

ROTORUA LAKES COUNCIL

Mayor  
Members  
COUNCIL

**CROWN INFRASTRUCTURE PARTNERS – PROJECTS (ECONOMIC STIMULUS POTENTIAL) SUBMITTED BY ROTORUA LAKES COUNCIL**

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**Report approved by:** Geoff Williams, Chief Executive

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**1. TE PŪTAKE  
PURPOSE**

This paper is intended to update Council of the shovel ready projects submitted as part of the Crown Infrastructure Partners Limited (CIP) process. In addition, the report identifies:

- Other projects that are being considered for Rotorua (NZTA and other Government departments).
- Actions related to the Housing and Thriving Communities Strategic Framework developed with Te Arawa and key Government departments.

**2. HE TŪTOHUNGA  
RECOMMENDATION**

- 1. That the report ‘Crown Infrastructure Partners – Projects (Economic Stimulus Potential) submitted by Rotorua Lakes Council’ be received.**

**3. TE TĀHUHU  
BACKGROUND**

The Government is seeking to identify ‘shovel ready’ infrastructure projects from the public and certain private infrastructure sector participants that have been impacted by COVID 19.

Ministers have advised that they wish to understand the availability, benefits, geographical spread and scale of ‘shovel ready’ projects in New Zealand. These projects will be considered in the context of any potential Government response to support the construction industry, and to provide certainty on a pipeline of projects to be commenced or re-commenced, once the COVID 19 response level is suitable for construction to proceed.

Crown Infrastructure Partners Limited (CIP) will coordinate the process with project information submitted by 14 April 2020.

In addition to this process, Council officers have been working with the Ministry of Housing and Urban Development (MHUD), Provincial Development Unit (PDU), Kainga Ora, NZTA and the Te Arawa

housing leadership group on other project options, and to continue to progress the identified actions and work streams of the Housing and Thriving Communities strategic framework.

Aligned to the Government's response strategy, Council adopted a number of high-level strategies to guide recovery planning. Agreed strategies for the Rotorua Economic Recovery Plan are:

- Build on Rotorua's unique strengths;
- Create a confident business environment that encourages investment and the emergence of new sectors;
- Work with business leaders to craft innovative strategies for impacted sectors;
- Position Rotorua as leading the resurgence of tourism and wood processing;
- Leverage Central and Local Government investment to drive employment in both the short and longer-term;
- Implement locality plans to connect our communities and transform our city.

Council is clear that the recovery plan must enable this community to build back better – with a wider economic base and new employment options, sufficient housing to meet our community's needs and available land on which to see new businesses established.

#### **4. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS**

A number of our local transport proposals are being proposed as a variation to the current Regional Land Transport Programme and sent to the CIP:

- The Ngongotaha Village safety improvements (\$2.0m)
- CBD transport functionality changes multimode (\$10-15m)
- Urban cycleway connections (\$1.6m)
- Rural seal extensions (\$3.0m)
- Mitigation on local roads from State Highway changes ie: eastern corridor (\$2.0m)
- Urban schools safety improvements (\$0.9m)
- Bus shelters upgrades (\$1.0m)
- Cycle parking Inner City (\$0.2m)
- Rural roads vegetation and drainage controls/improvements (\$0.75m)

It is understood that \$14m for Ngongotaha roundabout and further north safety project is confirmed and funded.

Council has also asked that Government consider fast tracking a number of existing projects that are currently moving slowly. These are:

- Courthouse redevelopment (Ministry of Justice)
- Te Uru Rakau (MBIE on Scion campus)
- Mental health facility (Lakes DHB)

The 'shovel ready' projects are not new, but reflect the long-term plans and partnerships to transform the district and its economy. Projects are grouped across two themes:

- Infrastructure to support housing and the development of new businesses /sectors
- Leveraging existing tourism investment to create greater value and strengthen domestic visitation.

All projects represent significant partnerships between Council and Te Arawa Iwi and provide the opportunity to support transformational change in the local economy.

Some of these projects have been fortunate to have received funding from the Provincial Growth Fund. Unfortunately, the anticipated private sector investment is now almost certain to be delayed putting

at risk the achievement of the predicted benefits. For these projects, opportunities to maintain the momentum and bridge the immediate gap until the private sector is in a position to invest have been identified.

