

ABSTRACT

Modern cities worldwide are the hub of economic growth and development. Accordingly, the economic characteristics of cities play an integral role in the quality of life available to residents who live in them. Tauranga, consistent with many sun-belt cities, has recently experienced rapid population growth, primarily due to the climate and lifestyle it offers. Many agencies in Tauranga are undertaking local economic development activities similar to those being undertaken internationally. The purpose of this research was to understand the interplay between institutional factors and the management of local economic development in the process of sustainable urban development, with reference to Tauranga's recent rapid population growth. This was done by utilising a mixed method, critical research approach to explore how the local economic development process fits within the broader city planning context. Tauranga proved to be an effective case study, due to its arguably unique approach to local economic development.

The research findings suggest that typically population growth in Tauranga has been attributable to its natural features, and that future economic development will occur through planned and active encouragement to ensure adequate infrastructure and service provision. Numerous organisations work on different aspects of local economic development. A collaborative, partnership approach assists in aligning the activities of these organisations, encourages participation and limits unnecessary repetition. The findings suggest that managing local economic development appropriately can assist in achieving sustainable development outcomes. They also suggest that in Tauranga there is potential scope for increased involvement from the bottom and that planning for local economic development should be a pro-active activity. It was found that it is valuable for local government to be involved in, but somewhat removed from, the local economic development process. This has led to the conclusion that the relationship between the agencies involved in local economic development and the local government (who, in New Zealand, are responsible for economic well-being and urban planning) influences the level of success in working toward sustainable development outcomes.