5 Growth Strategy

5.1 Overview

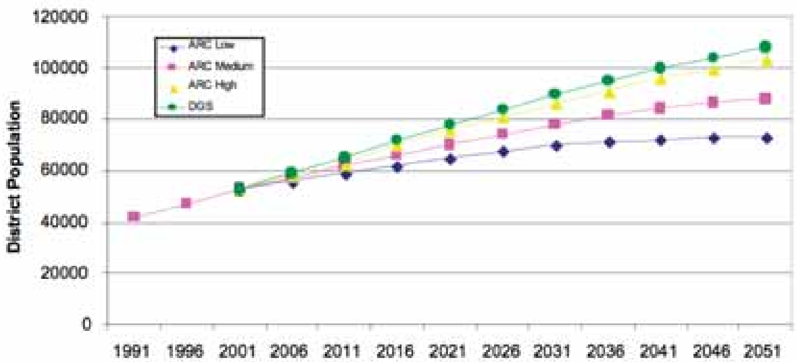
The strategy identifies sufficient land to accommodate a projected population of 109,000 people by 2051. Future growth will be accommodated through infill and redevelopment in existing urban areas, greenfield development and rural living.

An increased proportion of the District's future population will be accommodated in the Northern sector, making use of significant areas of available zoned land and existing infrastructure, while at the same time reducing pressures on the coast. Future growth in the Northern sector also provides the opportunity to achieve a high level of integration between employment, transport infrastructure and population growth at the district-wide and local levels including support for public transport through increased densities in the towns.

5.2 Population Projections

The Auckland Regional Growth Strategy used three future population growth projections (low, medium and high). A slightly higher population projection than the ARC high projection was used in developing the growth scenarios for Franklin. Such increases could result if a bigger share of the Region's growth took place in Franklin than currently anticipated by the ARC.

Figure 5.1 DGS population forecast compared with ARC forecast



It was preferable to explore the effects of more rapid population growth as most of the risks of managing growth relate to underestimating rather than overestimating the pace of change. If population growth is slower than projected, then the release of land for new development and building of new infrastructure can be delayed.

The growth strategy is based on a population increase between 2004-2051 of 52,300 people (93%) with the district population reaching 108,800 in 2051. The pattern of growth in the preferred scenario is set out in Table 5.1 which focuses on the main nodes of growth. Population increases in the rest of the villages and hamlets is modest. (Appendix 3).

Table 5.1 Projected population growth in the district growth strategy

	Population				% of pop.	% of pop.	% of growth
	1991	2004	2021	2051	2004	2051	2004-51
Pukekohe	10890	15411	24786	38362	32%	35%	44%
Waiuku	5487	7433	9761	13131	13%	12%	11%
Tuakau	2532	3173	4298	5927	6%	5%	5%
Towns	18909	26017	38845	57420	50%	53%	60%
Pokeno	438	584	2474	5211	3%	5%	9%
Clarks Beach & Waiau Bch	1077	1644	2603	3990	3%	3%	5%
Buckland	243	346	795	1445	1%	1%	2%
Patumahoe	447	633	1043	1636	1%	2%	2%
Kingseat	576	599	987	1549	1%	1%	2%
All Villages	4677	6123	10777	17516	14%	16%	22%
Hamlets	4413	5287	6724	8801	9%	8%	7%
North West Inland	5820	7710	8826	10442	11%	10%	5%
North East Inland	1887	2965	3370	3956	4%	4%	2%
All Rural	13797	19053	21519	25087	28%	23%	12%
District	41796	56480	77865	108824			

Table 5.2 Projected household growth in the district growth strategy

	Households				% of pop.	% of pop.	% of growth
	1991	2004	2021	2051	2004	2051	2004-51
Pukekohe	4975	5274	9124	15154	27%	51%	41%
Waiuku	1791	2708	3836	5454	14%	19%	12%
Tuakau	768	1083	1561	2229	6%	8%	5%
Towns	7534	9065	14521	22847	46%	78%	57%
Villages	1230	2249	4208	7259	11%	25%	21%
Hamlets	1161	1939	2679	3755	10%	13%	8%
All Rural	3629	6604	8066	10049	33%	34%	14%
District	13554	19857	29474	43910			

