

Retirement Sector Housing Demand Forecasts 2016 - 2045

A Report for the Heretaunga Plains Urban
Development Study Review (2016)



Environmental Management Services

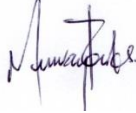



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REPORT INFORMATION

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Executive Summary

The following report presents an analysis of forecast retirement housing needs (especially future demand for retirement villages) in the Heretaunga Plains area over the next 30 years, to 2045. This is one of a number of sub-reports prepared in support of the current (2016) review of the Heretaunga Plains Urban Development Strategy (HPUDS). The key findings are:

- The New Zealand population will see a significant shift in age-profile over the next 30 years. While the total national population is forecast to increase by a modest 22% over that period, the 65+, 75+ and 90+ age groups will have increased by 94%, 172% and 286% respectively. Beyond 2045 they will increase even further.
- The increasing number of older people – especially those over the age of 75 (the usual starting age for entry to a retirement village) – will drive an increased demand for retirement housing.
- Projecting forward the existing uptake of retirement villages, in step with the growth in the 75+ aged population, we forecast that 3,340 more retirement village units will need to be built over the next 30 years to maintain the existing balance of supply and demand. This will represent a significant percentage (30 – 40%) of all future new-build housing in the HPUDS study area between now and 2045.
- The current generation of ‘new’ retirement village has usually at least 100 villas and apartments and will often have a rest home care unit attached. The average size of existing villages of this kind, in the HPUDS area, is about 6.25ha. Sites of this size are most likely to be found on greenfield land where there is minimal need to combine titles and/or clear away existing homes.
- The future trend toward increased numbers of retirement villages, and toward compact retirement housing in general, suggests a need to reflect on future housing density rules and to look at ways in which greater densities can possibly be achieved without compromising (and ideally enhancing) the urban living environment. This may be in the context of retirement village developments only, or across the wider residential zones.
- If retirement housing (with associated higher housing densities) becomes an increasingly significant factor in the overall housing market it is possible that current predictions for the amount of land required for future housing development in the HPUDS study area could be reduced. It is, however, a complex balance. On the one hand, retirement housing generally requires less land for the same number of housing units. On the other hand, unless inner city retirement apartment housing becomes popular in Hawke’s Bay, it is likely that the vast majority of future retirement village development will occur on greenfield land.



1. Introduction

This report provides an assessment of forecast retirement housing needs in the Napier/Hastings area, with particular emphasis on the likely future growth of retirement villages, over the next 30 years (to 2045). The results will be used to assist the current (2016) review of the Heretaunga Plains Development Strategy (HPUDS) which seeks to determine and plan for future growth demands in the Heretaunga Plains. The strategy is a combined project of the Napier City, Hastings District and Hawke's Bay Regional Councils.

This review of retirement housing arises from an awareness of the ageing of the New Zealand population and the likely effects that this will have, in future years, on housing needs and choices.

The principal sources for the study have been interviews with existing local retirement village providers (those available for interview); on-line demographic information and analytical reports from Statistics New Zealand; and the findings of the HPUDS Review Stage 1 study by Economic Solutions ('Review of Base Demographic and Economic Growth Trends and Projections Since 2009').

2. An Ageing Population

The New Zealand population, like that of many other countries, is ageing. The population of the Heretaunga Plains area is no exception to that trend. On 'medium' projections, the number of people aged 65 years and over in the study area is expected to increase by 19,580 (81%) between now and 2045¹.

In the context of a projected *total population* increase of 16,455 (12.5%) in the study area over the same period (based on 'medium-high' projections) this represents a significant compositional change. In essence, the increase in the number of people entering the age group of 65 years and above will be more than the projected nett increase in the population as a whole.

The ageing trend is driven by the post-war 'baby boom' cohort now reaching retirement age – further compounded by declining birth rates and longer life expectancies. Therefore, not only are many more people coming through into retirement age, they are surviving for longer within the 65+ age group. In 1950 a New Zealander aged 65 could have expected to live on average for another 14 years. In 2013, at age 65, they would expect to live on average for another 22 years².

Nationally, by 2036 (that is, in 20 years' time), Statistics NZ predict between 21% and 24% of New Zealanders will be aged 65 and over, compared with just 14% in 2012. By 2061 this will increase to between 22% and 30% of the population³. Furthermore, within the 65+ age group, an ever-increasing proportion will be aged 85 and above. By 2061, about one in four people aged 65+ will be 85+, compared with one in eight in 2012⁴.

The changing structure of the population is illustrated in the two 'population pyramids' in Figures 1a and 1b, below. Figure 1a shows the age structure of the population as it is now. Figure 1b shows how the population structure is expected to look by 2045. The pyramid becomes more 'columnar' by 2045 as a greater percentage of the population enters the older age brackets. Note also the expanding number of people aged 90+ (the horizontal line at the top of the pyramid).

¹ Economic Solutions (March 2016) Heretaunga Plains Urban Development Strategy: Review of Base Demographics and Economic Growth Trends and Projections Since 2009, p.12.

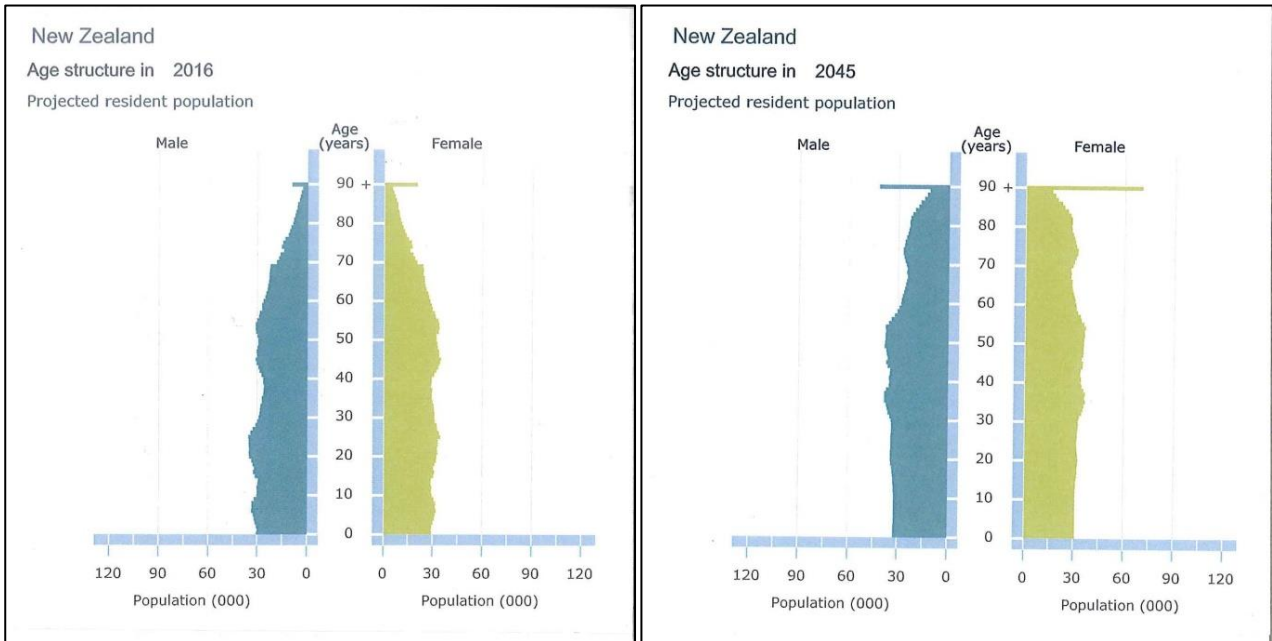
² Statistics NZ (April 2013) *How will New Zealand's ageing population affect the property market?* (p.10)