**Infrastructure to support housing and the development of new businesses /sectors:**

1. **Infrastructure to enable urban land development** - State Highway 30 (Te Ngae Rd) roading upgrades, stormwater infrastructure development and Ngāti Whakaue Tribal Lands capability investment.
2. **Rotorua waste water treatment plant upgrade** – significant upgrades and growth capacity for Rotorua city and lake water quality.
3. **Airport business park development** - Land development investment to support airport / aeronautical business development (Precinct application A and B).
4. **Rotoehu/Ngamotu reticulation** - lake water quality improvements and reducing financial impact on local ratepayers.

**Leveraging existing tourism investment to create greater value and strengthen domestic visitation:**

5. **Rotorua aquatic centre redevelopment** - geothermally heated regional quality facility
6. **Whakarewarewa forest and trail development** – Hub development on Tarawera Road including core buildings, tree planting and track developments.
7. **Rotorua Lakefront** - Development of new jetties for commercial operators and new building and infrastructure in Ohinemutu.

In addition to the seven projects Council has also supported a joint application with Te Puni Kokiri to add to work already committed for Kaingaroa Village.

Total project requests total \$209m.

**Crown Investment Partners - Applications**

<b>Project</b>	<b>Total Cost of Project (as per application)</b>
Unlocking urban land development (Wharenui Road and SH30)	\$20-\$30m
Rotorua Urban WWTP upgrade	\$60-\$65m
Rotorua Airport Industrial / Business Park	\$26.7m
Rotorua Airport Hangar Park	\$17.2m
Lake Rotoehu Wastewater Scheme	\$10m
Rotorua Aquatic Centre Improvements Programme (Stage 3)	\$15.43m
Whakarewarewa Forest Development Phase 2	\$13.9m
Rotorua Lakefront High Value Tourism and Hospitality Destination Precinct	\$17.2m
Kaingaroa Community Development Project	\$14.04m
<b>TOTAL</b>	<b>\$209m</b>

## **Housing and Thriving Communities Strategy**

Council officers continue to work closely with Ministry of Housing and Urban Development (MHUD) and Kainga Ora and the Te Arawa housing leadership group on actions identified in the housing strategy framework.

While the Covid-19 lockdown created an immediate focus on the homeless shelter and those in emergency accommodation, it is expected that a number of work areas will recommence rapidly. In particular:

- Kainga Ora is now working directly with four Iwi trusts on the establishment of temporary short-term housing and longer-term social/mixed housing developments.
- New social housing builds are expected to ramp-up with the acquisition of additional properties for development. The existing programme to reconfigure a number of sites to increase the number of housing units is also continuing.
- Kainga Ora and MHUD have offered specialist urban design assistance to support locality planning in the four identified areas of the city.

### **5. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE**

All projects presented to government as part of the CIP process are proposals only. If Government is supportive of progressing these projects a formal decision of Council will be required. As with PGF applications, Government will likely seek to establish a contractual arrangement with Council or other parties that will dictate timing, deliverables and potentially, any match funding.

### **6. NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY**

Proposed projects have involved discussions with partners or key stakeholders at a preliminary level. Additional direct engagement may be required with key groups if Government supports further discussions on the project.

It is important to note that in all cases, some level of direct engagement has been completed.

### **7. HE WHAIWHAKAARO CONSIDERATIONS**

#### **7.1 Mahere Pūtea Financial/budget considerations**

Until there is a response from Government it is unclear as to the financial implications of these project proposals. At this stage, all projects requested 100% grant funding. Implications of any Government proposal will need to be developed to support a decision-making report to Council.

As proposed projects, with 100% grant funding requested, there are no financial implications to Council.

## **7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications**

Project proposals are aligned to:

- Key projects of the LTP.
- Priority for the 2019-2022 period – Homes and Thriving Communities and current work being undertaken to develop a Housing Strategy following the MHUD's Place Based Assessment.

## **7.3 Tūraru Risks**

In the proposal stage there are no substantial risks. Council has worked with partner organisations in the development of these project proposals and commercially sensitive information on partner organisations is detailed in applications. It is important that this information remains confidential.

## **7.4 Te Whaimana Authority**

On 3 April, Council were advised that officers were compiling and submitting potential projects through the CIP process. As noted earlier, no agreement to enter into a contract with Government on any proposed project can be made without Council approval.

