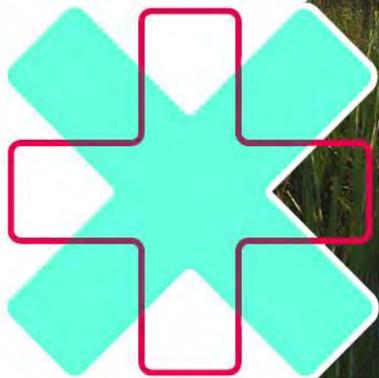


# DRURY'S FUTURE ECONOMY

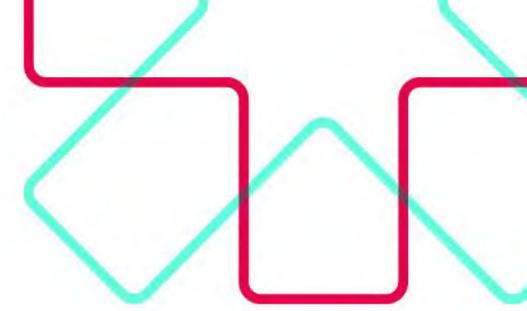
## Final Report

Opportunities for Industry and Jobs

May 2021







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# PREFACE

This report has been prepared for Auckland Unlimited by Patrick McVeigh and Stephen Knuckey from MartinJenkins (Martin, Jenkins & Associates Limited), with input from Alan McMahon and Will Silk from Colliers.

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# EXECUTIVE SUMMARY

## A strategic opportunity for Auckland

Over the next 30 years, the anticipated development of the Drury - Opāheke (Drury) area, represents a significant opportunity for Auckland's growth and future economy.

It is anticipated that the location, which the Auckland Plan 2050 identifies as a Future Urban Zone, will be home to 60,000 residents, 22,000 new homes and 12,000 new jobs.

As Auckland's economic development agency, Auckland Unlimited has a strategic interest in unlocking opportunities that are great for Auckland and recognises the economic potential that Drury's growth will create.

Accordingly, Auckland Unlimited commissioned MartinJenkins and Colliers to explore what industries would benefit from being in the area and the associated jobs that could be created.

## Untapped potential

Drury's population and employment base has been growing more slowly than the rest of Auckland, however, over the next 20 years the population of the area is expected to grow quicker than the rest of the city.

While the area has seen some employment growth, albeit at a slower rate than Auckland as a whole, there has been comparably lower levels of business growth, with the number of businesses remaining relative stable over recent years. This suggests that the jobs growth that has been

experienced has been driven by the expansion of existing businesses or new larger businesses moving into the area.

Currently, key local industries include manufacturing and construction, which together account for 60 percent of local jobs. Manufacturing alone accounts for 36 percent of local jobs and construction a further 24 percent. These industries, alongside agriculture and transport & warehousing, all have location quotients over 1.3, which suggests that there are underlying advantages in the area for these industries. Generally, these are also industries that are forecast to grow across Auckland and are industries that will typically require larger sites on industrial land.

As a designated Future Urban Zone, Drury has potential to accommodate business growth, not just to meet future local demand but for Auckland as a whole. Since the early 2000's, there has been a recognised need for additional greenfield business land to provide for anticipated growth of key industries, such as manufacturing and other industrial activities, many of which are well suited to Drury. However, this land is under pressure from other uses and there is a need to protect and maintain current industrial land and to zone sufficient land for future growth.

## Positioned for future growth

Current and planned infrastructure investment in Drury, most notably through Government's New Zealand Upgrade Programme, will be a future driver of growth.

Given this investment, Drury's economy is well positioned for future growth. A combination of factors, such as a growing population, access to labour, proximity to key transport routes, ports and airports underline Drury's



potential to be a key node in the Auckland – Hamilton – Tauranga ‘Golden Triangle’.

However, the urban form of future growth is a key concern, and it will be important that Drury is developed in such a way as to achieve the benefits of a compact urban form which considered housing, employment and sustainability outcomes in an integrated fashion. Currently, the primary focus of discussions relating to Drury’s future development have generally been relating to housing and associated infrastructure and less on desired economic development outcomes, including the types of industries and jobs which might be located at Drury in the future.

Drury’s current industrial structure reflects the underlying advantages of the area and there are future opportunities to capitalise upon Auckland’s forecast growth in Construction, Manufacturing, Retail and Wholesale Trade, all of which are well suited to the location.

Large format industrial and manufacturing activities are particularly well suited to a location such as Drury and are relatively constrained elsewhere in Auckland. Manufacturing is also an industry where there are future opportunities associated with wider industry 4.0 drivers and where the impacts of automation, robotics, artificial intelligence and the like can create new advanced manufacturing opportunities for Auckland.

In addition, there is also the potential for Drury’s future economy to embrace circular economy approaches, making provision for waste processing, recycling, and resource recovery and reuse, as well as wider regenerative practices.

As new housing is developed and Drury’s population grows, there will also be future opportunities in sectors such as Health Care and Social Assistance and in local commercial and business services activities, that leverage the potential benefits of Transit Oriented Development around new train stations and transport interchanges.

This suggests that Drury has the potential to grow its economy in more than one direction, creating inbuilt resilience and ensuring that growth is diverse and sustainable. A range of local employment opportunities will also provide choice to current and future residents and reduce reliance on outbound commuting.

## Yet challenges remain

While local and central government are investing in Drury, there is still an acknowledged infrastructure deficit across the area. The scale of this infrastructure deficit, and how to pay for it, is a significant challenge and the associated uncertainty could impact longer-term strategic decision making and undermine future opportunities.

There are also some significant environment constraints and concerns across the area, including issues relating to climate resilience, stormwater management and flood protection.

Uncertainties associated with the timing, phasing and sequencing of future development, as well as associated infrastructure provision will make it harder to enable joined up outcomes and to leverage the opportunities for integrated and Transit Oriented Development.

In addition, in the face of increasing land costs, there is growing competition for land use, which may price out some industrial activities that are well suited to the location and could impact the future supply of land for commercial and industrial activity. In addition, while there are future opportunities associated with the emergence of Drury as an advanced manufacturing location, this will be undermined if there is insufficient land or unsuitable sites available to support business growth, expansion or attraction outcomes.

Concerns also remain regarding the future impact of Drury’s growth on surrounding centres and questions remain regarding Drury’s role in the



wider region, the Auckland – Hamilton corridor and the ‘Golden Triangle’. As consideration is given to opportunities for growing Drury’s economy it is also appropriate to consider their impact as well as opportunities for growth in the wider sub-region.

Considering these challenges, the absence of an agreed, and shared, long-term economic vision and masterplan makes it harder to align different interests and organisations, or to take active steps to enable the delivery of any preferred economic future or the realisation of some of the apparent industry opportunities.

## Potential key moves

As part of developing a long-term economic vision and masterplan, there are four potential key moves that could be pursued to shape Drury’s future economy:

- Developing an Advanced Industrial Park.
- Enabling a Food and Beverage Cluster.
- Facilitating a Health and Wellbeing Precinct.
- Promoting a Circular Economy Hub.

### Advanced Industrial Park

Promoting the development of a high quality Advanced Industrial Park located at Drury and providing modern facilities for advanced manufacturing, engineering, construction and distribution companies.

### Food and Beverage Cluster

Enabling the growth of a Food and Beverage Cluster at Drury would build upon the Advanced Industrial Park concept but promote the colocation and

agglomeration of food and beverage businesses, associated activities such as packaging and distribution and infrastructure to support innovation and R&D activities.

### Health and Wellbeing Precinct

Facilitating the development of a Health and Wellbeing Precinct would focus on new facilities that would serve the needs of a growing population at Drury and the surrounding areas of south Auckland and Northern Waikato.

### Circular Economy Hub

Promoting the creation of a Circular Economy Hub at Drury would have synergies with other key moves, but places greater emphasis on providing infrastructure that would enable more circular and regenerative practices across any industries located in the area.

## Recommendations and next steps

The research recommends action in three main areas:

- Establishing a set of shared governance arrangements to support the realisation of future economic opportunities for Drury.
- Ensuring and attracting the investment necessary to unlock future economic opportunities for Drury.
- Focusing on effective implementation of agreed activities to give confidence to stakeholders that progress is being made to enable desired economic outcomes for Drury.

The suggested next steps are:



- 1 Share the findings of this research with key stakeholders to seek further feedback and refinement of the proposed key moves, conclusions and recommendations.
- 2 Establish a shared governance arrangement involving a smaller group of public and private sector partners.
- 3 Undertake further testing and refinement of the identified key moves, with a suggested initial focus on the Advanced Industrial Park and opportunities associated with advanced manufacturing.
- 4 Develop an economic vision for Drury's future economy and develop a shared economic masterplan to support the delivery of the vision.
- 5 Develop an implementation pathway for the economic masterplan and agreed key moves, including work to develop an investment prospectus and the attraction of anchor institutions and businesses to Drury.



# INTRODUCTION

## Background

The Drury - Opāheke (Drury) area has been identified as a key location for the future growth of Auckland and a location for significant population, housing and employment growth. In November 2020, Auckland Unlimited commissioned MartinJenkins and Colliers to undertake research on Drury's future economy and to consider the type of industries and jobs that could be based in the area and would support economic outcomes for the region.

For the purposes of this research, which is focused on the area's future economy, we have defined Drury as the area covering Drury itself, Rosehill, Opāheke and the industrial area of Papakura. Drury is strategically located, sitting between Manukau Harbour to the west, Ardmore and Hunua to the east, Bombay and Pukekohe to the South and Papakura to the north.

Drury also falls within what is often referred to as the 'Golden Triangle' with Auckland, Hamilton, and Tauranga at the corners of the triangle. The cities are linked by State Highway networks (SH1, SH2, SH26 and SH29). The future growth and development of the Drury area represents an exciting proposition for Auckland and the 'Golden Triangle' more broadly.

It is also important to recognise that this is a period of change. Until the Auckland Unitary Plan identified it for urbanisation the Drury area was essentially rural, no urban scale of infrastructure was in place and the growth and industry reflected the essentially rural nature of this land (albeit in close proximity to Auckland). The business land identified in the Drury area (including approximately 260 hectares in Drury South) is a key part of this. It is significant as it is close to the airport, interregional roads south, labour and resource markets. It also has potential to add to the established

business areas such as those in Papakura and Franklin. In this regard, it is also appropriate to be mindful of opportunities for growth in the wider sub-region, which could be associated with and enabled by Drury's future growth.

Following its identification for urbanisation, pressure for development increased, starting with increased activity in and around the Strategic Housing Areas. It is therefore important that we also think about the future economy of the area and ensure that housing and employment growth do not fall out of step. Using the available greenfield resource wisely will be important to ensure that the outcomes sought from the Auckland Plan 2050 concept of a quality compact approach to accommodating growth are achieved.

As a location, the Auckland Plan 2050 identifies Drury as one of south Auckland's key future urban areas. The Drury - Opāheke Structure Plan estimates that over the next 30 years the area could provide 22,000 houses, 12,000 jobs and 60,000 residents. The vision set out in the Structure Plan is that:

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**Drury - Opāheke is a sustainable, liveable, compact and accessible place with successful centres and residential options close to a variety of employment opportunities. It is well connected to the wider Auckland region through the rail and road networks. Cultural and heritage values are respected.**

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The ability to achieve the Structure Plan's vision is in part dependent on the type and nature of future development, including the type of industries and employment that might be encouraged to establish within the Drury area. This in turn will be influenced by the level and sequencing of the infrastructure that will be required to support development.

To enable future growth, Auckland Council and Government are investing in infrastructure, most notably through the NZ Upgrade Programme which includes:

- \$1.354 billion to create a new connection from Manukau to Drury South.
- \$423 million for improvements on State Highway 1 between Papakura and Drury South.
- \$1 billion of investment into passenger and freight rail including \$247 million to fund two new railway stations for Drury, including park and ride facilities and a bus and rail interchange.

While this investment will unlock new opportunities, there is still a significant infrastructure deficit and a series of environmental and other constraints that will impact the scale and sequencing of future development.

We therefore need to look beyond what is possible now, to what might be possible in the future. This includes considering not only where future residents will live and work, but also what jobs they will do and the industries they will work in. Envisioning the type of economy that could be created in Drury and what industries might be encouraged to develop in this precinct will help us to target the best possible investment to be attracted into the area and to make the case for further infrastructure that will support growth.

## Purpose of this research

As the city's economic development agency, Auckland Unlimited has a strategic interest in unlocking opportunities that are great for Auckland.

Given this, the agency is interested in the types of industries and business that would benefit from being located in the area and the associated jobs that could be created as a result.

The economic opportunities associated with the future development of the area are significant. The scale of growth at Drury, its strategic location close to SH1 and its position in the Auckland - Hamilton spatial corridor, as well as the already committed infrastructure investments have the potential to create substantial future business and employment opportunities.

The development of a compelling shared investment proposition for Drury will be a mechanism for the public and private sector to work together to set out the opportunities associated with growth help to ensure a preferred vision of the future is realised.

On this basis the key research question for this project is:

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**What are the future industries, sectors and jobs that could be located at Drury and would leverage the underlying benefits of this location and provide quality employment opportunities for Aucklanders?**

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In addressing this question, the purpose of the research is to assist Auckland Unlimited in:

- Understanding future economic opportunities for Drury.
- Formulating business and investment attraction priorities.
- Developing a shared investment proposition for Drury.



## Approach and method

To meet the research objectives, the approach adopted consisted of the following key stages:

- **Inception** – confirming research scope, approach, key deliverables and stakeholders.
- **Current state analysis** – review of strategic context, recent economic performance, forecast growth and land use trends.
- **Stakeholder engagement** – interviews and engagement with key internal and external stakeholders including central and local government, industry and developers.
- **Trend analysis** – identification and consideration of significant trends and drivers that may impact on the nature of Drury's future economy.
- **Futures and scenario development** – delivery of a scenario planning workshop to imagine possible economic futures for Drury.
- **Stakeholder forum and reporting** – presentation to wider stakeholder forum and preparation of draft and final report.

### Inception

The inception stage focused on working with Auckland Unlimited to ensure a clear understanding of the research purpose and scope. During the inception stage we also agreed on target stakeholder groups to engage and held meetings with Auckland Council to ensure that the research was cognisant of current and ongoing land use planning matters.

### Current state analysis

The current state analysis encompassed a high-level review of relevant national and regional strategies pertinent to Drury's future development. In

addition, the recent performance of the area's economy was reviewed and available employment forecasts for Auckland were also analysed. Colliers undertook a review of land use, zoning and property market activity.

### Stakeholder engagement

The stakeholder engagement stage involved interviews and discussions with a wide range of stakeholders across the Auckland Council group, central government and its agencies, developers, investors and businesses. Over 20 interviews were completed, in addition to discussion with Auckland Council's Heads of Development group and a workshop with the Franklin and Papakura Local Boards.

Working through Auckland Unlimited contact was made with mana whenua representatives and information was provided on the purpose of the research. While there was interest in the research and the future of Drury, local iwi declined to engage directly in the research or the scenario planning process. While this is a clear gap, information has been shared with local iwi and Auckland Unlimited have committed to continuing engagement in the next stages of the work.

### Trend analysis

The trend analysis involved identifying high key drivers that were likely to shape Drury's future economy. Following a desk-based review, these trends were tested with stakeholders through a survey that was designed to inform the scenario planning process. The survey asked respondents to consider the level of certainty and level of impact of each driver on Drury's future economy. In addition, respondents were also asked to identify additional drivers that they believed would impact the nature of the future economy.



## Futures and scenario development

The decision to incorporate scenario planning into the research approach reflected the fact that the future is inherently uncertain. When we are looking at the longer-term economic future of a location such as Drury, scenario planning techniques can help us imagine possible futures and to consider established and emerging trends and drivers that may shape Drury's economy over the next 30 years.

The scenario planning workshop was held on 17 March 2021 and involved over 50 stakeholders who considered the key trends, drivers and uncertainties that might shape the future of the local economy and consider how these factors may play out over time.

## Stakeholder forum and reporting

Following on from the scenario planning workshop, Auckland Unlimited and the Ministry of Housing and Urban Development, ran a stakeholder forum on 23 March 2021, attended by over 100 key stakeholders. The high-level research findings were presented at the forum, together with the identified key moves and recommendations.

## Research results

The remainder of this report draws upon the findings of the research to answer the stated research question and considers:

- the strategic context for Drury's future growth
- the nature and recent performance of Drury's economy, as well as Auckland's forecast employment growth
- issues relating to land use, zoning and property market activity
- possible economic futures for Drury

- potential key moves for Drury's future economy.

This report concludes with a series of recommendations to Auckland Unlimited related to how they might move forward to unlock the economic opportunities identified in the research.



# STRATEGIC CONTEXT

## Strategic direction

There are several regional and national plans and strategies that are relevant to the future development of Drury and its economy. While Auckland has been growing rapidly over recent decades, it was only relatively recently that Drury was identified as a location for urbanisation and growth.

In 2013, through the preparation of the Auckland Unitary Plan approximately 15,000 hectares of land was identified as resource/store for urbanisation over the next 30 years, the Drury - Opāheke area was part of this. The 2180 hectares of future urban land in the Drury- Opāheke area represents about 15 percent of this Auckland-wide resource - nearly a third of the future urban land in the south.

This means that Drury is a significant resource to accommodate growth, both residential and business. This location is significant within the context of the Auckland-wide resource of land for urbanisation because of its:

- scale
- coastal location
- generally rolling easy contour of the land
- proximity and accessibility to employment areas and labour markets in the south
- transport connectivity, with a junction for road and rail.

The Drury area is also important as it has potential to accommodate business growth for Auckland as a whole. Since the early 2000's, there has been a recognised need for additional greenfield business land to provide for anticipated growth of key industries<sup>1</sup>. These businesses are generally manufacturing, transport and storage, construction and wholesale trade uses are land extensive and tend require larger sites and land allocations. Currently, Drury is already a location for many activities of this nature.

The 2012 Auckland Plan identified the need for 'at least another 1400 hectares of business land' (1000 hectares for land-extensive and an additional 400 hectares that was anticipated in centres). The pipeline of this business land has been continued through into the Auckland Plan 2050.

## Auckland Plan 2050

The Auckland Plan 2050, published in June 2018, is Auckland's long-term spatial plan is intended to ensure that:

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**Auckland grows in a way that will meet the opportunities and challenges of the future.**

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The Auckland Plan 2050 identifies six desired outcomes for Auckland's future:

<sup>1</sup> ANZSIC 1-digit industry groups



- **Belonging and Participation** – All Aucklanders will be part of and contribute to society, access opportunities, and have the chance to develop to their full potential.
- **Māori Identity and Wellbeing** – A thriving Māori identity is Auckland’s point of difference in the world – it advances prosperity for Māori and benefits all Aucklanders.
- **Homes and Places** – Aucklanders live in secure, healthy, and affordable homes, and have access to a range of inclusive public places.
- **Transport and Access** – Aucklanders will be able to get where they want to go more easily, safely and sustainably.
- **Environment and Cultural Heritage** – Aucklanders preserve, protect and care for the natural environment as our shared cultural heritage, for its intrinsic value and for the benefit of present and future generations.
- **Opportunity and Prosperity** – Auckland is prosperous with many opportunities and delivers a better standard of living for everyone.

When considering issues relating to Drury’s future economy, it is important to keep these outcomes in mind and the Auckland Plan’s Development Strategy, which provides a pathway for future physical development and a framework to prioritise and coordinate the required supporting infrastructure.

As part of the Auckland Plan’s Development Strategy, Drury is identified as a Future Urban Zone and is expected to provide a range of housing and employment choices and be developed in a way that is efficient, cost effective and sustainable.

## The Drury- Opāheke Structure Plan

The Drury - Opāheke Structure Plan, published in August 2019, translates the outcomes and development strategy of the Auckland Plan 2050, into a

framework to support growth, considering constraints and opportunities across the area. The Structure Plan indicates future arrangements for centres, housing, business areas, parks and infrastructure. The Structure Plan is intended to support council-initiated plan changes to provide urban zones, as well as guiding the provision of key infrastructure.

The vision for the Structure Plan, as set out previously, is that.

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**Drury – Opāheke is a sustainable, liveable, compact and accessible place with successful centres and residential options close to a variety of employment opportunities. It is well connected to the wider Auckland region through the rail and road networks. Cultural and heritage values are respected.**

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The Structure Plan identifies six outcome areas relating, in summary, to:

- **Community focus** – a strong community with accessible town and local centres, employment centres close to residential areas and supported by appropriate social infrastructure.
- **Quality built environment** – a compact urban form with a range of housing choices, integrated and attractive open and public spaces and respect for its relationship with mana whenua and reflective Te Aranga Māori Design Principles.
- **A well-connected Drury – Opāheke** – with a reliable and safe transport network, including public transport, that responds to anticipated economic growth and is connected to employment areas, centres and other destinations.



- **Integration with infrastructure delivery** – where land development and infrastructure delivery is highly coordinated.
- **Natural hazards** – ensuring that the location and form of development avoids the impact of natural hazard.
- **Natural environment** – where management of the natural environment respects and is guided by Māori tikanga and the quality of the natural environment is maintained or improved.

Overall, the Structure Plan estimates that over a 30-year period the Drury – Opāheke area would provide for 22,000 houses, 12,000 jobs and a population of 60,000 making the area similar in size to Rotorua or Napier.

Looking specifically at business land, the Structure Plan recognises that, considering the capacity of existing zoned industrial land, a large new area of industrial business land is needed to meet future demand. The Structure Plan also notes that it is important to provide for business activities in the south of Auckland to reduce commuting and freight movement across the region.