³ *Ibid.* (p.6)

⁴ *Ibid.* (p.7)



Figures 1a & 1b : NZ Population Pyramids for 2016 and 2045



Source: Statistics New Zealand On-line Interactive Population Pyramid (Feb 2013)

The rate of growth in the older age groups, compared with that in the wider population (nation-wide), is further illustrated in Table 1, below. The table shows ‘medium’ projections for the overall New Zealand population and what this growth equates to as a percentage increase from 2016 onwards. Alongside are percentage growth figures for the 65+, 75+ and 90+ age groups. The table shows that, for example, by 2045, while the national population will have increased by a modest 22%, the 65+, 75+ and 90+ age groups will have increased by 94%, 172% and 286% respectively.

Table 1: Comparison in Projected Growth Rates : 75+ & 90+ age groups vs Population as a Whole

Year	NZ Total Population	Total Population %age increase from 2016	%age increase in 65+ age group	%age increase in 75+ age group	%age increase in 90+ age group
2016	4,654,910	0	0%	0	0
2025	5,031,840	8%	35%	46%	36%
2035	5,405,410	16%	74%	113%	125%
2045	5,689,980	22%	94%	172%	286%
2055	5,909,400	27%	109%	191%	460%

It is relevant also to point out that the growth in these age brackets does not stop in 2045, but rather carries on. By 2055 the number aged 75+ is projected to be 190% more than today and the number aged 90+ to be 460% more than today. The upward trend thereafter continues up to (and possibly beyond) the Statistics NZ projection limit of 2061⁵.

⁵ Derived from Statistics NZ on-line interactive NZ population pyramid.



3. Implications for Future Housing Demand

The projected demographic changes described above will have significant implications for future housing development – particularly as regards the *type* of housing that is likely to be in demand. Specifically, Statistics New Zealand predict that the ageing population will drive a trend toward smaller households⁶, with a significant on-going growth in the number of one-person households, and with three-quarters of that growth in one-person households involving people aged 55 years and over⁷. There has long been a trend toward increasing numbers of one-person households but the ageing population will accelerate that trend.

To illustrate: At present in the HPUDS Study Area approximately 27% of households are single-occupant (i.e. about 13,892). Between 2015 and 2045, under ‘medium’ projections, that number is predicted to increase by a third⁸. If so, the number of one-person households in the Study Area can be expected to increase by approximately 4,167 over the projection period.

Considering that the total projected household growth over this same period is 10,610 new households⁹, this means that the market for one-person households will represent the equivalent of about 40% of total demand.

The implication is that, in future, there will be significantly more people looking for single-person accommodation. It is reasonable to assume that this will mean a preference for smaller properties, including smaller lots. Furthermore, because the trend will be largely driven by people of retirement age, who are often selling up a larger family home in order to down-size, there is likely to be a corresponding relative increase in the availability of larger old homes coming onto the market, versus that of smaller homes. This may reduce the demand for larger homes at the same time as the demand for smaller single-person homes is increasing.

4. Retirement Villages as a Housing Option

One of the means of providing for smaller retirement housing will be through the development of retirement villages. There are already a number of retirement villages and retirement / elderly care housing complexes in the Study Area, which come in a variety of forms.

Some villages provide only villas and townhouses for ‘independent living’. These are essentially collections of households – predominantly small to medium sized duplex units. In the larger modern up-market villages this housing is usually built around a community centre with various recreational facilities attached (e.g. pool, spa, gym, café, library).

Other villages are simpler, with fewer facilities, and are correspondingly lower cost. Those at the lower price end of the market are likely to have minimal (if any) in-built community facilities other than the living units themselves.

The standard model of ownership for a dwelling in this type of retirement village is for residents to purchase a ‘license to occupy’. This entitles the owner to stay in the dwelling for as long as they wish (or live), subject only to paying on-going management/maintenance fees and covering basic household

⁶ Statistics NZ (April 2013) *How will New Zealand’s ageing population affect the property market?* (p.9)

⁷ *Ibid.* p.8.

⁸ Economic Solutions (March 2016) *Heretaunga Plains Urban Development Strategy: Review of Base Demographics and Economic Growth Trends and Projections Since 2009*, p.14.

⁹ *Ibid.* (p19)



outgoings such as electricity. All building and grounds maintenance is taken care of, as well as very often (at the upper-end of the market) the organisation of weekly social and cultural activities for residents.

Upon selling the unit, the license-holder (or their estate) gets back whatever money was paid to purchase the occupation license, minus a pre-agreed 'deferred maintenance' fee, usually calculated as a percentage of the value of the initial purchase, which is typically 10% of the initial license fee per year for each of the first three years of occupation (i.e. up to a maximum of 30% of the initial purchase price of the license to occupy). For the license-holder there is no capital gain on the on-sale of the unit. Any capital gain that does occur belongs to the operators of the village, as principal 'owners' of the facility.

The advantage of the 'license to occupy' model is that, with the village operator ultimately retaining ownership of all land and buildings, there is an incentive on the operator to ensure a uniformly high standard of maintenance (since any deterioration in the overall condition of the village affects the future re-sale value of the units). It also makes possible a more professional management of day-to-day social and cultural activities in the village. The main disadvantage, for license-holders, is that they do not get the benefit of any capital gain on the unit they occupy, and after 3 years of occupation effectively lose 30% of their initial purchase price to deferred maintenance.

Other retirement villages have townhouses and villas but also have residential care facilities attached. There can be up to four levels of care, depending on the village, namely: (i) rest home care, (ii) long term care hospital, (iii) dementia care and (iv) psycho-geriatric care. Care units are integrated into the village but usually segregated in some way from the independent living villas and townhouses. In these villages the 'license to occupy' model usually applies to independent living units while rest-home care units are on a daily rate – although there has recently been a trend toward selling licenses to occupy for rest home suites as well (on the same basis as independent living units).

The standard fee for rest-home care is currently \$128/day but can be higher for 'premium' care (e.g. a more spacious unit with extra facilities). Those requiring care can apply for government assistance but will be means-tested for eligibility and will only be eligible for a basic care package. If on a weekly pension while receiving a care home subsidy, the government retains most of the recipient's pension, leaving only \$34/week. The subsidy increases as residents are moved to higher levels of care, meaning that no one is excluded from the increasing level of care they require due to affordability.

The advantage of an attached care facility in a retirement village is that residents who are living independently in the village then have the option of transitioning into care within the village if their health deteriorates. We are however informed that typically only 8 – 10% of 'independent living' residents do actually make this transition¹⁰. For the majority, at end-of-life, the deterioration in health happens more quickly whereby they transfer to, and ultimately die in, a general hospital.

On-site care facilities also present an attractive option for couples where one partner needs to go into care and the other is then able to move into a villa or townhouse in the same village – allowing them to continue to regularly see each other.

