendix 1](#).

3. Factors influencing the suitability and uptake of business land

Workshops with Council officers and interviews with business stakeholders were held in November and December 2022. Following workshops with each Council and business stakeholder interviews, the following themes emerged regarding the factors influencing the suitability and take up of business land across the region.

Wellington City Council

A scarcity of industrial land and high quality commercial spaces

Stakeholders have identified that commercial and industrial land across Wellington City is generally at capacity with very low vacancy rates. This is particularly the case for industrial land offerings. There are some areas with older industrial or commercial buildings, that are vacant. These are in some cases earthquake prone buildings. Recent challenges facing the construction sector has meant these sites are not turning over and not being invested in to bring them up to occupancy standards. This demonstrates that there is unmet demand for high quality space within the city.

Continued high demand for commercial space in Wellington Central City

Anecdotally there remains high demand for quality commercial spaces in the central city due to its proximity to the Parliamentary Precinct and also accessibility (proximity to the central railway station, the State highway network, and other businesses located in the central business district). Despite the decentralisation of some of some government departments/head offices to other centres in the region, there is still high demand for commercial development in the city centre. This is evidenced by the recent commercial office space development in close proximity to the Parliamentary Precinct and the low vacancy rates.

Movement of freight is key to industry location

Access to the port, the State highway network and freight services provided north of the central railway station continue to be key attractors for the city's medium to light industrial land uses. This is demonstrated through the continued operation and investment in those industries located north of the central railway station and port area along old Hutt Road.

Resilience issues impacting construction costs and feasibility

Construction costs, including the costs associated with addressing issues of resilience, are challenging the construction of new high density commercial and industrial development.

Increased capacity under the Spatial Plan and Proposed District Plan yet to have an impact

It is anticipated that recent changes to the density and height controls in centres under the Proposed District Plan may make some development more feasible and there may be more turnover of underutilised sites. This is not yet having a noticeable impact on building consents being issued, presumably due to the Proposed District Plan not yet having statutory weight.

Hutt City Council

Scarcity of industrial land

Overall, industry stakeholders identify that there is a significant scarcity of vacant industrial land in Hutt City and older industrial areas are tightly held with relatively low turnover. Vacancy rates are currently low and there is evidence of some businesses locating in several different locations within an area to access floor space requirements.

Agglomeration is still a key location factor for some industries

Despite the limited sites available for industrial growth, some key industries are not willing to locate to other areas of the region due to the need to be close to established markets in the Hutt and other businesses within the supply chain. An example of this is the construction sector. Some stakeholders indicate that the scarcity of land to support the trades, building materials and manufacturing of building products in local areas is compounding the delays/costs in local construction.

Residential creep into commercial and light industrial areas

There have recently been resource consents granted for residential development at the fringes of the commercial zones, in particular in the Hutt City Centre where there is a transition to the neighbouring residential zone. This is in line with more mixed use development allowed for within these areas and demonstrates the current high demand for houses in the city.

Large floor plate retail in industrial zones

Stakeholders indicate that capacity for growth in some of the city's industrial areas have been absorbed through large floor plate retail operations that fall under the category of a light industrial land use. For example, wholesale hardware stores that have a large retail component. There is significant demand for retail and housing in the city which is putting pressure on the scarce industrial locations.

Upper Hutt City Council

The benefits of resilient commercial and industrial land

The city is attracting businesses and government departments, (and in some cases, businesses are moving from elsewhere in the region to Upper Hutt), that need resilient locations (alternative centres if Wellington is cut off, ensuring business continuity). For example, the Blue Mountains Campus is becoming a resilience hub and it is nearing capacity.

Transport links provide good access

Upper Hutt has good transport links along the rail network, SH2 and SH58, which makes doing business in the city easier. Recent business growth in the city due to good and easy access include the new Land St Studios and Blue Mountains Campus.

Demand for more industrial greenfield land

There has been a consistent increase in the demand for industrial greenfield land since 2018. Demand exists for a mix of large and small-scale operations across a range of uses (e.g. food distribution and logistics), with precincts being developed and on sold to small operators.

Increasing investment in retail and the entertainment industry

There has been recent growth in the retail and entertainment sector in Upper Hutt. For example, the establishment of Brewtown and the film industry at Lane Street in Wallaceville is likely to create up to 1,500 jobs in the next 5 years.

Like other areas in the region, population growth in Upper Hutt has been steady and is a contributing factor driving development and investment in the city.

Retail demand is declining

Upper Hutt is experiencing a drop in demand for retail space. Services like physio centres and community housing providers have occupied space in the city centre which keeps occupancy rates high but masks an overall decline in traditional retail activity.

Infrastructure funding is expected to drive commercial growth.

Infrastructure Acceleration Fund (IAF) funding for housing in Trentham is expected to drive commercial growth in this area, as the accepted proposal has a mixed use component. This area not currently zoned for commercial uses but will eventually go through a plan change process so should be included in the assessment.

Porirua City Council

Residential growth and people working from home is driving demand for the retail sector

Porirua City is experiencing a sustained period of growth which is reflected in the continued high demand for the commercial sector. Despite the population decline in Wellington City in the last two years, Porirua City has continued to grow. Stakeholders suggest the house prices in Wellington and the move towards working from home from the government sector has led to more people moving north to live and work.

Large format retail demand has been high

Large format retail demand has been high in Porirua, contributing to steady growth and employment in the city. Over time, proposed planning provisions could support different uses in this area, including residential and mixed-uses.

Demand for more greenfield industrial land

Stakeholders identified that there are high levels of unmet demand for industrial land and large lot commercial development sites. This is driving the reinvestment in older industrial buildings that would have previously been unfeasible to develop, which in the short-term is an efficient use of existing land. To meet longer-term demand Porirua City has identified the Judgeford Future Urban Zone as an area suitable for industrial growth. Whilst this area requires servicing, a structure plan and a plan change process to enable development there is already interest from industry.

Infrastructure constraints

Water supply and wastewater networks in Porirua generally lack capacity, especially over the short-term, to meet the projected population and housing growth. There are also constraints on the stormwater network, but these can be mitigated through a range of alternative measures including policies and rules in the proposed District Plan, including the requirement for hydraulic neutrality for all new development. In some cases, light industrial and commercial activities are having less of an impact on the three waters network than residential activities.

Transmission Gully

The significant investment in the State highway network and the recent opening of Transmission Gully has changed the way people access the city's commercial areas as well as opening up new markets. Whilst there has been a reduction in the vehicles driving through the State highway past Porirua City this has not, so far, reduced the volumes of people entering the centre for employment or services. Areas of Whitby and Eastern Porirua have become more accessible by the road network and in other areas the reduction of traffic congestion is supporting an improved commercial environment.

The overall capacity of the state highway network is not a constraining factor for development capacity in Porirua.

Kāpiti Coast District Council

High demand from population growth and increasing visitor numbers, particularly the retail sector

There has been an increasing demand in retail and lifestyle businesses due to the increased population and visitor numbers in the Kāpiti Coast. Stakeholders suggest population growth has exceeded the 2018 projections and the growth in the retail and services sector has also been greater than anticipated.

