



GREAT LAKE TAUPŌ

District Economic Strengthening

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Sacred Strands

A basis for sustainable growth and building community

The making of a Korowai starts with an idea – a vision of form, function and recipient. Each Korowai tells a story, a whakapapa, of where it has come from, the people who made it and those it was made for. They are made by cutting and gathering the right flax, sorting and preparing for the separation of the muka, cutting and scraping the strands of flax and dyeing the fibre. They then collect and sort the feathers into size and colour and twist the fibres together to make string before joining the feathers together by hand. Korowai comes together piece by piece, strand by strand.

The positive outworking of a shared vision for Taupō centres upon the weaving together of several narratives. The rich history of the local Māori embodies the culture and provides the heartbeat of the people and the land. The national story speaks to the importance and interconnectedness of the region in the wider New Zealand setting and the policies that govern Aotearoa. The international story provides the opportunity for two-way learning and application of best practice in a local context. The strands of these various stories must be thoughtfully and strategically woven together to form a Korowai - one future vision for Taupō.

Each narrative must work together in agreement, in harmony and with compassion. The intention is to bring prosperity for all of the Taupō, enabling the district to maintain its identity whilst creating opportunities that endure for the benefit of our children's children. This is a journey for everyone in Taupō in a post-settlement space.

The various opportunities must be tried and tested through the lens of these narratives and vision to ensure the collaborative crafting of one Korowai. The realisation of this vision will ultimately depend on the formation of one Korowai for all people.

The Taupō district is the distinctive heartbeat of the North Island, Te Ika a Māui, and is home to 35,000 residents. It is framed by the Kaimanawa and Hauhungaroa ranges to the east and west and the hundred peaks of Tongariro, feeding the glacial waters through to the sea. *Te Kāhui Maunga ki Tangaroa*. The beauty of these natural resources remind all of the people of the need to enhance the natural environment for future generations.

This is place.

Strands derived from nature
Land | Water | Energy

He Aho Āriki

Great Lake Taupō

The Taupō waters flow from glaciers, springs and mountainous ranges through valleys and rivers to Taupō, the inland sea. As the largest fresh water lake in Australasia, the Taupō waters exit at Te Pūau, Nukuhau beginning the journey to Port Waikato. These waters sustain and feed the fertile lands of the Taupō District, the backbone of our primary industry (use of natural resources).

This is water.

Taupō, a geothermal hotbed, recognises the historical connections that our mana whenua iwi of the Arawa waka have with the arrival of Te Ahi Tāmou, the geothermal fires, delivered to Ngātoroirangi atop of Tongariro. The energy produced enables unique business opportunities across a diverse range of sectors.

This is energy.

The connection of place brings together the beauty of the natural environment; the nourishment of water to our lush forests; farmlands and communities; and the energy that bubbles below us. All are drivers that draw people to live, work and play Taupō. These drivers recognise the three strands that connect us.

This is land.



This is Water.



This is Land.



This is Energy.



This is Place.



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1. Our Story

The Ngāti Tuwharetoa people are descendents of Ngātoroirangi, who arrived to Aotearoa's shores on the Te Arawa canoe. He then moved inland to claim the lands on which the Ngāti Tuwharetoa people celebrate an extensive whakapapa. Ngātoroirangi put the fire in the nearby Tongariro, Ngauruhoe and Ruapehu mountains. Following the settlement of Pākehā in the late 1800s, industry began to develop with a boom of infrastructure, fisheries and forestry in the 1950s. Taupō's unique geography is celebrated internationally from the iconic mountains to the Tongariro National Park.

2. Our People

Taupō is a district that celebrates a bicultural platform; a place of welcome and hospitality for the modern metropolitan and multicultural community. This vibrant region weaves together the traditional strands of tikanga Māori and Pākehā with the rich tapestry of wider Aotearoa and the world creating a wonderfully diverse district. Together, the residents of Taupō look to the future and the opportunity to share their heritage, culture and tāonga with the wider community and the world.