## **8. TE WHAKAKAPINGA CONCLUSION**

The process being undertaken on behalf of Government has moved exceptionally fast. It is expected that Government will seek to begin discussions on potential projects within the next few weeks. Government is seeking to put considerable investment into all areas of the country to provide much needed economic stimulus.

## **9. NGĀ ĀPITI HANGA ATTACHMENTS**

Attachment 1: Brief description of each project as per the applications

## UNLOCKING URBAN LAND DEVELOPMENT (WHARENUI ROAD AND SH30)

This project includes building **roading** and **storm water infrastructure** to remove barriers to housing development and industrial development. This will help facilitate the development of Māori land, provide housing and generate short and long term employment.

### **Housing development**

Rotorua has a recognised shortage of housing at all levels of the market for both renters and owner-occupiers, resulting in increasing housing costs, reducing affordability and increasing homelessness. In late 2019, the Ministry of Housing and Urban Development (MHUD) carried out a place-based assessment that identified the need to address supply and quality issues for the full range of the housing continuum, with urgent priority on the lower end. Central Government have now recognized the increasing pressures in Rotorua and have pledged to support the delivery of solutions. Current estimate of housing shortfall is at least 1,500-1,750 and growing as Rotorua's population continues to expand.

There is existing residential zone land (rezoned in 2008) owned by Ngāti Whakaue Tribal Lands (NWTL) that is unlikely to be fully developed without intervention. The current zoning enables the development of 900 – 1100 sections. Resource consent has been granted for the first three stages of the development totally 179 lots; and earthworks are already underway. However, state highway upgrades are required after the first 151 lots are created, and further upgrades once 301 lots are created. Stormwater works are also required to facilitate this development. Undertaking these upgrade works will enable this land to be developed.

In addition, RLC is initiating a plan change to extend the current residentially zoned land northwards to include NWTL farmland up to the existing Eastgate business and innovation zone. The main impediments to growth here are roading (direct access to SH30) and storm water. Council are looking to take a wider catchment approach to storm water and design the preferred solution for this area. Council has engaged Tonkin & Taylor to complete stormwater master planning and design for the catchment. Housing development in this area could add another approximately 1,400 lots, taking the total to 2,500. In addition, business park land would be added (light industrial) and a suburban shopping area.

### **Industrial development**

Rotorua also has a shortage of suitable industrial land. Rotorua's projected need for industrial land is estimated to be between 56 - 244ha by 2048 (Statistics NZ and BERL figures respectively). With limited options potentially incompatible industrial uses are forced to share areas.

State highway 30 upgrades are also required to facilitate the Airport's masterplan and expansion of the Eastgate Business Park (see application for Rotorua Airport Industrial Park). A key component of this is a roundabout to ensure safe access and maintain highway efficiency (Airport/Eastgate Access Investigation RLC 2016). The roundabout is considered important in enabling the Airport to fully realise the development potential of its land, and to help unlock the potential of adjacent land.

Development associated with the Airport Masterplan and Eastgate Business Park Expansion will facilitate employment in close proximity to the housing being developed by Ngāti Whakaue Tribal Lands. A roundabout will also provide an opportunity for an enhanced gateway to Rotorua.

## ROTORUA URBAN WASTE WATER TREATMENT PLANT UPGRADE

Rotorua's Waste Water Treatment Plant (WWTP) is over 30 years old and in need of an upgrade if it is to successfully continue to reduce and maintain nutrient levels below the targets agreed under the Te Arawa Lakes Water Quality Programme and the new NPS Freshwater. Upgrade is also necessary if the plant is successfully to meet increasing projected demand.

The project involves the upgrade of the treatment plant's processes so that all wastewater is fully treated and safe before it is returned to the environment. This includes increasing treatment capacity, provision of storm flow storage, additional phosphorus removal, ultra-filtration and UV treatment before final discharge.

In 2015, Council sought help from the community and set up an engagement group led by residents including an independent chair, Te Arawa hapū and iwi, technical advisors and representatives from Rotorua Lakes Council and Bay of Plenty Regional Council. This group investigated multiple alternatives.

The committee, with help from its cultural team and Mātauranga Māori (Māori knowledge) experts, selected the most preferred option, which is a Membrane Bioreactor (MBR) based technology.