An alternative retirement village model (Frimley Retirement Village being the only local example) is to establish unit titles whereby each retirement dwelling is fully owned by the occupant and village maintenance is taken care of by a body corp, funded by contributions from unit owners. The advantage of this model is that owners (or their estate) are able to take advantage of any capital gain on re-sale of the unit. The disadvantage is that management of the village relies on the successful functioning of a body corp, which is itself comprised of owners of multiple individual units, among whom there may be divergent

¹⁰ *Pers. comm.* Retirement village management interview.



ideas on how the village should be run, and to what standard (in respect of the upkeep of community facilities and grounds and expenditure on social and cultural activities). There may also be differing ideas and degrees of concern for the standard of maintenance of individually-owned houses.

A further option for retirees is to take a pensioner flat in one of the 'rental' retirement villages. These tend to be in smaller (and generally older) complexes of 12 – 20 units, usually run by non-profit organisations, including Napier City and Hastings District Councils, Masonic Trust and Anglican Care Waiapu. They are offered on a weekly rental basis, with rents typically around \$80 to \$110 a week, often calculated as a percentage of the standard weekly pension. The Napier City Council rate for single-room pensioner flats, for example, is currently set at 23.5% of weekly superannuation plus single-person living allowance.

The Napier and Hastings Councils are significant providers, with 303 and 220 pensioner flats respectively. The Masonic Trust is another major provider with 90 pensioner rental units in Napier, Hastings and Havelock North.

5. Motivations for Shifting to a Retirement Village

For most people the decision to buy into a retirement village does not happen immediately upon reaching the age of 65. According to interviews with village providers the 'typical' age at which people to move into a retirement village is between 75 and 85. The major retirement village companies no longer even accept people into their villages below the age of 70 – although the tendency for people to delay until 75 or older pre-dates even this policy.

When defining the 'retirement village demographic', therefore, the 65 – 70 age group is generally not relevant for most analysis. Even the 70 – 75 age group has relatively low numbers of people in retirement villages. The primary retirement village demographic is 75 years and over.

The decision to move may come as a result of a health scare, or with a gradual run-down in health and mobility, or the loss of a spouse. Prior to this, in the period after turning 65, most retirees are likely to be relatively healthy and perfectly comfortable remaining in the family home. They may not have even retired (and indeed, with the likelihood of future rises in the minimum age of entitlement to NZ superannuation – currently 65 – the need and expectation of remaining in work beyond this age is only likely to increase).

For people on lower incomes the choice is more limited. If they have no family home to sell, and few if any savings, they will not be able to afford to buy a unit in any of the retirement villages but may be successful in finding affordable pensioner rental accommodation in one of the purely rental villages such as those provided by Napier City and Hastings District Councils. The motivations for moving may also be partly a financial imperative – for example where a spouse dies, leaving the income from just one pension to cover the rent of a larger home.

Women are more likely to move than men, and make up an average of two-thirds of residents in a typical retirement village. This is in part because women simply live longer. It is also because, with the death of a husband, women may feel vulnerable and unsafe living alone in the family home, and/or find that they have difficulty ensuring proper maintenance of the family home with tasks such as lawn-mowing and repair-work that are traditionally done by men. Women are possibly also more willing than men to acknowledge the need for company and social interaction, which retirement villages offer, and which can be missing for an older person living alone at home (accentuated by limited mobility and, with advancing age, a shrinking pool of friends).



Another common scenario is for a couple to move to a retirement village once one or other partner needs to go into full-time care, if there is a care facility attached – allowing the couple to remain together and visit each other easily on a daily basis.

Others simply move to a retirement village as an attractive ‘lifestyle choice’. Modern villages, in particular, are configured to provide comfortable living and plenty of social contact (both organised and informal) with an active social scene. Those moving into a village will often have friends who are already there. The major retirement village companies actively encourage visitors, which allows outsiders to better understand what villages are really like, and to see for themselves what the lifestyle has to offer.

6. Historical Development of Retirement Villages

The older retirement villages in the Study Area date from the 1950’s and 1960’s. Many of these are relatively small villages of between 12 and 30 units, often surrounded by other residential housing, in some cases because the other housing has grown up around them, and in other cases because they just happen to have been originally built on spare pieces of urban land (for example, surplus church land, in the case of some Anglican Care properties). These villages were often built by non-profit organisations, such as church-based organisations, Masonic Trusts or local Councils to serve a social housing need for the elderly. Government subsidies for these kinds of developments were available around this time.

The newer and generally larger retirement villages built in the last 10 to 20 years tend to have been built on a more commercial model. These are mostly located on the outskirts of the urban areas, in the new suburbs, where sufficiently large parcels of land can be found. The greater commercial focus steers these villages toward the upper end of the retirement housing market. Intending buyers will need to have reasonable savings and/or the proceeds from the sale of a moderately high value mortgage-free family home in order to purchase a license to occupy.

These larger, more recent villages will typically have 100 – 200 dwellings. The single largest village is Mary Doyle in Havelock North, established in 1997, and now with 330 independent living villas and apartments (in addition to 42 care beds). Larger villages have the advantage of an economy of scale, with enough units to support a full-time on-site office, community centre, recreational facilities and permanent full-time ground maintenance staff. This contrasts with the smaller, older villages, which might have only 15 or 30 units, meaning that management and maintenance services have to be shared between villages and has to be mobile.

More recently, Frimley Retirement Village in Hastings (commenced in 2013, but as yet unfinished) has offered the alternative of unit title ownership as a departure from the ‘license to occupy’ model. This appeals to people who wish to have the benefit of any capital gain on their dwelling – something that is not possible with licenses to occupy. It remains to be seen, however, if the same model is tried elsewhere, given recent financial problems with the Frimley Village development (though recognising that the project has now been picked up and carried on by a new developer). It is also still early days for the body corp management system at this site.



7. Existing Supply and Uptake of Retirement Village Accommodation

There are at present approximately 1,340 villas and apartments held as licenses to occupy or unit titles in the various retirement villages (including smaller village complexes) in the Study Area. Attached to some of these villages are also rest-homes and other care facilities which altogether provide about 708 care beds. In addition, there are approximately 613 pensioner rental units – mostly run by Napier City Council and Hastings District Council. A table summary of these figures is attached as Appendix A.

Virtually all of the villages and pensioner flats are full and nearly all of them have waiting lists. The numbers above therefore represent both potential and ‘actual’ occupied dwellings.

For the villas and apartments we assume an average occupancy rate of 1.4 people per dwelling (based on a sample of retirement villages for which resident numbers are known). If so, across the whole of the sector this would suggest that there are about 1,750 people living in this type of accommodation in the study area at the present time.

If the typical entry age for people entering retirement villages is assumed to be 75, and if the number of people above that age in the Study Area is approximately 7,920 (as 6% of the total local population, based on the national average), then the number of people above that age currently actually living in a retirement village is about 22% (roughly one-in-four) of the available total 75+ year-old population¹¹. Against the total number of people aged 65+ it would represent about 9.5%.

If rest home care beds are included, the total number of people in retirement villages and associated care facilities would be approximately 2,490 – the equivalent of 31% of the total Study Area population aged 75 years and over, or 13% of the population aged over 65.