Figure 5.2 Franklin’s demographic profile

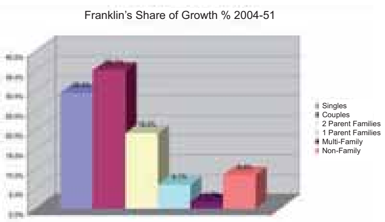
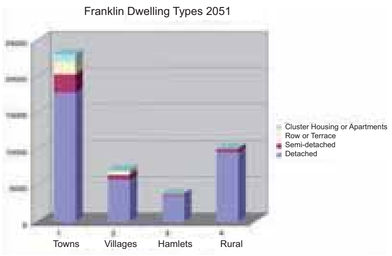


Figure 5.3 Franklin’s future housing profile



The emphasis on concentration in the strategy is apparent with the towns taking 60% of the growth through to 2051. Pukekohe dominates growth in the towns while most of the growth in the villages would occur in Pokeno. Other villages showing significant increases in population would be the amalgamation of Clarks Beach with Waiau Beach, and in Buckland, Patumahoe and Kingseat. Most of the growth in population in the rural areas occurs in the North West Inland area. This area contains some of the faster growing hamlets including Te Hihi, Runciman, Karaka, and Paparata.

While the growth in population is significant, there are other demographic changes which must be catered for. It is projected that over this period the average household size will fall significantly in all areas, Table 5.3. Consequently, the growth rate of household numbers will be more rapid than the population growth rate (Table 5.2).

Table 5.3 Impact of changing household size

	Households 2004	Household size 2004	Households 2051	Household size 2051	“Extra” Households in 2051
Towns	9065	2.87	22,847	2.51	2461
Villages	2249	2.72	7,259	2.41	811
Hamlets	1939	2.72	3,755	2.34	567
Rural	6604	2.88	10,049	2.50	1384

The change in household size would mean that by 2051 there would be 43,910 households, 5546 households more than there would be at the 2004 household size.

At the same time, it is also anticipated that there will be major changes in household composition with a large increase in the proportion of households made up of people of 65 years and over. This group would double as a proportion of households between 2004 and 2051, Table 5.4.

Table 5.4 Changes in household composition

	Households 2004	Percent of households 2004	Households 2051	Percent of households 2051
Households 65 years+	2959	15%	13283	30%
Families	9418	47%	15091	34%
Younger Singles/Couples	6368	32%	11902	27%
Other	1115	6%	3602	8%
TOTAL	19860		43900	

The share of the population in younger age groups will fall, with under 20 year olds accounting for only 24% by 2051, down from 32% in 2001. Nevertheless, the overall growth throughout the planning period will mean that the population in every age group will increase substantially – those aged 30 and under will account for some 25% of total growth through to 2051, as will those in the 30-60 age groups. This means that while the population age structure will be changing, Franklin District will evolve to have an ‘older’ but not an ‘old’ population structure

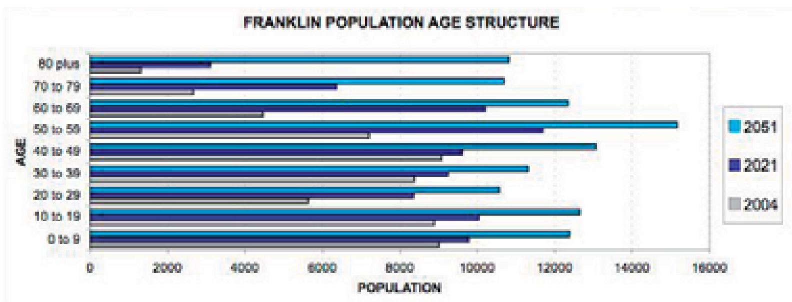
The demographic shifts will also see steady change in the size and structure of households in the District, with a general trend toward smaller, and older households. Currently, there are some 19,680 resident households. The population projections indicate an increase to 29,350 by 2021 (an average annual gain of 560 households), and further growth to 43,900 by 2051. The long term reduction in average household size will mean that the rate of household growth is considerably faster than the population increase – the projected population growth of 93% by 2051 would see household numbers increase by over 121%, while average size would drop from the current 2.84 persons to around 2.48 by 2051.