The Structure Plan identifies three potential areas where additional business land could be provided for different types of industrial activity, namely:

- North Opāheke adjacent to the existing industrial near Boundary Road for light industry.
- Adjacent to the existing zoned but undeveloped Drury South industrial area.
- An area further south off Great South Road.

The Structure Plan notes that a high standard of design will be required for these areas.

Following completion of the Structure Plan, while much of Auckland Council's recent planning activities has focused on housing supply and affordability, business and employment cannot be seen as separate.

Enabling business and employment opportunities for new communities is part of the solution for more sustainable communities in the future. This means providing flexibility in what is provided now to ensure that there is scope to provide for future needs. Changes in technology may mean different requirements for land (including the intensity of business uses). Similarly, trends such as working from home and more intensive residential choices may influence business choices.

In addition, in thinking about Drury's future economy, it is also necessary to consider its urban form. Urban form influences emissions from waste, transport, and energy. Reducing transport emissions is critical to meeting our emissions reductions targets and with strong regional population growth anticipated, Auckland must make a greater contribution to transport emissions reduction than other parts of the country. Achieving Auckland's emissions targets will involve facilitating mode shift away from private vehicles, increasing uptake of sustainable transport modes and reducing vehicle kilometres travelled by individuals and households.

To achieve this, Auckland needs a quality compact urban form which allows for more intensive living and working environments. New residential development must be complemented with excellent links to sustainable transport modes, activities, and areas of employment. Ensuring diverse employment opportunities are available locally not only helps achieve emissions reductions through reduced trip lengths, it means lower travel costs for businesses and their employees, and can provide economic agglomeration benefits to the wider area.

## Future proof strategy

Alongside the Auckland Plan 2050 and the Drury – Opāheke Structure Plan, there is also a need to recognise that Drury is a key location on the Auckland-Hamilton Corridor and there are important relationships and connections into Northern Waikato, the wider region and the Auckland-Hamilton- Tauranga 'Golden Triangle'.



The Future Proof Strategy – Planning for Growth was published in November 2017, and is based on six key guiding principles:

- Effective and productive partnerships, leadership and implementation.
- Diverse and vibrant metropolitan centre linked to thriving towns and rural communities and a place of choice.
- Protection of natural environments, landscapes and heritage and a healthy Waikato River as the heart of the region's identity.
- Affordable and sustainable infrastructure.
- Sustainable resource use.
- Effective tāngata whenua partnerships.

Several of the key features of the Future Proof Strategy, as well as the resulting collaborations across the partners that developed the strategy are of relevance to Drury's future development.

This includes the Hamilton-Auckland Corridor Plan and Implementation Programme which was published in November 2020 and includes several environmental, transport, and infrastructure initiatives that should be considered alongside developments at Drury. In addition, the Corridor Plan specifically identifies Drury as a priority development area for the Corridor.

## Urban Growth Agenda

At the national level, Drury's future growth and development also needs to be cognisant of Government's Urban Growth Agenda, which has the primary objective of improving housing affordability, underpinned by affordable urban land and a set of wider objectives to:

- improve choices about the location and type of housing
- improve access to employment, education and services
- assist emission reductions and build climate resilience

- enable quality-built environments, while avoiding unnecessary sprawl.

There is clear alignment between the focus areas of the Urban Growth Agenda and Auckland Council's aspirations for Drury, and the spatial planning focus area includes a special focus on Auckland and the Auckland-Hamilton corridor. Consequently, Drury is the only location nationally which appears in two Urban Growth Partnerships, the formal partnerships that Government has set up between the Crown, local government, iwi and local communities to deliver the Urban Growth Agenda objective.



# DRURY'S ECONOMY NOW AND TOMORROW

## Current state and recent performance

As shown in Figure 1, the Drury area comprises Drury itself, Rosehill, Opāheke and the industrial area of Papakura. It is located between Manukau Harbour to the west, Ardmore and Hunua to the east, Bombay and Pukekohe to the South and Papakura to the north.

**Figure 1: The Drury area**



## Population

Table 1 provides a summary of the broad structure of the local population and how this compares to Auckland as a whole.

**Table 1: Local population**

	Period	Drury area	Relative to Auckland
Population (Census)	2018	7,032	0.4%
Population growth (Census periods)	2013-2018	1.5% pa (CAGR)	▼
Population projections	2018-2038	3.0% pa (CAGR)	▲
Proportion of local population born overseas	2018	27%	▼
Ethnicity of local population	2018		
European		74%	▲
Māori		20%	▲
Pacific People		8%	▼
Asian		13%	▼
Other		2%	▼
Weighted median personal income	2018	\$40,215	▲

Sources: Statistics New Zealand

The Drury area's resident population was relatively static in the period up to the 2013 Census period (growth at 0.1 percent per annum over 2006-2013 compared to 1.2 percent per year growth across Auckland as a whole). However, population growth has been much stronger over the five years up



to the 2018 Census, at 1.5 percent per year, although this was still lower than growth across Auckland (2.1 percent per year).

The population in a similar but the broader area<sup>2</sup> is expected to grow relatively fast over the next 20 years, by 3.0 percent per year – faster than Auckland as a whole (1.3 percent per annum).

The local population is much less diverse than Auckland as a whole, with 27 percent born overseas in 2018 compared to 48 percent for Auckland, although it has a higher proportion of Māori (20 percent compared to 11 percent across Auckland). The area has a much lower proportion of Pacific people (8 percent compared to 15 percent) and Asian people (13 percent compared to 28 percent).

The estimated median personal income level of the small resident population is high (over \$40,000 in 2018 compared to \$34,400 in Auckland as a whole), driven largely by a much higher median income in the rural area of the precinct. This is not likely to be a major benefit for the dominant industries currently in the precinct area (discussed below) which are not typically dependent on local consumer spending.

## Skills and employment

As set out in Table 2, the resident population has a very similar age profile to Auckland as a whole, with 68 percent of residents being of working age and 20 percent being under 15 years old (compared to 68 percent and 21 percent across Auckland respectively). The area experienced lower growth in the working age population over 20013-2018 at 1.7 percent per year, compared to 2.3 percent per year across Auckland as a whole. Forecast population growth for a similar area<sup>3</sup> suggests there will be similar but

<sup>2</sup> Based on area units, as Statistics NZ has not released all Census data in its SA2 2019 units yet. The area units in the broader area are Whangapouri Creek, Bremner, Drury, Runciman, Papakura South, Opāheke, Rosehill.

slightly lower growth in the working age population in the area over 2018-2038 (1.4 percent per year), but this is more than double the forecast growth for Auckland (0.6 percent per year).

Although this is potentially positive for local businesses seeking local labour, the resident population has a low skills base, with a relatively low proportion of residents having a bachelor's degree or higher (20 percent compared to 31 percent across Auckland) and a higher proportion having no qualifications compared to Auckland as a whole (19 percent compared to 14.5 percent). More positively, in 2018 a higher proportion of residents in the area compared to Auckland were employed (71 percent compared to 66 percent) and a slightly lower proportion were unemployed (3 percent compared to 4 percent).

**Table 2: Local skills base**

	Period	Drury Area	Relative to Auckland
Proportion of local population of working age (15-64)	2018	68%	≈
Proportion of population with Bachelor's degree or higher	2018	20%	▼
Proportion of population with No qualifications	2018	19%	▲
Proportion employed (full-time and part-time)	2018	71%	▲
Proportion unemployed	2018	3%	▼

Sources: Statistics New Zealand

A reasonable proportion of the local labour pool works in the precinct. 31 percent of residents that worked on Census day 2018 travelled to work in

<sup>3</sup> Ibid.



the same area and local residents comprised 25 percent of the area's workforce (i.e., around 75 percent of workers in the area commuted in from other parts of Auckland).

Most of the area's resident workers travelled north for work to areas such as Papakura Central, Takanini Central, Wiri West, Manukau Central, Auckland Airport, East Tāmaki and Penrose. Close to 40 percent of commuters coming into the precinct travelled from nearby/adjacent areas (such as Rosehill, Papakura North, Red Hill, Ramarama, Bombay Hills, Ararimu). Only a small proportion of commuters coming into the precinct arrive from further north than Papatoetoe.

## Performance of local economy

Looking at the performance of the local economy, as summarised in Table 3, there has been relatively low growth in employment in the precinct over the last decade. Employment growth has been 1.1 percent per year, half of the 2.2 percent growth rate across Auckland as a whole. Over the last five years, job growth has been stronger at 1.8 percent per annum, but still well below the Auckland rate (3.3 percent per year).

Slow employment growth is also reflected in slow estimated GDP growth in the precinct. Over the ten years to 2019, GDP growth in the precinct is estimated to have grown by 1.6 percent per year, less than half of the 3.3 percent growth rate experienced across Auckland as a whole.

Similarly, the number of business units in the precinct has only grown slowly over the last 10 and 5 years (0.3 percent growth per year over 2009-2019, well below the 2.1 percent growth rate across Auckland; 1.3 percent per year over 2014-2019, below the 3.0 percent growth rate in Auckland). Given the increase in employment over the decade, it appears that existing businesses are either expanding or larger businesses have been attracted to the area, rather than there being a large increase in the number of

businesses. These figures hide differences in growth experienced by different industries.

**Table 3: Local economic statistics**

	Period	Drury area	Relative to Auckland
Employment	2019	5,590	0.6%
Employment growth	2009-2019	1.1% pa (CAGR)	▼
	2014-2019	1.8% pa (CAGR)	▼
GDP	2019	\$609m	0.6%
GDP growth	2009-2019	1.6% pa (CAGR)	▼
	2014-2019	1.7% pa (CAGR)	▼
Business units	2019	1,125	0.6%
Business growth	2009-2019	0.3% pa (CAGR)	▼
	2014-2019	1.3% pa (CAGR)	▼

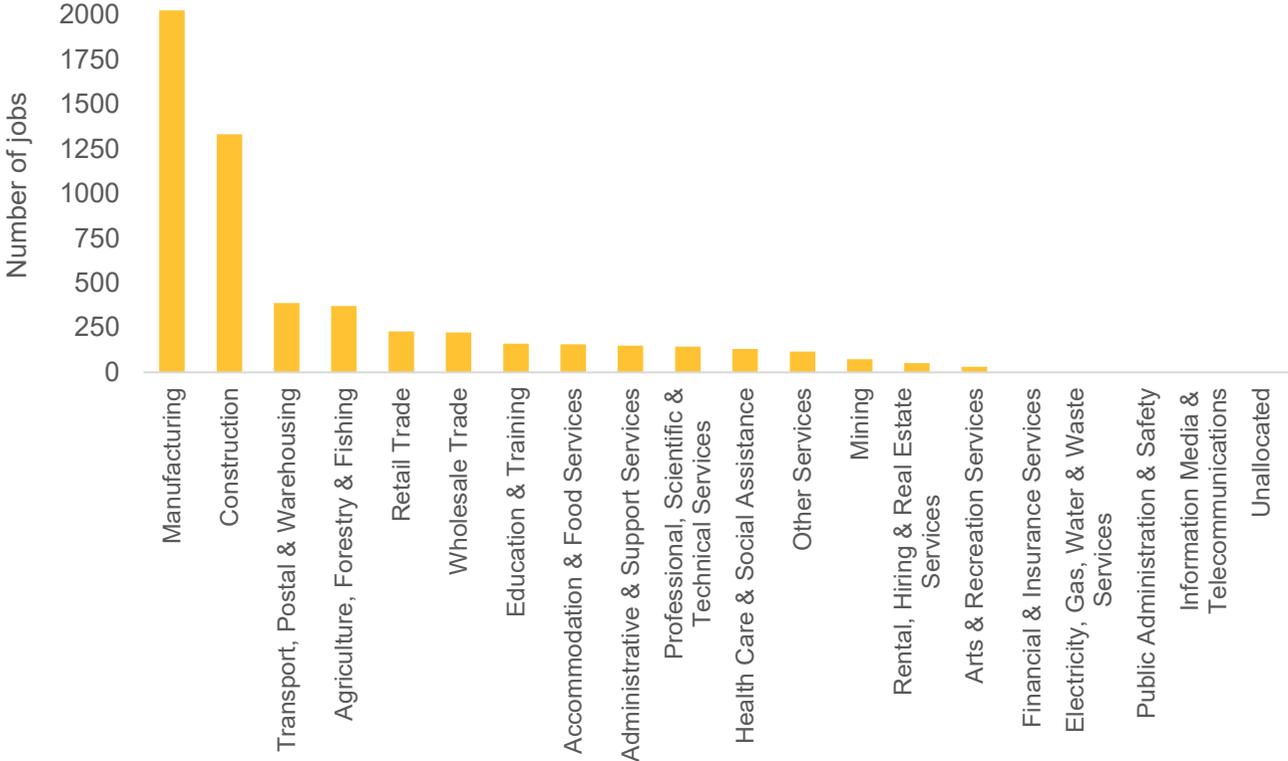
Sources: Infometrics

## Key industries

As shown in Figure 2, the largest industries in terms of employment contribution are currently manufacturing (36 percent of jobs in the precinct), construction (24 percent), transport and warehousing (7 percent), agriculture (7 percent), retail trade (4 percent) and wholesale trade (4 percent).



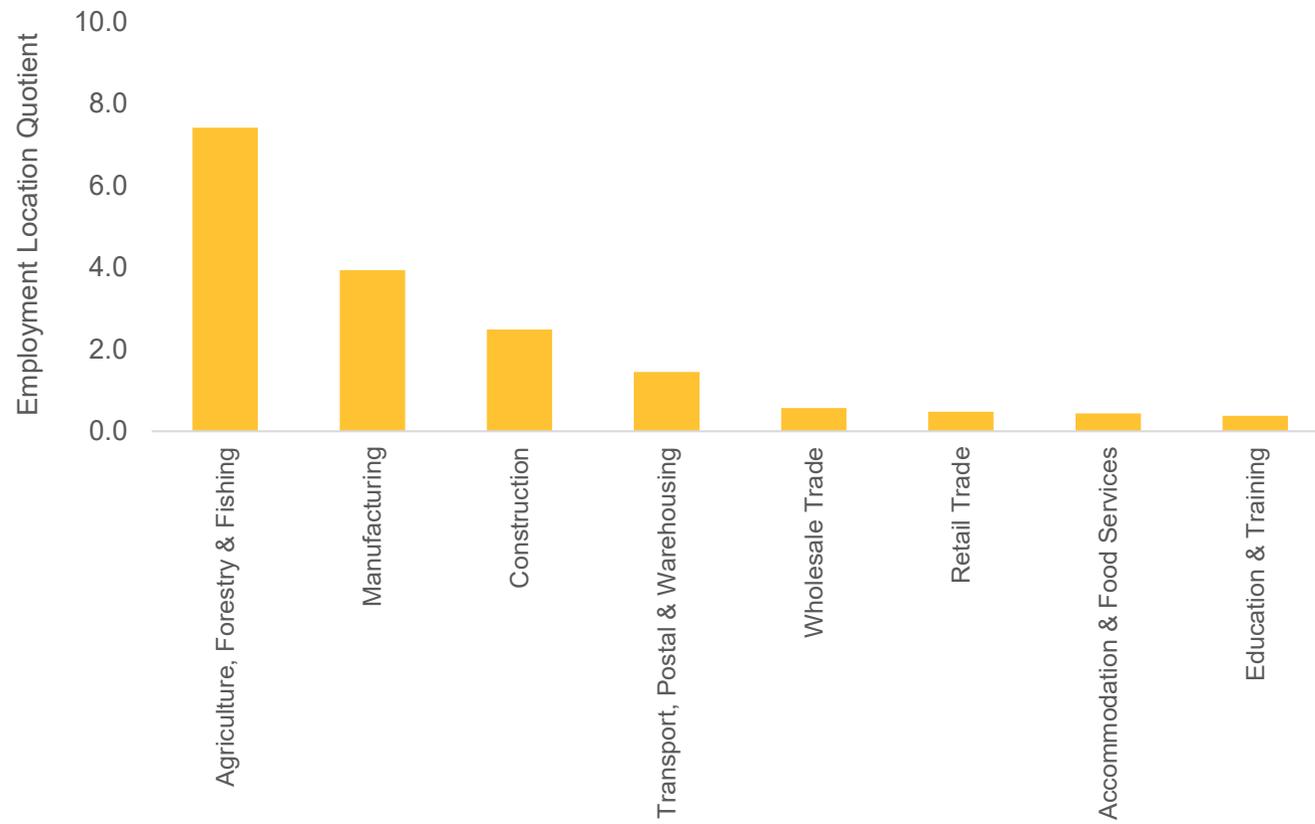
**Figure 2: Industry employment in the precinct**



Sources: Infometrics



**Figure 3: Concentration of largest industries in the precinct (based on employment location quotients)**



Sources: Infometrics



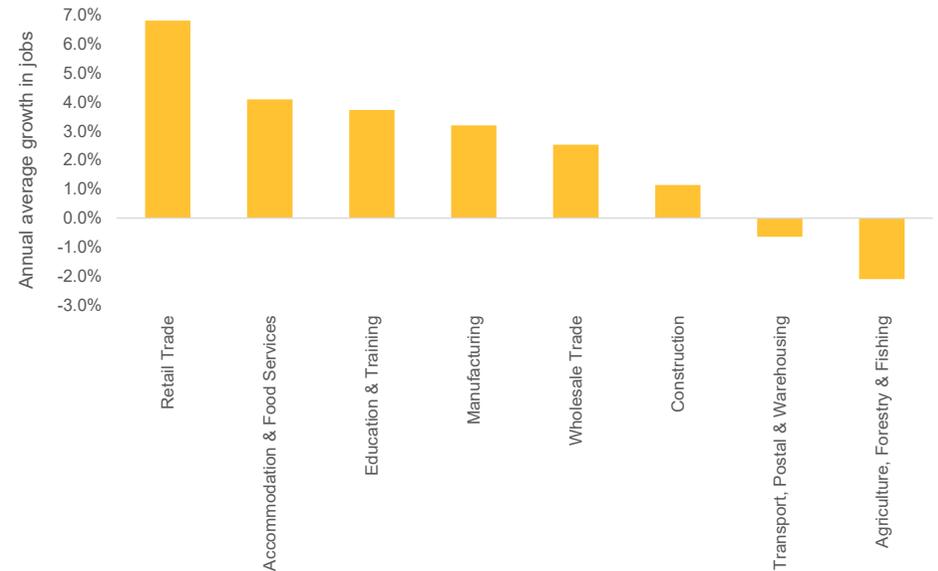
Of the largest industries (those with more than 150 jobs), the most heavily concentrated in the precinct are agriculture, manufacturing, construction and transport & warehousing (Figure 3). All these industries have employment location quotients over 1.3, which suggests that there are underlying advantages in the areas for these industries. Three of these industries (manufacturing, construction and transport & warehousing) will require sites on industrial land.

The most strongly growing large industries (with more than 150 jobs) in the precinct over the last five years have been retail trade (6.8 percent per year), accommodation & food services (4.1 percent per year), education & training (3.7 percent per year) and manufacturing (3.2 percent per year). The number of jobs in the transport & warehousing and agriculture sectors has declined in the precinct over the period (Figure 4).

Within the largest industries, significant, concentrated and growing private sector segments include:

- beverage product manufacturing
- fabricated metal product manufacturing
- fruit & other food product manufacturing
- non-metallic mineral product manufacturing
- wood product manufacturing
- building construction
- construction services
- poultry, deer & other livestock farming, and
- mining.

**Figure 4: Growth in jobs in the largest industries, 2014-2019**



Sources: Infometrics

Further details on these segments are set out in Table 4. Businesses in several of these segments (e.g., manufacturing, construction segments) require industrial land for their premises and continued growth should result in increased demand for relevant space and sites in the precinct (subject to availability and price). The availability and access to appropriate sites and premises to support the future growth of these industries will be a key determinant of future growth.