With the upgrade the WWTP will be able to treat an additional 10 million ltrs/day – moving from the current 20 million ltrs/day, to 30 million ltrs/day. The urban wastewater going through the plant per year contains 465 tonnes nitrogen, 51 tonnes phosphorous, and 20m E. Coli per 100ml. The WWTP process will remove 92% nitrogen, 94% phosphorous and 99.999% of E. Coli by ultra-filtration and UV.

The proposed upgrade of the WWTP will future proof (50-year horizon) Rotorua's urban wastewater treatment and will enable housing and business activity growth while safeguarding the environment and meeting higher freshwater quality standards.

Note: Application deals only with the plant itself and not the land contact bed and discharge point

## AIRPORT BUSINESS PARK

### APPLICATION A – INDUSTRIAL PARK

To provide much needed industrial / business land in Rotorua located at the Airport.

The Rotorua Regional Airport industrial / business Park is about the optimisation of underutilised land which has clear public benefit important for two key reasons;

1. Unlocking income sources which diversify the Airports revenue in the future and increase its sustainability is now imperative and the impact of COVID 19 has demonstrated this.
2. Bringing much needed industrial land to the Rotorua market which is currently undersupplied. There is simply no “ready-to-go” fit for purpose industrial land of scale which can accommodate a wide variety of types and scales of businesses.

The project elements are;

- Earthworks
- Three waters infrastructure + power and fibre.
- Roothing
- Lighting
- Amenity enhancements such as planting, pavement design etc.

The development is shovel ready because the project has been underway for over two years and:

- It is proofed through a comprehensive master planning and business case process.
- The area identified to be developed as an industrial / business park is zoned for that purpose under the Rotorua District Plan.
- The development of the land is also identified as a key component in supporting growth in the Rotorua Lakes Council Spatial Plan.
- There is a masterplan and design and procurement are at a ready stage for delivery.

The industrial / business park is optimally located being only 10 minutes from the Rotorua CBD, has direct access onto State Highway 30, and is only one hour to Tauranga and the Port of Tauranga via the Tauranga Eastern Link Expressway. The uses and businesses being targeted for the business park will be those that complement the airport activities and are not anticipated to impact the viability of the CBD.



## AIRPORT BUSINESS PARK

### APPLICATION B – HANGAR PARK

The project is to develop an area of land into a comprehensive hangar park that can be used for a variety of aviation purposes as well as light industry type activities such as storage. This is an important project for the Airport as in the aviation industry it has been proven that a successful hangar development is one of the key ways to enhance financial security at Airports.

The project is about the optimisation of underutilised land which has clear public benefit important for two key reasons;

1. Unlocking new income sources which diversify the Airports revenue in the future and increase its sustainability is now imperative and the impact of COVID 19 has demonstrated this.
2. The hangar park has the ability to accommodate a variety of uses beyond aviation such as light industrial activities and storage. This is important in the context of Rotorua as the project would bring much needed industrial land to the Rotorua market which is currently undersupplied. There is simply no “ready-to-go” fit for purpose industrial land and this would provide an attractive location for many commercial/industrial activities.

The project elements are;

- Earthworks
- Three waters infrastructure + power + fibre.
- Roothing
- Lighting
- Amenity enhancements such as planting, pavement design etc.
- Hangar construction – different typologies based on demand.

The project is shovel ready because the project has been underway for over two years and:

- It is proofed through a comprehensive master planning and business case process.
- The area identified to be developed for hangars is specifically designated for that purpose under the Rotorua District Plan.
- The development of the Airports land is also identified as a key component in supporting growth in the Rotorua Lakes Council Spatial Plan.
- There has been developed design of the precinct lay-out plus four different preliminary plans for hangars. Preliminary civils design has been also been undertaken.
- Early engagement with civil contractors and traditional building contractors has been undertaken and an RFP to secure a preferred contractor(s) is about to go to market.

## LAKE ROTOEHU WASTEWATER SCHEME

Lake Rotoehu has been identified by Government as a priority lake for restoration as part of the Te Arawa Lakes restoration programme. The programme is jointly being implemented by the Crown (MfE), the Bay of Plenty Regional Council, Rotorua Lakes Council and the Te Arawa Lakes Trust. See <https://www.rotorualakes.co.nz/vdb/document/533>

A key technical component of restoration is nutrient management, as high nutrient levels are the major problem affecting the health of the majority of the Rotorua Lakes. Nutrients are reduced through sewerage reticulation and treatment.