Enhanced accessibility through State highway improvements (Transmission Gully) is driving growth

Increased retail spend has been a direct result of improvements to travel times to/from the District, principally through the completion of Transmission Gully. There was reportedly a 41% increase in consumer spend in the first month following construction. This initial increase receded but overall there was a 7% increase from March to October 2022 in consumer spend and tourist spending has increased 4% over the past year. Shopfronts and commercial property are under pressure to provide for this growth and there has been increasing demand for land including warehousing and support industries.

Access to the labour force is a significant issue for supporting continued growth

A key challenge across all sectors is gaining access to the required workforce. The District has low unemployment and local businesses/industries rely heavily on the local workforce. However, a large proportion of resident population leave the District for work. There is a high number of self-employed businesses (30% higher than other regions) which are reportedly finding it difficult to attract staff. This is compounded by the limited number of training options available in the District. There is a need identified to support more education providers within the District that are aligned to key industries.

Unmet demand for warehousing and light industrial space

As well as the retail trade there has been 3% growth in employment in the wholesale trade industry. There is an increasing need for land suitable for factory and warehouse space with good access to the State highway network.

Satellite Wellington businesses locating in the District

Stakeholders identify an increase in satellite businesses locating in the District, with headquarters remaining in Wellington City. It is anticipated that this is due to the increasing accessibility to the District via Transmission Gully and the anticipation of an increase in demand from population growth.

Hazard resilience of commercial land

An assessment of the impact of coastal erosion is underway for those areas in close proximity to the coast including some of the local centres, such as Raumati and Paraparaumu Beach (Jacobs Technical Report 2022). Early results indicate that there will not be a major impact on these local centres with the exception of Raumati Beach town centre which may have some commercially zoned land in areas identified with a degree of risk.

Increased density provisions likely to improve development feasibility

The developability and feasibility of some commercially zoned land has been challenging in some locations due to increasing construction and land costs and market values. For example, on sites near the Paraparaumu town centre where underutilised sites have not been developed due to a number of factors including controls on density and developable heights. It is anticipated that the intensification plan change will increase the feasibility of larger scale projects. Currently developers are not pushing the envelope to develop at a larger scale but resource consents for some larger scale projects have recently been granted. For example, hotel projects which are coming online because six storeys is now enabled. Tourism is underdeveloped so this would enable more growth in the hospitality sector.

Demand for residential and retail land is encroaching into available industrial land

Stakeholders note that there are some retail spaces, for example supermarkets, that are encroaching into industrial land along with the loss of commercial land to residential developments within existing town centres. There is a need to safeguard this business land to support an increasing population.

Horowhenua District Council

Recent high levels of growth

The District has experienced recent high levels of population growth – in the range of 95 percentile – which has been driven by migration from Wellington and Auckland. District Plan changes are underway to enable intensification to meet growth, both for more housing areas and business land. With this level of growth, Levin has become much more self-sustaining and reached critical mass to support investment in required infrastructure and new development sites.

Business Park development supporting industry relocation from Wellington

Recent business park development has met demand from new business from Wellington and a new industrial land development with 120 lots is upcoming. While this has not seen a total transfer of business activities to the District, it has seen parts of businesses relocated to the District. The resilience of land in the District, particularly in comparison to other parts of the region, is a key attracter.

Growth in the light industry (food production) sector

There is a shift away from traditional heavy industry in Levin to more light to medium industrial land uses including smaller food producing businesses that are relocating to the District due to accessibility of space at the right price. There is also growth in the construction material manufacturing sector (including Fletcher Steel), reflecting the needs of the construction sector, both residential and road infrastructure.

Enhanced accessibility through State highway improvements (Transmission Gully) and the proposed Freight Hub at Palmerston North

Transmission Gully and the Peka Peka to North Ōtaki upgrades have increased the desire of people to come to the Horowhenua District, both permanently and on daytrips. Ōtaki to North Levin will have further benefits. The proposed freight hub in Palmerston North is also having a knock-on effect of increasing investment in the District which will become part of the wider freight movement network. For example, Mainfreight have set up business in Levin about 18 months ago.

Infrastructure to support new developments is a key constraint

Stakeholders identify a need to invest in infrastructure (three waters and local roading) to support industry growth. It was noted that local businesses having recently made greater investments in their own infrastructure demonstrate a greater willingness to invest in the District. This has also seen the rejuvenation of old business areas (Bruce Road and Bush Street), with capital going into upgrades.

Public transport is limited and a constraint for the workforce

There is currently limited public transport servicing the Levin town centre and rail is primarily used for freight rather than as a passenger network. This results in a reliance on private vehicles for access to services and employment in the District.

Access to labour is challenging and a constraint to industrial and commercial growth

A key challenge across all sectors is gaining access to the required workforce. Whilst the majority of industries utilise a local labour pool, there is a need to attract employees from outside the District, particularly the highly skilled workforce.

Wairarapa (Combined) Councils

Capacity in the industrial zones

Across the Districts there are areas of industrial zoned land that have capacity to accommodate growth, some of which are well positioned to support the needs of new industry. This is attracting industrial investment from other areas in the region.

Reverse sensitivity issues

Stakeholders note that some industrial uses, mostly those associated with the wine industry, are occurring within the Rural Zone and there may need to be greater consideration given in terms of zoning given the impact of this on the rural land itself and surrounding rural land uses (i.e. reverse sensitivity).

Further, the location of some established industrial areas suffer reverse sensitivity issues with encroaching residential activities, which makes commercial development in these areas riskier.

Reliance on the Wellington Market

Stakeholders identify that some of the businesses located with the District are reliant on a customer base coming from Wellington and the Hutt Valley. This includes both through traffic and also local tourism. An issue of resilience identified across all areas of the Districts is a potential risk if the Wellington market is cut off. The reduction of through traffic during the Covid period had a noticeable impact on local retail outlets.

Access to labour for Martinborough

With limited availability of residential properties in Martinborough, labour generally commutes into the town. This raises issues of resilience, as the access bridge into town closes regularly and town is then landlocked. Provision of worker accommodation is something that needs to be considered for the future growth of Martinborough.

Capacity of town centres

It was noted that some popular commercial areas, including Martinborough and Greytown Town Centre, have low vacancy for retail occupancies, which limits growth. Masterton Town Centre is also at capacity and cannot grow.

Poor public transport

Stakeholders note that while buses are set up to get people from homes to rail stations for commuting to Wellington, there are limited buses available for commuting between towns in the Wairarapa. This limits the opportunity for people to live and work in different towns in the District and encourages people to leave the District to work.

Infrastructure capacity and resilience

Stakeholders identified that many of the industrial areas in the District have issues with three waters capacity and susceptibility to flooding due to overland flow issues. This can act as a constraint to development as it requires greater investment by developers.

4. Summary of area specific comments and MCA score adjustment – Tier 1

The following section provides an overview of the comments received on each of areas that were discussed across each of the Tier 1 Councils. The purpose of these discussions was to determine whether there has been any significant change that would result in the 2018 MCA scores being adjusted.

The comments are to be read alongside the scores given for each business area, which are provided in Appendix 1. Scores that have been adjusted based on the comments received in 2022, are marked red in the tables provided in Appendix 1.