**Table 4: Key private sector sub-industries in the Drury Precinct**

Sub industries (with 50 plus jobs)	Filled jobs, 2019	Job growth, 2014-2019	Location quotient	Large businesses (in the precinct or nearby, e.g., Pukekohe, Papakura)
<b>Manufacturing</b>				
Beverage product manufacturing	347	2.5%	19.6	Kiwi Beverages
Fabricated metal product manufacturing	284	11.3%	4.3	WSL Engineering
Fruit, cereal & other food product manufacturing	475	4.1%	6.6	Fresh Connection Ltd
Non-metallic mineral product manufacturing	320	1.1%	13.8	Stresscrete
Wood product manufacturing	285	7.1%	13.7	Superior Doors Ltd
Polymer product manufacturing	106	-7.8%	2.9	Morrow Industries, Simaplas Ltd, IP Plastics
Machinery & other equipment manufacturing	61	-0.3%	0.8	AGrowQuip NZ Ltd, Veolia Water Solutions & Technologies
<b>Construction</b>				
Building construction	269	5.1%	1.8	
Construction services	855	5.0%	2.8	Mace Contractors
Heavy & civil engineering construction	209	-11.2%	2.7	
<b>Transport, postal &amp; warehousing</b>				
Road transport	293	0.7%	3.9	
<b>Agriculture, forestry &amp; fishing</b>				
Horticulture & fruit growing	221	-2.6%	9.5	NZ Hothouse Ltd, A S Wilcox & Sons Ltd, Balle Bros Food Ltd
Poultry, deer & other livestock farming	112	6.7%	20.2	
Mining	73	5.4%	29.1	Stevenson Construction Materials Ltd
<b>Retail trade</b>				
Other store and non-store retailing	149	8.3%	0.5	
Motor vehicle, parts & fuel retailing	53	2.4%	1.1	
<b>Wholesale trade</b>				
Wholesale trade	223	2.5%	0.6	
<b>Education &amp; training</b>				
Education & training	160	3.8%	0.4	
<b>Accommodation &amp; food services</b>				



Sub industries (with 50 plus jobs)	Filled jobs, 2019	Job growth, 2014-2018	Location quotient	Large businesses (in the precinct or nearby, e.g., Pukekohe, Papakura)
Accommodation & food services	157	4.1%	0.4	
<b>Administrative &amp; support services</b>				
Administrative & support services	149	0.5%	0.4	
<b>Professional, scientific &amp; technical services</b>				
Professional & technical services	143	3.6%	0.2	

Sources: Statistics New Zealand



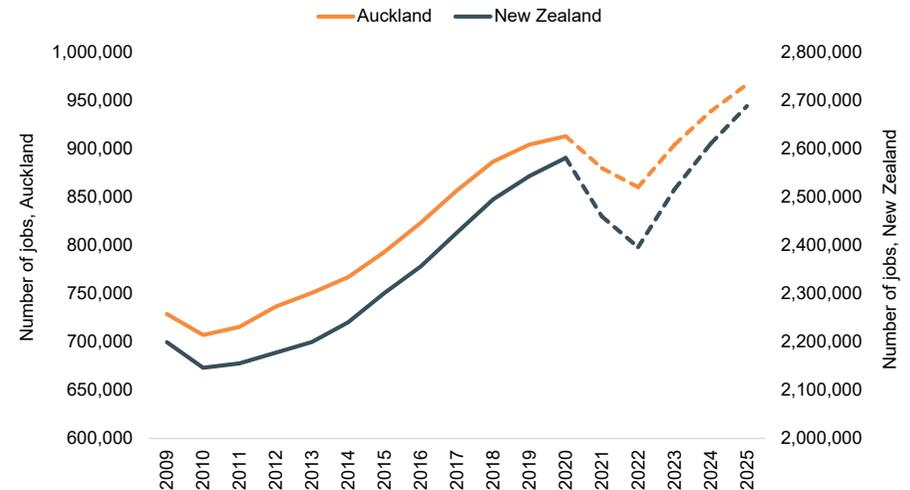
## Forecast growth

Drury's future growth will be shaped not simply by recent performance and job growth, but also by expected growth across Auckland's economy and the extent to which those industries that are forecast to grow and whether these industries are well suited to Drury as a location. While we are interested in looking out over a 30-year period, the available forecasts for the 2020- 2025 period provide possible indication of the nature of growth across Auckland.

While there are challenges in forecasting during a period of uncertainty, such as that created by Covid-19, it is still helpful to look at projected growth in industries and occupations, recognising that this will be likely to change as the impacts of the pandemic become clearly.

Looking at recent forecasts for Auckland, produced by Infometrics Figure 5 shows that although a significant decline in jobs is expected over the next two years due to Covid-19, an equally large rebound is expected.

**Figure 5: Auckland and New Zealand employment, actual 2010-2019 and projected 2020-2025**



Source: Infometrics

These forecasts suggest that, as a result of Covid-19, the number employed in Auckland will initially decline from 904,300 in 2019 to close to 860,200 in 2022 (an annual average decline -1.7 percent per year compared to a -2.0 percent decline nationally) before growing strongly to reach 966,500 by 2025 (an average of 4.0 percent per year growth over 2022-2025, similar to the growth rate expected nationally). This represents an overall compound growth rate of 1.1 percent per year over the forecast period and a total increase of 53,600 jobs over 2020 to 2025.

Across industries, Figure 6 shows that the largest declines in job numbers over 2020 to 2022 are expected in retail trade, accommodation and food services, transport and warehousing, professional and technical services, information media and telecommunications, wholesale trade and manufacturing.

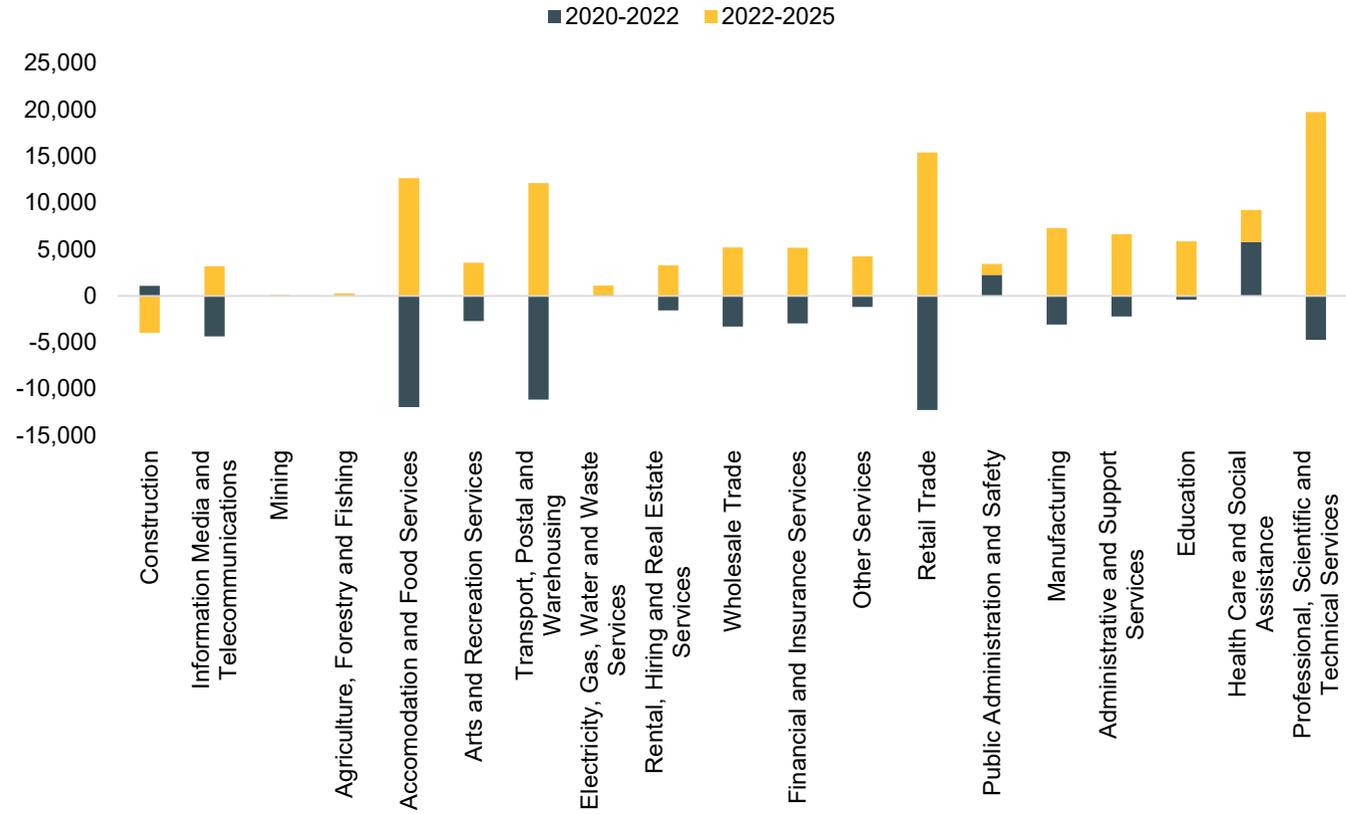


Over 2020-2022, only health care and social services, public administration and safety, construction and utilities are projected to experience job growth. However, all industries hit in this initial period are expected to recover from the recession and experience job growth over 2022 to 2025.

As shown in Figure 7, overall, across 2020 to 2025, only the construction (-2,925 jobs) and information media and telecommunications sectors (-1,150 jobs) are projected to experience a fall in the total number of jobs, with very limited growth also projected in agriculture, forestry and fishing, accommodation and food services, arts and recreation services and transport and warehousing services. The largest growth in jobs over 2020-2025 is expected to be in professional and technical services (15,040 additional jobs), health care and social assistance (9,250 jobs), education (5,450 jobs), administrative and support services (4,430 jobs), and manufacturing (4,220 jobs).



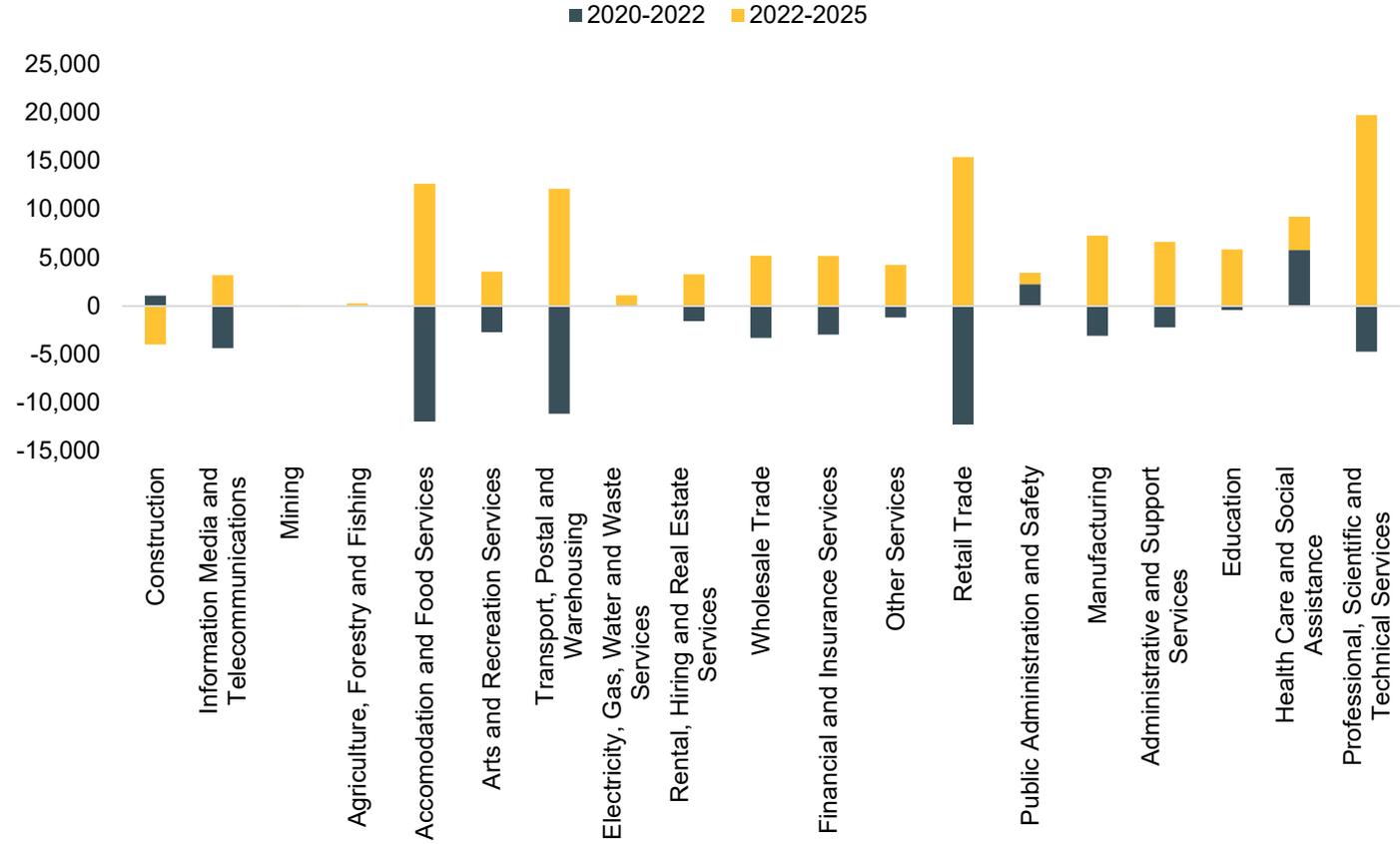
**Figure 6: Auckland industries' projected employment change, 2019-2022 and 2022-2025**



Source: Infometrics



**Figure 7: Auckland industries' projected employment change, 2019-2022 and 2022-2025**



Source: Infometrics



In addition to the forecast change in employment, positions also need to be filled to replace existing staff who leave their job (e.g., retirement, career change, migration and childcare). Despite Auckland being projected to lose 44,110 jobs over 2020 to 2022 period, there is projected to be a close to a net 111,000 positions in the economy needing replacement over that period (Figure 8).

Due to the recession, it is expected that there will be relatively few job openings in Auckland over 2021 and 2022 (around 3,800 in 2021 and 16,650 in 2022, compared to close to 55,000 in 2019 and an expected 46,000 in 2020). Some industries are projected to experience a decline in job openings due to a decline in employment over 2021 and 2022, particularly in accommodation & food services and transport & warehousing. Industries such as construction, health care and social assistance, education, professional and technical services, manufacturing, and public administration and safety are expected to have a relatively high number of job openings over 2020-2022.

A strong rebound in job openings is expected across all sectors from 2023. Over 2020-2025, there is forecast to be over 290,000 job openings (significantly more than the expected forecast increase in new jobs). Five industries are expected to account for over 50 percent of the projected job openings in Auckland over 2020 to 2025: professional & technical services (13 percent or over 39,000 job openings), construction (10 percent or close to 30,000 job openings), health care & social assistance (10 percent and close to 30,000 job openings), manufacturing (9 percent or around 25,000 job openings) and retail (9 percent or 25,000 job openings).

Over a quarter of the projected job openings over 2020 to 2025 are expected to be for professionals, followed by a reasonably evenly distributed demand for managers (14 percent), technicians and trades workers (12 percent), community and personal service workers (12 percent), sales workers (11 percent), clerical and administrative workers (10 percent) and labourers (9 percent). More limited demand is expected for machinery

operators over the next five years, representing just 4 percent of job openings (Figure 9).

Of the top 20 detailed occupations, forecast job openings in those occupations in Auckland over 2020-2025, Table 5 shows that the highest demand is expected for specialist managers, business, HR and marketing professionals, sales assistants and salespersons, education professionals, health professionals, carers and aides, design, engineering and science professionals, and sales representatives and agents.

**Table 5: Demand for labour by key occupation, 2020-2025**

Occupation	Auckland Job Openings
Specialist Managers	23,688
Business, HR & Marketing Professionals	18,096
Sales Assistants & Salespersons	16,740
Education Professionals	15,594
Health Professionals	13,860
Carers & Aides	12,144
Design, Engineering, Science Professionals	11,832
Sales Representatives & Agents	11,304
ICT Professionals	9,978
Chief Execs, General Managers, Legislators	9,000
Construction Trades Workers	8,562
Hospitality, Retail & Service Managers	8,052
Hospitality Workers	7,464
Automotive & Engineering Trades Workers	7,416
Other Labourers	7,296
Cleaners & Laundry Workers	6,960



Occupation	Auckland Job Openings
Office Managers & Program Administrators	6,660
Legal, Social & Welfare Professionals	6,504
Sports & Personal Service Workers	6,336
Engineering, ICT & Science Technicians	6,156

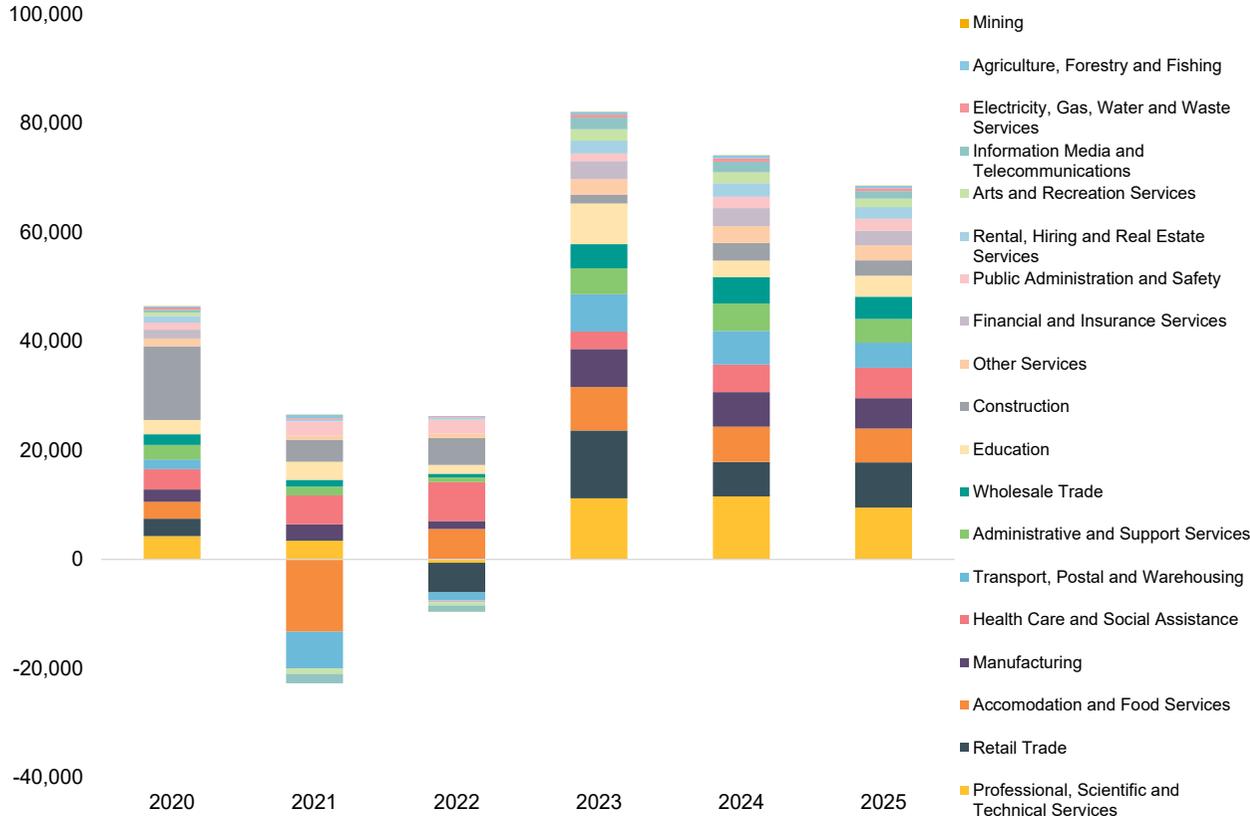
Source: Informetrics

In terms of qualifications, it is forecast there are likely to be an additional 111,595 certificate level 1-3 qualifications required for the Auckland economy between 2020 and 2025 (accounting for 38 percent of all job openings in Auckland over the period), followed by 102,440 degree level qualifications (35 percent).

The main type of qualifications that would ideally be demanded to fill the job openings are in management and commerce (57,595 qualifications, 20 percent), engineering and related technologies (53,455, 18 percent), society and culture (38,875, 13 percent) and health (29,390, 10 percent).



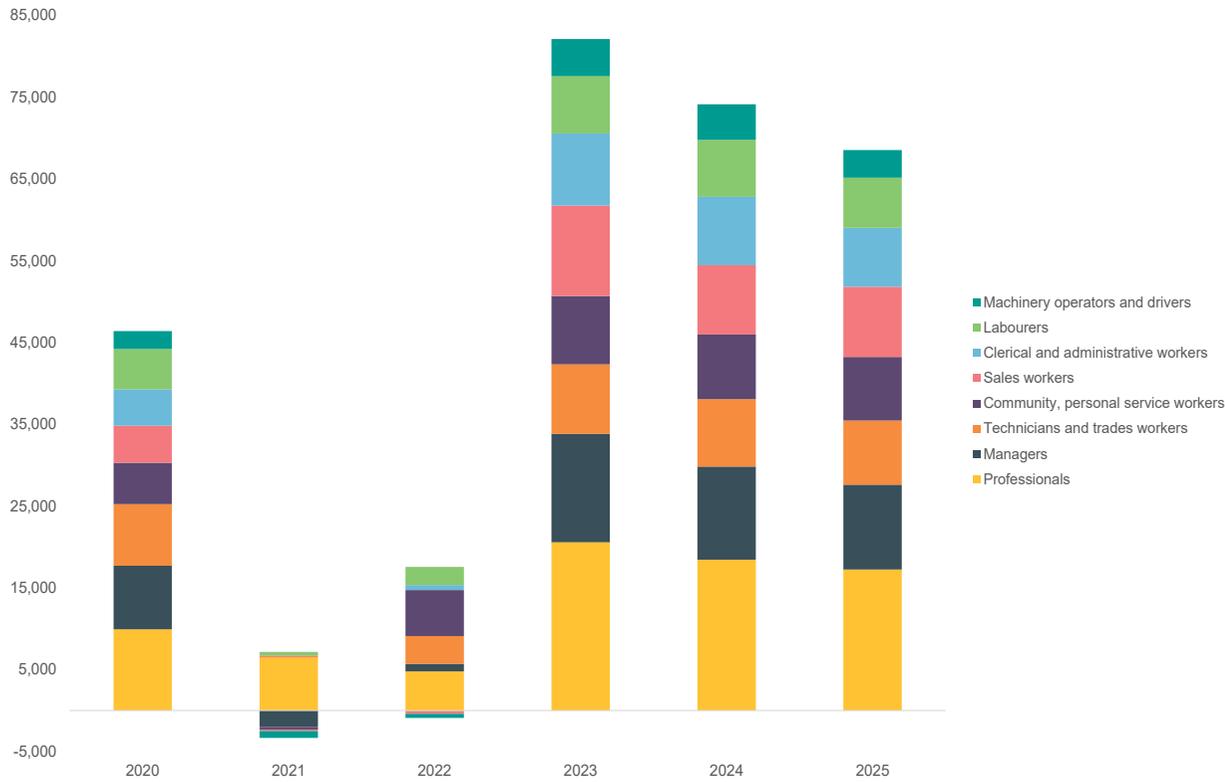
**Figure 8: Projected job openings in Auckland by industry, 2020 to 2025**



Source: Infometrics



**Figure 9: Projected job openings by major occupation 2020-2025**



Source: Infometrics



## Māori Economy

Beyond these forecasts, there are also future opportunities associated with Auckland's increasing diversity and the ongoing growth of Auckland's Māori economy.

