

IN THE MATTER of the Resource Management Act 1991

AND

IN THE MATTER of a submission in respect of the **PROPOSED WAIKATO DISTRICT PLAN** by **AMBURY PROPERTIES LIMITED** pursuant to Clause 6 of Schedule 1 of the Act seeking the rezoning of land at Ohinewai

SUMMARY STATEMENT OF PHILIP MARK OSBORNE

1. My name is Philip Mark Osborne. I am an economic consultant for the company Property Economics Ltd ("PEL"), based in Auckland. The company provide property development, land use research and impact assessment services to both the private and public sectors throughout New Zealand. I prepared a statement of evidence dated 9 July 2020 and a statement of rebuttal evidence dated 24 August 2020. The purpose of this document is to summarise those statements.
2. I outlined my qualifications, experience and commitment to comply with the Environment Court Expert Witness Code of Conduct in my evidence in chief ("EIC").
3. APL proposes a fully masterplanned 178ha mixed-use urban development located around 7km north of Huntly. The primary activity on the site will be a newly built 100,000sqm factory for the Comfort Group ("TCG"), which is intended to be an amalgamation of TCG's Auckland production operations, eventually employing up to 1,000 staff.
4. The development will also provide for general industrial activity as well space. The residential component is proposed to be approximately 1,100 medium and higher density dwellings targeted specifically at the company's employees in terms of affordability and suitability.
5. The market in which TCG is proposing to develop has seen limited growth over the past 18 years. The local catchment has approximately one third of the Waikato District's growth and has seen a relative consistent drop in

retention of employment over this period. While the District itself has seen significant growth in employment over the past 18 years (55%), it continues to exhibit lower employment retention than other surrounding districts. This has been driven in part through more rapid population growth without the subsequent employment base, i.e. people living in the district but working outside the district, especially in Auckland, and in particular Pokeno.

6. The OSP does not simply represent the provision of additional business and residential capacity but the direct provision of jobs. There are fundamental operational reasons underlying the choice of this specific site for TCG to relocate its operations. A site selection process did not identify any other sites that met TCG's locational criteria.
7. The development itself has some more general benefits associated with its development and operation and including:
 - (a) Increased employment opportunities;
 - (b) Improved amenity and infrastructure efficiencies;
 - (c) Providing a catalyst for further investment;
 - (d) Increased rating database;
 - (e) Housing options that are more affordable than in the Auckland market; and,
 - (f) Improved employment retention and productivities.
8. More specifically, the development and operation of The Sleepyhead Estate and the additional (unique) increased households will have a direct impact upon the regional and local economies.
9. In terms of the construction impact over the 10-year period, it has been estimated that the development will contribute approximately \$644m in NPV and provide for 225 jobs per annum within the Region. Locally (within the Ohinewai catchment) this level of development is likely to add \$100m over the 10-year period of construction and provide for an additional 42 jobs per annum.
10. To be conservative, the operative impacts are limited to the TCG operations as well as the estimated additional households that are likely to be accommodated within the region and local catchment due to these specific operations. As such, these activities (at capacity – 100,000sqm factory and

30% of the households being associated with the TCG relocation), the impact on the Region would be in the order of \$222m per annum supporting 1,265 jobs. It is important to note that following my EIC assessment APL have seen fit to remove the DFO as part of the application. While this will remove the potential 'inflow' of retail spend to the Region (and the subsequent economic activity) its absence will allow for a greater level of industrial land and activity within the development area.

11. The local catchment would support an additional 5,000sqm of retail GFA capturing a further \$25m in retail spend and provide for an additional 1,088 jobs (including the introduction of the Sleepyhead workforce) within the Ohinewai catchment. In terms of the OSP's other key findings:
12. This development is unique which means it generates additional employment, and hence residents, who would likely not have located there in the absence of the development. Because it is unique and therefore unaccounted for in the relevant plans, it is not expected to undermine the strategic industrial nodes or planned residential developments.
13. The development is expected to generate an additional \$6.4m in convenience retail spend which can support around 2,500 sqm of floorspace including commercial service.
14. Having read and considered the evidence provided by other parties in response to economic issues, neither the evidence of Mr Keenan for WRC nor any other available material has altered my position regarding the level and extent of the positive economic impacts on the local area and the Waikato Region and resulting from the proposed rezoning.

Philip Mark Osborne
9 September 2020