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26 April 2024

To: Kāpiti Coast District Council
By online submission

Submission on the Kāpiti Coast District Council's Draft Development and Contributions Policy 2024 on behalf of Summerset Group Holdings Limited

1. Summerset is New Zealand's second largest developer and operator of retirement villages, which makes it one of New Zealand's largest home-builders. Summerset has 38 villages completed or in development across New Zealand and provides a range of living options for more than 8,000 residents.

2. New Zealand is facing a housing crisis, including a retirement living and aged care crisis. The Kāpiti Coast District Council's Draft Development and Contributions Policy 2024 (Draft Policy) forecasts a population increase of over 22,000 people from 2023 to 2053, with an increasing proportion of the district's population expected to be over 65 years of age. This will result in even further demand for retirement villages. It is vital that the regulatory environment recognises and provides for the development that is required to meet this growing demand, and funding for associated infrastructure, but does so on a fair, equitable and proportionate basis that reflects, for comprehensive care retirement villages like Summerset's:

    2.1. the reduced occupancy per unit when compared to a typical household unit - Summerset's average occupancy for its independent units is 1.3 residents per unit and for its care units is 1 resident per unit; and

    2.2. the typically low pattern of demand on community infrastructure, amenities and facilities when compared against the demand assumptions for a typical household unit - residents entering Summerset's villages average 81 years, have specialist physical and social needs, and access Summerset's extensive range of on-site amenities.

3. To fairly account for the lower demand profile, both a population per unit discount (to account for the lower occupancy) and a demand factor discount (to account for the older demographic and on-site amenities) should be applied to set specific contribution calculations for comprehensive care retirement villages. This should distinguish retirement units, and aged care rooms, and provide separate rates for each. In setting calculations, the Council needs to clearly demonstrate the causal connection between any infrastructure required as a result of the increase in demand (if any) directly attributable to retirement village development.

4. While the Draft Policy proposes each residential unit of a retirement village to be assessed at 0.6 residential unit equivalents (RUE) per unit, this does not fully consider both population and demand factors. Further, residential units and aged care rooms are not distinguished.

5. For example, in determining community infrastructure impact, the Draft Policy assumes 2.2 people in residence per RUE, each placing demand on the funded community infrastructure. By contrast, average occupancy within Summerset's villages is 1.3 and 1 residents per unit for independent and care units respectively, with typically very low demand on the community infrastructure being funded.

6. Similarly, when considering transport impact, retirement units generate around 20% of the trips of a standard dwelling and aged care rooms generate around 10% of the trips of a standard dwelling. These figures are based on information published in an independent review commissioned by the Tauranga City Council in July 2023 into infrastructure demand by retirement village residents, the report of which is set out in Appendix 1. They include allowance for staff and visitor transport.

7. Taking into account both population per unit/room, and demand factors, Summerset suggests the rates in the table below. These are based on the equivalent rates in the most recent Tauranga City Council Development Contributions Policy, which were established following the independent review into infrastructure demand by retirement village residents. The review found that on average residents have a demonstrably lower demand for transport, reserves and community facilities, due to villages providing many on-site facilities/amenities and, for aged care residents, a higher need for 24/7 medical care and reduced mobility. We encourage the Council to review the contents of the report set out in Appendix 1 and seek an independent review of its own, which we would be happy to contribute to.

Development type	**Activity**	**Units of demand**
Retirement unit	Transport	0.2 RUE per unit
	Community infrastructure	0.1 RUE per unit
	Water	0.5 RUE per unit
	Wastewater	0.5 RUE per unit
	Stormwater	0.5 RUE per unit
Aged care room	Transport	0.1 RUE per room
	Community infrastructure	0.05 RUE per room
	Water	0.4 RUE per room
	Wastewater	0.4 RUE per room
	Stormwater	0.4 RUE per room

We would like to thank you for the opportunity to submit and are happy to appear in support of our submission.

Yours faithfully,

Summerset Group Holdings Limited

Appendix 1

INSIGHT | ECONOMICS

Final Report: 12 July 2023

Assessment of Tauranga City Council's Approach to DCs for Retirement Villages

Prepared for:
Tauranga City Council

Authorship

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1. Executive Summary

Tauranga City Council (TCC), like all high-growth Councils, uses development contributions (DCs) to help recover the cost of growth-related infrastructure directly from property developers. During recent consultation on its 2022/23 DC policy, TCC received submissions from stakeholders in the retirement village (RV) sector, who felt that the policy did not go far enough to reflect the allegedly lower-than-average needs of RV residents. Accordingly, TCC commissioned us to review their current approach to charging DCs for RVs and to recommend any potential refinements arising. This document presents our review.