The Auckland Plan 2050 recognises the importance of Māori identity and wellbeing to the city's future, noting that the population of Māori in Tāmaki Makaurau is diverse and dynamic.

The Auckland Plan highlights that the Māori economy is growing and thriving, contributing \$4 billion to Auckland's GDP, with 55% of the national Māori asset base in Auckland, \$23 billion of assets owned by Māori in Auckland.

At the national level, recent work<sup>4</sup> has highlighted the need to look beyond Te Tiriti settlements and to recognise that many Māori businesses and enterprises existed before these settlements and that Māori hold significant assets across many sectors, including those that are opportunities across Drury.

The research also shows that the Māori population is younger than the rest of New Zealand's population and will be a key component of our future workforce.

<sup>4</sup> BERL, Te Ōhanga Māori 2018, The Māori Economy 2018, Reserve Bank of New Zealand



# LAND USE, ZONING AND PROPERTY MARKET ACTIVITY

## Current land zoning in Drury

Colliers have analysed the current land zoning in Drury, covering the area highlighted in Figure 10<sup>5</sup>.

Figure 10: Map of area used for land zoning analysis

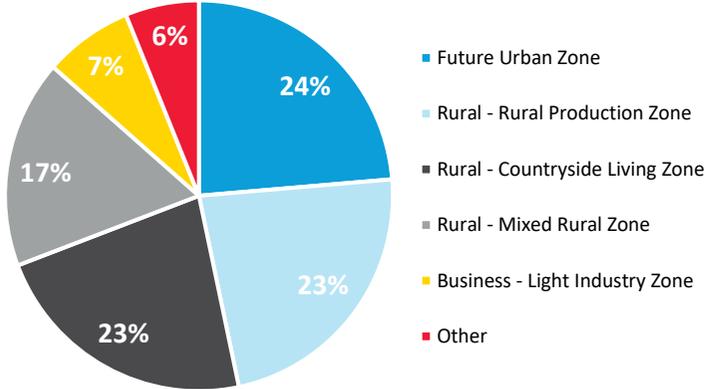


Source: Colliers

<sup>5</sup> This is a slightly smaller area than the whole of the total Structure Plan area and that there is no Business – Town Centre or Business – Mixed Use land in the area analysed

Figure 11 shows there are four dominant land zones over the more than 4,000 hectares of land in the Drury area. These zones make up a combined 86.5 percent of all land in the area.

Figure 11: Specific zoning under Auckland Unitary Plan



Source: Colliers analysis of Auckland Unitary Plan (2020)

Rural land zoning is the dominant zone in the Drury area. Future Urban zoned land, at some 950 hectares is the largest single zone type, almost one quarter of the total land area of Drury. The other notable non-rural zone in Light Industrial. Totalling almost 300 hectares, it makes up around 7% of the total land area. The other non-rural land areas make up around 6%

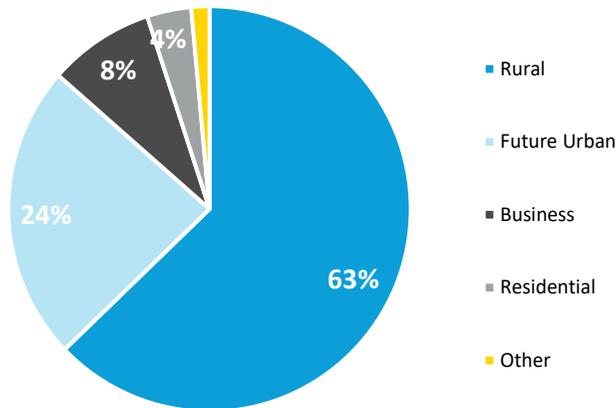


covering some 250 hectares, including residential, business, and open space zoning categories.

Figure 12 aggregates the zones above into five broad categories. Much of the land in Drury is zoned for rural uses, predominantly Rural Production, Countryside Living, and Mixed Rural. These zones total over 2,500 hectares, around 63 percent of the total land area of Drury.

Currently the 490 hectares currently zoned for business and residential uses combined, makes up just over 12 percent of the total land area. When re-zoned to its future uses, Future Urban zoned land has the potential to nearly triple the total amount of business and residential type zones in the Drury area, adding an additional 950 hectares to the 490 hectares currently zoned under these types.

**Figure 12: Zone types under the current Auckland Unitary Plan**



Source: Colliers analysis of Auckland Unitary Plan (2020)

The full breakdown of land area under each zone is shown in Table 6.

**Table 6: Land area by zone in Drury under the Auckland Unitary Plan**

	Land area (approx.)	Percentage of total
Future Urban Zone	953 ha	23.7%
Rural - Rural Production Zone	929 ha	23.0%
Rural - Countryside Living Zone	908 ha	22.5%
Rural - Mixed Rural Zone	696 ha	17.3%
Business - Light Industry Zone	299 ha	7.4%
Residential - Mixed Housing Urban Zone	92 ha	2.3%
Residential - Mixed Housing Suburban Zone	38 ha	0.9%
Business - Heavy Industry Zone	35 ha	0.9%
Special Purpose - Quarry Zone	18 ha	0.4%
Open Space - Conservation Zone	17 ha	0.4%
Residential - Terrace Housing and Apartment Building Zone	14 ha	0.3%
Open Space - Sport and Active Recreation Zone	11 ha	0.3%
Open Space - Informal Recreation Zone	11 ha	0.3%
Business - Local Centre Zone	9 ha	0.2%
Special Purpose - Cemetery Zone	2 ha	0.1%
Business - Metropolitan Centre Zone	1 ha	0.0%
<b>Total all zones</b>	<b>4,032 ha</b>	<b>100%</b>

Source: Colliers analysis of Auckland Unitary Plan (2020)

## Current commercial development

Sitting within the 'Golden Triangle' Drury's location makes it well suited to activities that require connectivity to main transport networks. Manufacturing and agricultural exporters are frequent users of these transport networks,



and consequently, manufacturing and logistics facilities are expanding along these networks and there are further opportunities for growth should sites be available.

This is shown in Figure 13, which shows the location new industrial construction projects set to be completed from October 2020 to December 2021. The projects shown have been filtered to only show large scale developments with a site area over 20,000 sqm (2 hectares) or a floor area of over 10,000 sqm.

**Figure 13: Map of large-scale industrial development projects within the 'Golden Triangle'**



Sources: Colliers analysis of Building Consent Information data (October 2020)

The choice of 2 hectares of land or 10,000 sqm of building reflects the market norm for industrial development of around 50 percent site cover. Information in building consent applications concerning project value, land area and floor area can sometimes appear to be conflicting, for example quoting a site area over 30 hectares with a warehouse of only 12,000 sqm. These can arise where the building is one additional building on a partially developed large site. The choice of a minimum land or building area will assist in gauging the level of current activity, but nevertheless, the data should be treated as indicative. The floor area estimate should be considered more reliable.

The industrial projects that were analysed have a total floor area of over 620,000 square metres (62 hectares) of space across 42 new developments. The total land area under development was just less than 500 hectares and the value of the building consents issued for these projects totalled almost \$550M. The low site coverage, 62 hectares compared to land of approximately 500 hectares, indicates that much more development may occur on these sites in subsequent stages.

Significant development is therefore occurring currently across these networks, with over half of projects being new or additional warehousing for logistical purposes.

## Commercial property market activity

Looking at recent commercial property market activity, in the four-year period ending December 2019, a total of 220 commercial properties with a site area larger than 10,000 sqm were sold between 2015 and 2019. These 220 sales represent just over 1,100 hectares of land, more than one-quarter of the total land area of Drury. Table 7 shows the breakdown of total hectares sold in each year by zone type.



**Table 7: Table of land area (hectares) sold 2015 – 2019 by zone**

Zone	2015	2016	2017	2018	2019	Total area
Business - Light Industry Zone	2	21	3	12	14	52
Future Urban Zone	62	160	39	40	31	332
Residential - Mixed Housing Suburban Zone	-	-	-	18	-	18
Residential - Mixed Housing Urban Zone	4	12	6	13	-	35
Residential - Terrace Housing and Apartment.	4	-	6	-	-	10
Rural - Countryside Living Zone	50	20	25	21	53	168
Rural - Mixed Rural Zone	1	4	19	207	-	231
Rural - Rural Production Zone	16	24	179	16	25	260
<b>Total area</b>	<b>139</b>	<b>240</b>	<b>277</b>	<b>327</b>	<b>124</b>	<b>1,106</b>

Source: CoreLogic, Auckland Unitary Plan

Future Urban zoned land transacted at the highest volume at 332 hectares, 35 percent of the total Future Urban zoned land in Drury. Residential land was transacted at high volumes comparative to the total value of land under the existing zoning which can be seen in Table 8.

This data underscores that fact that activity has been high, indicating strong interest in securing land in the area. Drury is one of the very few locations in Auckland where land for manufacturing and industrial use can be bought, particularly in larger parcels (over 5,000 sqm). There are multiple opportunities for businesses to lease buildings on land owned by others around Auckland. The paucity of buying opportunities explains the high sales volumes in Drury in recent years.

**Table 8: Table of land area sold 2015 – 2019 by zone compared to total land area in Drury**

Zone	Land area sold	Percent of total sold	Total Drury land area	Percent of total land area sold
Future Urban Zone	332 ha	30%	953 ha	35%
Rural - Rural Production Zone	260 ha	24%	929 ha	28%
Rural - Mixed Rural Zone	231 ha	21%	696 ha	33%
Rural - Countryside Living Zone	168 ha	15%	908 ha	18%
Business - Light Industry Zone	52 ha	5%	299 ha	18%
Residential - Mixed Housing Urban Zone	35 ha	3%	92 ha	38%
Residential - Mixed Housing Suburban Zone	18 ha	2%	38 ha	47%
Residential - Terrace Housing and Apartment	10 ha	1%	14 ha	69%
<b>Total area</b>	<b>1,106 ha</b>		<b>4,032 ha</b>	<b>27%</b>

Source: CoreLogic, Auckland Unitary Plan

## Land ownership

In terms of current land ownership across Drury, Colliers have researched land ownership in the Drury area, extracting details of land holdings of greater than 1 hectare or 10,000 sqm. This totals 4,032 hectares this category, made up of the zonings and aggregate area per zoning, in Table 9.



**Table 9: Land area by zone**

Zone	Total land area (ha)
Business - Heavy Industry Zone	35.1073
Business - Light Industry Zone	298.5724
Business - Local Centre Zone	9.1002
Business - Metropolitan Centre Zone	1.124
Future Urban Zone	953.8003
Open Space - Conservation Zone	17.3185
Open Space - Informal Recreation Zone	10.8769
Open Space - Sport and Active Recreation Zone	11.0854
Residential - Mixed Housing Suburban Zone	37.8661
Residential - Mixed Housing Urban Zone	91.6446
Residential - Terrace Housing and Apartment Building Zone	13.8313
Rural - Countryside Living Zone	907.7366
Rural - Mixed Rural Zone	695.7616
Rural - Rural Production Zone	928.8916
Special Purpose - Cemetery Zone	2.0234
Special Purpose - Quarry Zone	17.6322
<b>Total</b>	<b>4032.3724</b>

Source: Colliers

Limiting these to land that is or might be capable of being developed as employment land, reduces this to 1,315 hectares. The dominant zoning is Future Urban, with Light Industry at 299 ha the only area of substance that might be developable in the short term, depending on services, location, and other factors.

Across the area there are around 790 properties of more than 1 hectare of land. Colliers have researched ownership information on each one. Due to

confidentiality, Colliers are constrained from identifying names of owners, except for some of the major commercial parties, who are well known.

Looking just at heavy and light industry zoned land, interests are predominately associated with Fulton Hogan. Ownership of the much larger number of Future Urban zoned land is more diverse. Of the 21 parcels over 10 hectares, Kiwi Property own several parcels, with the rest owned by a mix of individuals and companies.

Of the 34 parcels over 10 hectares in rural zones, ownership is generally made up of some industrial or commercial entities involved mainly in rural industries, along with owners of working farms in different agricultural sectors.

The relatively large number of parcels of over 10 hectares in a variety of zones, augurs well for future development potential in Drury. In more established commercial areas of Auckland such as Penrose for example, it is almost impossible for large businesses keen to develop substantial premises, or for developers keen to build for them. Large land parcels cannot be acquired except through amalgamation of sites owned by several parties, which is a difficult process.

The owners of the largest land areas in non-rural zones in the area are:

- Stevensons Aggregates; 507 hectares in various zones most of it forming a buffer zone around the quite small 18 hectares quarry zoned land. 127 hectares is light industry zoning.
- Drury South Limited; an industrial land development company owned by Fulton Hogan. They are a related company to Stevensons following Fulton Hogan's purchase of Stevenson's quarry business. They own 176 hectares in seven different zones, the dominant being Light Industry (99 hectares). They are of course actively developing and selling sections for industrial use. They report strong interest in the sections zoned light industry and much less in the heavy industry zoned land.



- Yun Hwa Investments Ltd: not known to us, own 60 hectares Future Urban Zone.
- Kiwi Property: own 51 hectares of Future Urban Zoned land, the subject of one of the major plan change applications underway.
- Whitebait Trader Ltd; own 37 hectares of Future Urban Zoned land
- Five other groups own between 20 hectares and 30 hectares each of Future Urban Zoned land in the area, including Auckland Gliding Club. No Industrial zoned land of that magnitude exist.

Between 10 and 20 hectares there are six Future Urban Zone land holdings and no industrial holdings. There are two Light Industry Holdings between 8 and 9 hectares, one of which is Transpower.

This demonstrates that apart from the existing major players, and those working through plan changes, there are few other short-term opportunities to create employment. We assume Future Urban zoned land cannot be developed in the short-term but may well be developable depending on infrastructure provision and market demand, in the long-term, say within 30 years.



# POTENTIAL ECONOMIC FUTURES FOR DRURY

## Drury's future economy

Previous sections of this report have focused on understanding the current strategic, economic and land use context for Drury, with a specific focus on what this might mean for the area's future economy. However, when we look out over a 30-year period there are lots of strategic uncertainties and unknowns that are likely to impact what Drury's economy might look like.

The process of considering potential and alternative futures, both positive and negative, does not sit neatly with established land use planning processes, but is important as it allows us to look beyond what is possible now, given current constraints, to what might be possible in the future.

Envisioning the type of economy that could be created in Drury and what industries might be encouraged to develop in this precinct will help to target the best possible investment to be attracted into the area and to make the case for further infrastructure that will support growth.

To inform the discussion on Drury's future economy, three main activities were undertaken:

- Seeking the perspectives from stakeholders on Drury's future economy to identify key themes that needed to be considered.
- Identifying relevant drivers and trends and considering how they might impact upon Drury's future economy.
- Using scenario planning techniques to imagine possible economic futures for Drury and the key actions required to bring about desired futures.

## Stakeholder perspectives

Over the course of the research discussions and interviews were undertaken with a wide range of representatives from different stakeholder groups.

The focus of the stakeholder interviews was to better identify and understand their perspectives on the future of Drury's economy and the challenges and opportunities related to growing and attracting industries and jobs to the precinct. These interviews identified six core themes that are relevant to how Drury's economy might develop in the future. These themes reflect the importance of:

- establishing a shared long-term vision of the future economy
- recognising and responding to current and future infrastructure constraints
- being explicit about Drury's potential value proposition to current and future industry
- recognising the advantages that the Drury location offers to current and future industries
- taking into account spatial considerations and their relationship to the future economy
- being cognisant of the established risks and tensions that will impact Drury's future economy.



## Establishing a long-term economic vision

Stakeholders recognised and were motivated by the view that Drury has the potential to be a major employment area for south Auckland and the Northern Waikato. It was also suggested that in the future there was the potential for Drury to be a centre for Auckland's growing Māori economy.

However, there was a clear view that if Drury is to achieve its economic potential, there needs a compelling long-term vision of the place and its economy. It is critical that this vision is shared by central and local government, by mana whenua and communities and by developers and industry.

It was noted that this vision needs to embrace the aspirations of the wider Auckland-Hamilton corridor and aspirations and opportunities of the emerging Hamilton metropolitan region and wider 'golden triangle'.

Any vision for Drury's future economy needs to clearly set out a value proposition for Drury as an employment location and how this will be further enhanced over the longer term. Creating quality jobs and the ability of industries to embrace new technologies was critical.

There was a recognition that developers and investors will need to be confident that central and local government are committed to enabling the delivery of the long-term vision.

It was also noted that decisions relating to the future use of land across Drury needed to be informed by this vision and efforts made to protect the delivery of the desired future state. This includes ensuring there was sufficient sites of the right size and scale to support growth industries.

## Recognising infrastructure constraints

Stakeholders could see the future economic opportunities for Drury but recognised that there was currently a significant unfunded infrastructure deficit must be considered alongside future opportunities.

While it was noted that the NZ Upgrade investment will be an enabler of growth, it will not be sufficient on its own. Stakeholders were conscious that the inability to solve infrastructure deficit will narrow down scale of future opportunities and could impact the decisions made now and what that would then mean for the future.

It was also highlighted that even if a solution to how the required infrastructure could be funded, there are several sustainability and environmental constraints, as set out in the Structure Plan, include flood risk which could impact the scale and nature of future development.

Consequently, some stakeholders felt that greater consideration should be given to considering what future industries and sectors could be encouraged within current infrastructure limits, rather than focuses too heavily on future growth.

There was a strong desire amongst stakeholders to ensure that, as Drury's economy develops, there is a focus on ensuring that there is sufficient infrastructure to support local employment opportunities and outcomes locally and to avoid Drury becoming a commuter suburb.

Finally, stakeholders note that looking out over 30-year period there will also be a need to plan for additional community infrastructure including schools and education facilities, hospitals and healthcare facilities, both to support a growing population but also the wider sub-region.



## Drury's value proposition to industry

When considering Drury's value proposition to industry, stakeholders noted that much of Drury's potential future value as an employment location should reflect its current value proposition. Stakeholders saw the opportunity to promote Drury as an economic hub and to encourage clustering of activities which would be attractive to investors and to industry.

There was a desire to consider how to support the development of higher value activities, such as advanced manufacturing, which could leverage the benefits of Industry 4.0 practices and create more skilled employment opportunities for current and future residents.

It was highlighted that Drury's existing zoning for heavy and light industry should be protected and that suitable land of this nature was either in short supply or not well located elsewhere in Auckland. In particular, the availability of cheaper land on larger plots for manufacturing and other industrial activities that is close to motorway, ports and airports was seen as an important factor, although it was stated that land prices were already increasing and that this could impact on future demand and use.

It was also recognised that Drury's proximity to high quality agricultural land surrounding Pukekohe, as well as established food and beverage activities, would make Drury an ideal location to further grow food and beverage processing, manufacturing, packaging and distribution.

Another part of Drury's value proposition was its access to the South Auckland and Northern Waikato labour markets. The development of new housing, new commercial, office and industrial spaces, new stations and new town centres will provide amenities and services for businesses and workers.

The scale of growth and locational advantages offered by Drury will also create a sizable catchment area for retail and service offering for growing

population. This in turn could create an opportunity for Drury to be a services hub for the Auckland, Hamilton, Tauranga 'Golden Triangle'.

## Opportunity industries

Building upon the discussion of Drury's value proposition, stakeholders were also asked whether the location was particularly suited to any specific industries. Many stakeholders noted that the location was and would continue to be attractive for manufacturing, construction and infrastructure, logistics transport and distribution activities, many of which are forecast to grow and will have ongoing space requirements.

It was noted that Drury South Crossing and associated industrial land is particularly important for large format operations that are required to support future growth of Auckland. Proximity to high quality agricultural land creates opportunities associated with food and beverage sector, including manufacturing and packaging.

In addition, it was highlighted that Drury could be a location where there is an opportunity to target the development of an advanced manufacturing cluster and to promote the transition to a more regenerative economy for Auckland, this could encompass new facilities to enable the circular economy, recycling and reuse, manufacturing and associated activities.

It was also recognised that the scale of expected growth would also support activities associated with a new metropolitan centre including retail and business services. In addition, if future development included new population-based amenities, such as the development of healthcare and hospital facilities, this would create wider health and wellbeing opportunities, including the potential for teaching, training and potentially MedTech opportunities.



## Spatial considerations

When considering the future of Drury's economy, stakeholders were keen not to overlook important spatial considerations and the wider outcomes of the Auckland Plan. It was noted that Drury could be an important node in a polycentric Auckland and an opportunity for the location to become be a major suburban centre.

However, there were concerns about the scale of Drury's future growth and the potential impact on existing centres across South Auckland. This should be considered when planning for Drury's future economy and due consideration given to Local Board and community aspirations for established centres. These need to be taken into account so that as Drury develops, it does not undermine their role and potential. It was also noted that should Drury itself not be able to accommodate some of the growth opportunities it may be possible to do so in the wider sub-region.

Stakeholders also were conscious of the need to look beyond the Auckland boundary and there was a need to recognise Drury's functional economic geography and not its administrative boundaries. It was noted that new road and rail linkages and stations provide the opportunity for urban development at scale which is not as readily available in other locations. There is also a need to consider the current and future relationship between Drury, the neighbouring Future Proof area and the linkages to Hamilton and beyond.

In this regard, Drury was seen as well placed to service Northern Waikato communities, providing access to retail, services and employment opportunities.

Stakeholders recognised that accessibility to SH1 as well as availability and cost of land make Drury well suited to heavy and light industry that Auckland needs to support a growing city. Consequently, it was seen as important to protect existing industrial zoning and the operation of the quarry and to avoid creation of commuter economy.