Wellington City

Area	Comments	Recommended Score Adjustment
Kaiwharawhara	<ul style="list-style-type: none"> - Continued high demand for light industrial and industrial land uses in this area due to proximity to the port, freight area north of station and State Highway. - Some recent residential development in Kaiwharawhara, however this is not seen as a deterrent to industry as it has adequate buffer from key industrial sites. - Potential change to the road network may result from ferry terminal relocation. This is likely to improve connectivity for industry and may result in increased demand from commercial operations. - Public transport and connectivity likely to improve as a result of Let's Get Wellington Moving (LGWM) proposals. 	No score adjustment needed
Wellington City North (Central Wellington)	<ul style="list-style-type: none"> - Attractive area for a range of commercial businesses and government departments due to proximity to parliamentary precinct, Central Railway Station and central business district. - Despite recent COVID lockdowns and work from home transitions there is still a high level of demand for high grade commercial office space in this area. - Likely to increase resident population under Spatial Plan and Draft District Plan 	Adjustment needed to lower parking score from 4 to 3

	<p>however not anticipated this will increase any reverse sensitivity for commercial use of the centre.</p> <ul style="list-style-type: none"> - Vehicle parking in the area likely to reduce as public transport becomes more available. 	
Te Aro	<ul style="list-style-type: none"> - A large number of earthquake prone buildings that require investment to become utilised. - Recent mixed use, town house and apartment developments have seen increases in residential population in this area. - Retail sector still thriving despite COVID impact. - Planned LGWM investment would improve public transport accessibility. - Buildings above 4 storeys have been difficult to achieve (high construction costs and low market values) however this may change under the new heights and densities achievable. 	Adjustment required to reverse sensitivity score as increase in residential development anticipated – reduce from 3 to 2
Johnsonville	<ul style="list-style-type: none"> - Highly accessible town centre, however due to land ownership and project delays there has been limited investment in the commercial offerings over the last 10 years. - Recent investment in the library and railway station has improved public amenity and accessibility of the town centre. - Currently large areas of underutilised space (at grade carparking and degraded commercial spaces) that require investment to support new business. - Stormwater and water supply upgrades required to support development of town centre. 	No adjustment required
Grenada	<ul style="list-style-type: none"> - Established industrial area with limited capacity for additional growth 	No adjustment required
Kilbirnie	<ul style="list-style-type: none"> - Service centre for surrounding residential community and also large floor plate retail. - Subject to poor resilience, tsunami risk and ground shaking 	No adjustment required

Tawa	<ul style="list-style-type: none"> - Service centre for surrounding residential community. - Low vacancy but little redevelopment. 	No adjustment required
Adelaide Road Corridor	<ul style="list-style-type: none"> - Despite an enabling planning framework there has been limited development occurring within the corridor. - Recent residential development within the corridor has been delivered with government support. - Increase in density and height controls are likely to increase viable development opportunities. 	No adjustment required
Miramar	<ul style="list-style-type: none"> - Surrounding residential area is seeing some medium density development and infill development. - Local centre is thriving but limited capacity for growth and limited new development has occurred. Increased density provisions could encourage redevelopment of some underutilised sites however resilience issues and high construction costs still making development feasibility challenging. - Film industry is occupying majority of commercial zoned land with investment from the industry over the last 5 years. 	No adjustment required
Newtown	<ul style="list-style-type: none"> - Proposed Mass Rapid Transit investment by LGWM programme would see improvements to the public transport accessibility score. 	No adjustment required
Karori	<ul style="list-style-type: none"> - Surrounding residential area is seeing some medium density development and infill development as well as large retirement village development. Density of residential development will increase under the proposed District Plan provisions. - Limited offerings in the village centres with little turnover or new development. This is partly due to current land ownership and 	Adjustment to developability score to reflect increased density control – increase from 2 to 3.

	<p>lease arrangements- which are likely to change in future.</p> <ul style="list-style-type: none"> - Capacity for growth but upgrades to the three waters network required. - Well serviced by public transport. 	
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Hutt City

Area	Comments	Score Adjustment
Petone East	<ul style="list-style-type: none"> - Capacity for new development is low with limited sites left with development potential. There is high demand with a very low vacancy rate 	No adjustment required
Naenae	<ul style="list-style-type: none"> - Town centre has had little investment over the last 10 years and the buildings have a high vacancy rate and poor quality. - Despite low land values, there has been little commercial investment or new development. This is partly due to the fragmented nature of parcels and also inactive landowners. - Recent investment in the public swimming pool may support increase in retail demand in centre. - Increase in densities (above 4 storeys) and introduction of mixed used may support feasible development opportunities. - There has been some recent interest from developers. 	No adjustment required
Taita	<ul style="list-style-type: none"> - Investment in stormwater infrastructure 10 years ago has supported development in Taita. - Well established area with a mix of uses including electronics, fire services and residential. - Mostly experiencing residential development in the area rather than new commercial development. 	No adjustment required
Seaview (Gracefield)	<ul style="list-style-type: none"> - Well established industrial area with limited additional capacity. High demand but low vacancy. 	No adjustment required

	<ul style="list-style-type: none"> - Not well serviced by public transport and there is some congestion on the access roads. No rail connectivity. - No residential uses however some potential for reverse sensitivity from marina. 	
Hutt CBD	<ul style="list-style-type: none"> - There has been some conversion of commercial buildings to residential as well as some residential developments at the centres fringe. - There has recently been a reduction in the number of vacant shop fronts, however there is still some level of vacancy in the centre. - Investment in the Riverlink project will improve the centre's amenity, reliance, and likely to increase demand for residential and commercial development. The proposed investment and funding announcement has seen some interest from developers. - Increase in height limits enhancing development feasibility. 	No adjustment required; next assessment will require adjustment as a result of Riverlink investment.
Alicetown- Melling	<ul style="list-style-type: none"> - Area is floodprone and requires investment. - There has been little new development but sites are turning over with investment to improve existing buildings. - Serviced by both bus and rail. - Recent investment in the Melling Cycleway has improved connectivity and safety for cyclists. 	No adjustment required
Avalon-Belmont	<ul style="list-style-type: none"> - Commercial areas under pressure from high residential demand. For example, the former Avalon studios site is being developed for residential land uses. - Areas with profile to motorway are remaining commercial – service industrial. 	No adjustment required
Petone	<ul style="list-style-type: none"> - Cycleway has improved accessibility and amenity in the area but limits connection with the rail corridor. 	Adjustment recommended to reverse sensitivity score to reflect the desirability of the area for both

	<ul style="list-style-type: none"> - Investment in bus services has improved public transport connectivity. - Large format retail (e.g. Bunnings) have absorbed light industrial sites. - High demand and desirable area but limited capacity for additional growth. - Growth in the hospitality sector as well as small businesses from Wellington relocating and co-workspaces. 	residential and commercial opportunities in a mixed-use environment. Score 1 to be increased to 2.
Wainuiomata	<ul style="list-style-type: none"> - Commercial land has converted to residential over time. - Development opportunities exist as there has been some business closure and a decline in retail - Recent investment in town centre by Council and through Countdown development. - Public Transport connectivity has decreased as services reduced to the City centre. 	No adjustment required (already scores low for PT).
Stokes Valley	<ul style="list-style-type: none"> - Most development has been residential in surrounding area. - Subject to slips. - Attractive to service-based industries that benefit from agglomeration. 	No adjustment required
Eastbourne	<ul style="list-style-type: none"> - A small local centre that has limited offerings for surrounding neighbourhood. - No recent development or changes to infrastructure. - Some turnover of commercial offerings. 	No adjustment required