Rotorua Lakes Council, as a key partner in the programme, has been reticulating sewerage for a number of lakeside communities. A new Wastewater Treatment Plant was recently commissioned at Rotoiti. It removes nutrients as well as organic waste thus significantly reducing the volume of nutrients entering the lakes. The Rotoiti Plant has been designed to accommodate all lakeside communities in the East Rotoiti/Rotoma areas, including Lake Rotoehu.

At Rotoehu, there are two communities (Kennedy Bay and Otautau Bay) currently with on-site wastewater systems. These systems result in nutrient and coliform discharges to the lake. A small community located on the shores of Lake Rotoma at Ngamotu (Doctor's Point) can also be connected via a Rotoehu branch line.

The reticulation network (Rotoiti/Rotoma) was intentionally designed to accommodate a main connection for a branch line that would connect the communities on Lake Rotoehu to the Rotoiti plant. The sewerage network for these communities is planned to be a pressure network with a small pre-treatment on site system. Individual, on property systems are fitted with a pump to discharge into the pressurised reticulation. The requirement for partial pre-treatment is a condition of consent, it satisfies iwi concerns over transfer of waste between rohe, and reduces the potential impact of any system failure.

The project to connect Rotoehu communities to the network involves:

- Construction of 10 kms of pressurised pipe network
- Construction of one in-line pumping station, to avoid high system operating pressures
- The construction of approximately 110 pre-treatment on-site systems.

## ROTORUA AQUATIC CENTRE IMPROVEMENTS PROGRAMME

The Rotorua Aquatic Centre was originally constructed in the early 1970s. Besides providing facilities for water-based recreation and sports, a key function of the Centre is to assist the local community to develop and improve its confidence and safety in and around water. It is very popular with locals, appealing to most demographics, and is affordable. It also draws significant numbers of domestic tourists. Council data shows that the Centre typically attracts around 350,000 visitors and delivers over 52,000 'Learn to Swim' lessons per year<sup>1</sup>.

The Aquatic Centre's 50m pool is an asset unique to Rotorua. It is the only geothermally heated 50m outdoor pool in the country that is available for use all year round. Sport Bay Of Plenty Spaces and Places Strategy<sup>2</sup> gives the pool 'Regional' significance with the ability to "host inter-regional and internal regional competitions and/or serve as a regional high performance training hub for one or more sports codes". Improvements to this pool will provide an opportunity to elevate the Centre to a national FINA training centre, hosting regional FINA<sup>5</sup> competitions.

Rotorua is a popular tourism destination for domestic and international visitors. There is an opportunity to create a regional water sport and entertainment attraction to appeal to locals and visitors (domestic and international) alike. Over the past decade, Rotorua Lakes Council (RLC) has commissioned several studies into the potential benefits of further development of the facility. Feasibility work undertaken by Deloitte in 2015, identifies that a facility that combines the current Aquatic Centre function plus waterpark features would provide a reasonable business return of 8%<sup>3</sup>.

In late 2018, RLC engaged a specialist aquatic centre designer to assist in the development of a 'masterplan' to set the long-term vision for the facility. The masterplan generated concept designs and budgetary costs for the addition of several strategic assets to the facility, and provided designs for the expansion of existing infrastructure to cater for the increase in utilisation<sup>4</sup>.

Delivery of the complete masterplan is expected to cost \$23.6m. For the current Long Term Plan period, RLC has committed \$7.5m to begin the delivery process. Philanthropic funding is also being sought to support this stage.

The project is scheduled to begin construction in July 2020 with a focus on the delivery of one new asset (an enhanced 50m outdoor pool) and several key refurbishments that are required to support the planned future developments. The current delivery scope is:

1. Conversion of an existing 1970s-built outdoor pool into a modern FINA<sup>5</sup> standard facility for regional competition and training (Stage 1).
2. Refurbishment of the existing indoor facility to extend asset life and level of service in order to attract additional philanthropic and partnership investment (Stage 2).

Subject to future funding of \$15.43m, delivery of the full masterplan (Stage 3) will include:

1. Construction of a purpose-built Learn to Swim (LTS) facility
2. Construction of a 'destination' hydro slide and water splash attraction
3. Construction of a purpose-built 'bombing pool' (bombing is the most common activity within the facility)

<sup>1</sup> Learn To Swim currently takes place in a small area of the recreation pool (designed for water play). It is noisy, cramped and (according to RLC's facility operator) a blocker to meeting the significant potential local market for swimming lessons, which CLM believe is 40% higher than current capacity.