## Risks and tensions

Alongside the value proposition and opportunities that stakeholders identified for Drury, several risks and tensions which could impact the nature of the future economy and associated opportunities were acknowledged.

With stakeholders highlighting the need for a shared long-term economic vision, it was asserted that the lack of compelling vision and a master planned approach would produce suboptimal outcomes. Related to this it was felt that there needs to be some certainty on timing and phasing of development to create maximum leverage of available infrastructure and to focus on demonstrating progress to give confidence to stakeholders and the private sector.

It was seen as critical that there should be more engagement with Māori and Pasifika communities and businesses and to design for inclusive growth outcomes.

It was also felt that there was a need to consider how to incentivise the type of industries and businesses that would support the desired economic outcomes and clustering. This was particularly important if the intention is to create more quality employment opportunities through the growth of higher value activities such as advanced manufacturing.

It was recognised that beyond the availability of suitable sites and premises, access to skilled workers and the depth of local labour markets would ultimately be important for all industries that could be attracted to the area.

There was therefore a need to integrate skills and training requirements for future industries with any business and investment attraction activities and to promote and prioritise quality jobs outcomes.

Finally, stakeholders raised concerns that if there was a lack of alignment between central and local government, it will undermine investor confidence in the future. It was felt that this was problematic, given the fragmented pattern of land ownership and the need for certainty on the plans and



intentions of central and local government and other relevant agencies, such as Ministry of Health and Ministry of Education.

## Drivers of change

Extending beyond the stakeholder insights set out above, as we think about Drury's future economy there are a wide range of drivers of change, trends and uncertainties that will influence how the area develops, how industries might grow and change and the type of jobs and opportunities that will be created in the precinct.

Considering these trends, and the extent to which they will affect the industries, sectors and jobs that could be located at Drury may help us better understand possible future scenarios and the actions required to enable positive outcomes for Auckland.

Some trends may be considered certain, in that they are firmly established and need to be reflected in all scenarios, others are inherently uncertain, meaning we do not know how they will unfold over the next 30 years. Through the workshop we explored these trends to identify those which are likely to have the most significant impact on Drury's future economy but where we have the most uncertainty of how they might develop.

These strategic uncertainties will form the basis of building our possible scenarios for Drury. To inform this discussion, we have identified several trends that are likely to have an influence on Drury's future economy and on the industries and sectors that might be based in the precinct.

Below we set out some of the key drivers and consider how they may impact on Drury and its future economy.



**Table 10: Wider drivers and their potential impact on Drury's future economy**

Factor	Description	Potential Impact
<b>ONGOING IMPACTS OF COVID-19</b>	Economic and societal impacts of Covid-19 are still emerging and uncertain but are likely to shape our world for years to come and may require constant review and adaptation.	All industries will need to plan for uncertainty and seek to adapt to changing conditions including the prospect of future lockdowns, uneven recovery and changing business and land use requirements.
<b>GROWTH OF MĀORI ECONOMY</b>	Auckland's Māori economy will continue to grow with an increasing base of assets to leverage across multiple industries and sectors. Māori will make up a growing proportion of Auckland's younger workforce and talent pool.	Potential opportunity for Drury to become a hub of Auckland's Māori economy and workforce, support employment and shared prosperity across south Auckland.
<b>LONG-TERM GROWTH TRENDS</b>	Pre-Covid-19 forecasts saw Auckland population and employment increasing strongly, even accounting for the impact of Covid-19, Auckland is still expecting ongoing growth in construction, infrastructure, professional services, healthcare and social assistance, education and training, administrative and support services.	Over longer-term Auckland's population and economy is set to grow and demand for employees and industrial land likely to increase. Drury is well positioned for growth across many of the industries that are expected to grow including manufacturing and construction sectors.
<b>ONGOING LABOUR &amp; SKILL SHORTAGES</b>	Employment growth and constrained labour supply associated with tighter international borders may exacerbate existing labour and skills shortages for businesses across Auckland.	Businesses based in Drury will be competing for labour across Auckland and the wider Golden Triangle and will need to offer jobs that are accessible, well paid and with high levels of staff amenity.
<b>ANTICIPATED IMPACTS OF CLIMATE CHANGE &amp; JUST TRANSITIONS</b>	Mitigation, adaptation and resilience will be increasingly important at a place based and industry/sector level and the impact of regulation and technology will continue to alter industries and jobs.	Drury's future economy should be future proofed and there may be an increasing demand for 'green' technology and solutions driving changing job mix and skills requirements in those sectors that could be suited to Drury
<b>TECHNOLOGICAL ADOPTION (INDUSTRY 4.0)</b>	Technological change is affecting how we work and the type of jobs available. Examples include: <ul style="list-style-type: none"> <li>• automation and the ability of machines to undertake the completion of tasks that were previously completed by people</li> <li>• the ability to harness new insights from big data and predict likely outcomes</li> <li>• incorporation of artificial intelligence and increasingly complex algorithms to make decisions typically made by people.</li> </ul>	<p>These could have significant impact on the number and types of jobs available, and the skills required. Effective and timely adoption can also drive increased productivity and competitiveness.</p> <p>The extent of technological adoption is likely to be a major driver in the shape of future industries within Drury.</p> <p>There is an opportunity through new investment to seek highly capitalised advanced manufacturing and high-tech production activities; alternatively, lower land prices and larger labour market pools may incentivise a lower tech labour-oriented industry.</p>



Factor	Description	Potential Impact
<b>INFRASTRUCTURE INVESTMENT AND DEFICIT</b>	<p>Auckland Council and Government are investing in infrastructure, most notably through the NZ Upgrade Programme which includes significant transport investments that will help better connect Drury to both Auckland and Hamilton, for both commuting and freight.</p> <p>While this investment will unlock new opportunities, there is still a need for further investment in infrastructure, and consideration will need to be given to housing, as well as social infrastructure such as schools and hospitals to support population growth.</p>	<p>Drury's development will be guided by the infrastructure available and future growth constrained if appropriate infrastructure does not match industry needs. While increased accessibility is a key determinant for access to resource and labour markets, the desirability of Drury to develop as a residential centre will be informed by access to amenities and services, and affordability of housing.</p>
<b>PLANNING, REGULATION AND REFORM OF RESOURCE MANAGEMENT ACT</b>	<p>The Auckland Plan 2050 identifies Drury as one of south Auckland's key future urban areas. The Drury - Opāheke Structure Plan estimates that over the next 30 years the area could provide 22,000 houses, 12,000 jobs and 60,000 residents.</p> <p>Significant changes are being made to the urban planning and resource management frameworks and the Government is also planning to replace the RMA to better enable natural and built environments and strategic spatial planning.</p>	<p>New planning framework may be in place to support the development of Drury. This will include:</p> <ul style="list-style-type: none"> <li>• Strengthening planning processes for freshwater management</li> <li>• Enabling consideration of greenhouse gas emissions on climate change during planning and consenting processes</li> <li>• Urban Development Act 2020 to streamline urban development processes.</li> </ul> <p>This is likely to streamline decision making and consenting processes and provide greater options for considering wider outcomes including the impact on the climate.</p>
<b>CLIMATE CHANGE, ADAPTATION AND RESILIENCE</b>	<p>Auckland Council in 2019 declared a 'climate emergency' articulating its commitment to mitigating and adapting to the effects of climate change.</p> <p>The Government has committed to reaching net zero emissions of long-lived gases, and to significantly reduce methane emissions by 2050. The Climate Change Commission recently released wide ranging recommendations and carbon budgets to support meeting these targets.</p> <p>The transition will need to reduce emissions while ensuring that the benefits of climate action are shared, and that the costs of the transition do not fall unfairly on certain groups or people.</p>	<p>Key climate-related opportunities for Auckland and Drury include:</p> <ul style="list-style-type: none"> <li>• innovation and savings through the transition to low carbon economy but also significant risks to our competitiveness if we are left behind.</li> <li>• designing Drury to be ready for climate change – low emissions, and protected against the impacts of rising sea levels, leading to significant cost-savings from reducing the need for major retrofitting or land-use changes as impacts become more frequent and severe.</li> </ul> <p>There may also be opportunities to create more a more circular and regenerative economy and Drury could also offer an attractive option for existing industries facing high adaptation costs.</p>



Factor	Description	Potential Impact
<b>SOCIETAL NORMS AND CONSUMER PREFERENCES</b>	<p>Societal and consumer preferences and norms are changing towards a greater focus on sustainability. Concern about climate change is increasing the market for alternative proteins which have less climate impact.</p> <p>Growing countries are placing increased focus on alternative proteins, food availability and security.</p>	<p>Drury has an opportunity to attract new industries to leverage these changing trends and help New Zealand position itself as markets change.</p>



As part of the scenario planning process, all invited participants were asked to consider these drivers, the level of certainty associated with the driver and the likely level of impact on the future of Drury's economy.

As shown in Table 11, respondents identified issues relating to the infrastructure investment and planning, regulation and reform as the two most significant factors that were likely to shape Drury's future economy. Following these, climate change, adaptation and resilience, together with long-term growth trends were seen as important factors. Appendix 1 provides full details of the views of respondents on each of these drivers.

**Table 11: Perceived impact and certainty of identified drivers**

Driver	Certainty	Impact
Infrastructure and investment deficit	High	High
Planning, regulation and reform	High	High
Climate change, adaptation and resilience	High-Medium	High-Medium
Long-term growth trends	Medium-High	High
Technological adoption (Industry 4.0)	Medium	Medium-High
Growth of Māori economy	Medium	Medium
Labour and skills shortages	Medium	Medium
Climate change and just transitions	Medium	Medium
Ongoing impacts of Covid-19	Medium-Low	Low-Medium
Societal norms and preferences	Medium-Low	Low-Medium

In addition, respondents were also asked whether there were other factors or uncertainties that they believed would impact the future of Drury's economy. Identified factors and uncertainties are included in Table 12.

**Table 12: Additional factors and uncertainties**

**Additional factors**

- Mismatch in timing of land use change and infrastructure
- Impact of combined cumulative impacts of proposed development
- Disconnect between infrastructure provision, pace of development & need to align public – private investment
- Residential development opportunity impacting realisation of economic opportunities and TOD
- Impact of cross boundary movement and how this impacts infrastructure use
- Scale of housing affordability crisis in Auckland and need for action
- Impact of digitisation & reliance on sophisticated logistics & supply chains
- Need to look beyond what Drury can currently produce to future needs of national & global economy
- Impacts of consenting and OIO processes making it hard for investors
- Demographic change & aging population – different needs & demands
- Availability of developable land, or developable within known timeframes & ability to buy land
- Need for truly regenerative development approach that ensures ecological, social and economic wellbeing

**Uncertainties**



#### Additional factors

- Impact of Drury's growth on surrounding areas and centres
- Ability to work together to achieve wider sustainable development and TOD outcomes
- Global and national economic trends and drivers
- Ability to achieve complimentary development across the area and leveraging TOD opportunity
- Commitment to achieving a truly vibrant, connected and healthy community
- Central and Local Government policy settings for housing & construction
- Impact of population growth and housing affordability on labour markets

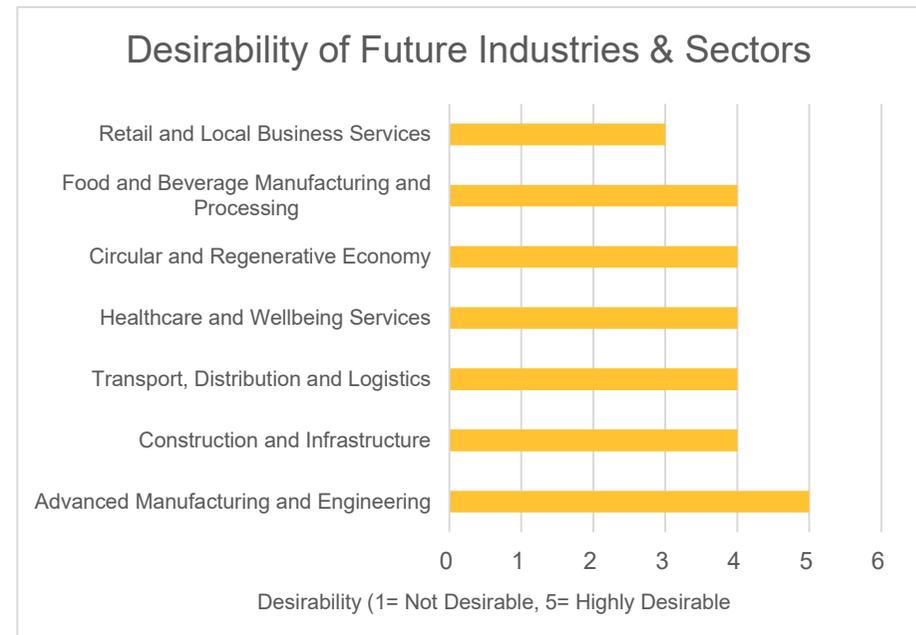
Respondents were also asked whether there were certain industries that were desirable for Drury's future economy. Figure 14 shows that respondents saw a place for most of the identified industries within Drury's future economy, with advanced manufacturing and engineering sectors ranking the highest and most desirable future industries.

Respondents were also asked whether there were other activities that should also be considered, this solicited a range of responses including the need to:

- develop a broad-based economy not narrow sectors
- take account of increasing prominence of working from home
- capture opportunities associated with the growing professional services sector
- consider compatibility and impact on surrounding centres
- focus on digital high value, low impact, weightless sectors
- encourage niche technology, energy production, R&D activities

- consider opportunities for education & government sectors.

Figure 14: Ranking of future industries



## Imagining the future

Using scenario planning techniques, a workshop was held with stakeholders to consider Drury's current economy, the key drivers of change and what



these might mean for the area's future economy. During the scenario planning process, participants, working in mixed groups, identified the two strategic uncertainties that they believed would have the biggest impact on the shape and nature of Drury's future economy. These uncertainties were plotted as extremes and used to build scenarios of possible futures, defined by the intersection of each uncertainty. Table 13 summarises the dimensions selected by each of the groups.

**Table 13: Selected strategic uncertainties**

Group	Strategic uncertainty 1	Strategic uncertainty 2
<b>Group 1</b>	Extent to which Drury develops as a self-supporting community	Whether Drury has infrastructure to support growth and future economy
<b>Group 2</b>	Extent to which Drury's future economy delivers choice, equity and a high quality of life for residents	Whether there is a high rate of change and technology adoption amongst industries located in Drury
<b>Group 3</b>	Extent to which Drury's population and skilled workforce grows	Whether there is sufficient infrastructure delivered in an integrated fashion
<b>Group 4</b>	Extent to which Drury becomes a connected community	Whether infrastructure is well funded, fit for purpose and sequenced
<b>Group 5</b>	Extent to which Auckland and Drury experiences positive population growth	Whether there is investment in infrastructure
<b>Group 6</b>	Extent to which Drury is an employment hub as opposed to dormitory town	Whether there is certainty and sufficiency of infrastructure to support the economy

Using these strategic uncertainties, each group developed a series of possible scenarios for Drury's future economy and considered the impact of these for local industry and employment outcomes. The groups also considered the pros and cons of the scenarios and identified their preferred future scenario, together with what would be needed to deliver this outcome. Appendix 2 provides a summary of the outputs from each of the groups.

## Preferred scenarios

Each group was asked to identify their preferred scenario for Drury and the associated investment and infrastructure needs, as well as the key steps that would need to be taken to realise their preferred scenario. Looking across the groups the six preferred scenarios were:

- A supported, sustainable and connected Drury.
- A high-tech, high quality of life Drury.
- A high skilled, infrastructure rich Drury.
- A highly connected, infrastructure rich Drury
- A growing population with investment in infrastructure
- An employment hub with supporting infrastructure



## A supported, sustainable and connected Drury

Table 14 identifies the investment, infrastructure and key steps required to deliver a supported, sustainable and connected Drury.

**Table 14: Delivering a supported, sustainable and connected Drury**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>Investment in integrated growth</li> <li>Relevant incentives</li> <li>Right type of housing and jobs</li> <li>Investment with the right intent</li> <li>Proactive plan for phasing and timing</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient infrastructure to support success</li> <li>Infrastructure of climate resilience</li> <li>Proactive plan for integrated delivery and phasing</li> <li>Money for realistic view of the true cost of infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Integrated vision with a realistic implementation pathway to get there</li> <li>RMA reform not overwriting the plan</li> <li>Finding a way to pay for infrastructure</li> <li>Finding a way to control the outcomes</li> <li>Relevant anchor tenant</li> </ul>

## A high-tech, high quality of life Drury

Table 15 identifies the investment, infrastructure and key steps required to deliver a high-tech, high quality of life Drury.

**Table 15: Delivering a high-tech, high quality of life Drury**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>Investment in integrated growth</li> <li>Relevant incentives</li> <li>Right type of housing and jobs</li> <li>Investment with the right intent</li> <li>Proactive plan for phasing and timing</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient infrastructure to support success</li> <li>Infrastructure of climate resilience</li> <li>Proactive plan for integrated delivery and phasing</li> <li>Money for realistic view of the true cost of infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Integrated vision with a realistic implementation pathway to get there</li> <li>RMA reform not overwriting the plan</li> <li>Finding a way to pay for infrastructure</li> <li>Finding a way to control the outcomes</li> <li>Relevant anchor tenant</li> </ul>



## A high skilled, infrastructure rich Drury

Table 16 identifies the investment, infrastructure and key steps required to deliver a high skilled, infrastructure Drury.

**Table 16: Delivering a high skilled, infrastructure rich Drury**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>Investing in a green economy and long-term vision</li> <li>Adoption of new technologies</li> <li>Certainty that agreed investment will be delivered</li> <li>Private investment and different funding models</li> </ul>	<ul style="list-style-type: none"> <li>Connectivity – transportation, digital and equity</li> <li>Education linked by design to industry ecosystem</li> <li>Health services</li> <li>Green economy</li> <li>Sustainable urban development</li> <li>Preserving value of nature and value of labour</li> </ul>	<ul style="list-style-type: none"> <li>Vision with accurate and articulated resource requirements</li> <li>Engagement with all stakeholders for consultation and co-production</li> <li>Sustainable economic atmosphere</li> <li>Focus on how Drury's strengths relate to Auckland's needs</li> </ul>

## A highly connected, infrastructure rich Drury

Table 17 identifies the investment, infrastructure and key steps required to deliver a highly connected, infrastructure rich Drury.

**Table 17: Delivering a highly connected, infrastructure rich Drury**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>Shared vision</li> <li>Key anchor institutions (Hospital, Government Agency) to attract associated tech companies</li> <li>Incentives for attracting tech companies</li> <li>Commitment to long term developers</li> <li>High level of public transport services</li> <li>PPP or alternative funding vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Commitment to social infrastructure including Hospital, School, public transport and open space</li> <li>Connections to both sides of Drury</li> <li>Finer grain and connected built environment</li> <li>Alignment with development staging</li> <li>Multi-modal transport network</li> </ul>	<ul style="list-style-type: none"> <li>Shared vision and masterplan</li> <li>Partnership between public and private sectors and an agreement to innovate and do things differently</li> <li>Define and agree sequencing of infrastructure needed</li> <li>Commitment to public transport services alongside infrastructure</li> </ul>



## A growing population with investment in infrastructure

Table 18 identifies the investment, infrastructure and key steps required to deliver a growing population with investment in infrastructure in Drury.

**Table 18: Delivering a highly connected, infrastructure rich Drury**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>• Sustainable / circular economy</li> <li>• Iwi engagement</li> <li>• Anchor development</li> <li>• Cluster development</li> </ul>	<ul style="list-style-type: none"> <li>• Digital / tech enablement</li> <li>• Transport connectivity to Golden Triangle</li> </ul>	<ul style="list-style-type: none"> <li>• Local engagement</li> <li>• Industry mapping</li> <li>• Governance body</li> <li>• Anchor institution – linked to industry mapping</li> </ul>

## An employment hub with supporting infrastructure

Table 19 identifies the investment, infrastructure and key steps required to deliver an employment hub with supporting infrastructure at Drury.

**Table 19: Delivering and employment hub with supporting infrastructure**

Investment needs	Infrastructure needs	Key steps
<ul style="list-style-type: none"> <li>• Skills and training for the workforce</li> <li>• Secure government / local government support for cornerstone employment (Hospital, FoodBowl)</li> <li>• Destination working group for Drury</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated transport hubs with feeder services</li> <li>• Power and water</li> <li>• Social amenities</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated land use and transport planning</li> <li>• Early decision making and action</li> <li>• Preserve employment land and soils</li> <li>• Early indicators from local and central government for infrastructure and employment</li> <li>• Growing residential population</li> <li>• Foundation employment options</li> </ul>



# UNLOCKING THE OPPORTUNITY

## Potential key moves

Informed by the nature of Drury's current economy, which reflects the underlying advantages of its location, by the forecasted growth of key industries across Auckland, by the views of stakeholders and the scenario planning process outlined in the previous section, we have identified four potential key moves. These key moves could be pursued to unlock future economic opportunities for Drury and relate to:

- Developing an Advanced Industrial Park.
- Enabling a Food and Beverage Cluster.
- Facilitating a Health and Wellbeing Precinct.
- Promoting a Circular Economy Hub.

Auckland Unlimited and its partners could focus on one or more of these key moves and use them as a basis for building a series of investment propositions for Drury. These in turn could be used to attract new and existing businesses, to the location. The key moves also provide a basis for determining the key infrastructure that would be required to support delivery and could also inform other decision-making processes across local and central government.