Upper Hutt City

Area	Comments	Recommended Score Adjustment
Silverstream Fergusson Drive	<ul style="list-style-type: none"> - This area covers a scattering of commercial uses within an area of higher density residential. - Due to the types of commercial operations (e.g.: convenience retail) reverse 	No adjustment required

	<p>sensitivity is not really an issue here. This community is used to a mix of uses.</p> <ul style="list-style-type: none"> - There are some industrial uses (e.g. engineering operations). - Increased demand anticipated as densities increase. - Development feasibility sometimes an issue (high land value fragmented sites). 	
Eastern Hutt	<ul style="list-style-type: none"> - Located on the railway line but station not easily accessible. Workers can get train to Silverstream but not good pedestrian connectivity from station. Good access to SH2. - Some resilience issues – located within flood zone area. - Attracts the construction industry due to accessibility and those operations that need a yard (large loads, low frequency movements). 	No adjustment required
Ward Street (Blue Mountains Campus)	<ul style="list-style-type: none"> - The Blue Mountains campus area that has commercial buildings for lease. - Government office development is underway, and there is still capacity for growth. - Access to other businesses is limited however it is an area that will be self-sufficient. - Improvements to the route from the campus to the CBD is being investigated, as currently inefficient. 	No adjustment required
Alexander Road	<ul style="list-style-type: none"> - Land capacity is being exhausted (only one site left). - This area offers a mix of large sites and smaller units. - Some developers are developing sites to offer a multi-unit commercial development, with a range of smaller scale units 80-400sqm sites – demand seems high. 	No adjustment required

	<ul style="list-style-type: none"> - Limited public transport for workers but discussions are underway with the WRC to improve bus services. 	
Park Street and Lane Street area	<ul style="list-style-type: none"> - Recent development of Brewtown and operations associated with the film industry is supporting growth in this area. - There is now a mix of hospitality and light to heavy industry (eg: chipmonks, active and large-scale brewery and real steel). - Old tobacco storage operation has freed up development opportunities. - Still has limited/constrained road access. Some improvements have been made to improve movements through the area – better separation of heavy/light traffic flows. 	No adjustment required
Upper Hutt CBD	<ul style="list-style-type: none"> - Completion of the dual railway line and upgrades by KiwiRail making it more accessible by rail. - Attracting a consumer base from the Wairarapa market. - Resilience for development is high – not flood prone. - There is still some capacity for growth in the mall area (however there is one landowner holding onto a large area). - Increases in the potential for mixed use development is making development opportunities more feasible. 	No adjustment required
Montgomery Crescent	<ul style="list-style-type: none"> - General industrial area. - Is not constrained by the overpass issues as with other areas. - Development has been occurring as older uses move out of the area. Often leads to oddly shaped development sites – so this leads to consolidation or companies occupying a number of scattered sites. - Limited development opportunities left – quite full. 	No adjustment required

Maymorn	<ul style="list-style-type: none"> - Fairly isolated area suitable for heavy industry, however there is potential for reverse sensitivity from adjoining uses. - Past use of a house removal company – slowly transitioning to a concrete manufacturing operation that supports Waka Kotahi construction needs (large culverts etc). 	No adjustment required
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Porirua City

Area	Comments	Recommended Score Adjustment
Kenepuru	<ul style="list-style-type: none"> - Developing successfully as a mixed-use area, with industrial and commercial land uses but no residential development as yet. - Anticipating continued reinvestment in older industrial sites as there is high demand for large lots and access to Transmission Gully. - Surrounding increases in residential development and densities (Kenepuru landing) may encourage more local demand and availability of workers encouraging further commercial development. - With good access to the rail network, accessibility of the area will improve overtime with planned Metlink investment over next 10-30 years. 	No adjustment required (accessibility to road network score already high – 5).
Porirua East/ Ranui Shopping Centre	<ul style="list-style-type: none"> - Acts as a gateway for Eastern Porirua and services the local community. - Currently underutilised with existing buildings in need of investment/improvement. - Is included in the Eastern Porirua Regeneration Project led by Kainga Ora, which involves substantial investment in new social and market housing, and improvements to local infrastructure. 	Adjustment recommended to developability score 3.5 to 4. Already scores high for accessibility to road network.

	<ul style="list-style-type: none"> - Is within close walking distance to Porirua Station and the City Centre, which supports increases in residential density. Has been rezoned high density which is anticipated to improve feasibility of development. - Has benefited from a drop in congestion on the road network as a result of Transmission Gully. 	
Cannons Creek	<ul style="list-style-type: none"> - Planned investment in local amenity and increases in density as part of Kainga Ora investment in eastern Porirua. - Town centre plan currently being prepared to demonstrate potential for introduction of mixed use and improved community centre and local amenity. - Currently inefficient use of available land in the centre, with potential development areas currently part of the road reserve. - Experiences some flooding/ponding issues that can be mitigated through redevelopment. 	Adjustment recommended to accessibility to road network score to reflect proximity to Transmission Gully link road. Score 2 to 3.
City Centre North (Large format retail)	<ul style="list-style-type: none"> - Is successful for large format retail activities, and services a wide customer base from around the Wellington region. - Vehicle dominated space with good access to the road network and large areas of carparking. - Improvements needed to pedestrian urban amenity. - There is interest in the area from the development community, and a new development is underway which incorporates an opportunity to improve access to foreshore. - Potential for the Whitireia Polytech Campus to be redeveloped by Ngati Toa to accommodate some commercial development along with increasing public access/amenity for the area. 	No adjustment required
City centre South (Metropolitan Zone)	<ul style="list-style-type: none"> - Dominated by commercial land uses, no current residential population. This is despite the District Plan allowing for a mix of uses in the centre. - Outside the mall, sites are underutilised (single storey land use) with large areas 	No adjustment required

	<p>utilised as carparking. There is capacity for major commercial and residential growth through the comprehensive redevelopment of underutilised buildings.</p> <ul style="list-style-type: none"> - Recent investment in Cobham Court to improve urban design and amenity for active transport modes. - Current landowners not actively investing in the commercial buildings despite investment in local amenity. - Good access from the centre to the railway and bus network. 	
Elsdon	<ul style="list-style-type: none"> - Recent re-investment and repurposing of existing industrial buildings. - Well situated to support industrial growth with no residential community impacted. - Scarcity of industrial land across the region is driving demand and leading to the feasibility of re-investment and new development improving. 	Adjustment recommended to developability score to reflect increasing viability and demand for repurposing existing buildings. Score 3 to 4.
Broken hill	<ul style="list-style-type: none"> - Well tenanted/stable industrial area. - Little change in the area in the last 5 years (no significant development or closures) 	No adjustment required
Waitangirua Shopping Centre	<ul style="list-style-type: none"> - Currently underutilised with existing buildings in need of investment/improvement. - Planned investment in local amenity and increases in density as part of Kainga Ora investment in eastern Porirua. - Direct access to the Transmission Gully link road significantly improves accessibility of the centre. 	No adjustment recommended. to Accessibility already reflected in score 5.
Paremata Crescent	<ul style="list-style-type: none"> - Proposed apartment building but little other development or take up. - Area is subject to hazards which compromises developability. - Mitigation required to support any large investment. 	No adjustment required
Mana Esplanade	<ul style="list-style-type: none"> - Transmission Gully has resulted in a reduction in a large reduction in vehicle movement and congestion on the road network. 	No adjustment required