Our review begins by summarising the way and extent to which other Councils in high growth areas accommodate RV developments within their DC policies. In short, while many Councils separately classify RV units and set corresponding conversion ratios for them, there is very little publicly available information supporting them. Further, while very few Councils separately classify aged care units in their DC policies, those that do typically set very low conversion ratios to reflect the highly immobile nature of occupants.

Next, we assessed publicly available information about RV infrastructure demands from resource consent documentation submitted for new or expanded villages. This exercise strongly indicated that RV and aged care units both have similar three water demands to small household units, as currently contemplated by TCC's DC policy, but that their demand for transport, reserves, and community facilities infrastructure are significantly lower than the policy currently provides for. This is due not just to the older age of RV residents and their relatively limited activity/mobility, but also the often-extensive provision of onsite social and recreational facilities to meet residents needs without having to travel offsite.

Finally, we reviewed a range of other information sources to complete the picture, including recent sports and recreation participation surveys, the NZTA household travel survey, and trip generation data collated by the Institute of Traffic Engineers (ITE). These data confirm that older people do indeed travel far less often than younger people, and that they participate much less frequently in sport and recreation.

Accordingly, we recommend that the conversion ratios for citywide DCs be revised to match the table below, with further work required to determine whether such changes are needed or merited for local DCs (given the unique/differing way in which they are applied).

Table 1: Proposed Conversion Ratios for Citywide DCs

Asset Types	RV units	Aged Care units
Water	0.50	0.40
Wastewater	0.50	0.40
Stormwater	0.50	0.40
Transport	0.20	0.10
Reserves	0.10	0.05
Community facilities	0.10	0.05

2. Introduction

2.1. Context and Purpose of Report

Tauranga City Council (TCC), like all high-growth Councils, uses development contributions (DCs) to help recover the cost of growth-related water, wastewater, stormwater, parks, reserves, transport, and community facilities infrastructure directly from property developers. This ensures that the costs of meeting growth are met by those who cause the need for, and benefit from, the underlying capital works.

During recent consultation on TCC's 2022/23 DC policy, the Council received three submissions from stakeholders in the retirement village (RV) sector. They argued that the DC policy does not go far enough to reflect the lower-than-average needs of retirement village residents. Specifically, they note that RV units not only have lower average household sizes, as already reflected in the policy, but that the infrastructure demands of RV residents are also lower per capita due to their older average age, relative inactivity/immobility, and the provision of onsite facilities and activities in lieu of Council-provided ones.

Accordingly, to ensure that the DC policy adequately accounts for the differing infrastructure demands of RVs, TCC commissioned us to review their current approach and recommend any potential refinements. This document presents our review.

2.2. Key Policy Considerations

Altering DC policies is a lengthy and time-consuming process, which must be done either during triennial LTP reviews, or via a special consultative procedure under the Local Government Act 2002 (LGA). Consequently, TCC have requested that evidence supporting any proposed policy refinements be sufficiently compelling and also put in context of the following key considerations:

- DCs are effectively a zero-sum game, so any DC reductions for RVs will need to be offset by higher DCs for other developments (otherwise DC costs will not be fully recovered).

- The policy already enables RV units to be charged 0.5 HEUs for citywide DCs.

- Local infrastructure in greenfield areas must be planned and delivered well ahead of development occurring, so there is limited – if any – scope to adjust the type or quantum of infrastructure capacity provided to reflect the allegedly lower requirements of RVs.

- Local DCs in new greenfield areas are charged on a per hectare basis, with those in existing urban areas effectively fixed at a capped rate per hectare. This may affect the merits of, or need for, changes to local DCs.

- RV infrastructure demands include not only residents but also staff and visitors. To that end, TCC currently does not charge DCs for the non-residential elements of villages.

2.3. Retirement Villages vs Lifestyle Villages

This review considers only the infrastructure demands of comprehensive care retirement villages (RVs), which are defined in para 21 of Summerset's submission as:

> "providing a full range of living and care options from independent living through to assisted living, rest home, hospital and memory care (dementia). The residential care component makes up a relatively high percentage of the overall unit mix."

This contrasts with the other type of village – lifestyle villages – that also fall under the same umbrella but have different characteristics and hence infrastructure demands to RVs.

For example, according to the Summerset submission, "the average age of a resident on entry to its villages is 81 years, with most living at home for as long as possible, and only moving there usually due to a specific need (such as deteriorating health or mobility challenges, or for companionship – many of Summerset's residents are widows). By contrast, lifestyle villages cater for a younger, more active early retiree, with a higher proportion of couples. The average age of a resident moving into a lifestyle village is more mid-to-late 60s."

We acknowledge these important differences between comprehensive care retirement villages and lifestyle villages. Further, because lifestyle villages attract a demographic whose ages and activity levels – and therefore infrastructure demands – are not overtly atypical, we do not consider them any further here and instead consider the case for potentially refining the DC policy to reflect the unique circumstances of only RVs.