Pensioner rentals are more likely to be one-person units and are assumed to account for about another 735 people (being the number of pensioner flats multiplied by a lower estimated occupancy rate of 1.2 persons per unit). These units generally have a lower entry age – for Hastings District Council pensioner flats the minimum age of acceptance is 55 and in Napier 60. Assuming a ‘typical’ entry age of 65, that would account for about 4% of the 65 years and older population. The proportion aged 75 and over cannot be accurately calculated because of the lower entry age for these units.

Altogether these numbers suggest that approximately one-quarter of all retirees, once past the age of 75, are actively moving into some form of retirement village housing. Adding in those in rest home care (for whom the move is generally a matter of necessity rather than a ‘lifestyle choice’), plus those in pensioner rental units, we can overall account for about 40% (3,225) of the 75+ age group. The remaining 60% (4,695), we assume, are staying on in their own homes or private or state-run ‘general rental’ accommodation.

As there are waiting lists on virtually all of the existing retirement villages it can be assumed that the number of people living in retirement villages would be larger if more units were available. On the other hand, given that none of the major retirement village providers are actively expanding in the Study Area at the present time (at least as far as they are prepared to acknowledge), it is hard to tell the true extent of currently un-satisfied demand.

We do not have information on the specific number of people on waiting lists with each of the retirement village providers. This information is liable to be commercially sensitive. It is also common for people to be

¹¹ These calculations assume a current (2016) total population of 132,000 in the HPUDS study area, which is based on slightly upwardly adjusted 2015 population figures in the Economic Solutions (2016) report, Table 1, p.7.



on several waiting lists at one time – meaning that there will be overlap – and lists can be out of date. Furthermore, the fact that a person is on a waiting list doesn’t mean that they are actually ready to move if a unit comes available, as their ability to move will often depend on whether they can sell an existing house. However, the lists that do exist can be long. One provider who did supply numbers estimated that their village has a data-base of people interested in moving to the village totalling approximately 500 names.

Many of the existing rest homes in the study area also have waiting lists. The demand for rest home beds has been eased somewhat by the government’s current “ageing in place” policy under which elderly people who are in need of help are provided with part-time carers in their own homes. However, despite this programme, the current supply of rest home places is tending to only just keep up with demand at the present time. We are informed that there is currently a slight over-supply of care beds in Hastings and an equivalent under-supply in Napier. Among those interviewed for this study, within the rest home sector, there was a widespread expectation that many more care beds will need to be provided in future to keep up with a foreseeable increase in demand. The demographic trends described earlier in this report would support that expectation.

The ‘ageing in place’ policy means that people arriving in rest homes and other care facilities are now generally much more advanced in their declining health than would have been the case in the past.

8. Siting Requirements

The first siting requirement for a modern retirement village is the availability of a sufficiently large continuous parcel of land. To illustrate, the table below shows the land areas for the main private retirement villages mostly built within the last 10 to 20 years. Note that most of these villages (all except the Ada Street village) also include a rest home.

Table 2: Number of villas/apartments, care beds & land area for the larger ‘new’ retirement villages

Village	No. of villas / apartments	No. of Care Beds	Land Area (Ha)
Atawhai (Oceania, Taradale)	46	82	3.25
Princess Alexandra (Ryman, Ahuriri)	72	110	2.4
Summerset in the Bay (Greenmeadows)	118	68	5.5
Summerset in the Orchard (Ada Street)	151	0	6.5
Gracelands Village (Oceania) Pakowhai Rd	69	92	5.6
Summerset in the Vines (Te Mata Road)	190	42	5.2
Mary Doyle, Karanema Drive, H Nth	330	49	13.9

The site area for these villages varies between 2.4 and 13.9 hectares, with an average of 6 ha (or 4.7 ha if the exceptionally large land area for Mary Doyle is excluded).

Retirement home developers are likely to prefer a site that is close to an existing population of people of retirement age who are not yet well serviced with retirement village options. This is on the basis that people who move to a retirement village tend to be predominantly from the local area. As a general rule, in the experience of retirement village providers, about 90% of residents in any given retirement village are likely to have originated from within 15 to 20 kilometres of the village. Hence, in the HPUDS study area, people from Napier, Hastings and Havelock North tend to naturally gravitate to a retirement village within



their home town, and often (if the choice is available) within their home suburb. The reason is that this is where their friends are; their familiar shops and medical services are, and often where extended family live. They don't want to move from the area. They just want housing that is better suited to their changing needs.

Other considerations will include the actual or perceived security of an area. Security is often cited as a high priority for older people and one of the main motivations, especially for women, in moving to a retirement village. Retirement village developers will therefore strive to ensure that they can provide such an environment and are likely to avoid places of perceived risk.

A site that is reasonably quiet will also be preferred – although this is not to suggest that complete silence is necessary, or even desirable. Retirement villages next door to pre-schools or primary schools, for example, can make for a compatible match. In some overseas retirement villages there have been instances of deliberate co-siting with pre-schools (even building a pre-school within the village)¹². This brings a little more life into a village and, for the pre-school, often provides a ready supply of willing volunteer helpers. Therefore, although retirement villages ideally want peace and quiet, they also recognise the value of activity going on around the village that residents can be part of.

Other features that may be looked for in siting a village include proximity to bus routes and shopping, although the requirement for a large land area to site a village (generally only found on the urban periphery) will in most cases preclude walking access to shops in the suburban shopping areas or inner city. This is, however, not usually a major impediment as many residents are likely to still have their own cars, or be able to catch a bus, or make use of a village shuttle-van.

For retirement villages offering rental accommodation, the same preferences apply, except that choices of site are likely to be more budget-constrained. Pensioner rental housing generally has low returns and, unlike the license-to-occupy model, there is no up-front purchase payment from incoming residents to underwrite capital investment. The main commercial retirement village providers are unlikely to want to move into this portion of the market but rather continue to focus exclusively on the license-to-occupy model – with a preference for the upper-end of the market.

9. Future Trends

The one obvious future trend for the retirement sector is that over the next 30 years and beyond there will be far more people of retirement age in the HPUDS study area and New Zealand as a whole than there are at present. As earlier shown, in Table 1, the number of people aged 65 and over will more or less double in that period; the number aged 75 and above will nearly triple; and the number aged 90 and above will quadruple.

Many of these people will be looking to down-size, particularly when, as now, they get beyond the age of 75. Based on existing patterns we would expect about one-in-three people aged 75 years and over will be wanting to move to some form of retirement village if there is space available and they are able to afford it.

If we assume that the demand for retirement village accommodation increases in direct proportion to the growth in the local 75+ population, and taking the existing fully-utilised supply of units as a starting point, the following projections (Table 3, below) are produced. The table shows the total number of existing license-to-occupy, unit-title and pensioner village rental units as at 2016 and, in the right-hand column, the number of 'extra' units required over time to maintain the existing balance of supply and demand.

¹² *Pers. comm.* From interview with retirement village provider.



Table 3 : Forward-projected demand, based on existing uptake of retirement village units

Year	Retirement village units (all types) required in future to maintain existing balance of supply and demand	Nett Increase in Number of Retirement Units Required (post-2016)
2016	1944	0
2025	2847	903
2035	4133	2189
2045	5283	3339
2055	5654	3710

The results in Table 3 suggest that over the 30-year HPUDS planning period there will be a demand for about 3,340 more retirement units than exist at the present time. Given that the projected total growth for housing of all kinds in the Study Area over the same period is for 10,610 new dwellings (this based on ‘medium-high’ projections in the recent *Economic Solutions* report (2016)), the potential growth in retirement village housing, alone, would represent about 31% of that demand.