Each of these key moves would require further validation and testing and would need to be considered in the context of an overarching economic vision and masterplan for Drury. There would also be a need for more technical feasibility studies to support each of the key moves, identifying the core infrastructure requirements and costs to enable to key move to be delivered.

The suggested key moves are not mutually exclusive and there are synergies between elements of all the proposed areas of focus. In addition, it should be recognised that given the scale of growth anticipated at Drury, it is likely that a broad-based economy would develop over time. This is to be welcomed and would not undermine the key moves, which should be seen as a tool for focusing economic development efforts.

However, there would be some benefits in focusing initial efforts around one of the potential key moves in order to demonstrate momentum and give confidence to stakeholders and the private sectors.

## Key move 1 – Advanced Industrial Park

Reflecting Drury's existing concentration of manufacturing and construction activities, as well as the underlying advantages of the location, there is an opportunity to promote the development of an Advanced Industrial Park at Drury.

An Advanced Industrial Park, providing modern facilities and amenities to business located in the area could be an important economic development initiative for Drury and could support investment attraction, collaboration and innovation, which can ultimately lead to employment growth at the local level.

For future tenants, an Advanced Industrial Park would provide the opportunity to reduce costs by enabling access to common services and facilities and by supporting co-location across supply chains, which can reduce transaction costs, increase efficiencies, promote shared learning and



facilitate innovation. Co-location with other businesses in related or adjacent sectors can also promote collaboration and cluster development and can assist with talent attraction and retention.

As the industrial park model has matured, parks have become increasingly flexible in the range of services and facilities they offer. Increasingly, access to high-speed internet connection is a key consideration as is the need to provide attractive environments and amenities for staff. An example is shown in Figure 15.

## Target activities

There are several sectors that could benefit from being located within an Advanced Industrial Park, including:

- Manufacturing and engineering.
- Construction and infrastructure.
- Logistics and distribution.

Within this, there is an opportunity to promote Drury as a location for advanced manufacturing activities, attracting higher value economic activities to the area and providing high tech and skilled employment options for current and future residents.

There may also be additional opportunities to attract businesses and entrepreneurs who are seeking to develop new construction and building technologies and where the proximity to new housing developments provides an added locational advantage.

In addition, there would also be an opportunity to promote sustainable and circular construction activities within the Park, a theme which is explored further in key move 4.

## Key requirements

To support the development of an Advanced Industrial Park at Drury, there are several key factors, some of which extend beyond simple site availability and zoning. Experience suggests that successful industrial parks need to be part of an overall industry development strategy and supported by factors such as:

- Infrastructure connectivity and accessibility, including access to Motorways, Ports and Airports.
- Diversity of tenancy options and sizes, including options to build or lease.
- Attraction of anchor companies that can support deep supply chains and encourage clustering.
- High quality public realm and access to supporting services and amenities.
- Supportive local government and regulatory framework.
- Efficient and effective park and facility management capability.
- Coherent marketing and promotion of the park and the wider location.
- Collaboration and networking opportunities for tenants.
- Access to labour markets and skilled workers.
- Functioning regional innovation ecosystem.
- Availability of financing and growth capital.

While it would not be the responsibility of public agencies, such as Auckland Unlimited, to provide most of these elements, their presence or otherwise would have a significant impact of the success of any proposed development in the area. It would also be important that current industrial



land is protected, and the zoning of future land is confirmed to support the development of the Advanced Industrial Park.

## Key trends

There are several important trends that are likely to impact on the sectors that could be based within an Advanced Industrial Park at Drury. For manufacturing activities, the ongoing impacts of Industry 4.0 are creating new opportunities for the advanced manufacturing sector, including:

- 3D printing, additive manufacturing and digital design and integration.
- Advanced analytics, materials, robotics and automation.
- Artificial intelligence, high performance computing.
- AR, VR and mixed reality wearables.
- Blockchain, cybersecurity and IoT networks and sensors.
- Biotechnology and biomanufacturing.
- Energy storage.

Similarly, there are also important trends that will impact upon the construction and infrastructure sector, including:

- Increased investment post Covid-19 and a focus on wider economic and societal benefits from large construction and infrastructure investment.
- Off site construction, connected construction and modularisation.
- Ongoing advances in Building Information Management (BIM), drone technologies, digital supply networks and digital twinning.
- New partnership and business models changing the way in which the sector operates and organises.

- Ongoing labour and skills pressures driving productivity improvements and stimulating the adoption of new technologies, automation and robotics.
- Increase focus on sustainable construction, circular economy and materials innovation and reuse.

For logistics and distribution companies, key trends are those associated with Industry 4.0, including:

- IoT, warehouse automation, autonomous vehicles and robotics.
- Artificial intelligence, blockchain and cloud computing.
- Elastic logistics and last mile distribution.
- Omnichannel shipping and 'dark' stores.
- Embedded technologies, tracking and tracing.



Figure 15: Example of Advanced Industrial Park

Sheffield Business Park (UK)



The Sheffield Business Park is a significant economic asset for the Yorkshire region providing over 80 hectares, 65,000 sq m floorspace, and over 2000 jobs. The Park, which has developed and expanded over a number of years is close to Motorway Junctions with accessible connections to Sheffield City Centre & Airport.

The Park includes extensive modern amenities for occupiers, including hotels, cafes, and a nursery and there are a range of fully serviced sites and build to suit packages available. As well as domestic and multinational occupiers, the Park is also home to the University of Sheffield's 'Factory 2050' initiative.

There is a strong focus on advanced manufacturing with the Advanced Manufacturing Innovation District & Research Centre located within the Park, an initiative which was championed in the early 2000's by Yorkshire Forward the former Regional Development Agency.

## Key move 2 – Food and Beverage Cluster

Enabling the growth of a Food and Beverage Cluster at Drury would have some commonality with developing an Advanced Industrial Park. However, there would be a greater focus on leveraging Drury's proximity to prime agricultural land and connections to ports and airport for accessing export markets.

Cluster development would require a focus not simply on co-location of related activities but active economic development efforts to market and promote the cluster, to attract investment, enable collaboration, promote innovation and R&D, encourage supply chain development, and pursue market development initiatives. There are many international examples of successful food and beverage clusters, one of which is highlighted in Figure 16.

### Target activities

Growing an effective cluster would require the colocation of a range of different food and beverage related activities, as well as the attraction of anchor businesses, both domestic and international.

Key target sectors would include food and beverage manufacturing, food processing and food related packaging and distribution. There may also be opportunities to focus on FoodTech and AgTech as well as food innovation activities more broadly.

As in the case of the Advanced Industrial Park, there is also an opportunity to promote more circular and regenerative practices across any future Food and Beverage Cluster based at Drury.



## Key requirements

Alongside some of the requirements associated with an Advanced Industrial Park, including the need to protect current industrial land and zone for additional land, which would remain relevant, and the cluster development initiatives set out above, there would also be a requirement to:

- maximise access to producers and maintain proximity to high quality fertile soils
- ensure connectivity and access to Motorway, Ports and Airport
- promote access to current and new export markets and trade routes
- provide a range of spaces to suit start-ups, small and medium enterprises, larger domestic companies and multi-national firms who might be attracted to the area.

Businesses in the cluster would also need access to a diverse and skilled workforce and connection across New Zealand's Food Innovation Network, which could include the future relocation of the FoodBowl to a Drury location.

## Key trends

If Drury is to develop as a Food and Beverage Cluster, there are several wider industry trends which should also be considered. These trends will have implications for the type of activities that might develop at Drury and the future innovation and entrepreneurship that could be supported across the area. These trends include:

- Growing linkages between food and beverage and health and wellbeing sectors, which creates opportunities for new products, services and business models.
- Increased demand for super foods and immunity boosting ingredients with implications for access to primary produce and raw materials.

- Growth of FoodTech including opportunities associated with product origin, traceability and smart packaging.
- Plant-based foods, alternative meats and new production methods, creating demand for different crops and stimulate innovation and new product development.
- Advances in technology, CRISPR and gene editing allowing for the manipulation of crops and ingredients and reinforcing food innovation and research and development.
- Circular economy opportunities and regenerative agriculture practices as well as opportunities associated with waste minimisation and reuse, including eco-packaging manufacture.

**Figure 16: Example of Food and Beverage Cluster**



The Agro Food Park in Aarhus, Denmark was established in 2009 in the the grounds of the Danish Agriculture & Food Council. The mission of the Park is to connect competencies in the agricultural and food industry and to help ensure the development of sustainable products for future generations.

The Park is home to 80 companies and 1,200 employees and there are strong connections to the wider Danish Food Cluster. The Park provides a range of commercial and industrial facilities with options to lease or build.

Significant empahsis is placed on industry network support and activation with access to food science services, a food incubator and conference facilities.

## Key move 3 – Health and Wellbeing Precinct

### Target activities

The type of activities associated with developing a health and wellbeing precinct at Drury would primarily be those associated with the provision of new hospital and medical facilities, which would ultimately be required to serve a growing population in the area, as well as across the wider region, including Northern Waikato.

Linked to this there would be associated opportunities for community healthcare facilities, including whānau ora services and facilities. More broadly, there is an opportunity to develop a wider set of wellbeing programmes and services which could form part of the precinct.

Added value activities, such as MedTech, BioTech and related R&D activities could also be encouraged and should any new hospital operate as a teaching hospital, the would be the case of additional training and education facilities to be co-located in the area.

### Key requirements

Key requirements for developing a Health and Wellbeing Precinct in Drury would start with securing an anchor institution, more specifically a primary care facility or hospital. Around this there would then be a need to enable clustering of associated activities and services.

Access to a skilled workforce, at all levels of care, would be critical and this would best be enabled by tertiary and vocational training options and range of housing options and choices for workers. This would suggest that the Precinct would be best located centrally close to the town centre and transport interchanges.

### Key trends

The health and wellbeing sector is often at the forefront of innovation and changes and there are several established and emerging trends that will continue to shape and reshape the sector in the future. Some of these trends relate to how health services are delivered, and others to advances associated with advances in technology, predicative analytics and other Industry 4.0 impacts. Some of these trends could impact of the nature of future activities at Drury, as well as the type of clustering opportunities that could be unlocked. Relevant trends include:

- Likely growth in patient numbers as people live longer and the population grows, as well as potential changes associated with the removal of current District Health Boards and the creation of a new Māori Health Authority.
- Changing delivery models and the rise in care in the community approaches, as well as ongoing demand for telehealth services, including the use of wearable and smart devices, to support diagnosis, monitoring and follow-up for patients and reducing the reliance on in person appointments.



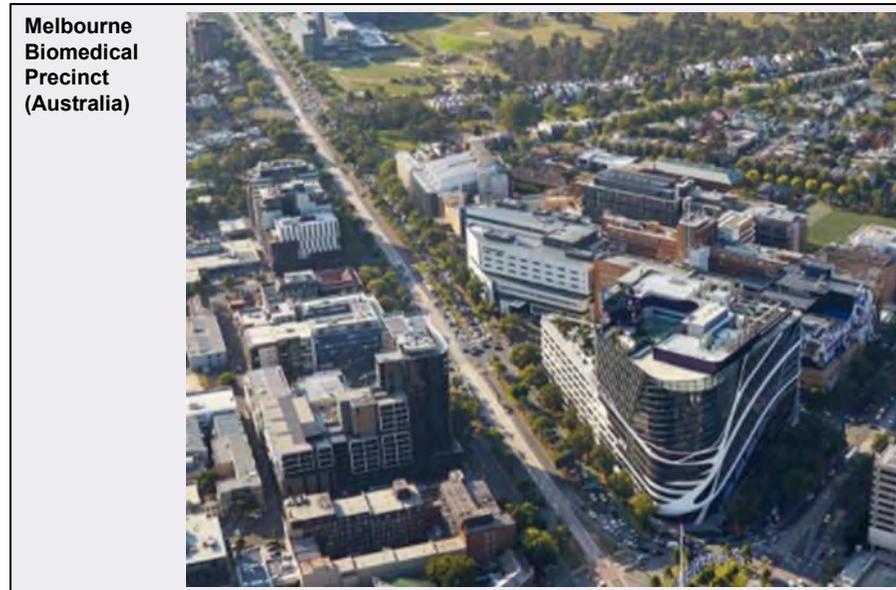
- Opportunities associated with data science, predicative analytics, AR, VR and artificial intelligence which can support innovation and new business formation alongside more traditional hospital and treatment facilities.
- Changes resulting from increased awareness and risk relating to viruses such as Covid-19 and the use of IoT and smart city innovation to detect and respond to outbreaks, as well as changes to how urban areas are planned from a public health perspective.

The Melbourne Biomedical Precinct is made up of over 40 hospitals, research, teaching and biotechnology organisations largely collocated to the north of Melbourne's CBD. The Precinct has a long history stretching back to the opening of the Royal Melbourne Hospital in 1848 and innovations and medical advances over decades have fuelled specialisation and agglomeration benefits.

Over time a precinct approach has emerged to support and leverage the clustering benefits of the area as an innovation district. There are strong links to the tertiary sector and other specialist clusters, within the precinct and across the broader region.

The Precinct provides significant employment choices and opportunities, at all skill levels, including over 10,000 researchers and 7,000 students.

**Figure 17: Example of Health and Wellbeing Precinct**



## Key move 4 - Circular economy hub

Promoting the creation of a Circular Economy Hub at Drury has some synergies with key moves 1 and 2, but places greater emphasis on providing infrastructure that would enable more circular and regenerative practices across any industries located in the area.

Globally, a new wave of industrial parks has started to emerge with a stronger focus on facilitating sustainable development outcomes. Eco-industrial parks are seen as leading the way on the next wave of industrial zone development putting an increase focus on the development of a low carbon and circular economy and contributing to commitments to meet UN Sustainable Development Goals.

There are several apparent drivers to the development to eco-industrial parks, including shifts in procurement practices of leading global buyers to take account of carbon footprints, preferences for more sustainable and green supply chains, responding to tightening regulatory environments, changing consumer and workforce attitudes and the emergence of new circular economy opportunities. One example, which has an explicit focus on waste recovery and reprocessing, is shown in Figure 18.



## Target activities

As well as encouraging circular economy opportunities across key sectors such as construction, food and beverage and transport, there is an opportunity to build develop infrastructure at Drury to support waste reprocessing, reuse and recycling for all industries across the region.

In addition, there could be associated opportunities to promote sustainable energy production and storage, including waste to energy initiatives.

## Key requirements

Beyond specific industry requirements to support circularity, if Drury is to develop as a Circular Economy Hub there would be a need for Drury to secure the necessary infrastructure to support recycling, reprocessing and reuse of materials. If waste to energy is also to be prioritised there would also be a need for relevant infrastructure.

More generally, good access to the Motorway needs to be maintained, particularly if waste products are being brought into Drury from across the region, and there will be a need for larger sites and premises, both for industry and for storage. There would also need to be sufficient and suitable sites to promote colocation of associated activities to support circular outcomes.

In addition, there will be a need to be mindful of the potential impact on neighbouring developments and residential areas to ensure that any Circular Economy Hub retains its social licence to operate.

## Key trends

More generally, the circular economy has become a focus of policy and practice globally, as increased intention is placed on sustainable development and carbon reduction. In exploring the opportunity to create a

circular economy hub at Drury, consideration should be given to established and emerging trends of relevance, several of which could have implications for Drury and the future land use requirements of key sectors, including:

- Increased regulation relating to reducing and mitigating environmental impacts, including a focus on wate and water reduction, and product stewardship.
- Zero plastics and the new plastics economy including diverting products from landfill including a focus on sustainable and reusable packaging materials, as well as trends relating to refill models that reduce packaging and waste while increasing consumer convenience.
- Chemical recycling and the ability to break plastics down into separate elements that can be recycled and reused more effectively than is possible through traditional recycling approaches.
- Ecodesign and the trend of sustainable products across several fields including construction materials, electrical goods, furniture and textiles. This will require enhanced design and materials technology as well as the ability to recycle, separate and reuse secondary raw materials.
- Sustainable construction methods and materials with a focus on moving from a linear model of manufacturing, distribution, assembly and installation to a more circular model which embracing technology to monitor, track and trace materials, extending their use and facilitating reuse.
- Clean and renewable power generation, storage and use, including the ability to collect and recycle batteries as well as sustainable energy generation and efficient waste to energy generation including biomass methods.



**Figure 18: Example of Circular Economy Hub**

**Resource  
Innovation  
Campus  
(Phoenix  
USA)**



The Resource Innovation Campus is part of Reimagine Phoenix, a city wide sustainability initiative launched in 2013 with the aim of diverting 40 percent of the city's waste from landfill.

The Campus, covers an area of 20 hectares and was developed by City of Phoenix Public Works Department, in partnership with Arizona State University, private and not for profit sectors.

The site is adjacent to the city's waste processing centre and incorporates a stage of the art composting facility. The city is focused on identifying and enabling new business and innovation activities and the Campus is supported by a technology solutions business incubator and actively uses procurement processes to unlock these opportunities.



# CONCLUSIONS, RECOMMENDATIONS AND NEXT STEPS

## Conclusions

As a Future Urban Zone, Drury represents a significant strategic opportunity for Auckland's future growth and development. A clear and enabling planning framework exists across the area and despite concerns regarding an acknowledged infrastructure deficit, public and private investment is underway and there is an apparent appetite for growth, with developers and businesses already seeing the opportunity that Drury represents.

From an economic development perspective, Drury's locational attributes, its proximity to the Motorway, to Ports and to the Airport are major advantages. Coupled with the availability of larger sites and relatively affordable land prices, compared to elsewhere in Auckland, Drury is well placed to support a large format industrial and manufacturing activities, which are essential to a growing city.

Government's investment in road and rail connections, primarily through the NZ Upgrade programme creates the opportunity for Transit Oriented Development across the area, ensuring that local communities can access future jobs and opportunities and avoiding the creation of a commuter-based economy. This will require ensuring that there are a broad range of housing types and local employment options.

Looking at Drury's future economy, while there are a range of factors that will influence how the economy might develop, it is likely that the industries that already benefit from being in the area would continue to benefit from this location. This means that industries such as manufacturing, construction, transport and warehousing, and agriculture, which are relatively concentrated and make up the bulk of local employment would be

a key part of the future. Consequently, it will be important that the locational advantages that the area offers these activities is protected and enhanced.

Recognising the desire to create more skilled and better paid employment opportunities at Drury, it would be advisable to focus some efforts on exploring opportunities associated with the higher value-added activities within these industries. This would include advanced manufacturing, property and construction tech as well as FoodTech and Agtech.

In addition, the anticipated scale of housing and population growth will also create opportunities for a broad-based local economy, creating demand for local services, vibrant town centres and supporting the case for health and wellbeing and education and training services to be provided locally.

However, Drury's future economic success cannot be guaranteed and there are a range of uncertainties and pressures that need to be actively considered and managed. Beyond the previously mentioned infrastructure deficit which unless resolved could hold back or compromise future growth, there are also factors such environment impacts of development and flood risk which need to be considered.

While Drury's suitability for industrial and manufacturing activities is clear, land prices have been rising and there are concerns regarding the future availability of appropriate sites for these activities and a need to consider how these activities are integrated with a growing residential population to manage any reverse sensitivities. Protecting existing industrial land and looking to secure larger sites for future activities should be a priority.

There is also a need to consider issues relating to skills, training and quality jobs. While current residents of the area enjoy relatively high rates of economic activity, with higher proportions of residents in employment than the Auckland average, the skills base of the area, measured by qualification



attainment, is lower than Auckland as a whole. This will be particularly important if trying to enable the growth of higher skilled activities, such as advanced manufacturing.

It will therefore be essential to ensure that there is access to education and training options that reflect the needs of the future economy, particular recognising that several the sectors that are forecast to grow are also likely to experience disruption and change, as new technologies become more prevalent and affordable.

Finally, it is important not to forget that Drury does not sit in isolation from surrounding centres, the rest of Auckland or the wider 'Golden Triangle'. There is therefore a need to consider the impacts, synergies and dependencies between how Drury's future economy develops and its relationship to the wider region and Upper North Island.

## Recommendations

To maximise the economic development opportunities associated with Drury's growth and future economy, it is recommended that Auckland Unlimited work with its partners on three main areas:

- Establishing a set of shared governance arrangements to support the realisation of future economic opportunities for Drury.
- Ensuring and attracting the investment necessary to unlock future economic opportunities for Drury.
- Focusing on effective implementation of agreed activities to give confidence to stakeholders that progress is being made to enable desired economic outcomes for Drury.

## Establishing shared governance arrangements

There would be benefits from establishing a governance mechanism for Drury, with a specific focus on issues relating to the areas future economy and how to realise the benefits of growth. This should be a shared governance mechanism with participation from the public and private sectors.

One of the first tasks of this group would be to oversee the development of an integrated economic vision for Drury's future economy which considers the identified key moves and focuses on the development of shared economic masterplan and implementation pathway to progress agreed opportunities.

Alongside this, the governance group should work together to ensure that there that the planning and regulatory environment supports and is informed by the objectives and priorities of the economic masterplan.

## Ensuring and attracting investment

Informed by the economic masterplan, there is a need for Auckland Unlimited to work with partners to consider the infrastructure needs associated with Drury's ongoing development and particularly the implications of pursuing any of the identified key moves.

There is then a need to identify a realistic way of paying for necessary infrastructure, this would include working closely with central and local government and with Crown Infrastructure Partners. Consideration also needs to be given to the phasing and sequencing of infrastructure as this will impact the timing and nature of future economic growth.

It will also be important to ensure that, as Drury develops, there is an appropriate range of employment, housing and transport solutions that support the economic masterplan and any agreed key moves. This will



include ensuring that public transport services are aligned with future infrastructure investment and employment locations.