A substantial share of the growth will be in older households, with 65 years and over single person and couple households increasing by 125% to 2021, and nearly 350% by 2051 (a gain of some 10,300). In 2051, these types will account for 30% of the District households, compared with 15% currently. The main shifts are expected in the period after 2021, although there will still be significant shifts in household structure over the next 1-2 decades.

In line with the changes in population age structure, Franklin District will have an ‘older’ but not an ‘old’ household mix. In the period to 2051, there will be substantial growth in other household groups. The number of families with children is projected to increase by around 60% - a gain of some 5,700 households, while the singles and couples aged under 65 years are expected to increase by around 5,500 households. While these segments’ growth is less in percentage terms than the older age groups, they will still generate significant demand for new dwellings and living environments, as well as commercial and community service activities. These structural changes are not unique to Franklin, but reflect national demographic shifts.

The nature and scale of changes in the population projected over the strategy period and the associated lifestyle preferences demonstrate the need for choice in terms of the provision of a range of dwelling types at a range of locations within the overall context of ensuring sustainable development.

Figure 5.4 Franklin future population age structure



5.3 Employment projections

The employment projections used in the strategy show even stronger levels of concentration than the population projections with 70% of the anticipated job growth in the towns and over half (51.6%) in Pukekohe, Table 5.5.

Table 5.5 Forecast job growth

	Employment			% of ECs 2004	% of ECs 2051	% of growth 2004-51
	2004	2021	2051			
Pukekohe	6651	9736	15,948	35.9%	43.6%	51.6%
Waiuku	1421	2170	3,707	7.7%	10.1%	12.7%
Tuakau	647	1003	1,741	3.5%	4.8%	6.1%
Towns	8719	12909	21,396	52.1%	58.5%	70.4%
Pokeno	218	496	1,285	1.2%	3.5%	5.9%
Clarks Beach & Waiau Beach	114	210	396	0.6%	1.1%	1.6%
Glenbrook Business	1434	1482	1,512	7.7%	4.1%	0.4%
Villages	2400	2982	4,168	12.9%	11.4%	9.8%
Hamlets	1418	1,765	2,333	5.1%	6.4%	5.1%
Rural	6012	7134	8,653	32.4%	23.7%	14.7%
District	18549	24,790	36550			

In the Auckland Region the manufacturing sector is a key element in the growth in demand for industrial land. The industries driving the growth in demand are forecast to be:

- Machinery and Equipment Manufacturing - 36% of total growth
- Basic Metal Manufacturing - 24% of total growth
- Wood Product Manufacturing - 13% of total growth
- Other Food Manufacturing - 7% of total growth
- Structural, sheet, and fabricated metal product manufacturing - 6% of total.

In 2004, these and other Group 1 industries employed about 30% of the Franklin workforce (5,570 jobs). This is forecast to grow to just under 40% by 2051, with 14,320 jobs. Over time, Group 1 activities are forecast to become more concentrated in Franklin's towns (59% of jobs), especially Pukekohe (42%). The share of Group 1 activity in Franklin's villages will fall as a result, from 30% in 2004 to 20% in 2051.

Franklin's Group 2 employment is forecast to more than double from 6,540 jobs in 2004 to 14,930 jobs by 2051. The majority of this activity (74%) is forecast to be located in the towns. Pukekohe would remain the main retail and service centre accounting for 56% of Group 2 employment. Waiuku and Tuakau would provide lower levels of shopping and services to meet the needs of the surrounding rural farming communities and residents. Pokeno, Bombay and Patumahoe would have lesser roles, providing some limited retail and service activity to support the surrounding populations, with 1-2% of the District's Group 2 employment in each.

5.4 Business land

Land zoned for business and economic activity covered 2,633 ha in Franklin in 2004. This total includes 333 ha for the Glenbrook steel mill, large areas of quarrying and mining activity (1,704 ha), and timber processing (316 ha).