<sup>2</sup> Sport BOP Spaces and Places Strategy 2017, Table 8.1 and Page 8: Facility Hierarchy Definitions

<sup>3</sup> Palmerston North Lido (installed modest slides in 2015) has seen an average of 30,000 water slide patrons per year. Being a tourism-focussed city with greater accessibility, Rotorua would see a significantly higher patronage and greater ROI

<sup>4</sup> Refer Appendix 1 for masterplan summary plans

<sup>5</sup> FINA – "Federation Internationale de Natation" (International Swimming Federation)

4. Construction of a poolside gymnasium facility
5. Expansion of change rooms and administration areas to meet increasing patronage and provide additional space for future facilities such as a food outlet, retail opportunities, kids' party space and child minding services.

## WHAKAREWAREWA FOREST DEVELOPMENT PHASE 2

This project is an extension of the \$14.5m Whakarewarewa Forest Development Programme, funded by Rotorua Lakes Council (\$7.5m) and the Provincial Growth fund (\$7.0m). A copy of the PGF application for funding can be found at [this link](#). Phase 2 (set out below) was not included for funding in our previous PGF application:

### 1. Construction of commercial buildings

The Whakarewarewa Forest Development included Forest Hub 2, a new forest access point with car parking, event space and toilet and change facilities. This is nearing completion. Phase 2 is a building complex that includes Bike Hire, Retail, Café/Restaurant and supporting Office, and a large storage shed for the mountain bike shuttle operation. Given the uncertainty created by Covid-19 and particularly the impact on tourism, the iwi investors will seek to delay progressing this work until the market returns. Providing additional investment to bridge this gap would ensure there is no delay to achieving the commercial benefits associated with the Forest Hub 2 investment, and would support construction activity to deliver the 750m<sup>2</sup> of commercial and retail space and a 360m<sup>2</sup> storage shed.

### 2. Trail construction and maintenance

To protect and grow our existing domestic market, as well as position ourselves to recover international market share when travel restrictions are eventually lifted, we have identified a package of off-road trail related work. It consists of a mix of upgrades and new builds and creates further commercial product opportunities that would encourage visitors to stay longer and visit more frequently.

This work would create immediate employment opportunities for a significant number of recently unemployed workers from the tourism and related sectors. These workers would have the opportunity to develop skills that would be transferable to the broader construction sector.

While the trail work is centred on expanding Rotorua's core mountain biking strength, a significant portion is also focused on improving and expanding the offering for walkers and trail runners who have been identified as key growth segments. Additionally, development of the key infrastructure required to base international events and festivals such as the World Cup level events or the Large Global Mountain Biking Festivals in Whakarewarewa Forest has been incorporated.

## ROTORUA LAKEFRONT HIGH VALUE TOURISM AND HOSPITALITY DESTINATION PRECINCT

This project is an extension of the \$40m Rotorua Lakefront re-development funded by Rotorua Lakes Council (\$20.1m) and the Provincial Growth fund (\$19.9m). The project involves three key components:

### **1) Construction of high-quality jetties**

Developing new high-quality jetties at the lakefront to be consistent with the quality of the wider development and support our wider destination management approach focussed on improving value over volume.

### **2) Construction of commercial buildings (Tourism and hospitality precinct)**

Developing the first stage of a wider tourism and hospitality precinct at the Rotorua Lakefront with iwi partners, attracting a higher quality visitor and driving economic, social and environmental outcomes for the wider community.

### **3) Development of Ōhinemutu Village (Destination infrastructure)**

Developing Stage 1 of the Ōhinemutu Village development, which manages the flow and movement of tourists entering the village, and improves public spaces. These improvements will enhance the link between the lakefront development and the village.

In the initial business case for the re-development of the Rotorua Lakefront we modelled that investing the \$40m into the public infrastructure of the Rotorua Lakefront, will catalyse up to \$305.7m in new private and iwi investment and create up to 470 jobs. A copy of the application for PGF funding can be found at [this link](#).

Given the uncertainty created by Covid-19 and particularly the impact on tourism, the iwi and private investors will seek to delay progressing the construction of the jetties and commercial buildings until the market returns. Providing additional investment to de-risk the developments would ensure they can continue at the planned pace.