Document No: 777351

District Council

Report To: Council

Meeting Date: 24 September 2024

Subject: Regional Infrastructure Fund Application Proposal -

Te Kuiti Aerodrome Business Park

Type: Decision Required

Author(s): Shyamal Ram

General Manager Infrastructure Services

1. Purpose of Report

1.1 The purpose of this business paper is to seek approval to develop and submit an application to the Regional Infrastructure Fund for a proposed Business Park at the Te Kuiti Aerodrome.

2. Suggested Resolutions

- 2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.
 - 1 The business paper on Regional Infrastructure Fund Application proposal Te Kuiti Aerodrome Business Park be received.
 - 2 An application to the Regional Infrastructure Fund for a proposed Te Kuiti Aerodrome Business Park is developed and submitted.

3. Background

3.1 REGIONAL INFRASTRUCTURE FUND

- 3.2 The Regional Infrastructure Fund (RIF) is a central government initiative to help rebuild the economy by investing in new and existing infrastructure projects that boost regional growth, resilience and productivity. The RIF has a \$1.2 billion budget over three years.
- 3.3 The RIF will invest in infrastructure projects prioritised by regions and in projects that would otherwise not happen, or which can be accelerated with government investment. It is primarily a capital fund. Funding support will be provided through a mix of loan and equity investments, with grants only available in very limited cases.
- 3.4 To be eligible for consideration for RIF funding, an application must meet specified criteria including showing alignment with regional priorities.
- 3.5 Waikato priorities include:
 - Logistics and distribution
 - Sustainable food and agriculture / land use
 - High value manufacturing
 - Technology, digital and I.C.T
 - Energy and sustainability
 - Tourism

3.6 These priorities were decided by: Waikato Regional Council – Te Kaunihera à Rohe o Waikato, Waikato Pacific Business Network, Te Waka- Waikato Economic Development, Waikato Wellbeing Project – Hinonga toiora o Waikato and Future Proof – Te Tau Tîtoki.

3.7 COUNCIL MEETING 9 APRIL 2024

- 3.8 A decision was taken at the 09 April 2024 meeting to approve a Development Suitability Assessment for the Te Kuiti Aerodrome.
- 3.9 This assessment is nearing completion and will be used to inform discussions going forward.

4. Commentary

- 4.1 The potential for industrial development at the northern entrance to Te Kuiti has been recognized for a number of years.
- The opportunity to realize this potential has been improved with the announcement of the RIF. Applications opened 1 July 2024, there is no closing date but with a limited budget it is expected that chances of success may be improved with an early response.
- 4.3 If the decision to develop an application is taken, council staff expect to be in a position to submit the application by November 2024.
- 4.4 The application would seek funding for a two-stage development project covering 7.2 hectares in total Lot areas. Initial staging options have been identified and are provided for information purposes as Attachment One.

5. Analysis of Options

5.1 **DO NOTHING**

5.2 There are no development works planned for this site in the Long Term Plan 2024-27 and it would not be financially viable without government funding.

5.3 SUBMIT AN APPLICATION

- 5.4 The RIF application is a staged process. A successful first stage results in applicants being invited to submit further and more detailed project information.
- 5.5 This staged application approach facilitates efficient and effective use of resources.

6. Considerations

6.1 <u>RISK</u>

- 6.2 Council staff have reviewed the eligibility criteria and consider an application to develop a Business Park at the site will be consistent with the purpose and intentions of the RIF.
- 6.3 A robust, well planned and well supported application will improve the chances of a successful application.
- 6.4 The potential for reputational risk resulting from a poorly informed application will be mitigated.

6.5 CONSISTENCY WITH EXISTING PLANS AND POLICIES

6.6 Applying for external funding for proposals that meet relevant eligibility criteria is consistent with previous decisions taken by the Council.

6.7 SIGNIFICANCE AND COMMUNITY VIEWS

- 6.8 This decision is not a significant decision in terms of the Council's Significance and Engagement Policy.
- 6.9 Early engagement with iwi and stakeholder groups will be sought if approval to develop and submit an RIF application is granted.