Compared with existing HPUDS (2010) projections, which assume 8,013 new urban homes by 2045, it would be the equivalent of 41% of future demand.

The growth in this sector of the housing market, as discussed earlier, could also have knock-on effects for the supply of other types of housing – particularly larger family homes.

Those who have owned their own home up until the point of moving to a retirement village will generally put their house on the market in order to make the move. This is what commonly happens. Indeed, the ability for people to purchase a license-to-occupy retirement village dwelling is very often dependent on the prior sale of the family home (which is why, during the last down-turn in the housing market, it is reported that some intending purchasers of retirement villas were unable to proceed because they had been unable to sell their existing home)¹³.

The sale of the family home usually enables a retiree to move to accommodation better suited to their needs while leaving over a reasonable sum of money to live on in their retirement. At least that has been the pattern to date.

However, with so many more older people looking for smaller retirement homes and at the same time attempting to sell their existing larger family home, the result may be a comparative shortage of suitable retirement housing and comparative over-supply of larger family homes – meaning that the difference in value between the two types of property in future may not be so great. If so, this could in future cause some older people to think again about whether to move at all, if it means they are unlikely to free up the amount of extra money they were hoping for or counting on.

Recent experience from Waipawa provides an example of what can happen in these circumstances. The Masonic Trust has a small but modern and well-maintained block of 8 retirement units in Waipawa which were originally offered as ‘license to occupy’ dwellings. However, because of generally lower house-prices in the town, compared with Napier/Hastings, elderly people from the town who were wanting to move into these units were finding that the price that they could get for their existing family homes was either less than, or no more than, the license-to-occupy price (which is dictated by the new-build construction cost). This was preventing up-take. The Trust has therefore now shifted to a weekly rental model to allow people to get in. What this illustrates is that bigger houses don’t always mean bigger prices, relative to the cost of a smaller (but newer) retirement unit. If the housing market elsewhere, including in the HPUDS study area,

¹³ *Pers. comm.* From interviews with retirement village providers.



changes over the next 30 years with a growing demand for smaller (retirement) homes, and a relative surplus of larger family homes, the differences in price could narrow. This could in turn undermine the ability and incentive for some elderly home-owners to move to retirement village housing (with consequent easing of overall retirement housing demand). Nevertheless, for those who do sell and move to a house that is better suited to their retirement needs, and who can afford it, retirement villages are certain to remain an attractive option. We have estimated that already about one third of people over the age of 75 are seeking out this form of housing. As attitudes towards retirement villages continue to modernise and improve (that is, as people get past existing preconceptions of retirement villages as a place for 'broken down old people' rather than the socially-active lifestyle alternative that they are) the attraction toward retirement villages is only likely to increase.

For private retirement villages we predict that the 'license to occupy' model will continue to predominate. It is apparent from the success and continued demand for licenses to occupy in existing villages that incoming residents are comfortable with this arrangement and feel that the down-sides (deferred maintenance fees and no capital gain for the license-holder) are sufficiently out-weighted by the up-sides (consistently high-standard maintenance of buildings and grounds, professional site management, in some cases professional organisation of social events, and no body corp issues to worry about).

There may also be some further retirement villages built on the 'unit title' model – although recent experiences at Frimley Retirement Village (where the original developer went into receivership) could deter others from going down this path, at least for some time. It also remains to be seen how the body corp system will ultimately work in practice at this site. However, for those concerned with missing out on capital gain and losses to deferred maintenance (as under the license to occupy model), this, or some variation on it, could still prove to be an attractive and successful alternative.

For people *without* a house to sell, and no savings, the situation will be different. Moving to a retirement village, whether through a license to occupy or through the purchase of a unit title, requires a significant amount of up-front cash (as well as an ability to pay on-going management costs). For someone living only on a pension, with no savings, and either renting or with a large mortgage on their home, this will simply not be an option. Rather, if they are to move into retirement housing, they will have to try and find a suitable place to rent. This may be into private rental or, if a unit is available, into a pensioner rental property of the kind currently run by the Napier and Hastings Councils and Masonic Trust.

The issue here in future will be the availability of low-cost pensioner rental units of this kind, given the limited current supply, waiting lists, and rapidly growing old-age population, including significant numbers of people on low incomes. The rental returns on this kind of housing are not attractive to the larger commercial retirement village providers and relatively few new units are currently being built by existing non-profit organisations. It is foreseeable that there will be a significant shortage of low-cost pensioner housing in coming years with, at this stage, no obvious solution in sight.

Another possible future trend could be a shift toward retirement village apartments. Apartment villages for retirees are a growing trend in Auckland, where land prices remain exceptionally high. Whether there would be the same appeal and demand in Napier / Hastings is less certain, although the cost advantages would still be there, and could potentially be a housing solution for a part of the local retirement market.

An apartment typology would require a smaller land area than a typical retirement village and therefore could potentially be built as infill development providing proximity to shopping centres and services for residents.



10. Future Land Requirements

The results of this study show that between now and 2045 (and beyond) there will be a significant increase in the number of people of retirement age, including a forecast 172% increase in the number of people aged 75 and above (i.e. the age at which people normally begin making a move into retirement housing), compared with just a 22% increase in the population as a whole.

This trend will drive an increasing demand for retirement village housing, rest home beds, and more generally (including outside retirement villages) the demand for one-person homes.

The estimates that we have provided in this report suggest that, based on forecast growth in the 75+ age group, and assuming no change in the proportion of the 75+ population choosing to move into retirement villages (compared with now), there will be demand for at least another 3,340 retirement units over the next 30 years, to 2045. That compares with a projected increase of 10,610 in the *total* number of new house-builds over the same period in the recent *Economic Solutions* report (2016), or 8,013 predicted in the 2010 HPUDS report.

If the existing balance in the different types of retirement housing can be used as a guide: about 1,770 (i.e. half) of the 3,340 future forecast retirement units will be in middle-to-upper end villages (what most people would think of as the 'classic' modern corporate-run retirement village). If so, this would account for about 17% of all future 'new build' housing construction over the next 30 years.

Alongside this trend for retirement villages, and largely driven by the ageing population, will be a general increase in the number of one-person households – currently making up 27% of households (i.e. about 13,892 of the existing 51,455 households in the study area) and forecast to increase by one-third (about 4,167) by 2045. That scale of growth, in this particular sector of the market, would be the equivalent of about 40% of the total forecast housing growth predicted by *Economic Solutions* (2016) over the same 30 year period.

We do not suggest that all of these people living in one-person households will be living, or even choosing to live, in one-bedroom dwellings (or even small dwellings), but what it does point to is where the market is likely to be trending in a general sense. That is, toward smaller homes and properties, particularly as the ageing population is the main driver behind this trend. This segment of the population is more likely to be actively seeking out smaller homes that are better suited to their retirement needs (being easier to keep; cheaper and easier to heat; ideally more secure; and ideally in a place where they can find like-minded company).

The data also suggests that this will not be a short-term trend, in which the number of retirees will rise and then fall again, but rather could continue on to 2060 and beyond. This means that the retirement housing of today, and of the next 30 – 50 years, is likely to continue to be sought-after. It will not be a class of housing that serves a temporary need, loses demand, then reverts to a cheap and un-wanted form of housing, out-of-touch with future demand. Rather, it will be long term and enduring, and can be planned for as such.