Table 5.6 Business land in main locations

	Business land (ha)			% of general Biz land 2004	% of general Biz land 2051	% of growth 2004-51
	2004	2021	2051			
Pukekohe/Paerata	152	196	273	54.3%	55.4%	56.2%
Waiuku	37	50	73	13.2%	14.1%	15.0%
Tuakau	58	58	62	20.7%	8.4%	12.8%
Towns	247	304	407	88.2%	85.9%	83.7%
Pokeno	6	11	24	2.1%	3.1%	4.9%
Clarks & Waiau Beach	2	3	6	0.7%	0.8%	1.2%
Patumahoe	3	4	6	1.0%	1.0%	1.0%
Buckland	2	3	5	1.0%	1.0%	1.0%
Villages	12	23	43	4.3%	6.5%	8.8%
Hamlets	15	20	28	5.4%	5.6%	5.8%
Rural	6	7	8	2.1%	2.0%	1.6%
Summary: General Business (Retail commercial industrial)	280	354	486			
Mining and quarrying	1704	1704	1704			
Glenbrook Business	333	333	333			
Timber processing	316	316	316			
Total for District	2633	2707	2839			

Note: These business land figures are based on population projections and assumed intensification of business land use. They do not allow for strategic provision of business land over and above that required by population projections.

The remaining 280 ha of business zoning provides for retail, commercial and industrial activity throughout the District. This zoned capacity is focused on the towns, with 152 ha in Pukekohe/Paerata, 37 ha in Waiuku and 58 ha in Tuakau. The balance of 33 ha is distributed among the villages (12 ha), hamlets (15 ha) and rural areas (6 ha).

A significant proportion of economic activity occurs on rural-zoned land, which accounts for 85% of the total zoned land resource. This reflects the District's focus on agricultural and horticultural activity.

Much of the business land is currently at low to medium employment densities, indicating relatively low intensity of development and utilisation. Pukekohe has the highest employment density (33 FTEs/Ha), with Waiuku at 24 FTEs/Ha and Tuakau at 7 FTEs/ha. These densities suggest scope for future business and employment growth to be accommodated through a mix of intensification of existing zoned areas, and some greenfield expansion.

The growth in employment is anticipated to require an increase in business land of 206 ha between 2004 and 2051, again heavily concentrated in the towns, Table 5.6.

The process for forecasting the business land requirements began by defining current employment on business-zoned land. The projected employment growth in each location was then calculated for 2021 and 2051.

Three assumptions were made in the translating growth in jobs to the future demand for business land:

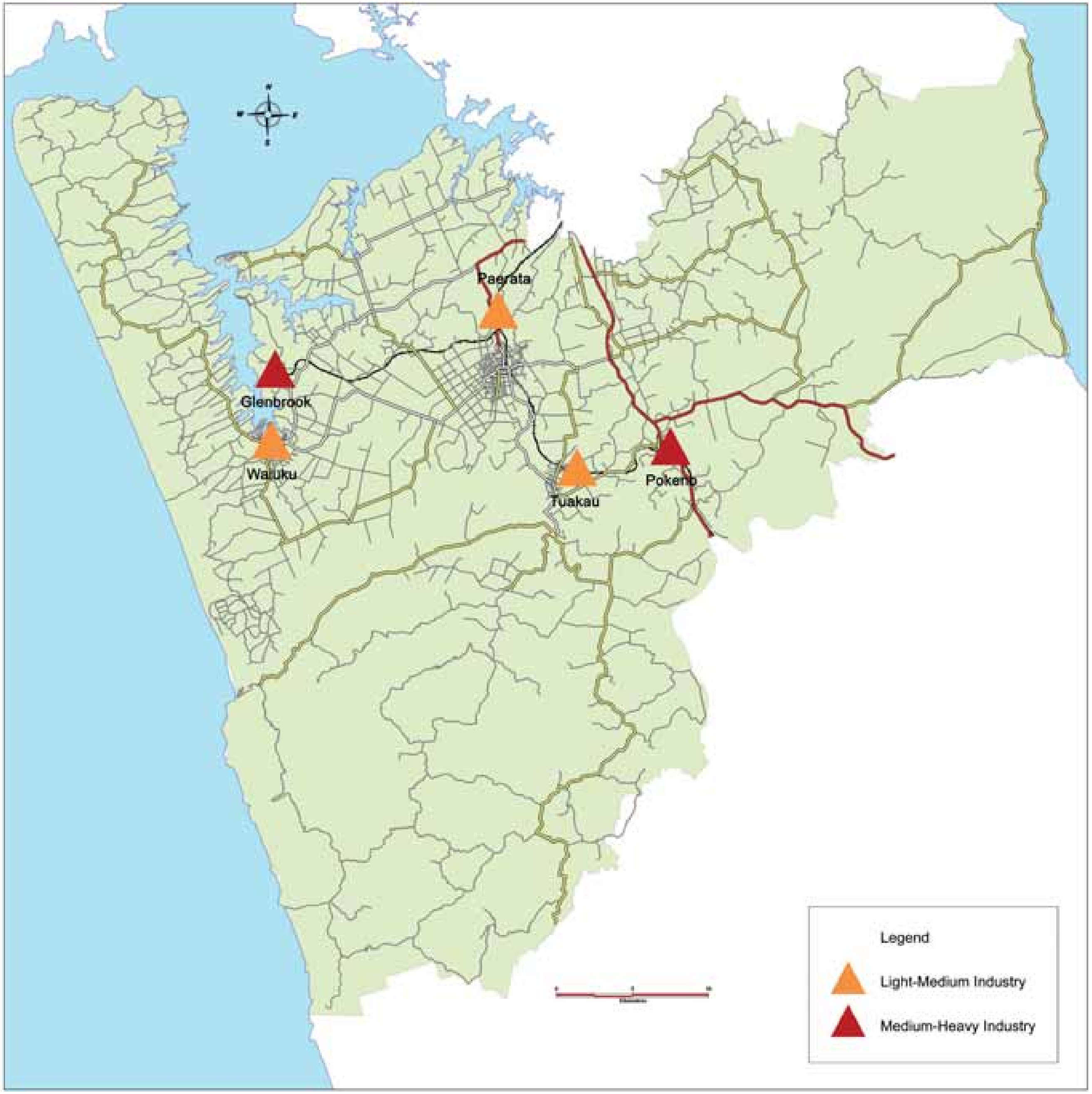
(1) that business activities (expressed as share of employment) will require same share of business zoned land in the future as they do now;