2.4. Scope and Focus of Our Review

While our review covers all DC infrastructure types, we focus on the potential case for change in relation to DC-funded parks, reserves, transport, and community facilities infrastructure. These are the activities where the current approach, of charging 0.5 HEUs per retirement village unit, may not adequately reflect the unique nature of retirement villages, including their differing demographics, and the – often significant – provision of onsite facilities and amenities that may reduce the demand for DC-funded ones.

2.5. Steps in the Analysis & Report Structure

Following are the key steps in our analysis and the sections in which they are presented:

- Reviews the approach taken by other Councils to charging DCs for RVs (**section 3**).
- Examines the estimated infrastructure demands of recent RV developments according to publicly available resource consent documentation (**section 4**)
- Explores a range of other information sources to better understand the likely infrastructure demands of RVs (**section 5**)

- Considers possible implications for TCC's DC policy (**section 6**).

- Provides an overall summary and recommendations (**section** 7)

3. Review of Other DC Policies

3.1. Purpose

This section considers the approach taken by other Councils in their DC policies to charging DCs for RVs to gain a better understanding of current practice.

3.2. Approach

We reviewed the DC policies of the various Councils classified as being Tier 1 or Tier 2 under the NPSUD to identify whether, or how, they treat RVs differently from other developments. Reviewing these specific Councils' policies reflects the fact that they are high growth areas, whose DC policies will have also been subject to constant scrutiny - and thus refinement – by an engaged and well-resourced development community. Accordingly, these policies are likely to contain the most robust and reliable information for the matter at hand.

3.3. Findings

Several DC policies separately classify retirement village and/or aged care units from other types of residential development, but few provide any useful detail explaining how village-specific conversion ratios are derived. Nonetheless, to begin, Table 2 shows the conversion ratios currently set by Tier 1 and Tier 2 Councils for RV units, while Table 3 covers aged care units.

Table 2: Conversion Ratios for **Retirement Village Units** in Tier 1 and 2 DC Policies

Councils	Community Infrastructure	Reserves	Stormwater	Transport	Wastewater	Water supply
Auckland[1]	0.10	0.10	0.10	0.30	n/a	n/a
Christchurch	0.10	0.10	-	0.50	0.50	0.50
Hutt	-	-	0.50	0.30	0.50	0.50
Kāpiti Coast	0.60	0.60	0.60	0.60	0.60	0.60
Palmerston North	0.44	0.44	0.44	0.44	0.44	0.44
Porirua	0.50	0.50	0.50	0.50	0.50	0.50
Queenstown Lakes	0.54	0.34	-	0.24	0.48	0.50
Rotorua	0.50	0.50	0.50	0.50	0.50	0.50
Selwyn	-	-	-	-	0.50	-
Tasman	-	-	-	0.30	-	-
Waipa	0.50	0.50	0.50	0.50	0.50	0.50
Western Bay of Plenty	0.50	0.50	0.50	0.50	0.50	0.50
Median	**0.47**	**0.39**	**0.47**	**0.47**	**0.50**	**0.50**
Average	**0.32**	**0.30**	**0.30**	**0.39**	**0.46**	**0.41**

[1] Auckland Council does not set DCs for water or wastewater because Watercare – an Auckland Council CCO – sets infrastructure growth charges to recover growth-related water and wastewater infrastructure costs instead.

Table 3: Conversion Ratios for **Aged Care Units** in Tier 1 and 2 DC Policies

Councils	Community Infrastructure	Reserves	Stormwater	Transport	Wastewater	Water supply
Auckland[2]	0.10	-	-	0.20	n/a	n/a
Christchurch	-	-	-	0.10	0.40	0.40
Hutt	-	-	0.50	0.30	0.50	0.50
Porirua	0.40	0.40	0.40	0.40	0.40	0.40
Median	**0.05**	**-**	**0.20**	**0.25**	**0.40**	**0.40**
Average	0.13	0.10	0.23	0.25	0.43	0.43

According to Table 2, 12 Tier 1 or 2 Councils separately classify RV units in their DC policy with a range of corresponding conversion ratios set for them. Generally, the conversion ratios set for RV units are about 0.5 or lower, but with some Councils setting higher ones. For example, Kapiti Coast sets a ratio of 0.6 based on average household sizes of 2.5 for all dwellings but only 1.5 for RV units. Across infrastructure types, the lowest conversion ratios are typically set for community infrastructure, reserves, transport, and stormwater. This makes sense as RV units are likely to generate relatively minor demand for these activities – except for stormwater – due to:

- the older age and relative immobility of village residents, coupled with
- the often-significant onsite provision of activities and facilities for the benefit of residents.

Fewer Councils separately identify/classify aged care units, with only four singling them out in their current DC policies. However, where aged care units are separately classified, they tend to attract very low conversion ratios, especially for community infrastructure, reserves, transport, and stormwater. Again, this makes sense, as residents of aged care units are generally highly immobile and unlikely to leave the village often, if at all.