	<ul style="list-style-type: none"> - Hazard prone at the lower end of Mana Esplanade and therefore no significant development anticipated in this area. - Significant potential for growth in the northern area with further reduction in through traffic which could create a more liveable environment. - High local amenity that supports residential growth (Marina, Ngāti Toa Domain and Plimmerton Beach). - Highly accessible to the rail corridor. - Current inefficient use of land and large areas of carparking. 	
Titahi Bay	<ul style="list-style-type: none"> - Local centre that has had little investment over the last five years although new hospitality businesses have revitalised the centre to a limited extent. - MDRS has enabled an increase in residential densities in the surrounding area which may increase demand for an improved local centre. However, the area has good access to Porirua City centre which currently services the local community. - Potential investment by Ngāti Toa through their housing arm Te Ahuru Mowai and Kāinga Ora could incorporate an upgrade of the local centre. - Wi Neera to Onepoto shared path to improve access and resilience to the area has recently obtained consent. 	No adjustment required
Ulric Industrial Area	<ul style="list-style-type: none"> - Newly established mixed-use area has seen development of both industrial and residential land uses. - Strategically placed in proximity to the northern growth area and Kenepuru Landing. - Anticipated that growth will increase customer base and the further potential for mixed use / retail development. 	No adjustment required
Whitby Village Centre	<ul style="list-style-type: none"> - Transmission Gully has improved efficiency of access to the centre. - There is a market for medium density housing in the area, and the centre could accommodate further residential 	No adjustment required

	<p>development through mixed use development.</p> <ul style="list-style-type: none"> - The development within the village centre is currently underutilised (single storey development) and there is more capacity for growth. - High demand for housing in the area. 	
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Kapiti Coast

Area	Comments	Score Adjustment
Otaki	<ul style="list-style-type: none"> - Improvements to accessibility and congestion will result from opening of Ōtaki to North Levin (O2NL). This includes better access to the Horowhenua market and proposed freight hub in Palmerston North and south to Wellington. - Recent increase in residential development in the surrounding area. Reflective of a housing shortage/rising house prices as demand increases. Anecdotally this is mostly as a result of people moving to the area from the major centres. - Development is challenging due to potential hazard from river – residual overflow path and contaminated sites. - Wānanga is located to north-west of the town centre with significant development occurring at the campus area and a Marae Takiwa Precinct proposed around the marae in old Ōtaki. - New consents in business land include cafes, architectural firms, supporting business, freight. Consents for subdividing into smaller lots. <p>Recently there are higher value uses locating in the centre.</p>	Adjustment required to accessibility to road network score. Increase from a 3 to 4
Waikanae	<ul style="list-style-type: none"> - Recent investment in the town centre including library and art gallery. Additional amenity upgrades planned. - Adjustment away from SH1 through the centre has decreased through traffic but 	No adjustment required

	<p>improved amenity. Centre still has improved access through O2NL and the recent completion of the Peka Peka to Ōtaki Expressway.</p> <ul style="list-style-type: none"> - Plan change 2 proposes to increase density and mixed uses within walkable areas of the train station and town centre with higher density development enabled due to being centred around a rapid transport stop (train). - Marae Takiwā Precinct – will not allow more than 3 storeys within parts of the town centre to mitigate impacts on the Marae. 	
Paraparaumu Beach	<ul style="list-style-type: none"> - Recent developments are mostly residential developments and high quality retail. It is anticipated that more intensive development will result from PC2, which will look to increase intensification in the town centre to 6 storeys and this will likely improve feasibility. - Congested getting in and out of Kāpiti Road and Te Roto. - Good access to public transport as bus services are available. - Projected future extent of coastal erosion does not extend far inland around the current Paraparaumu Beach town centre. - High land costs and limited availability is restricting growth opportunities. 	Adjustment to developability score due to increased density provisions – from 1 to 2.
Te Roto Drive/ Kapiti Landing	<ul style="list-style-type: none"> - A food precinct is naturally establishing in this area including a redeveloped cheese factory (100 employees) and other related operations, food experiences. Council has supported this through bringing business together. - Health cluster also developing e.g., eye clinic, skin clinic, and GP clinic. - Building industries e.g. Placemakers, Bunnings, carpet companies. 	No adjustment required

	<ul style="list-style-type: none"> - This area provides good ground conditions for development whereas peaty soils are a factor in others areas, for example Paraparaumu. 	
Paraparaumu Centre	<ul style="list-style-type: none"> - Despite high demand, availability of development opportunities is scarce (few owners with large land holdings). - Increased density provisions under PC2 supports more intensive redevelopment of existing underutilised sites. - Increasing residential development in the surrounding area. Including larger development areas including to the north of Paraparaumu towards the North Gateway Precinct. - New development is subject to a range of resilience issues which need to address poor ground conditions and this impacts development costs.  - Improvements to roading needed to increase accessibility between business areas and the railway. There is work underway currently to improve the bus interchange and pedestrian links at Paraparaumu station. 	No adjustment required
Raumati	<ul style="list-style-type: none"> - Recent development has been mostly residential in the surrounding area. - Street improvements are planned over next few years to improve safety. - Size of centre limits its growth, and this may need to be reassessed to align with increasing demand from surrounding residential intensification. - A number of recent medium density developments have emerged resulting in incremental intensification. - Projected future extent of coastal erosion does extend further inland at this location including part of the existing town centre area. 	No adjustment required

<p>Paekākāriki</p>	<ul style="list-style-type: none"> - Transmission Gully has reduced the volume of traffic but improved safety. - Access to rail is good and opens up tourist opportunities. - Access to land is very hard, not a lot of development opportunities available and land cost is high. - No access to reticulated wastewater (sewerage), increases cost and difficulties for future intensification, need land for sewerage etc. Nothing planned to change this. - Escarpment walkway is changing services being provided to meet demand from visitors 	<p>No adjustment required</p>
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5. Area specific comments for the Tier 3 Councils

The following provides a brief summary of areas of discussion at the workshops held with the Tier 3 Councils. The scoring of these areas against the MCA criteria are detailed in [Appendix 2](#).

Horowhenua District

A workshop was held at Horowhenua District Council with Council officers and business stakeholders who operate in the District. The business areas that were assessed at the Horowhenua District Council workshop were those generally holding a commercial zoning in the Horowhenua District Plan. These comments are to be read alongside the MCA scoring.