The implication for town planning is that, firstly, in the future, land is likely to be required for more retirement villages in the HPUDS study area, and secondly, that the average density of housing that is sought for these villages could be higher (i.e. more dense) than currently allowed in the Napier and Hastings Plans or envisaged in the current HPUDS report.

These two issues of required land area and building density are inter-related.



For land area requirements our estimate, as above, is that another 1,770 'contemporary' retirement village villas and apartments are likely to be constructed and sold over the next 30 years, and that altogether about 3,340 retirement units of all kinds (including rentals) could be constructed.

For existing retirement villages, including Council-owned and Masonic Trust pensioner rental housing villages, but excluding villages with rest-home care units attached, the current overall average density of retirement villas and apartments is approximately 33 villas or apartments per hectare (for details, refer to Appendix A). If so, accommodating another 3,340 retirement village villas and apartments over the next 30 years, at the same density, would call for about 101 hectares of land.

If retirement villages with rest home care units are included in this calculation then the average density of villas and apartments reduces to about 24 per hectare. The lower density is because the care home units are more compact and occupy land that would otherwise be filled with villas for 'independent living' – meaning that there are fewer actual villas and apartments for the amount of land. However, for the purpose of calculating future demand for land for retirement villages – not just retirement village units – this may actually be the more useful number, since retirement villages of the future are also likely to have care units attached.

A rate of 24 villas and apartments per hectare (allowing for associated care units), for 3,340 units, would require about 140 hectares of land.

Note, however, that 24 dwellings/ha is only the current 'average' density. Even with care facilities attached, some villages are able to achieve densities of 30 or 37 villas or apartments per hectare (Princess Alexandra in Napier and Summerset Te Mata Rd respectively). These higher densities are assumed to be through the greater use of on-site apartments.

Equally, be aware that there is significant variance in the density of other existing retirement villages, including pensioner rental home villages run by the two Councils and Masonic Trust. The density of dwellings in Napier City Council villages averages 31 units/ha but can be as high as 54 units/ha. Hastings District Council units average 43 units/ha but individual villages can reach a density of 56 units/ha. Napier Masonic villages (excluding those with care facilities) average 27 units/ha. Hastings Masonic average 30 units/ha.

The one local example of a modern upper-end retirement village only with independent living units (i.e. no care unit), is the Summerset village on Ada Street in Hastings. This has a density of 23 units per hectare. If the forecast 3,340 future retirement village villas and apartments were built at this same density it would require about 145 hectares of land.

Alternatively, in planning for the future, it may be appropriate to anticipate a mix of densities, according to the different (upper and lower end) markets; the greater or lesser use of apartments and/or multi-units; and the presence or absence of care facilities. To allow for this we can assume a density of 23 villas per hectare for villages with care units, and assume that these same villages will mostly be, like now, in the modern mid-to-upper end of the retirement village market (which we have already estimated will account for approximately 1,770 of the 3,340 'independent living' villas and apartments over the next 30 years). For the remainder, as independent living units only, we assume 33 units per hectare.

This calculation gives a total requirement for 123 hectares of land (77ha for villages with care facilities plus 46 ha for retirement villages with 'independent living' only).



The table below (Table 4) provides a summary of the different possible future land area requirements for retirement villages in the HPUDS study area based on the various alternative density assumptions discussed above.

Table 4 : Summary of Alternative Density Assumptions & Land Requirements

Assumed Average Nett Density (villas/ha)	Land Area Requirement (Ha)
23	145
24	140
33	101
Mixed (24 & 33)	123

To put these densities into perspective, the following table (Table 5) shows the relationship between nett density and lot size. Nett density is calculated as the number of lots of a given size per hectare, less 25% loss of land for roading.

Table 5 : Number of Dwellings for Alternative Average Densities

Nett number of dwellings/hectare	Nett minimum lot size
11	700m ²
15	500m ²
22	350m ²
25	300m ²
30	250m ²
38	200m ²

For comparison:

- The minimum density permitted in the Main Residential Zone in the existing Napier City Plan is one unit per 350m² of nett site area (being the equivalent of approximately 400m² gross).
- In the Operative Hastings District Plan, in the Proposed New Development Areas, the minimum average nett lot size is 700m² (approximately 930m² gross). Elsewhere in the Residential zone it can be as low as 300 – 350m² (400 – 470m² gross).
- The recent Frimley Village unit-title retirement village development (Matariki Avenue, Hastings, consented 2013) has an average nett density of one unit per 320m² (450m² gross).
- The average density of existing NCC and HDC pensioner rental retirement villages is 36 and 44 units/ha respectively (a gross of 230 – 280m² per unit).
- The average density of the smaller Napier and Hastings Masonic Trust villages (i.e. excluding Elmwood House and Taradale Village, which have care units) is 27 and 30 units/ha respectively, being the equivalent of 330 – 370m² gross per unit.
- The recommended density for future residential subdivision in the current (2010) HPUDS report is 15 dwellings per hectare (equivalent to section sizes of 500m² nett).



11. Total Land Area Requirement & Siting Predictions

From the preceding analysis we conclude that over the next 30 years, to 2045, there will be a demand for between 100 and 145 hectares of land for retirement villages alone. The exact land areas requirement will depend on housing density, but if the current overall average density is assumed to continue into the future (including allowing for associated care facilities), then an average density of 24 villas/ha and total area requirement of 140 hectares can be expected.

140 hectares would be a significant area – representing between 40% and 70% of the total forecast future land requirement for new housing in the HPUDS study area over the next 30 years (based on estimates from the March 2016 *Economic Solutions* report which predicts a requirement for between 200 and 330 ha of land)¹⁴.

Our assumption that these will be relatively high density developments (at 24 units/ha) is also a significant factor in these calculations as lower densities would clearly substantially increase the amount of land required. For example, if the existing recommended density of 15 dwellings/ha in the 2010 HPUDS report was to be used instead of an assumed 24 units/ha, the total land area for the predicted 3,340 future retirement village dwellings would be more in the order of 223 hectares – i.e. about 49% more land.

We can also expect that retirement villages of the future will tend to be relatively large (as per the current generation of corporate villages) – with at least 100 dwellings per site, and more likely 150 or bigger. These larger sizes of village allow for a minimum threshold of efficiency to be crossed where villages can have their own community centre, on-site office and on-site maintenance staff. On this basis, individual villages of the future would probably require about 6.25 hectares of greenfield land, or more.

Blocks of this size are most likely to be found in greenfield areas where land purchase requires dealing (ideally) with only one or two existing landowners and where there are relatively few pre-existing buildings. Existing houses are unlikely to be utilised (unlike in a conventional residential subdivision). Rather, they will simply add to the cost of purchase of the land, and would need to be moved off to create a clear site.

Preferred sites will otherwise be reasonably flat; serviced by bus routes; in areas that are perceived to be reasonably secure; and that are fairly quiet (yet not completely out-of-the-way). Proximity to pre-schools and/or other facilities where there is life-interest and more generally 'something going on', but safe, would make for compatible siting. Sites that are far removed from the main urban centres altogether are unlikely to be preferred.