(2) that there will be a modest increase in the employment density over time. This provides a better reflection of the current situation in each location, and general trends toward more intensive uses. Pukekohe, for instance, is currently at 32.6 FTEs/ha and increases by 15% to 37.5 FTEs/ha by 2021. At just under 1% a year, this is quite conservative);

(3) that development on newly developed business land will be at the same average density as on existing land.

The output from this is projected employment growth requiring business zoned land. Some of this growth will be accommodated as the existing business zoned land is intensified, and some will require new land (either greenfield, or displacing residential or other urban uses).

Map 5.1 Group 1 Business Land Franklin District



5.5 Economic activities on non-business land

Some economic activities, such as schools and hospitals are not on business zoned land, and are unlikely to be in the future.

Table 5.7 Forecast additional non-business land for economic activities

	Additional non-business land (ha)		
	2004-2021	2022-2051	2004-2051
Pukekohe	12	19	31
Waiuku	6	10	16
Tuakau	4	6	10
Towns	23	34	57
Pokeno	4	9	14
Clarks Beach & Waiau Beach	2	4	6
All Villages	10	17	27
Hamlets	8	21	29
North West Inland	9	14	23
North East Inland	8	13	21
All Rural	32	53	84
District	72	125	198

It means that as well as growth in business land needs, there will be roughly commensurate growth in non-business land for these activities. The demand for extra non-business land for economic activities is set out in Table 5.7.

5.6 Business land provision in a regional context

The forecast demand for business land in Table 5.6 reflects the projected uptake of business-zoned land in 2021 and 2051 based on the forecast population for the growth strategy. This therefore does not take into account the wider regional supply and demand for industrial land and the capacity of different areas to absorb more. The Auckland Regional Business Land Strategy (ARBLS) recognises a need for an extra 700- 780 ha more greenfield land by 2031, with about 37% (290 ha) required by 2021.