Area	Comments
Levin town centre	<ul style="list-style-type: none"> - Levin Town Centre has good connectivity to the road network, being located on the State Highway. Transmission Gully has improved travel times to Wellington. - It is anticipated that there will be future changes from Waka Kotahi's investment in O2NL. For the first 10 years the Centre will have high levels of traffic and activity as the State Highway runs through the centre, and after 10 years will be off SH1. A long term view is required to slowly transition the centre into a town that can thrive without the direct State Highway access. - Poor level of public transport currently due to the level of service provided by the rail network. There is a potential for a connection to the rail network as the infrastructure is there but not currently used. - Currently a good level of carparking provided in the centre. - Access to labour force is a key constraint, development feasibility is challenging, and many buildings require earthquake strengthening. - 10 years ago there was an exodus of business e.g. Hannah's Shoes, giftware shops etc. Some are coming back due to population growth. - Future growth restrained because commercial businesses in old industrial buildings which are not fit for purpose. Some may need to be demolished and redeveloped. Feasibility is expected to change in future with O2NL.
Levin Industrial	<ul style="list-style-type: none"> - The industrial area of Levin has good connectivity to the road network, being located on the State Highway - It is anticipated that there will be future changes from Waka Kotahi's investment in O2NL. For the first 10 years the Centre will thrive as it continues to be at end of State Highway, after 10 years will be off SH1. A

	<p>long term view is required to slowly transition the centre into a town that can thrive without the direct State Highway access.</p>
Foxtton Beach	<ul style="list-style-type: none"> - Large area of industrial zoned land is currently used as a park.
Foxtton Industrial	<ul style="list-style-type: none"> - Southern area has some development opportunities with some vacant sites, but some infrastructure capacity issues. - Southern area has Treaty Settlement implications and requires consultation with Iwi for all resource consents. Also, some reverse sensitivity issues with adjoining neighbours. - Feltex site area has contamination issues that require remediation before development. - Northern area has low land values, but some contamination from previous sawmill that requires remediation prior to development.
Manakau	<ul style="list-style-type: none"> - Manakau has good connectivity to the road network, located on the State Highway. - The underpass floods but this has not been a constraint to continued operation and should not stop future development. - Limited capacity for growth and there are some commercial uses occurring in the rural zone. - The surrounding community may be sensitive to commercial or light industrial uses that are incompatible with surrounding uses.
Waitāreere Beach	<ul style="list-style-type: none"> - Small local centre that services local community including a Four Square, liquor store (near industrial land), gift shop. Recent closure of shops. - Future – low density open space commercial, give small groups opportunity with open space, old farmhouse plan to turn into café. - Waitāreere Beach Road is good. - Some walking within catchment and vehicle use from commuters. Commuters to Levin, stop at shops on way home – parking not great. - Investment needed to address stormwater management. This is a district wide cumulative issue.
Tokomaru	<ul style="list-style-type: none"> - Close to Palmerston North with good access to the State highway and road network.
Shannon commercial area	<ul style="list-style-type: none"> - Land value low and large areas to work with. - Heritage overlay over town. - Reticulated water supply is restricted. - Train to / from Wellington. - Car parking is available.

Combined Wairarapa Councils

A combined workshop was held at Masterton District Council with Council officers from Masterton District Council, Carterton District Council and South Wairarapa District Council. Business stakeholders who operate in the Wairarapa also attended.

The business areas that were assessed at the workshop were those generally holding a commercial zoning in the Combined Wairarapa District Plan. Areas were assessed against the MCA criteria, with results agreed at the workshop detailed in [Appendix 3](#).

Area	Comments
Carterton commercial	<ul style="list-style-type: none"> - Some growth and some repurposing of sites. - Growth has held steady but earthquake strengthening has required some change. - Walkable to train and bus but services for both are limited. - Affordable relative to other parts of the region but high land cost compared to other parts of Wairarapa.
Martinborough	<ul style="list-style-type: none"> - Confined growth in town centre as low movement due to sites being tightly held. - Earthquake strengthening of buildings an issue. - Nothing for rent – commercial, residential, no worker accommodation. - Lower labour market and hazard resilience for businesses as employees are having to commute in from elsewhere in the Wairarapa. - Some existing activities occurring in rural zones that should be located in industrial zones.
Masterton commercial	<ul style="list-style-type: none"> - The town centre cannot grow but as it is established, the type of uses are not impacting community. - Applying Draft District Plan zoning. - Mixture of offices and retail, with some residential above first level. - High volume of people and busier than pre-Covid with new people coming to the area. - Increase in lifestyle businesses, technology business with a shift from farming and agricultural retail. - More people working from home, more businesses supporting lifestyle. Increase in franchise shops. - Retail is broken down per block in the centre. Some areas that are busy and some are quiet.

	<ul style="list-style-type: none"> - 3.5% growth in Wairarapa - enquiries from outside region. In particular, growth near Ngamata / Solway areas and Herewini Street area getting enquiries nationally. - Wellington Free Ambulance building base in Masterton in 2023. - Rail corridor is there but not serving growth well. If provide for increased freight, then different business could be accommodated.
Masterton industrial	<ul style="list-style-type: none"> - Trade workshops, joiners, cafes, Herewini Street - enquiries for future development. - Close to rail and retail, and daycare growth over past couple of years. - Most people drive to the area. - Has space and large sized buildings but limited areas that you can build large, destination businesses. - Not within a walkable distance of the town centre but has services such as cafes. - Surrounding sensitive land uses e.g. residential backing onto industrial which has caused issues. New residential activity is occurring.
Carterton industrial	<ul style="list-style-type: none"> - 56 lot subdivision granted for industrial. - Railway on western side, so KiwiRail typically treated as an affected party. - Investment in roading - NZTA upgrades not designed to accommodate growth in Waingawa. Could be grounds for a bypass if needed. - Good access to rail routes. - Has capacity but needs to be encouraged. - Logging trucks direct to port from rail, but area reliant on road and rail. - Area zoned industrial, but with buffers.
Featherston commercial	<ul style="list-style-type: none"> - Landlords allowing some buildings to become derelict. - Increases in vacancy rates. - Has seen big growth in residential real estate in the area. - Masterplan project underway – consultation early 2023 and adopted by Council to get into District Plan. - Racecourse zoned to allow events in the future. - Developments occurring include multi-level ground floor commercial with residential above. - Co-working space starting up. - Transit-oriented development in regional growth framework. - Stormwater / flooding – overland flows through town centre.

Featherston industrial	<ul style="list-style-type: none"> - Activities include timber mill, warehouses, factories, fibre glass. - Run down, but not a lot of vacant land as sites are being developed. - No overbridge to get to industrial area from rail station, so it's not very walkable. - No supporting business activities in the area. - Some reverse sensitivity issues.
Greytown commercial	<ul style="list-style-type: none"> - Constrained, nowhere to grow. - Low vacancy, heritage area, no new business, some business turnover but do not stay vacant for long. - Shift to lifestyle businesses. - Tourist market pushes for retail and hospitality. - High land and property cost, second only to Queenstown nationally. - Not many problems with existing heritage provisions. - A lot of residential interfaces but the nature of businesses tends to be retail so there are not a lot of negative effects.
Greytown industrial	<ul style="list-style-type: none"> - Limited future of industrial area. - Existing business activities in rural zoned land. There is a closing lid policy on this. - High land and property cost.