Incompatible neighbouring activities would be anything involving loud banging (industrial-type) noises or anything that is perceived as compromising security for elderly people. That includes personal security when immediately outside the village, on the street (for example, in walking to the shops, or for exercise). In all other respects, siting requirements are no different to conventional residential subdivision.

¹⁴ Economic Solutions (March 2016) Heretaunga Plains Urban Development Strategy: Review of Base Demographics and Economic Growth Trends and Projections Since 2009, p.1



12. Other Forms of Retirement Housing

The brief for this study focuses primarily on retirement villages. However, we reiterate that retirement villages are, and will continue to be, an option taken up by only a portion of the retired population. Estimates earlier in this report suggest that about 40% of all people over the age of 75 are presently accounted for as living in retirement villages, rest home care or pensioner rental housing in the HPUDS study area. The remaining 60% are staying on in their own homes or private or state-owned 'general rental' accommodation.

For these other people there will also be future planning considerations – especially as they look to down-size. The implication, as discussed earlier, is that a growing number of people are likely to be looking for smaller homes, and not necessarily just in retirement villages. Many will be putting their older homes on the market in order to make this transition.

The motivation will be partly a desire for warmer, easier-care (and ideally more secure housing, in like-minded company) but, like now, may also have a financial driver. That is, the expectation of being able to sell a larger family home for significantly more than the retirement unit they are moving to, with money left over to live on.

Those without a house to sell or any significant savings will have similar needs but fewer options (being essentially limited to affordable rental housing).

These factors (a possible narrowing of the price gap between older large homes and smaller retirement dwellings) may point to a future shortage of small, affordable retirement units. This is currently not an area of the market that any of the larger commercial retirement village providers have been interested in as the returns are currently quite low.

13. Broader Planning Issues

The broader planning issues arising from the preceding discussion mainly concern issues of housing density – both for retirement villages and for retirement housing in general. As retirement housing becomes an increasingly important feature of the future housing market, and the need or desire for larger properties diminishes, existing ideas on what constitutes an 'optimal' housing density may be challenged.

The issue of density connects with HPUDS objectives relating to the efficient use of land and preservation of versatile soils. Higher densities may also reduce the cost of retirement housing and therefore make it more affordable and accessible to retirees – something that is liable to become more of an issue in the future.

It is relevant to consider as well, in the context of density, what 'types' of housing should be planned for and whether policies and rules relating to multi-unit and/or apartment housing need to be further considered.

The other side of this issue is the effect that increased densities could then have on the quality of the urban living environment. The risk is that overly loose controls on housing density could facilitate the construction of housing developments that are cheap but which do not have the enduring quality needed to support dignified living and a sense of community.

If denser housing is to be considered, therefore, it will be necessary to also consider compensatory controls to off-set potential adverse effects from the loss of open space. The Operative Hastings District Plan, for



example, allows some relaxation of density restrictions in the vicinity of 'open space nodes'. While the Proposed Hastings District Plan encourages higher densities in the 'City Living Zone' or on identified sites within the General Residential Zone.

A further option would be to allow higher densities, or at least favour them, strictly in the context of larger planned retirement villages. That is, not for ad-hoc individual housing or small multi-unit developments, but rather for large scale developments (only) where there is an opportunity to comprehensively plan and organise the provision of space. This could potentially include areas of higher-density apartment-style housing.

It would be valuable to also compare the relative advantages and disadvantages of the license-to-occupy versus unit-title versus rental models of retirement village, in a planning context. These are to a large extent matters of individual choice in the housing market. There are, however, different dynamics in the way that communities living under these various models operate. A better understanding of these dynamics may assist future decision-making and policy development for the management of retirement village communities in these different circumstances.

14 Comparison with Existing HPUDS (2010) Findings

14.1 Retirement Village Land Area Requirement Predictions

The findings in this report differ from the existing HPUDS (2010) report in the amount of land that is predicted to be required for retirement village housing developments through until 2045.

The 2010 report (p.61) predicts a future demand for 81 hectares of land specifically for retirement villages¹⁵. The findings of the current report suggest a much higher demand of between 100 and 145 hectares, with 140 hectares considered 'most likely'. That is 59 ha (approximately 75%) more land than predicted in 2010.

The differences between the 2010 and current land-requirement predictions appears to derive from differences in the data used. The 2010 report uses figures from an October 2009 technical report in which projections are based on population trends in the 65+ (rather than 75+) age group. The report also treats rest home beds and retirement village dwellings as equivalent units, and has lower estimates for the number of retirement dwellings and beds in the study area as at 2015 (assuming 1,967, versus 2,652 counted in the current study).

14.2 Comparison of Density Assumptions

The assumed nett housing density associated with the 140 hectares predicted in this report is 24 dwelling units per hectare (nett). The 2010 HPUDS report does not specify an assumed density for retirement villages specifically but anticipates a future density of at least 15 dwellings per hectare¹⁶ for conventional greenfield urban subdivision and between 20 and 30 dwellings per hectare for "intensification areas"¹⁷.

Our assumed density is therefore at the upper end of the density level anticipated in the 2010 report for areas of intensification, though would still be consistent with these figures. However, because we predict a

¹⁵ Economic Solutions Ltd (Oct 2009) *Heretaunga Plains Urban Development Study Phase 2 Technical Analysis : Retirement Sector Housing Market 20015-2045* (pp.16, 17).

¹⁶ Density figures in the 2010 HPUDS report are described as 'gross' figures. We assume this is an error and that the intention was to describe these as 'nett' figures. 15 dwellings/ha (nett) would be the equivalent of 500m² average lots.

¹⁷ HPUDS (2010), p.52, 59, 95.



larger number of retirement village dwellings than previously assumed (in 2010), this means that in practice the proportion of high density housing across the HPUDS study area, relative to medium density housing, could also be higher than previously anticipated. In the 2010 HPUDS report higher density housing (at 20 – 30 dwellings/ha) was assumed to account for about 40% of all future urban residential housing growth (135ha out of 340ha). By our calculations, retirement housing alone would require that amount of land.

Furthermore, it is relevant to point out that the “intensification areas” envisaged in the 2010 HPUDS were assumed to be predominantly ‘brownfield’ / in-fill rather than greenfield development. Retirement village development could change this picture insofar as the main focus for this type of development is likely to be on greenfield sites. This may point to a need to reconsider current assumptions about the likely / desirable density of future development on greenfield land.

14.3 Overall Future Land Area Requirements

The 2010 HPUDS report predicts a need for another 340 hectares of land for urban residential development, involving a mix of medium to high density housing, through to the year 2045. Our prediction is that future retirement village development (alone) will require approximately 140 hectares – representing about 40% of total future land demand.

We are unable to comment on the accuracy or otherwise of the HPUDS 2010 predictions (340 ha) but confirm that this predicted land area requirement would not be inconsistent with our own predictions specifically for retirement village housing.

Our only concern is whether, in calculating total future land area requirements in the existing HPUDS report, sufficient consideration has been given to the likely high percentage of future housing that will be in the form of retirement villages; the probable higher density of housing in these villages; and what this higher density would mean in terms of the overall demand for land. We have assumed an average density of 24 dwelling units per hectare, which is a considerably higher density than the standard 15 dwellings per hectare currently assumed as the ‘preferred’ standard greenfield development in the 2010 HPUDS report¹⁸.