While Franklin District lies outside the scope of the "Capacity for Growth, 2006" study area used in the ARBLS, Tuakau, Glenbrook Business, and Pokeno can satisfy the locational needs of Group 1 industries and are therefore capable of meeting some of the Regional demand for more greenfield Group 1 land. Both areas are consistent with the types of Group 1 employment growth attracted to vacant business land and greenfield areas that are assumed in the ARBLS, Table 5.8:

Each of these three locations have specific benefits to make them attractive to businesses seeking greenfield sites, whether for new plant or relocation:

- Tuakau has the added benefit of proximity to the wastewater treatment plant making it suitable for "wet" industries and well as opportunities for large lot industrial developments;
- New Zealand Steel is seeking to develop a cluster of steel-manufacturing related businesses at Glenbrook; and
- Pokeno has a strategic position in the state highway network at the junction of SH1 and SH2 making it particularly relevant for transport, storage and distribution.

Table 5.8 Assumed future shares of Group 1 employment growth attracted to vacant business land and sector greenfield Areas

	Share of Group 1 Employment in Business Areas			Future share of growth to Greenfield	Future share of growth to Existing
	1997	2001	2005		
Manufacturing	68.9%	68.5%	71.4%	75%	25%
Construction	28.3%	30.4%	35.8%	40%	60%
Wholesale Trade	52.0%	52.0%	54.9%	60%	40%
Transport and Storage	60.6%	59.2%	63.5%	65%	35%

Source: Market Economics, (2006), *Group 1 Additional Greenfield Land Requirements, 2001-2031*, prepared for the Auckland Regional Council, 25pp.

Further employment growth in Tuakau is consistent with the concentration strategy of the DGS and each of these locations has the potential to both reduce journey to work by increasing local employment, to boost public transport patronage by use of the rail; and to use the rail for freight transport.

While the provision of the Regional demand for Group 1 land has yet to be determined, it is noteworthy that that the Southern Sector (Manukau City, Papakura District, and Franklin District) currently has the greatest share of vacant business land and greenfield land in the Region and, as such, is likely to have less restrictions on economic growth than the Central or Northern and Western Sectors due to business land shortages.

Furthermore, the Auckland Regional Business Land Strategy produced by the Auckland Regional Council in 2006 identified the looming shortage of business land in the region, and identified the need for additional greenfield land to provide for Group 1 business activities - eg manufacturing, transport, storage, construction and wholesale activities. The Business Land Strategy notes that, due to their specific land-extensive requirements (large, relatively cheap vacant sites, with good access to motorways, located away from residential areas), these Group 1 activities cannot generally locate in existing town centres and growth areas. Research commissioned by Auckland Regional Council estimates that between 620 and 780 hectares of greenfields land, (additional

to that which is already zoned and additional to that which is provided for in the Sector Agreements) will be required by 2031.

As well as providing sufficient opportunity for new or expanding Group 1 businesses in the region, an important benefit of providing greenfield land for these types of businesses is to provide opportunities for them to relocate from town centres, and thereby facilitate the intensification of business activities in town centres.

The provision of business land in the DGS to 2021, Table 5.9, is based on three considerations:

(1) the forecast land use generated by the evaluation framework (based on population growth), being the amount of land it is anticipated will be used at that time;

(2) a quantity of zoned land for industrial development to avoid artificial price rises through inadequate supply; and

(3) provision for the strategic opportunities to meet some of the Region's needs for greenfield Group 1 land. This adopts a prudent approach of staging the land for industrial development allowing the pace to be accelerated or reduced over time.

In preparing this Strategy, a conservative projection of business land needs up to 2051 has been estimated based on population projections. Other FDC planning work has indicated a higher or aspirational business demand, up to three times larger than that. The **allocation** of business zones in this strategy is a moderate amount of business land, falling between the two values.

Table 5.9 Business land allocation in main towns and villages

	Current 2004	Biz land added 2010	Resulting Biz land 2021	Added approx 2030	Resulting area 2051	Tagged "future"
Pukekohe/Paerata	152	112	264	84	348	196
Waiuku	37	23	60	27	87	35
Tuakau	58	27	85	18	103	46
Pokeno	6	45	51	30	81	0
Clarks & Waiau Beach	2	3	5	0	5	0
Patumahoe	3	0	3	0	3	0
Buckland	0.8	4	5	0	5	0
Other Additions	22	10	32	15	47	n/a
Total General Business	280	224	504	174	677	81
Mining & Quarrying	1704	0	1704	0	1704	0
Glenbrook Business	333	0	333	0	333	100
Timber Processing	316	0	316	0	316	0
TOTAL	**2633**	**224**	**2857**	**174**	**3030**	**181**