[2] Auckland Council does not set DCs for water or wastewater because Watercare – an Auckland Council CCO – sets infrastructure growth charges to recover growth-related water and wastewater infrastructure costs instead.

4. Review of Resource Consent Documentation

4.1. Introduction

To obtain more direct evidence of the likely infrastructure demands of typical RVs units (and aged care rooms), we reviewed numerous resource consent applications to scan for any information on modelled or expected infrastructure demands, either per unit, or for the development overall. This section presents our findings.

4.2. Review Approach

Resource consent applications lodged in New Zealand must include an Assessment of Environmental Effects (AEE) that consider the proposal's likely environmental impacts across various dimensions. While the focus and content of each AEE may differ based on the specific development proposed, most include an assessment of infrastructure impacts so that the Council(s) involved can determine whether sufficient capacity exists to service them. As a result, good information on the likely infrastructure demands of RVs may be embedded in the AEEs lodged for them. Accordingly, this section describes the infrastructure demand information that we managed to extract from AEE's filed recently in New Zealand for new RVs, or expansions to existing ones.

4.3. Key Findings

The discussion below summarises salient information found in recent AEE's for eight new or expanded RVs across New Zealand. Where possible, we have converted the estimated infrastructure demands into a per unit or per room equivalent for ease of comparison with the conversion ratios set by TCC and other Councils as per the previous section of this report.

Water and Wastewater

The AEEs show that the water and wastewater demand of a typical RV resident are akin to those of residents living in a "typical" dwelling. Hence, differences arise mainly due to the smaller average household sizes of RV units, which we understand the policy already (largely) accounts for.

That said, we note that some proposed development's expected village water and wastewater usage to be lower than average on a per resident basis, but that this was offset by demand from visitors and staff. Consequently, the overall average for the village (per resident) more or less matches the local equivalents for a typical household/dwelling.

Stormwater

Just like water and wastewater, RV stormwater demands are also unlikely to differ significantly from the average on a per unit or per resident basis as they are driven purely by the quantum and nature of impervious surface area (ISA). Consequently, the stormwater demands of new or expanded villages in Tauranga should probably be assessed just by considering their impacts on ISA.

Transport

Fortunately, many of the AEEs that we found for new or expanded RVs included detailed traffic assessments, which presumably formed part of Integrated Traffic Assessments (ITAs). Amongst other things, these traffic assessments provided direct estimates of the number of daily and AM/PM peak trips for either:

- The overall development (i.e. including both RV and aged care units), or
- RV and aged care units separately.

Where the data were provided in aggregate for the overall development, we have assumed that the RV units generate double the traffic of the aged care units. This allowed us to split the traffic data out into RV units and aged care units to produce the table below, which shows the estimated traffic demands of seven recently consented/developed villages. As far as we understand, these include traffic generated by residents, plus staff and visitors.

Table 4: Estimated Traffic Demand from AEEs for New/Expanded RVs (Vehicle Trips per Unit per Day)

	RV Units			Aged Care Units/Beds		
Village Name	**Daily Avg**	**AM Peak**	**PM Peak**	**Daily Avg**	**AM Peak**	**PM Peak**
Ryman Kohimarama	3.07	0.17	0.20	1.54	0.08	0.10
Ryman Malvina Major	2.50	n/a	n/a	1.25	n/a	n/a
Summerset Waikanae	3.47	0.35	0.40	1.74	0.18	0.20
Waiiti Glenvar	2.97	0.17	0.07	1.48	0.08	0.04
Summerset Prebbleton	3.03	0.11	0.26	0.37	0.06	0.13
Oceania Melrose	3.50	n/a	n/a	1.75	n/a	n/a
Metlifecare Pakuranga	2.40	n/a	n/a	1.20	n/a	n/a
Median	**3.03**	**0.17**	**0.23**	**1.48**	**0.08**	**0.12**

According to Table 4, the average RV unit generates about three vehicle trips per day, with aged care units closer to 1.5 trips per unit per day. Given that TCC's DC policy assumes that an average new dwelling generates approximately 10 trips per day, these data strongly suggest that RV and aged care units generate significantly less traffic than average and hence that policy refinements may be appropriate.

4.4. Reserves and Community Facilities

The three submissions made by the RV stakeholders strongly argue that villages create very limited demand for Council-funded reserves and community facilities because:

- Residents are in their final life stages, and hence often have limited mobility and/or propensity to "leave the village" for recreational pursuits, and
- The villages also provide (often-extensive) recreational facilities and amenities for residents to enjoy onsite without the need to travel elsewhere.

While the AEEs don't appear to speak specifically to these points, it is useful to note that the transport figures quoted above support the claim that residents seldom travel offsite. In addition, we confirm that the various villages we reviewed for this exercise do indeed provide extensive

onsite amenities that avoid the need for residents to travel offsite for recreational and social purposes. This is illustrated in the table below, which shows the range of amenities proposed for each new/expanded village in our sample.