The existing HPUDS report allows for 205 hectares of future ‘greenfield’ urban development, containing a total of 3,358 houses¹⁹ (the remaining 135 ha being higher density in-fill). That number of houses is more or less the same as the total number of retirement village dwellings we have predicted will be built over the next 30 years – but which we expect will be built at a higher density, requiring only 140 hectares of land.

Accordingly, it may be appropriate to review existing HPUDS assumptions on the future mix of greenfield housing; the likely density of that housing (specifically among retirement villages); and consequent future demands for land. The higher than previously assumed proportion of retirement village housing has the potential to reduce future land requirements.

This also has a potential effect on future expectations for housing density in greenfield areas. Unless there is a shift toward inner city retirement apartments, as is now being seen in Auckland, then it is to be expected that the focus for predicted significant growth in retirement village development will be on greenfield sites. Until now it has been generally assumed that future greenfield development will occur at a density of around 15 dwellings to the hectare. That could change if higher density retirement villages become a prominent feature of future greenfield housing growth.

¹⁸ ‘Actual’ assumed densities in HPUDS Tables 1(a) and (2) in fact average 16 dwellings/ha (15/ha in Hastings and 18/ha in Napier). We use here the figure (15/ha) stated in the text of the report.

¹⁹ Refer HPUDS Tables 1(a) and 2. (pp. 52, 53).



15. Overall Findings

From the preceding analysis we find that:

- For the purpose of the HPUDS review it can be anticipated that there will be future demand for approximately 140 ha of land, over the next 30 years (to 2045), for new retirement village development (inclusive of associated rest home care facilities) – providing for approximately 3,340 new retirement units. The demand will be predominantly for ‘greenfield’ sites of 6.25 hectare or greater.
- The demand for retirement housing (including retirement villages) does not look likely to drop off over the course of the 30 year planning horizon but rather be maintained beyond 50 years. This suggests that the retirement housing that is built will endure, and can be planned for as such (i.e. will not have to be turned over to other purposes in the foreseeable future as the need passes).
- Corresponding with the growth in retirement villages will be a general shift in market preference toward smaller housing units generally as retirees (particularly those over 75 year of age) look to down-size to smaller, easier-care homes.
- The scale of the trend of retirees moving to smaller homes may leave a disproportionate number of larger family homes on the market and a narrowing of the existing price margin between larger and smaller dwellings.
- The predicted trend of more retirement housing raises questions around future housing density and whether current perceptions of ‘optimal density’ are likely to remain valid for the next 30 years. If density rules are to be reviewed, then consideration will need to be given to where and how those rules would apply, and what methods can be used to offset the potential adverse effects of higher densities in the urban living environment.
- The results of this study also suggest a need to re-check existing assumptions in the 2010 HPUDS report on likely future greenfield land area requirements. That is to the extent that our assessment predicts as much as 40% of all future housing development will be greenfield retirement village housing. The likely higher density of that housing, compared with the existing recommended standard of 15 dwellings per hectare, has the potential to bring down overall land demand.



Appendix A : Summary Tables



Summary of Existing Retirement Village Accommodation in the Heretaunga Plains Area

	Villas & apartments	Care beds	Rentals	Land Area (ha)	Density per ha (incl care beds)	Density (excluding care beds)
Napier						
Atawhai (Oceania, Taradale)	46	82		3.25	39	14
Princess Alexandra (Ryman, Ahuriri)	72	110		2.4	76	30
Summerset in the Bay (Merlot Place, Greenmeadows)	118	68		5.5	34	21
Anglican Care (Riversdale)	56			2	28	28
Anglican Care (St Luke's Village)	13			0.33	39	39
Masonic Trust (Taradale Village, Devonshire Place)	18	68		2.4	36	8
Masonic Trust (70 Kensington Drive)	35			1.6	22	22
Masonic Trust (Mission View : 190 Avondale Rd)	26			0.97	27	27
Masonic Trust (Knightsbridge, 17 Balmoral St)	36			1.55	23	23
Masonic Trust (Scinde: McVay Street)	15			1.6	9	9
Masonic Trust (Waiohiki : 37 Meeanee Road)	10			0.25	40	40
Masonic Trust (Elborne St Flats, 6 Elborne St)	5			0.1	50	50
Mason Trust Elmwood House (44 Nelson Cres)	0	39		0.26	150	0
Masonic Trust (Morris Spence)			51	0.86	59	59
Masonic Trust (7 Holyrood St, Greenmeadows)			15	0.16	94	94
Napier City Council (for 60+ and low income only)						
Hastings/Munro St retirement village (465 Hastings St)			4	0.13	31	31
Henry Charles retirement village (Henry Charles Cres)			80	3.3	24	24
Oriel Place Village (20 Oriel Place)			20	0.37	54	54
Otatara Retirement Village (14 Peddie St)			12	0.4	30	30
Centennial Retirement Village (11 Oxford St)			40	1.51	26	26
Rangi Marie Retirement Village (26 Puketapu Rd)			16	0.4	40	40
Arthur Richards Village (22a Lancaster St)			50	1.24	40	40
Coventry Avenue Village (55 Coventry Ave)			31	0.64	48	48
Greenmeadows East Village (83 Tait Drive)			50	1.93	26	26



Hastings						
Summerset in the Orchard (Ada Street)	151	0		6.5	23	23
Gracelands Village (Oceania) 730 Pakowhai Road	69	92		5.6	29	12
Eversley Village (Oceania) 400 Cornwall Road	4	50		0.85	64	5
Frimley Retirement Village	14			2.8	21	21 ²⁰
Masonic Trust Raureka Village (Gordon Road)	35			1.43	24	24
Masonic Trust Mayfair Flats (249 Mayfair Ave)			8	0.24	33	33
Masonic Trust Lumsden Court (119 Lumsden Rd)	18		8	0.6	43	43
Masonic Trust Windsor Villas (Symon St)	13			0.42	31	31
Masonic Trust Willowpark (1005 Willowpark Rd)	12			0.43	28	28
Hastings District Council (for 55 yrs and over)						
Cambridge Court (710a Jervois St)			23	0.71	32	32
Cameron Court (605 Frederick St)			10	0.18	56	56
Elm Grove (505 Southampton St)			25	0.58	43	43
Kereru Heights (304 Takapu Rd)			25	0.62	40	40
Oakleigh Downs (612 Grove Rd)			16	0.48	33	33
Parkhaven Village (510 Park Road South)			29	0.53	55	55
Swansea Village (17 Swansea Rd, Flaxmere)			64	1.42	45	45
Tui Vale (312 Tui Place)			22	0.43	51	51
Havelock North						
Summerset in the Vines (249 Te Mata Road)	190	42		5.2	45	37
Mary Doyle, Karanema Drive	330	49		13.9	27	24
Anglican Care (Waiapu House, 10 Danvers Street)	33	42		1.97	38	17
Anglican Care (St Luke's Close, Te Mata Road)	12			0.34	35	35
Duart House (Oceania) 36 Duart Road		66		0.76	87	0
Masonic Trust (Allan Graham) 30 Te Aute Road			8	0.21	38	38
Hastings District Council (for 55 years & older)						
Anderson Park Close (26 Lipscombe Cres)			6	0.14	43	43
Totals & Averages	1331	708	613	79.49	33	24

²⁰ Density calculations for Frimley Village are based on an assumed completion of the village.