6. Conclusions

The findings of the workshops held for each council area and industry stakeholder interviews identified several changes and challenges influencing the uptake and suitability of commercial and industrial land across the region. The most noticeable changes identified since the 2018 HBA was prepared are associated with the impact of COVID, including increasing construction costs and labour force shortages. Changing demand for business land due to population growth and change have also had an impact. For example, some areas in the Kapiti Coast and Horowhenua districts have grown faster than anticipated resulting in increased demand for retail and commercial land uses in these areas. The investment in large infrastructure improvements, including the opening of Transmission Gully, have had a noticeable impact on the demand for commercial land as the northern areas of the region become more accessible to a larger market.

Overall, the stakeholders identify a shortfall in industrial land available for development and use in the region and challenges in the redevelopment of existing commercial spaces associated with high construction costs and challenging market conditions.

With the introduction of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 Councils have a unique opportunity to lead and shape the nature of commercial development by potentially making mixed use developments on commercial land more viable. However, there is also a demonstrated need to ensure the region supports the ongoing needs of light and heavy industry and safeguards this land from other urban development. Supporting adequate land for industry is essential to supporting our construction sector and will in turn support the delivery of affordable housing.

Key factors influencing uptake and suitability of commercial and industrial land

In summary, the assessment has identified the following key factors that influence the uptake and suitability of commercial and industrial land in the region.

Limited supply of industrial land	Across most areas a shortfall in availability of industrial land has been identified, both greenfield development areas and capacity within existing industrial zoned areas.
Commercial feasibility	The feasibility of new commercial and industrial developments has become more challenging due to the changing nature of the market. Including increases in land value, high demands for residential development on vacant sites, labour force shortages and increasing development costs. In particular, the region has increasing costs associated with the cost of addressing resilience.
Strategic projects	The timing of strategic projects in the region, such as Transmission Gully opening, and IAF developments, will affect the timing and rate of uptake of commercial land as well affect the type of land in demand.
Planning risks	The District Plans and how they are applied provide uncertainty to developers in terms of how their resource consent will be processed (activity status, notification) and information requirements (design

	guides), which has significant cost and time implications. Uncertainties are also associated with new national planning legislation.
Developer obligations	Costs associated with needing to provide infrastructure to sites makes development of commercial land less viable.
Residential growth	Growth in local population generally sees a growth in commercial land uptake in the city/district. A key factor affecting commercial land uptake is protecting commercial land from encroachment from residential activities or, where appropriate, enabling mixed use developments.

Appendix 1: Multi-Criteria Analysis scoring for Tier 1 Councils 2018 with adjusted scores from the 2022 analysis

Please note: the 2018 scores that have been adjusted as a result of the 2022 analysis are shown in the tables below using '>' to indicate how the score has changed.

For example, if a score has changed from a 1 to a 2, this is shown in the table as '1 > 2'.

Results of Multi-Criteria Analysis Assessment 2018 with adjusted scores from the 2022 analysis – Wellington City Council

Wellington City Council	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
WCC Kaiwharawhara	5	5	4	5	5	5	5	4	1	4	5	5	5	5	63
WCC Johnsonville	5	0	3	3	5	4	4	5	4	5	4	5	4	5	56
WCC CBD – North	5	5	4	5	5	4 > 3	5	5	1	5	4	1	3	3	55 > 54
WCC Grenada	5	3	2	3	1	5	3	4	5	5	4	4	5	5	54
WCC CBD - Te Aro	5	1	4	5	5	4	5	5	1	5	4	3	3 > 2	3	53 > 52
WCC Kilbirnie	4	1	5	4	4	4	5	5	1	5	3	4	4	4	53
WCC Tawa	4	5	2	3	5	5	3	3	4	1	2	4	3	4	48
WCC Adelaide Road	5	1	4	4	5	2	5	5	2	3	3	3	3	3	48
WCC Ngauranga	4	1	4	4	1	4	4	4	2	3	4	2	5	5	47
WCC Miramar	4	1	5	4	3	3	5	5	2	5	2	3	2	2	46
WCC Lincolnshire	2	2	2	3	0	3	3	1	5	0	4	4	5	5	39
WCC Newtown	3	1	4	3	5	1	5	5	3	3	2	1	1	1	38
WCC Karori	1	1	1	1	3	3	3	2	3	2	2	2 > 3	3	3	30 > 31

Results of Multi-Criteria Analysis Assessment 2018 with adjusted scores from the 2022 analysis – Hutt City Council

Hutt City Council	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
HCC Petone East	4	1	3	5	3	5	5	5	1	5	2	4	4	5	52
HCC Naenae	3	2	2	2	4	4	5	5	4	5	4	3	4	4	51
HCC Taita	2	2	2	1	4	4	5	4	4	4	4	3	5	5	49
HCC Seaview	3	1	3	4	2	5	5	5	1	5	2	3	5	4	48
HCC Hutt CBD	3	2	3	4	4	4	5	5	4	2.5	3	2	3	3	47.5
HCC Alicetown-Melling	4	2	3	5	5	2	5	5	2	4	2	2	2	3	46
HCC Avalon-Belmont	4	2	3	3	2	4	5	5	3	1	3	3	3	3	44
HCC Petone	4	2	3	5	5	2	5	5	1	5	2	2	1 > 2	1	43 > 44
HCC Wainuiomata	2	1	2	2	2	5	2	1	3	1	4	3	4	4	36
HCC Stokes Valley	1	1	1	1	2	5	2	2	4	2	5	2	2	2	32
HCC Eastbourne	1	1	1	2	2	5	3	3	1	3	2	3	1	1	29

Results of Multi-Criteria Analysis Assessment 2018 with adjusted scores from the 2022 analysis – Upper Hutt City Council

Upper Hutt City Council	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
UHCC Upper Hutt CBD	5	5	2	2	5	3	5	5	5	5	4	3	5	5	59
UHCC Alexander Road	4	3	2	2	2	5	5	5	5	4	4	5	5	5	56
UHCC Ward Street	5	4	2	2	5	4	5	4	5	3	5	4	4	4	56
UHCC Park Street	4	5	2	2	4	5	5	4	5	4	4	3	4	4	55
UHCC Maymorn	4	5	4	4	2	5	5	5	5	2	5	2	3	3	54
UHCC Lane Street	4	3	2	2	5	3	5	4	5	3	2	5	5	5	53
UHCC Montgomery Crescent	4	2	2	2	4	5	5	4	5	4	4	2	4	4	51
UHCC Eastern Hutt Road	4	2	2	2	1	5	5	4	3	3	4	4	5	5	49
UHCC Whakatiki Street	4	2	2	2	4	5	5	4	3	4	4	2	4	4	49
UHCC Fergusson Drive, Silverstream	5	5	2	2	4	4	4	5	3	2	4	2	3	3	48
UHCC Silverstream	5	5	2	2	4	4	4	5	3	2	4	2	3	3	48
UHCC Upper Fergusson	5	1	2	2	4	4	4	5	3	2	4	2	3	3	44
UHCC Lower Fergusson	5	1	2	2	4	4	4	5	3	2	4	2	3	3	44

Results of Multi-Criteria Analysis Assessment 2018 with adjusted scores from the 2022 analysis – Porirua City Council