Table 5: Planned Onsite Community Facilities at Proposed New/Expanded Villages

Village Name	**Onsite Community Infrastructure**
Ryman Kohimarama	Amenities include a bowling green, swimming pool, spa, gym, theatre, games room, library, and pool and darts room.
Ryman Malvina Major	Bowls, pétanque course, swimming pool, gym, bar, village lounge, library, café, hair salon
Summerset Waikanae	Amenities include a bowling green, café, restaurant, swimming pool, library, recreation centre, and cinema.
Summerset Prebbleton	Recreation and entertainment activities, a café, communal sitting areas; gymnasium, swimming pool, lounges, library, theatre/chapel, hair salon
Metlifecare Pakuranga	Activity and events spaces, lounges, gym, and pool
Ryman Karori	Indoor pool, spa, theatre, crafts room, gym, activities room, bowling green, library, pool and darts room, residents' workshop

In our view, the provision of these onsite facilities coupled with the generally lower mobility of residents – and hence their much lower travel demands -means that RV and aged care units are highly likely to place significantly lower demands on DC-funded reserves and community facilities than a typical household/dwelling.

5. Review of Other Information Sources

5.1. Introduction

Our final research task was to identify and review other information sources that may help us better understand the likely infrastructure demands of new or expanded RVs in Tauranga.

5.2. Participation in Sports (16-Year Trends)

In 2016, Sport New Zealand published a report on trends in sports participation over the past 16 years.[3] It found that weekly participation in sport and active recreation by peopled aged 65+ fell slightly from 68% in 1998 to 65.8% in 2014. When walking is excluded, the fall was more pronounced, with weekly participation in sport and active recreation for those aged 65+ dropping from 33.3% in 1998 to 27.5% in 2014.

Sport club membership is also on the decline, with the number of people aged 65+ that belong to one dropping from just under 50% in 1998 to just over 33% in 2014.[4]

Overall, fewer people are participating in sport and recreation over time, including older people.

5.3. Participation in Sports (2019 Snapshot)

In addition to the trends report noted above, Sport New Zealand has also published other (more recent) data on sport and active recreation participation, which provides a more up-to-date view into the likely infrastructure demands of older people.[5] While this report contains many interesting insights into the relatively sedentary lifestyle of older people living in New Zealand, the table below appears to provide the most detailed information that is relevant here. It shows the proportion of people of each age, gender, or ethnicity that have participated in each sport or activity during the 2019 calendar year. It shows, for example, that 39% of all respondents ran or jogged during the year, compared to only 2% of those aged 75+.

Overall, these data confirm that people aged 75+ are far less active than younger people. While data for peopled aged 80+ are unavailable, it seems safe to conclude – based on a simple extrapolation of these data – that their participation rates would be lower than those 75+. Finally, given that the recreational activities most commonly done by older people do not utilise Council-funded infrastructure (such as netball or tennis courts), it follows that they generate very low demands for DC-funded reserves and community facilities.

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[3] *Sport and Active Recreation in New Zealand. The 16-Year Adult Participation Trends 1998 to 2014*

[4] On the flip side, gym membership rates increased slightly over the period for most (if not all) age groups.

[5] *Sport New Zealand. 2020. Active NZ 2019 Participation Report. Wellington*

Figure 1: Participation Rates by Age, Gender, and Ethnicity in 2019 (All respondents aged 18 or older)

Table 8: Proportion of those who have participated in each sport or activity in the 12 months prior among adults in 2019