Finally, there will be a need for a shared investment prospectus which sets out Drury's value proposition and strategic opportunities. This should be targeted at attracting additional private sector investment domestically and from overseas. The investment prospectus should also be a tool for attracting businesses into Drury, specifically anchor tenants aligned with any agreed key moves. The prospectus should focus on the identified opportunity industries and set out the advantages of the location for these activities.

For those higher value activities that are desired, such as advanced manufacturing, efforts should be made to set out any available incentives, these do not need be financial but could relate to the planned infrastructure and amenities, the wider ecosystem of support and the skills and training system available.

## Effective implementation

As Auckland Unlimited and its partners look to act on the findings of this research, including the development of the recommended economic masterplan and any agreed key moves, there will be a need to focus on effective implementation of any agreed activities to give confidence to stakeholders that progress is being made to enable desired economic outcomes for Drury.

One of the key next steps is to consider validity and feasibility of the proposed key moves, ensuring that the identified opportunities are tested with the market and with relevant stakeholders, institutions and businesses who are integral to delivering the key moves. This should include more comprehensive engagement with mana whenua than has been possible so far.

As part of a focus on implementation, work should be undertaken to identify relevant incentives that could be deployed to attract, grow and retain key industries and employment that align with the economic masterplan and key moves. These need not be financial incentives but could relate to regulatory, infrastructure and workforce requirements that industries may have.

Auckland Unlimited could also usefully begin to work with partners to secure relevant anchor institutions, such as hospital or education facility, or anchor tenants, namely key employers in target sectors. Attracting the right institutions and employers to Drury will also give confidence to stakeholders and the private sector that there is commitment to the economic masterplan and future vision for Drury's economy.

It would also be appropriate to target initial efforts on one of the key moves, to demonstrate early progress and to give stakeholders and the private sector confidence that work is underway to realise the inherent opportunities at Drury. The key move relating to the development of an Advance Industrial Park would perhaps be the best place to initially focus as manufacturing and construction are well established industries in the area and where there is both forecast growth and a shortage of suitable sites elsewhere across Auckland. The Advanced Industrial Park concept also does not exclude or undermine other key moves. In addition, the Advanced Industry Park also provides a basis for consider how to encourage associated higher value activities such as advanced manufacturing.

## Next steps

Following completion of this research, next steps are recommended to Auckland Unlimited:

- 1 Share the findings of this research with key stakeholders to seek further feedback and refinement of the proposed key moves, conclusions and recommendations.

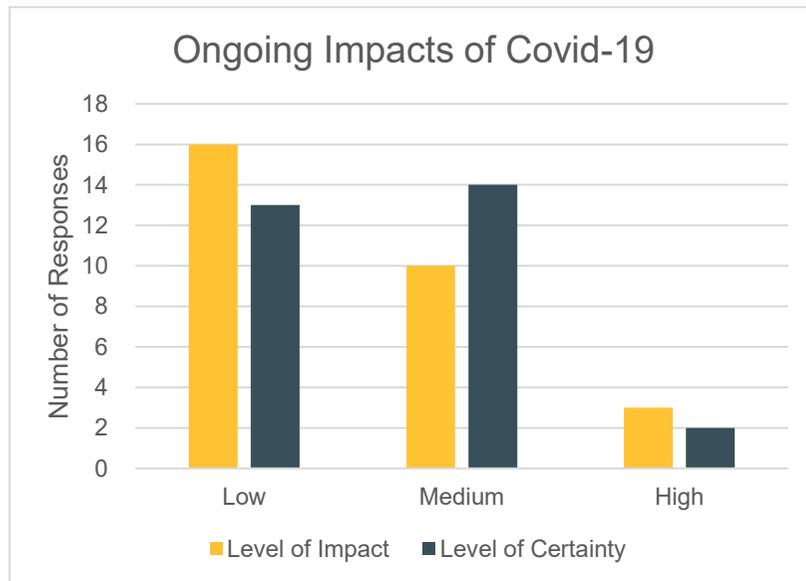


- 2 Establish a shared governance arrangement involving a smaller group of public and private sector partners.
- 3 Undertake further testing and refinement of the identified key moves, with a suggested initial focus on the Advanced Industrial Park and opportunities associated with advanced manufacturing.
- 4 Develop an economic vision for Drury's future economy and develop a shared economic masterplan to support the delivery of the vision.
- 5 Develop an implementation pathway for the economic masterplan and agreed key moves, including work to develop an investment prospectus and the attraction of anchor institutions and businesses to Drury.

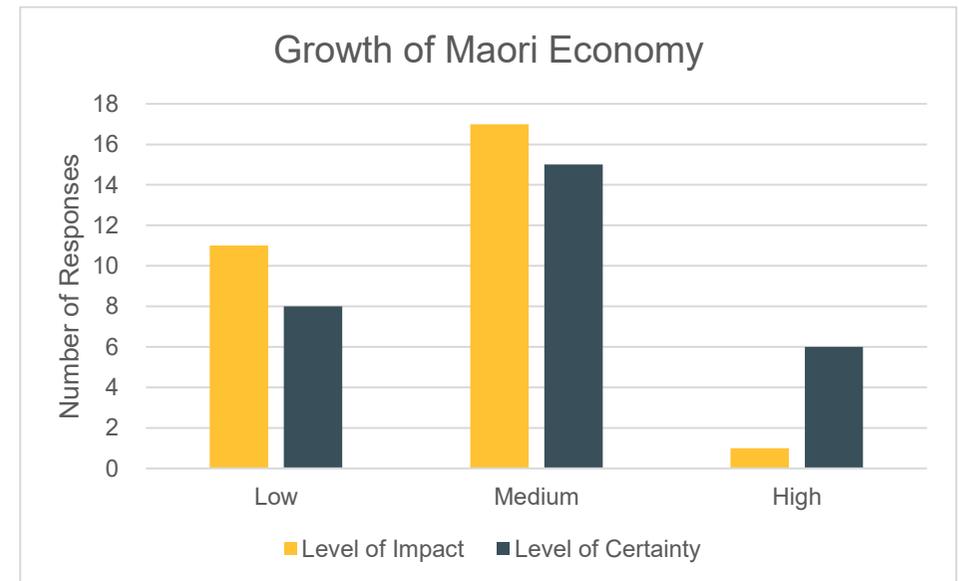


# APPENDIX 1: RANKING OF FUTURE DRIVERS

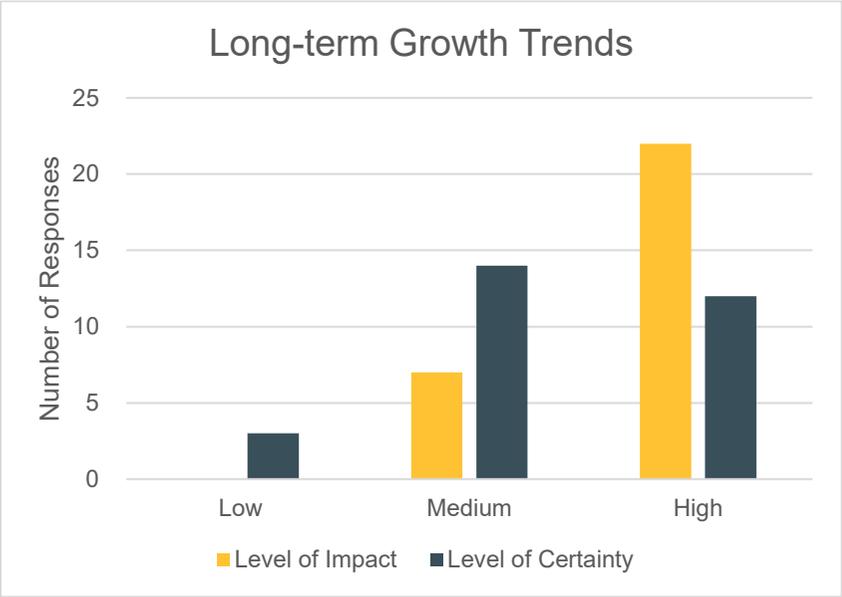
## Ongoing impacts of Covid-19



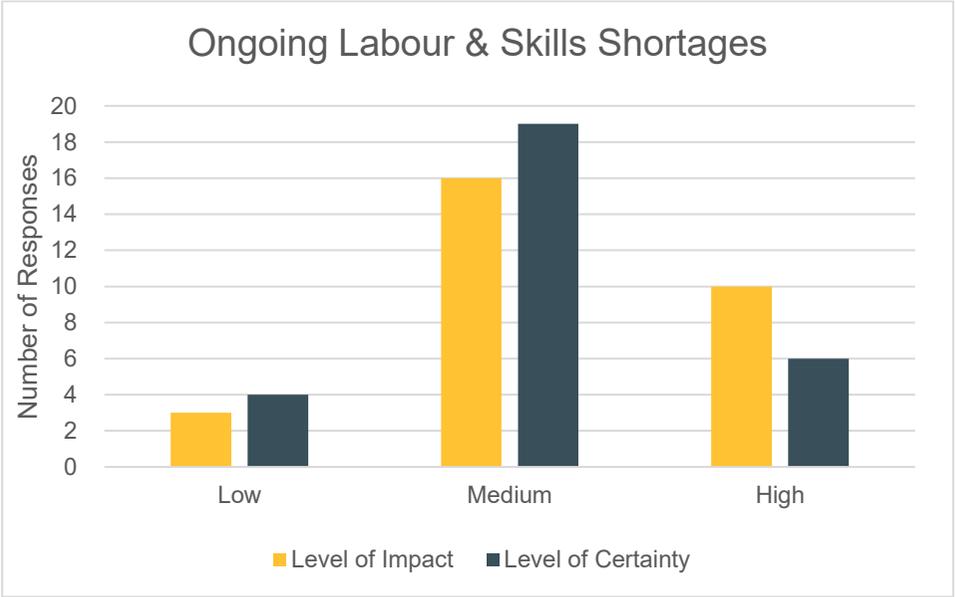
## Growth of Māori economy



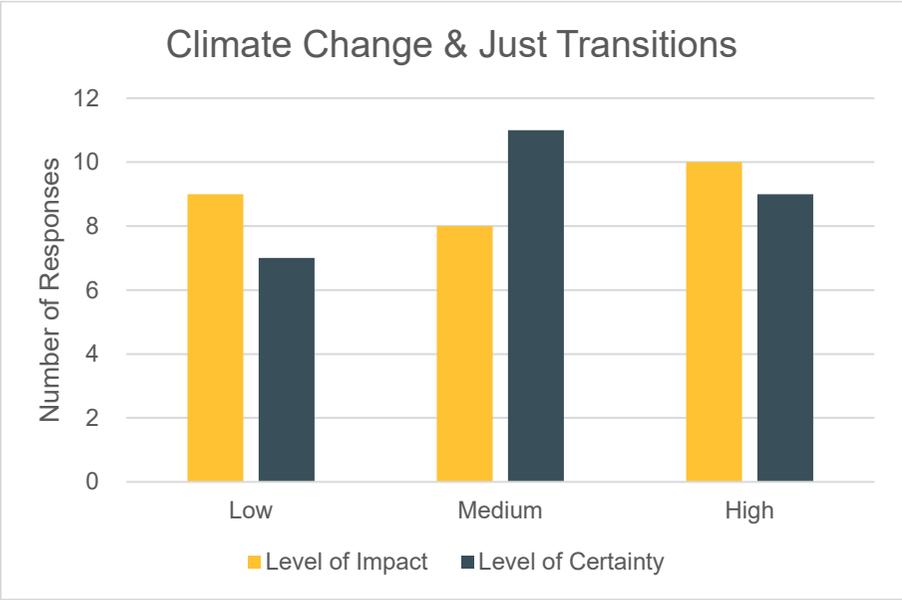
# Long-term growth trends



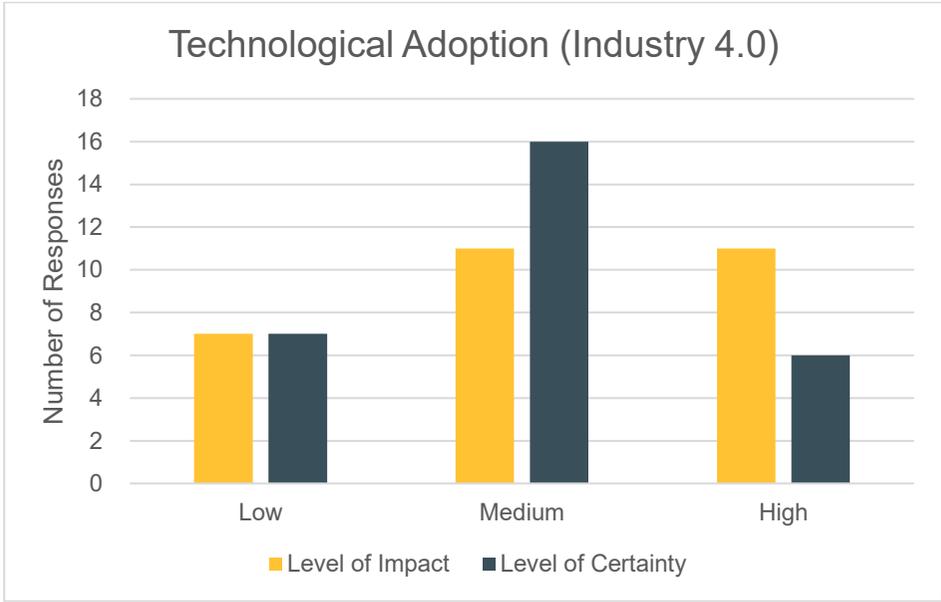
# Ongoing labour and skills shortages



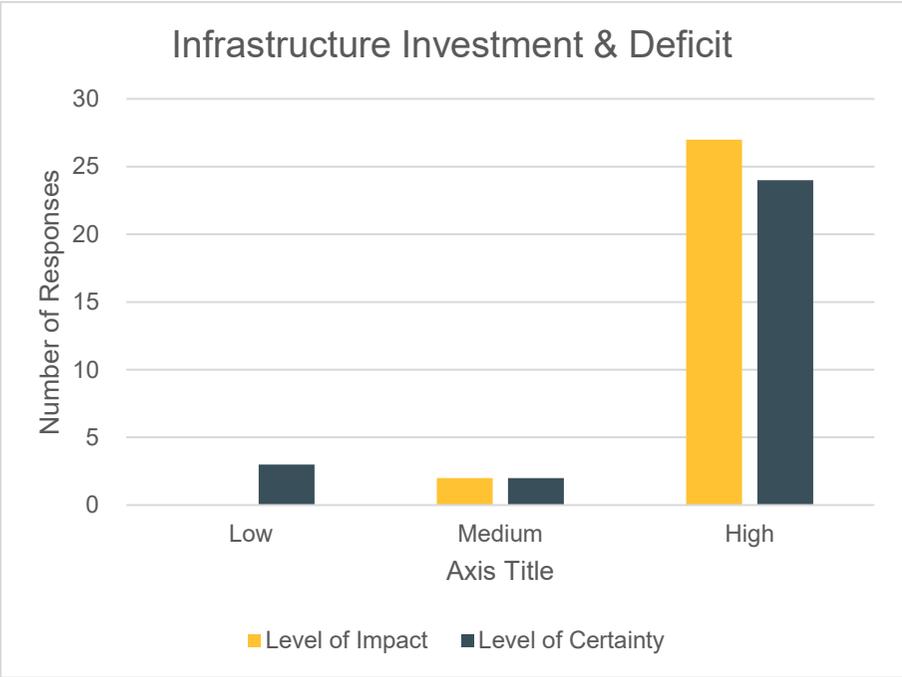
# Impacts of climate change and just transitions



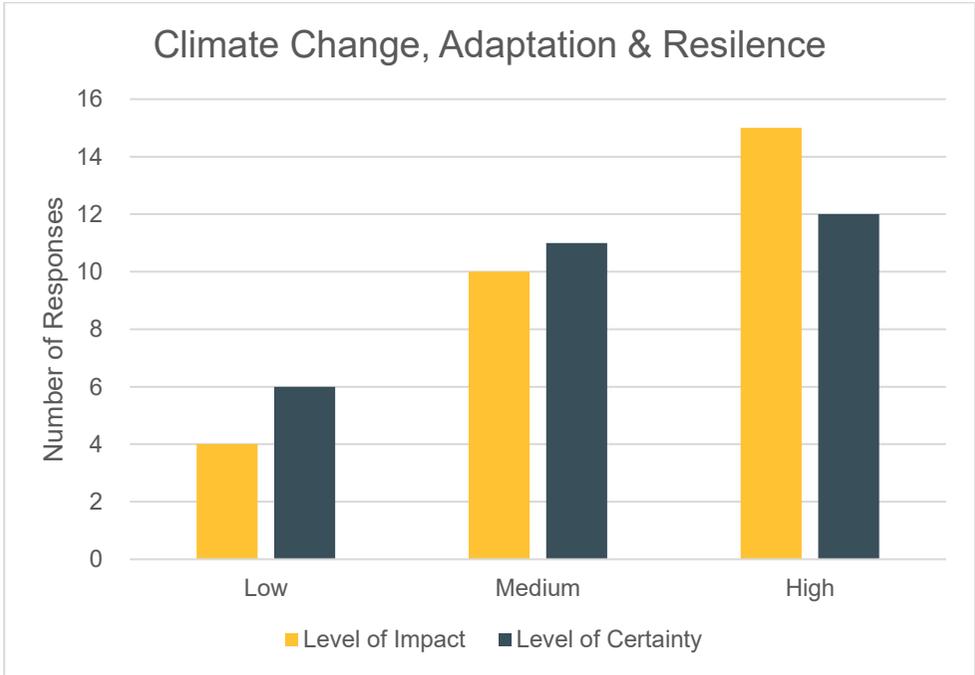
# Technological adoption (industry 4.0)



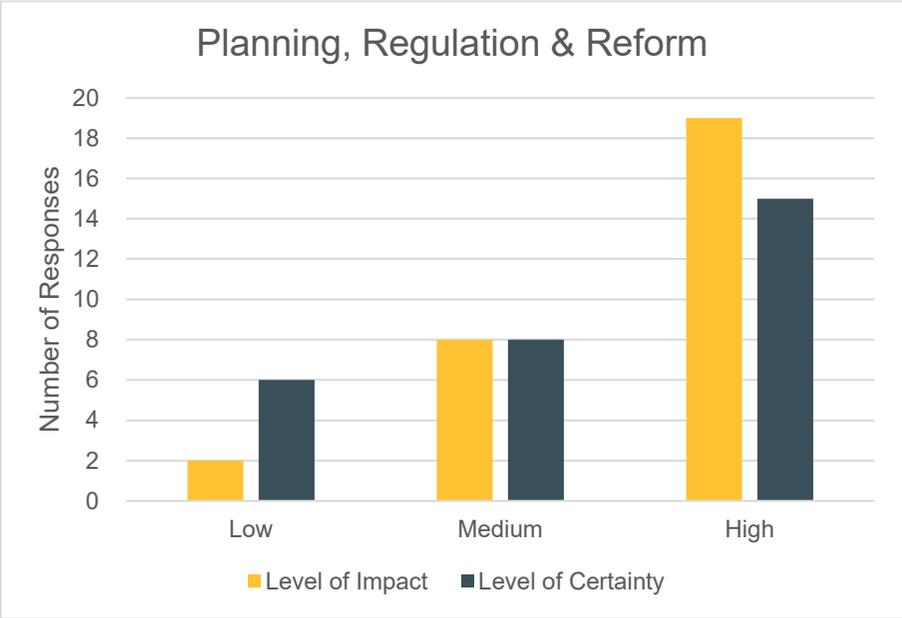
# Infrastructure investment and deficit



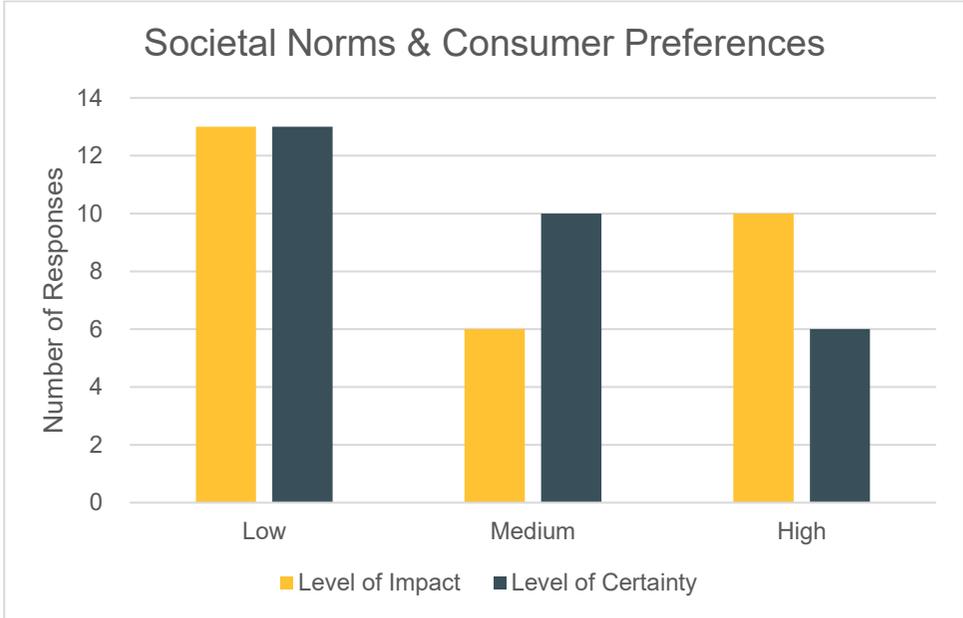
# Climate change, adaptation and resilience



# Planning, regulation and reform



# Societal norms and preferences



# APPENDIX 2: OUTPUTS OF SCENARIO PLANNING

## Building future scenarios

### Group 1 – Scenarios

Using their selected strategic uncertainties, Group 1 developed four possible scenarios for how Drury and its economy might develop over the next 30 years:

- A strong community but with no supporting infrastructure.
- A dormitory suburb with no industry or jobs.
- A connected place with infrastructure but no community.
- A supported, sustainable and connected community

The following sections summaries the key features of each of the identified scenarios, together with the actions necessary to realise or avoid the scenario. For each group their preferred scenario is also highlighted.