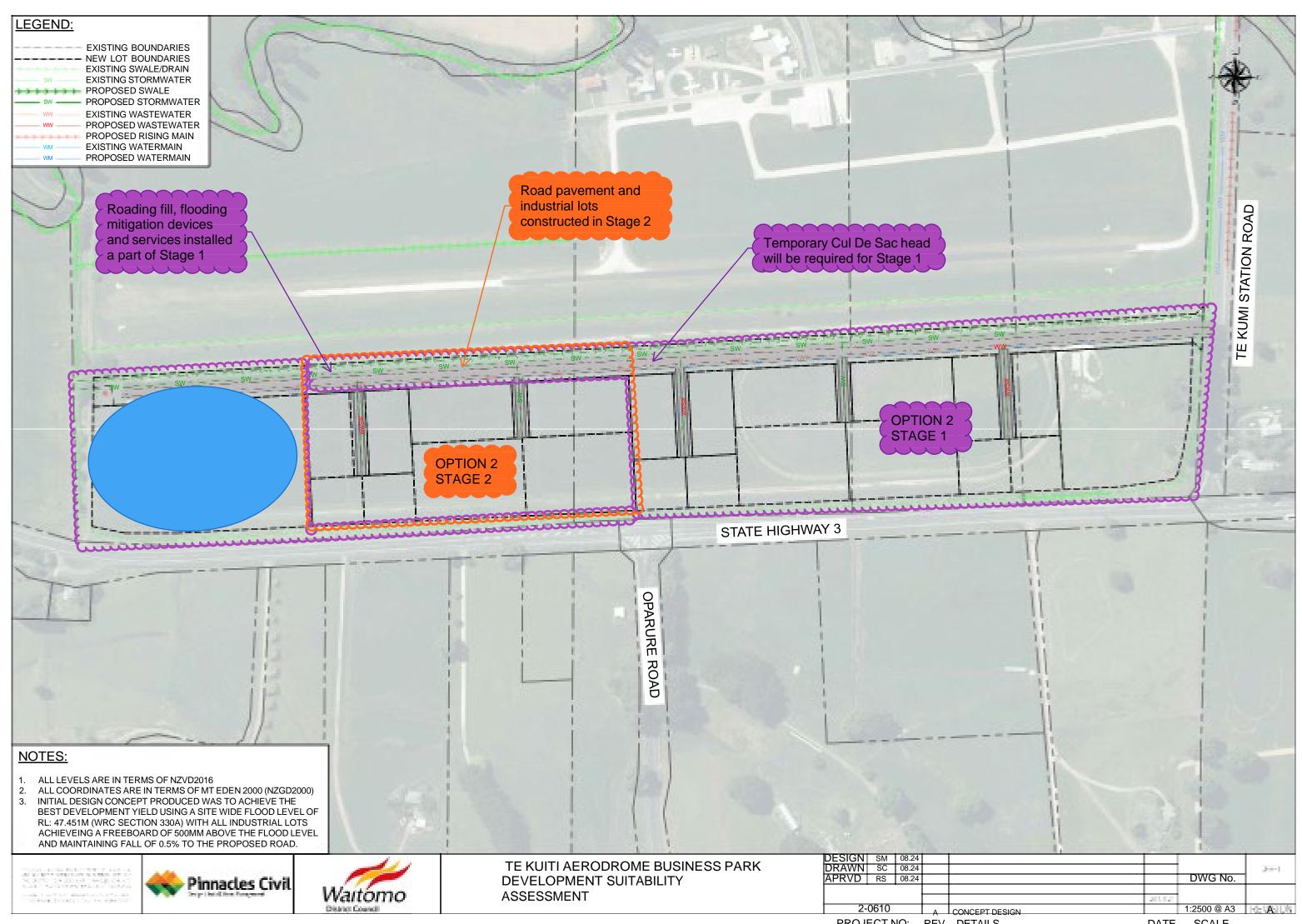
7. Recommendation

- 7.1 The business paper on Regional Infrastructure Fund Application proposal Te Kuiti Aerodrome Business Park be received.
- 7.2 An application to the Regional Infrastructure Fund for a proposed Te Kuiti Aerodrome Business Park is developed and submitted.

8. Attachments/Separate Enclosures

Attachments:

1 Te Kuiti Aerodrome Business Park – Proposed Development Stages



PROJECT NO: REV DETAILS DATE SCALE