%		Age						Gender		Ethnicity			
Participated 12 months	TOTAL	18–24	25–34	35–49	50–64	65–74	75+	Male	Female	European	Māori	Pacific	Asian
Walking	85%	88%▲	89%▲	89%▲	83%	79%▼	66%▼	80%▼	89%▲	86%▲	84%	84%	82%▼
Gardening	46%	25%▼	43%▼	50%▲	52%▲	53%▲	48%	42%▼	51%▲	50%▲	43%▼	36%▼	29%▼
Running / jogging	39%	71%▲	61%▲	49%▲	24%▼	6%▼	2%▼	40%▲	38%▼	38%▼	40%	48%▲	46%▲
Individual workout using equipment	38%	61%▲	50%▲	41%▲	31%▼	19%▼	13%▼	38%	38%	38%	43%▲	50%▲	38%
Swimming	34%	44%▲	42%▲	41%▲	29%▼	20%▼	11%▼	32%▼	36%▲	36%▲	35%	30%	27%▼
Playing games (eg, with kids)	32%	34%▲	44%▲	47%▲	20%▼	16%▼	6%▼	28%▼	35%▲	33%▲	36%▲	38%▲	25%▼
Day tramp	24%	34%▲	32%▲	28%▲	22%▼	11%▼	7%▼	24%	24%	27%▲	21%▼	12%▼	17%▼
Group fitness class (eg, aerobics, crossfit)	19%	29%▲	31%▲	22%▲	11%▼	8%▼	10%▼	11%▼	27%▲	20%▲	22%▲	24%▲	15%▼
Yoga	17%	23%▲	28%▲	21%▲	13%▼	6%▼	2%▼	9%▼	25%▲	18%▲	16%	14%	16%
Marine fishing	13%	12%	15%▲	15%▲	15%▲	9%▼	5%▼	19%▲	8%▼	15%▲	16%▲	9%▼	6%▼
Canoeing / kayaking	11%	16%▲	14%▲	14%▲	10%	4%▼	1%▼	12%▲	11%	13%▲	10%▼	7%▼	6%▼
Golf	11%	12%▲	12%▲	10%	10%▼	11%	7%▼	17%▲	5%▼	11%▲	10%	8%	7%▼
Road cycling	10%	9%	10%	12%▲	11%	9%▼	4%▼	11%▲	9%▼	11%▲	8%▼	7%	6%▼
Dance / dancing (eg, ballet, hip hop and so on)	10%	20%▲	14%▲	9%	7%▼	6%▼	4%▼	5%▼	15%▲	9%▼	12%▲	17%▲	13%▲
Surfing / body boarding	10%	14%▲	11%▲	14%▲	8%▼	3%▼	0%▼	11%▲	8%▼	11%▲	10%	8%	4%▼
Tennis	8%	13%▲	10%▲	10%▲	7%▼	3%▼	2%▼	9%▲	7%▼	9%▲	6%▼	6%	7%
Table tennis	8%	18%▲	9%	9%▲	6%▼	2%▼	2%▼	10%▲	6%▼	8%▼	7%	7%	13%▲
Overnight tramp	8%	12%▲	10%▲	9%▲	8%	3%▼	1%▼	9%▲	7%▼	9%▲	7%	3%▼	4%▼

▲▼ Significantly higher/lower than the total
Results are from 2019
Base: All respondents aged 18 and over

5.4. NZTA Household Travel Survey

The New Zealand Household Travel Survey measures New Zealander's travel patterns by asking everyone in randomly selected households to record their travel over 2 days.[6] The results offer valuable insights into how, when and why New Zealanders travel, including variations in travel propensity by respondent age. The following excerpts illustrate how the travel patterns of older people compare to the rest of the population.

[6] The survey has run in a range of forms since 1989, mainly focusing on a 2 day travel diary. In 2015, the methodology was changed to collect 7 days of travel information. However, in July 2018 we changed this back to 2 days to make it easier for participants and get better data quality.

Figure 2: Time Spent Travelling per Person per Week by Age (2018 - 2021)