#### Scenario: A strong community but with no supporting infrastructure

Table 20 details the key features of this scenario.

**Table 20: Key features of community / no infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Constrained future industrial growth</li> <li>• No growth over and above what's already there</li> </ul>	<ul style="list-style-type: none"> <li>• Small number of local service jobs</li> <li>• Small village feel</li> <li>• No high value jobs there</li> </ul>	<ul style="list-style-type: none"> <li>• Not self-supporting community</li> <li>• Effectively a dormitory with residents having to commute to work</li> <li>• Not efficient use of land</li> <li>• Rural fragmentation and low density</li> <li>• Less investment required</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
<ul style="list-style-type: none"> <li>• Timing lead infrastructure to deliver outcomes</li> <li>• Front load infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	

#### Scenario: A dormitory suburb with infrastructure but no industry or jobs

Table 21 details the key features of this scenario.



**Table 21: Key features of dormitory suburb scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Low productivity, high space use, low density activities</li> <li>• Server farm of data warehouse</li> </ul>	<ul style="list-style-type: none"> <li>• Low density, low value jobs</li> <li>• Small amount of low wage jobs e.g. warehousing</li> <li>• Small number of low wage, low skilled jobs</li> </ul>	<ul style="list-style-type: none"> <li>• No industry no transport, no infrastructure</li> <li>• No future planning for new approach</li> <li>• Less investment required</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
•	•	

**Scenario: A connected place with infrastructure but no community**

Table 22 details the key features of this scenario.

**Table 22: Key features of infrastructure but no community scenario**

Infrastructure but no community		
Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Small number of low value industries</li> </ul>	<ul style="list-style-type: none"> <li>• Low density 'big box' businesses employing few people</li> <li>• Small number of jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Low quality of life</li> <li>• No community</li> <li>• High emissions</li> <li>• Lack of diversity of businesses</li> <li>• Not a good use of investment</li> </ul>

Infrastructure but no community	
Infrastructure/investment needs	Actions to realise or avoid
•	•

**Scenario: A supported, sustainable and connected community**

Table 23 details the key features of this scenario.

**Table 23: Key features of sustainable and connected scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Major anchor tenants e.g. Hospital and suppliers</li> <li>• Key industries – logistics, tech, agritech, campus, university</li> <li>• Ecosystem supports growth of other industries</li> <li>• Complexity supports a range of job outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• High value tech, hospital and research jobs</li> <li>• High density, high value jobs</li> <li>• Creative shared spaces</li> <li>• Incubator for changing business approach</li> </ul>	<ul style="list-style-type: none"> <li>• Trade off – development on highly productive land demands a high return</li> <li>• Supports working from home</li> <li>• Challenge in finding balance for good tenants</li> <li>• Need to provide right kind of housing based on right transport</li> <li>• May require more interventionist approach</li> <li>• More expensive to deliver</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	



Implications for industry	Implications for jobs	Pros / cons
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The common themes the groups identified across these scenarios included the need:

- for a common vision and a bold, more interventionist approach to delivery rather than being simply reactive
- for joined up and incremental approach to planning and infrastructure which avoids scattered and unconnected development
- to ensure that existing high quality agricultural land is use used efficiently
- to recognise the impacts of capex and opex funding constraints
- to manage the risk of Drury becoming a dormitory town or of repeating past mistakes
- for an anchor tenant such as Hospital
- for public transport or rapid transit access
- for a consistent and evolutionary plan
- to plan for the future economy, not just zoning, alongside housing
- to build connections between industry and education sector
- for trades training to match future development
- to recognise that how we build will have impact on emissions and environment

- to ensure a mix of housing typologies and density
- to balance economic, social, environmental and transport factors and how they combine to deliver outcome
- to ensure decision making values and balances key factors and does not trade off environment first.

The group's preferred scenario was for Drury and its economy to develop as a supported, sustainable and connected Drury.

## Group 2 – Scenarios

Using their selected strategic uncertainties, Group 2 developed the following scenarios:

- A high-tech economy but low quality of life.
- A low-tech economy with low quality of life.
- A low-tech economy with high quality of life
- A high-tech economy and high quality of life

The following sections summarises the key features of each of these scenarios.

### Scenario: A low-tech economy with low quality of life

Table 24 details the key features of this scenario.



**Table 24: Key features of high-tech / low quality of life scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Less diverse ecosystem dominated by a few industries</li> <li>Less development of IP</li> <li>Focus on more automated jobs</li> <li>Future agriculture – support food industry to supply New Zealand</li> </ul>	<ul style="list-style-type: none"> <li>Limited skills jobs</li> <li>More menial jobs</li> </ul>	<ul style="list-style-type: none"> <li>Low effort to realise</li> <li>Disconnect between those living there and working there</li> <li>Lack of a diverse ecosystem</li> <li>Limited diversity and lower levels of amenity</li> <li>Low demand for skilled labour</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
<ul style="list-style-type: none"> <li>Online connectivity</li> <li>Transport for freight and commuters</li> </ul>	<ul style="list-style-type: none"> <li>Identify existing sites suited for automated industries</li> <li>Boost R&amp;D and invest in innovation</li> </ul>	

**Scenario: A low-tech community with low quality of life**

Table 25 details the key features of this scenario.

**Table 25: Key features of low-tech / low quality of life scenario**

Implications for industry	Implications for jobs	Pros / cons
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<ul style="list-style-type: none"> <li>Low choice of employment</li> <li>Low value/dirty manufacturing</li> <li>Least desirable area so attracts least desirable industries</li> </ul>	<ul style="list-style-type: none"> <li>Low skilled jobs</li> <li>Low opportunities for progression</li> </ul>	<ul style="list-style-type: none"> <li>Workers would need to commute to better jobs</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
<ul style="list-style-type: none"> <li>Services for freight and logistics</li> </ul>	<ul style="list-style-type: none"> <li>Learn from past experience – must be local employment opportunities</li> <li>Incentivise better opportunities</li> <li>Use planning system to protect against</li> <li>Find investors who see potential of the location</li> </ul>	

**Scenario: A low-tech economy with high quality of life**

Table 26 details the key features of this scenario.

**Table 26: Key features of low-tech / high quality of life scenario**

Implications for industry	Implications for jobs	Pros / cons
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<ul style="list-style-type: none"> <li>Quality of place critical</li> <li>More service oriented economy</li> <li>Community based service jobs</li> <li>Micro / lifestyle industries</li> <li>Slow tourism opportunities</li> <li>High environmental/ ecology values</li> </ul>	<ul style="list-style-type: none"> <li>Lifestyle business opportunities</li> <li>Innovation to support productive biodiversity and restore ecosystem</li> <li>Services for land and place</li> </ul>	<ul style="list-style-type: none"> <li>High quality of life</li> <li>Restore land for biodiversity and ecosystem potential</li> <li>Challenges of creating incomes and optimising use of land from financial perspective</li> <li>Goes against technology trend and financial value focus</li> </ul>
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Infrastructure/investment needs	Actions to realise of avoid
<ul style="list-style-type: none"> <li>High public amenity</li> <li>Walkways and cycleways</li> </ul>	<ul style="list-style-type: none"> <li>Diverse living options for evolving life stages</li> <li>Raise awareness of ecosystem and holistic value</li> </ul>

### Scenario: A high-tech economy with high quality of life

Table 27 details the key features of this scenario.

**Table 27: Key features high-tech / high quality of life scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Creative, digital and innovation sectors</li> <li>High tech, advanced manufacturing, high-value added activities</li> </ul>	<ul style="list-style-type: none"> <li>High value tech, hospital and research jobs</li> </ul>	<ul style="list-style-type: none"> <li>High value add</li> <li>Cultural transformation</li> <li>High amenity community</li> </ul>

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Opportunities for R&amp;D</li> <li>Accelerated automation of industry</li> <li>Serve focused economy where people live and work to avoid commuting</li> <li>A sustainable innovation hub</li> </ul>	<ul style="list-style-type: none"> <li>Range of high-quality employment opportunities</li> <li>High tech skills available locally</li> <li>Variety of secondary businesses to support for high amenity</li> <li>Self-contained ecosystem for food/retail providing choice and amenities</li> </ul>	<ul style="list-style-type: none"> <li>Philosophy of innovation</li> <li>Integration of industry and employment</li> <li>Harder to plan centrally</li> <li>Exclusive as a wealthy, highly education community</li> <li>Competition from others seeking same opportunities</li> <li>Risk associated with innovation</li> </ul>

Infrastructure/investment needs	Actions to realise of avoid
<ul style="list-style-type: none"> <li>High quality amenities to attract people</li> <li>Pathways, systems and networks to appropriate skills</li> </ul>	<ul style="list-style-type: none"> <li>Regulation and policy to enable rapid adoption of technology</li> <li>Incentive investment from overseas to accelerate technology adoption</li> <li>Supportive immigration to attract the right talent</li> <li>Keeping a kiwi lens on everything to localise innovation</li> <li>Find key anchor business or catalyst</li> </ul>

The common themes the group identified across these scenarios included the need:

- to understand the true potential of the land and the place as part of the whole ecosystem, raising awareness of the importance of the environment



- to cater for and harness a tech future that increases quality of life for all
- build futures around the local community
- catalyse R&D / innovation to ensure desired outcomes
- to tailor infrastructure to the desired future
- to understand who the customers are for economic activities.

The group's preferred scenario was for Drury and its economy to develop as a high-tech economy and high quality of life Drury.

### Group 3 – Scenarios

Group 3 developed the following scenarios:

- Growing population and skills but low infrastructure investment
- Low population and skills growth and limited infrastructure
- Low population and skills growth with infrastructure investment
- High population and skills growth with infrastructure investment

The following sections summarises the key features of each of these scenarios.

#### Scenario: Growing population and skills but low infrastructure investment

Table 28 details the key features of this scenario.

**Table 28: Key features of growing skills / low infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Transitional activities</li> </ul>	<ul style="list-style-type: none"> <li>• Skilled workforce</li> </ul>	<ul style="list-style-type: none"> <li>• Typical of many urban developments across the world</li> <li>• Growing community</li> </ul>
Infrastructure/investment needs		Actions to realise or avoid
<ul style="list-style-type: none"> <li>• Investment needed to meet needs of growing population</li> </ul>		<ul style="list-style-type: none"> <li>• Target for overseas investment</li> </ul>

#### Scenario: Low population growth and limited infrastructure

Table 29 details the key features of this scenario.

**Table 29: Key features of low skills / low infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Increased automation</li> <li>• Low skilled industries</li> </ul>	<ul style="list-style-type: none"> <li>• Slow growing suburb</li> <li>• Low skills jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Demographic shift and displaced communities</li> <li>• Create ghetto – socially and economically disconnected</li> </ul>
Infrastructure/investment needs		Actions to realise or avoid
<ul style="list-style-type: none"> <li>• Low-cost housing</li> <li>• Low value land</li> </ul>		<ul style="list-style-type: none"> <li>• Urban design</li> </ul>



## Low population and skills growth with infrastructure investment

Table 30 details the key features of this scenario.

**Table 30: Key features of low skills / infrastructure investment scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Transitional industries</li> </ul>	<ul style="list-style-type: none"> <li>Skills mismatch</li> </ul>	<ul style="list-style-type: none"> <li>Displaced communities</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
<ul style="list-style-type: none"> <li>IT infrastructure</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	

## Scenario: High population and skills growth with infrastructure investment

Table 31 details the key features of this scenario.

**Table 31: Key features high skills / infrastructure rich scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>High tech</li> <li>Innovation hub</li> <li>Knowledge and creative industries</li> <li>Talent attraction primary driver</li> </ul>	<ul style="list-style-type: none"> <li>Decentralised services</li> <li>Tech and digital industries</li> <li>Training pathways</li> </ul>	<ul style="list-style-type: none"> <li>Community connectivity</li> <li>Place people want to live and work</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Excellent urban design</li> <li>Education and training</li> <li>Invest in communities</li> <li>High quality transportation</li> <li>Education linked to industry</li> <li>Food and green economy</li> <li>New funding and ownership models</li> </ul>	<ul style="list-style-type: none"> <li>Technology adoption and integration</li> <li>Global connections</li> <li>Digital equity</li> <li>Circular economy</li> <li>New technology development and adoption</li> <li>Education and training</li> <li>Public health access</li> <li>De-silo sectors</li> <li>Confidence from Government to encourage private investment</li> <li>Economic and social equity</li> </ul>	

The group's preferred scenario was for Drury and its economy to develop as a location with high population and skills growth supported by investment in infrastructure.

## Group 4 – Scenarios

Group 4 developed the following scenarios:

- Low connectivity and vibrancy and low infrastructure provision
- Highly connected and vibrant community with high levels of infrastructure provision

The following sections summarises the key features of each of these scenarios.



## Scenario: Low connectivity, vibrancy and low infrastructure provision

Table 32 details the key features of this scenario.

**Table 32: Key features of low connectivity / low infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Competition with other areas of Auckland</li> <li>• Key businesses will avoid Drury</li> <li>• Lack of demand for housing</li> <li>• Dormitory and low income</li> </ul>	<ul style="list-style-type: none"> <li>• Low value jobs</li> <li>• Low wages</li> <li>• Low density</li> <li>• Low skilled workers</li> <li>• Employees exposed to technology changes</li> <li>• Not enough jobs created</li> <li>• Focus on logistics and warehouses</li> </ul>	<ul style="list-style-type: none"> <li>• No revenue to maintain infrastructure</li> <li>• Infrastructure not fit for purpose</li> <li>• High emissions development</li> <li>• Segregation of living and working</li> <li>• Small, fast and fragmented development</li> <li>• Land speculation</li> <li>• Poor housing</li> <li>• Car focused commuting</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>• Small developers</li> <li>• Big box retail</li> </ul>	<ul style="list-style-type: none"> <li>• Out of sequence development</li> <li>• No travel mode shift</li> <li>• No government backing</li> <li>• No certainty of infrastructure</li> <li>• No vision</li> </ul>	

## Scenario: Highly connected and vibrant community with high levels of infrastructure provision

Table 33 details the key features of this scenario.

**Table 33: Key features highly connected / high infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Equal opportunity</li> <li>• Diverse industries</li> <li>• Positive outcomes for wider New Zealand</li> <li>• Interconnections</li> </ul>	<ul style="list-style-type: none"> <li>• Anchor institution (Hospital / Education) essential</li> <li>• Headquarters for major tech firm</li> <li>• Wellbeing sector</li> <li>• Create significantly more job outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Outcomes allow for diverse activities</li> <li>• Housing, home offices, public and commercial uses</li> <li>• Density of employment to support self-sustaining community</li> <li>• Natural sustainable growth</li> <li>• Destination activities</li> <li>• Walkable neighbourhoods</li> <li>• Environment fo connections</li> <li>• Safer environment</li> <li>• High tech sector more compatible with mixed use</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>• Social infrastructure</li> <li>• High tech companies</li> </ul>	<ul style="list-style-type: none"> <li>• Make Drury a destination</li> </ul>	



Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Affordable housing and good schools</li> <li>Amenity for staff</li> <li>Connections for both sides of Drury</li> <li>Finer grain connections in built environment</li> <li>Infrastructure investment aligned with development</li> <li>Committed and long-term developers</li> <li>PPP to unlock investment</li> <li>Alternative funding solutions for infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Agreed vision between landowners, developers and government – tied to budget</li> <li>Avoid adhoc location of anchor uses</li> <li>Milestones to achieve</li> <li>Incentivise employment generation in centre of low employment in region</li> <li>Relocation of Government office</li> <li>Avoid competitive behaviours between public and private sectors</li> </ul>	

The common themes the group identified across these scenarios included the need to:

- sequence and align planned activities
- develop a shared vision
- provide for diverse transport modes
- secure an anchor tenant
- build community

The group's preferred scenario was for Drury and its economy to develop as highly connected, vibrant and infrastructure rich location.

## Group 5 – Scenarios

Group 5 developed the following scenarios:

- Growing population with low investment in infrastructure
- Growing population with investment in infrastructure

The following sections summarises the key features of each of these scenarios.

### Scenario: Growing population with low investment in infrastructure

Table 34 details the key features of this scenario.

**Table 34: Key features of growing population / low infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Storage, transport and trades</li> </ul>	<ul style="list-style-type: none"> <li>Trades focused</li> <li>Not attractive place to live</li> </ul>	<ul style="list-style-type: none"> <li>Would service neighbouring hubs</li> <li>Poor social and wellbeing outcomes</li> </ul>
Infrastructure/investment needs	Actions to realise or avoid	
<ul style="list-style-type: none"> <li>Limited investment</li> <li>Low cost logistics</li> </ul>	<ul style="list-style-type: none"> <li>Invest in alternative</li> </ul>	



## Scenario: Growing population with infrastructure investment

Table 35 details the key features of this scenario.

**Table 35: Key features of growing population / infrastructure investment scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Positive reinforcing growth</li> <li>Productivity increases</li> <li>Increased social wellbeing</li> <li>Healthcare</li> <li>High footprint – low amenity</li> </ul>	<ul style="list-style-type: none"> <li>Hight tech – high value jobs</li> <li>Heavy industry</li> </ul>	<ul style="list-style-type: none"> <li>Scale would create own opportunities</li> <li>Negative impact on horticulture</li> <li>People may work here but look to live where amenities high</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>Good digital infrastructure</li> <li>Accessibility for transport and logistics</li> </ul>	<ul style="list-style-type: none"> <li>Invest in amenities to make more attractive</li> <li>Agglomeration of industries</li> </ul>	

The group's preferred scenario was for Drury and its economy to develop a growing population centre with investment in infrastructure to support this.

## Group 6 – Scenarios

Group 6 developed the following scenarios:

- Drury develops as an employment hub but with insufficient infrastructure.

- Drury develops as a commuter town with no infrastructure.
- Drury develops as a commuter town with infrastructure.
- Drury develops and employment hub with infrastructure.

The following sections summarises the key features of each of these scenarios.

## Scenario: Employment hub with insufficient infrastructure

Table 36 details the key features of this scenario.

**Table 36: Key features of employment hub / infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>Delay or prevent development</li> <li>Low value options due to cheaper land</li> </ul>	<ul style="list-style-type: none"> <li>Local retail</li> </ul>	<ul style="list-style-type: none"> <li>Not connected</li> <li>Development may not occur</li> <li>Decrease in land values</li> <li>Some infrastructure may be under utilised</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>Limited investment</li> <li>Low cost logistics</li> </ul>	<ul style="list-style-type: none"> <li>Invest in alternative</li> </ul>	

## Scenario: Commuter town with no infrastructure

Table 37 details the key features of this scenario.



**Table 37: Key features of commuter / no infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• MIQ</li> <li>• Refugee resettlement</li> <li>• Corrections</li> </ul>	<ul style="list-style-type: none"> <li>• No real jobs</li> <li>• Local retail</li> <li>• Community facilities</li> </ul>	<ul style="list-style-type: none"> <li>• High unemployment</li> <li>• Social housing</li> <li>• High density</li> <li>• Focus on just building houses</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>• Limited investment</li> <li>• Low-cost logistics</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in alternative</li> </ul>	

### Scenario: Commuter town with infrastructure

Table 38 details the key features of this scenario.

**Table 38: Key features of commuter / infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Retail</li> <li>• Health</li> <li>• Services</li> <li>• Community amenity</li> <li>• Co-working spaces</li> <li>• University town/Hospital</li> </ul>	<ul style="list-style-type: none"> <li>• Retail</li> <li>• Work from home</li> <li>• Medical</li> <li>• Professional services</li> </ul>	<ul style="list-style-type: none"> <li>• Less infrastructure required</li> <li>• More road commuters and car parks</li> <li>• Congestion</li> <li>• Sunk costs for transport</li> <li>• Under employment</li> <li>• Climate change</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	

- Higher density housing
- Medical facilities
- Community services
- Transport feeder services
- Develop key priority timelines

### Scenario: Employment hub with infrastructure

Table 39 details the key features of this scenario.

**Table 39: Key features of employment hub / infrastructure scenario**

Implications for industry	Implications for jobs	Pros / cons
<ul style="list-style-type: none"> <li>• Food and Beverage anchor</li> <li>• Manufacturing</li> <li>• R&amp;D</li> <li>• Distribution</li> <li>• Health and Pharmaceuticals</li> <li>• Advanced Manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>• Educational links</li> <li>• R&amp;D</li> <li>• Research</li> <li>• Manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>• Good location</li> <li>• Access to talent</li> <li>• Access to housing</li> <li>• Improved well being</li> <li>• Reduced commuting</li> <li>• Impact on other centres</li> <li>• Draining employment pool</li> </ul>
Infrastructure/investment needs	Actions to realise of avoid	
<ul style="list-style-type: none"> <li>• Digital networks</li> <li>• Transport access</li> <li>• Community facilities</li> <li>• Protect soils</li> <li>• Secure land for Hospital and Education</li> <li>• Power</li> </ul>	<ul style="list-style-type: none"> <li>• Maximise use of soils in surrounding areas</li> <li>• Avoid loss of productive soil</li> </ul>	



- 
- Satellite Campus
  - Food Innovation Centre
- 

The group's preferred scenario was for Drury and its economy to develop as an employment hub with supporting infrastructure.