Porirua City Council	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
PCC Kenepuru	5	5	2	4	5	5	5	5	4	5	4	4	5	5	63
PCC Porirua East / Ranui Shopping Centre	5	4	2	4	5	5	5	5	3	3	3	3.5 > 4	5	5	57.5 > 58
PCC Cannons Creek	2 > 3	2	2	4	5	5	5	5	3	4	4	4	5	5	55 > 56
PCC Elsdon	4	1	2	4	4	5	5	5	3	4	4	3 > 4	5	5	54 > 55
PCC City Centre	4	3.5	2	4	5	4	5	5	1	3	4	4	5	5	54.5
PCC City Centre South	4	3.5	2	4	4	4	5	5	3	3	3	4	5	5	54.5
PCC Broken Hill	4	1	2	4	3	5	5	5	3	4	4	3	5	5	53
PCC Waitangarua Shopping Centre / Commerce Crescent	5	1	3	3	5	5	5	2	3	2	3	4	5	5	51
PCC Paremata Crescent	5	5	2	2	5	4	5	5	4	2	3	3	3	3	51
PCC Mana Esplanade	4	5	2	2	5	3	5	5	3	5	3	3	3	3	51
PCC Titahi Bay / Whitehall Road	2	1	2	2	3	5	5	5	2	4	2	2	4	4	43
PCC Ulric Industrial Area	3	3	1	2	2	5	5	3	2	2	3	2	5	5	43
PCC Whitby Village Centre	3	1	2	2	5	3	5	5	4	5	1	1	1	1	39

Results of Multi-Criteria Analysis Assessment 2018 with adjusted scores from the 2022 analysis – Kāpiti Coast District Council

Kāpiti Coast District Council	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
KCDC Te Roto Drive / Kapiti Landing	5	0	5	3	4	5	4	4	4	4	4	3	3	3	51
KCDC Paraparaumu Beach	4	0	4	3	4	2	4	4	3	5	4	1 > 2	5	5	48 > 49
KCDC Raumati	3	0	3	3	3	2	4	4	3	5	5	1	5	5	46
KCDC Paraparamu Centre	5	0	4	3	5	2	4	4	1	4	4	1	4	4	45
KCDC Waikanae	3	0	3	2	5	3	4	4	5	5	5	1	2	2	44
KCDC Otaki	3 > 4	0	3	2	3	5	3	3	1	3	3	2	4	4	39 > 40
KCDC Paekakariki	4	0	3	3	4	3	3	4	2	4	2	1	3	3	39

Appendix 2: Multi-Criteria Analysis scoring for Horowhenua District Council 2022

Horowhenua Business Land Locations	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
Shannon - industrial	5	2	3	3	1	5	2.5	5	5	4	5	4	5	5	54.5
Levin - Industrial Area West (B)	5	2	3	3	1	4.5	3	5	5	5	4	4	4	5	53.5
Levin - Industrial Area south	5	2	3	3	1	5	3	5	5	4	3	5	4	5	53
Shannon - commercial	5	2	3	3	1	4	3	5	5	3	5	2	5	5	51
Levin - Commercial Centre	5	2	3	3	1	5	2	5	4	3	4	3.5	5	5	50.5
Levin - Industrial Area West (A)	5	2	3	3	1	5	3	5	5	4	4	3	3	3	49
Manukau	5	0	3	3	0	5	5	5	5	4	4	2	4	4	49
Foxton - Commercial Centre	5	0	3	3	0	4.5	3	5	4	3	4	3.5	5	5	48
Tokomaru	5	2	3	3	0	4	3.5	5	4	2	4	2	5	5	47.5
Waitarere Beach	4	2	2	2	0	3	5	5	3.5	4	4	3	4	4	45.5
Foxton - Industrial South	5	0	3	3	0	4.5	2.5	5	4	3	4	3	3	3	43
Foxton - Industrial North (sawmill)	5	0	3	3	0	4.5	3	5	1	3	4	4	3	3	41.5
Foxton Beach	4	0	3	3	0	5	2	5	3	2	3	4	3	4	41
Foxton - Feltex	5	0	3	3	0	4.5	3	5	1	3	4	1	2	2	36.5

Appendix 3: Multi-Criteria Analysis scoring for Combined Wairarapa Councils 2022

Wairarapa Business Land Locations	1 - Proximity to major roading corridors	2 - Access to rail routes	3 - Access to airport	4 - Access to seaport	5 - Public transport accessibility	6 - Parking availability & accessibility	7 - Access to required labour force	8 - Access to markets/consumers & reliance	9 - Resilience to hazards	10 - Supporting business/services in the area	11 - Land & property cost	12 - Developability/functionality	13 - Separation from more sensitive activities	14 - Community impact	TOTAL
Carterton industrial Waingawa	5	5	1	2	1	5	3	5	3	5	5	5	5	5	55
Featherston commercial	5	5	1	1	3	4	3	5	3	3	5	3	5	5	51
Masterton industrial - north	5	4	1	1	1	5	3	5	4	3	5	5	3	5	50
Masterton commercial - Main Street	5	2	1	1	2	3	3	5	3	4	4	5	5	5	48
Carterton commercial	5	4	1	1	2	2	3	5	5	4	3	3	5	5	48
Greytown industrial	5	2	1	1	2	5	3	5	4	5	2	3	5	5	48
Featherston industrial (Harrison)	5	5	1	1	3	5	3	5	3	1	4	3	3	5	47
Greytown commercial	5	2	1	1	2	2	3	5	3	4	1	3	5	5	42
Martinborough	3	1	1	1	2	4	2	5	4	3	1	1	5	5	38

Appendix 4: Maps provided for each business area

To be added by WRLC

Appendix 5: Definition of criteria used in the assessment

MCA Criteria and supporting Information

CRITERIA	BRIEF DESCRIPTION
Proximity to major roading transport corridors	Assesses the importance of access to the roading network, including highways and local arterial roads.
Access to rail routes	Assesses the importance of access to rail routes, and includes the ability to load goods and freight (ie: not just proximity to a rail line)
Access to airport	Assesses the importance of access to an airport, and includes the use for both cargo and people
Access to port	Assesses the importance of access to a port for freight purposes
Access to required labour force	Assesses the importance of access to the required labour force, which includes both the number of staff and skill sets required
Access to markets/consumers and reliance	Assesses the broad importance of access to the desired markets and consumers. This includes the reliance on people to travel and how the effects of this could impact on businesses
Land and property cost	Assesses the importance of the cost of land and property to entering the market
Supporting business/services in the area (clustering/conglomeration)	Assesses the importance of the hub effect of businesses and consequential benefits of incidental business opportunities arising from the clustering or conglomeration of similar activities
Parking availability	Assesses the parking availability in the area surrounding the site. It does not include site specific considerations of parking availability
Resilience to hazards	Assesses the importance of being resilient to hazards to avoid disruption to business
Developability/functionality	Assess the development potential of a location considering physical (eg: site size, layout, constraints, continuous ownership) and regulatory (eg: District Plan, NPS Soil) constraints
Public transport	Assesses the importance of the location being in good proximity to public transport
Separation from more sensitive activities (reverse sensitivity effects)	Assesses the importance of the location being isolated from conflict with more sensitive neighbouring land uses (ie: reverse sensitivity effects as a result of existing or future sensitive land use)