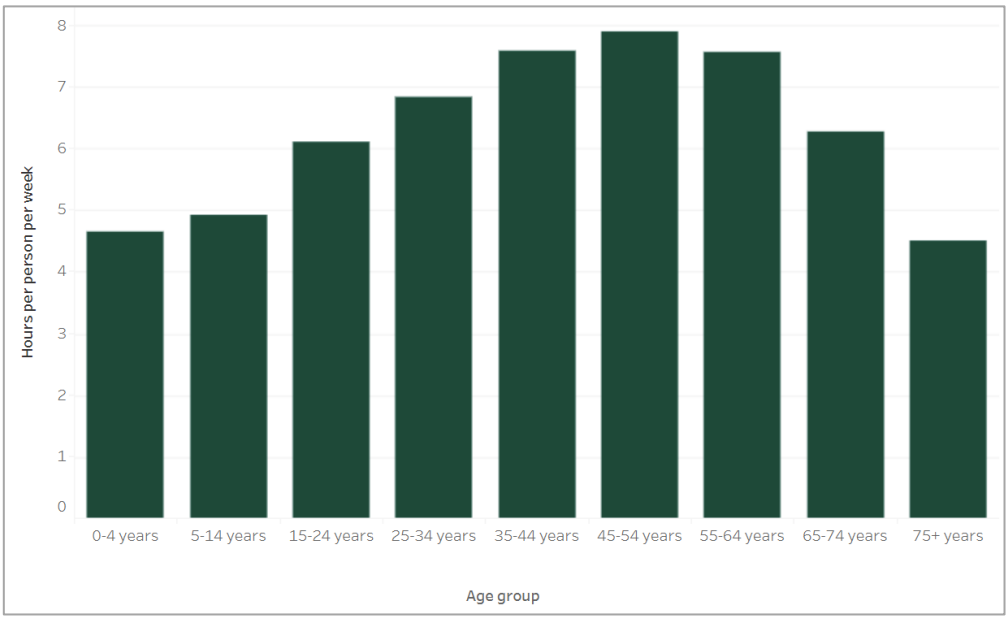
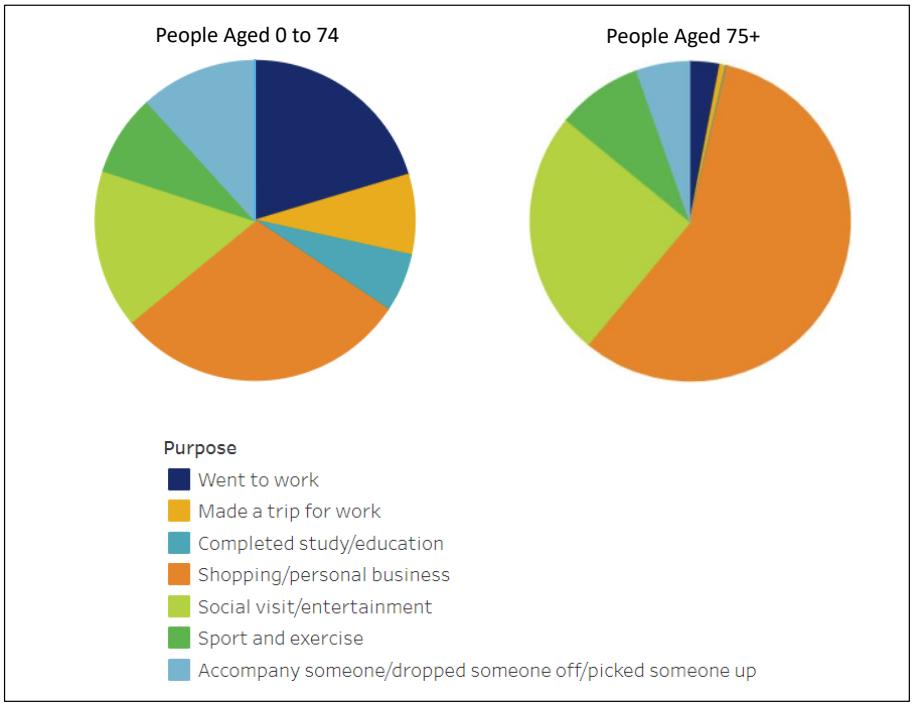


Figure 2 shows that people aged 75+ travel significantly fewer hours per week than younger people. In fact, the average for people of all ages is 6.6 hours per week compared to only 4.6 for those aged 75+.

Not only do older people travel less, but they also travel for different reasons. This is illustrated in the chart below, which compares the purpose of travel between people aged up to 75, and those aged 75 or older. Note that most travel by people aged 75+ is for discretionary reasons (i.e. non-work and non-school) which enables it to be undertake off-peak and thus minimise contributions to congestion during the busiest times.

Figure 3: Purpose of Travel by Age Group



While not shown in the charts above, this survey also shows that people aged 75 or over are more likely to have mobility issues that limit their willingness and ability to travel, including difficulties driving, walking, and taking public transport. Thus, overall, older people appear to place lower demands on the transport network than younger people.

5.5. Trip Generation Data

Trip generation data, which are used to estimate the traffic and parking demand associated with new developments, adds further context to the relative travel demands of people living in RV or aged care units. For example, the table below (from the 10th edition of the ITE Trip Generation Manual) shows that RV and aged units generate much lower PM peak travel demands than those living in a standard/detached dwelling.

INSTITUTE OF TRANSPORTATION ENGINEERS
COMMON TRIP GENERATION RATES (PM Peak Hour)

(Trip Generation Manual, 10th Edition)

Code	Description	Unit of Measure	Trips Per Unit	Setting/Location	
				General Urban/ Suburban	Dense Multi-Use Urban
PORT AND TERMINAL					
30	Intermodal Truck Terminal	1,000 SF GFA	1.72		
90	Park-and-Ride Lot with Bus Service	Parking Spaces	0.43		
INDUSTRIAL					
110	General Light Industrial	1,000 SF GFA	0.63		
130	Industrial Park	1,000 SF GFA	0.40		
140	Manufacturing	1,000 SF GFA	0.67		
150	Warehousing	1,000 SF GFA	0.19		
151	Mini-Warehouse	1,000 SF GFA	0.17		
154	High-Cube Transload & Short-Term Storage Warehouse	1,000 SF GFA	0.10		
155	High-Cube Fulfillment Center Warehouse	1,000 SF GFA	1.37		
156	High-Cube Parcel Hub Warehouse	1,000 SF GFA	0.64		
157	High-Cube Cold Storage Warehouse	1,000 SF GFA	0.12		
160	Data Center	1,000 SF GFA	0.09		
170	Utilities	1,000 SF GFA	2.27		
180	Specialty Trade Contractor	1,000 SF GFA	1.97		
RESIDENTIAL					
210	Single-Family Detached Housing	Dwelling Units	0.99		
220	Multifamily Housing (Low-Rise)	Dwelling Units	0.56		
221	Multifamily Housing (Mid-Rise)	Dwelling Units	→	0.44	0.18
222	Multifamily Housing (High-Rise)	Dwelling Units	→	0.36	0.19
231	Mid-Rise Residential with 1st-Floor Commercial	Dwelling Units	0.36		
232	High-Rise Residential with 1st-Floor Commercial	Dwelling Units	0.21		
240	Mobile Home Park	Dwelling Units	0.46		
251	Senior Adult Housing - Detached	Dwelling Units	0.30		
252	Senior Adult Housing - Attached	Dwelling Units	0.26		
253	Congregate Care Facility	Dwelling Units	0.18		
254	Assisted Living	1,000 SF GFA	0.48		
255	Continuing Care Retirement Community	Units	0.16		
260	Recreation Homes	Dwelling Units	0.28		
265	Timeshare	Dwelling Units	0.63		
270	Residential Planned Unit Development	Dwelling Units	0.69		
LODGING					
310	Hotel	Rooms	0.60		
311	All Suites Hotel	Rooms	→	0.36	0.17
312	Business Hotel	Rooms	0.32		
320	Motel	Rooms	0.38		
330	Resort Hotel	Rooms	0.41		
RECREATIONAL					
411	Public Park	Acres	0.11		
416	Campground / Recreation Vehicle Park	Acres	0.98		
420	Marina	Berths	0.21		
430	Golf Course	Acres	0.28		
431	Miniature Golf Course	Holes	0.33		

New Zealand research paints a similar picture, with the oft-cited NZTA Research Report 453 – which presents data on trip and parking generation by land use type – shows that RV units generate average and peak daily travel demands that are about 75% lower than a standard dwelling.

6. Implications for the DC Policy

This section considers potential implications of our findings for TCC's DC policy.

6.1. Citywide DCs

TCC currently charges each development a citywide DC towards infrastructure that services all new residents and businesses regardless of where they work or live. The schedule below shows the current charge per standard residential dwelling excluding GST.

Table 6: Citywide DCs per Standard Dwelling ex GST

Asset Types	$/HEU ex GST	Shares
Water	$15,131	52%
Wastewater	$8,331	29%
Stormwater	$0	0%
Transport	$274	1%
Reserves	$522	2%
Community facilities	$4,933	17%
Total	**$29,191**	**100%**

Table 6 shows that more than 80% of citywide DC relate to the provision of bulk water and wastewater infrastructure, with a further 17% relating to community facilities. Transport and reserves account for the remaining 3%, with no citywide stormwater DCs applying.

In our view, and based on the information summarised and presented herein, we believe that there are compelling reasons to set conversion ratios as per the table below for the purpose of calculating citywide DCs on new or expanded RV developments.

Table 7: Proposed Conversion Ratios for Citywide DCs

Asset Types	RV units	Aged Care units
Water	0.50	0.40
Wastewater	0.50	0.40
Stormwater	0.50	0.40
Transport	0.20	0.10
Reserves	0.10	0.05
Community facilities	0.10	0.05

These proposed conversion ratios acknowledge that typical RV and aged care units generate approximately the same infrastructure demands as a small residential unit for the three waters activities, but that their demands for the other asset types are significantly lower due to:

- The older average age of residents;
- Their relatively limited mobility/activity levels;
- Their limited offsite travel; and
- The onsite provision of social and recreational amenities in lieu of Council-funded ones.

However, at the same time, new retirement village and aged care units do receive "non-use" benefits from new Council infrastructure by improving the amenity of the neighbourhoods in which they reside. In addition, new village and aged care units create network demands from employees and visitors that must be included. The likely overall impacts of these various factors on network demand are reflected in our proposed conversion ratios above.

6.2. Local DCs

In addition to citywide DCs, TCC also charges local DCs to recover the costs of infrastructure that are installed to service growth in discrete parts of the city, including new growth areas.

While we recommend that the proposed new conversion ratios shown in the table overleaf also apply to local DCs, we acknowledge that this is more complicated due to the different way that local DCs are charged. Specifically, while citywide DCs are charged on a per HEU basis, local DCs are charged per lot or per hectare. Accordingly, further work is required by the Council to consider whether or how the changes proposed above for citywide DCs are best given effect to for local DCs, if at all.

7. Summary and Recommendations

This report has considered whether or how TCC's DC policy should be refined to reflect the seemingly different infrastructure demands of retirement village and aged care units. Our review of various data sources suggests that, consistent with submissions received, such units do indeed materially lower demands for certain infrastructure types, namely transport, reserves, and community facilities. While we are clear that these differences should be reflected in changes to the application of citywide DCs, further work is required to understand the need for and/or merits of corresponding local DCs due to the differing way in which they are calculated and charged.