3. Our Vision

Taupō's position as the heartbeat of the nation creates a basis to become the most liveable and prosperous town in the North Island by 2022. The augmentation of geothermal energy, alternate land use, construction industries and continued expansion of tourism offerings will combine to create a premier destination for both work and play. These industries, when aligned with a solid platform of social infrastructure, will guide Taupō towards a vibrant district and an internationally reputed destination.



4. The Catalyst Projects

The execution of this vision employs the development of key district wide catalyst projects and potential opportunities:

- The Airport Precinct and adjacent Commercial Precinct.
- The Civic Centre Precinct Developments (CISP)
- Taupō to Turangi (T2T) shared use track
- Geothermal direct-use Industrial Zone
- NZ Geo-heat Centre
- Wairākei Tourist park
- Taupō Tertiary Hub



5. Further Opportunities

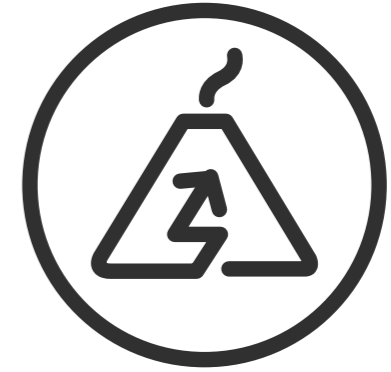
In addition to these catalyst projects are the opportunities that Taupō has in furthering development and expansion of its current economic and social state. Further opportunities exist in social revitalisation, the industrial sector, in land use, expansion of geothermal industry, aquaculture and water-based activities, and in advances and expansion of current tourism offerings.



6. Partnership and Delivery

The delivery of these projects hinges upon a vision that aligns with all partners. In order to enable district wide economic, environmental, social and cultural strengthening, these projects must be strategically implemented as a series of developments which will be collaboratively owned and executed by key stakeholders in both the public and private sector.

Catalyst Projects



1. Airport

The airport precinct project consists of development of both a new terminal and a commercial precinct to create an international class airport facility, designed to cope with a forecasted increase in passenger numbers as a result of local investments. The Airport facility will be staged in its design and construction to allow for future growth.

Next Steps:

- Identification of investment partners
- Initial concept design for terminal and precinct

2. Civic Precinct

The Taupō Urban Commercial and Industrial Structure Plan (CISP) serves to create a new civic precinct, consisting of a series of sustainable developments designed to enhance the vibrancy and activation of the city's urban heart.

Opportunities stem from Taupō's stunning lakefront and riverside open spaces through which infrastructure can create visual and physical links to the wider landscape.

Next Steps:

- Design comprehensive masterplan for the civic precinct
- Attract 4 ½ star hotel to Civic Precinct

3. Geothermal

Taupō's geothermal resources have the potential to further generate significant benefits for the district through attracting larger industry and research centres. The geothermal energy on which Taupō rests can be used in direct use by businesses to facilitate the growth of local industry. Further research into potential applications via the NZ Geo-Heat Centre will aid in developing future geothermal opportunity in the district.

Next Steps:

- Further research
- Identify and connect with more investment partners.
- Continue to expand and improve current geothermal offering



4. T2T

The Taupō to Turangi shared-use track is a 57km long trail extending between Taupō and Turangi which has the potential to unlock and showcase Lake Taupō and the communities that span the eastern lake edge.

Taupō is renowned for its cycling and walking and this project provides a unique experience for both international and domestic visitors whilst creating further business opportunity for the Taupō community.

Next Steps:

- Engagement with potential stakeholders and local businesses

5. Tertiary Hub

There is a tangible opportunity for a new venture in the area of tertiary education to further facilitate and expand the knowledge society in the district. Contextualised learning will allow creation of a knowledge economy specialised around geothermal activity, STEM programmes, tourism and iwi-based enterprise to benefit the future of Taupō and that of its young people.

Next steps:

- Identify locally relevant courses
- Partners/Stakeholders/owners
- University collaboration
- Investigation of relevant STEM programmes

6. Wairākei

There is significant opportunity for Taupō to create a stronger tourism centre along the edges of the Waikato River in New Zealand's most visited natural attraction, Huka Falls. The objective is to 'connect the dots' with other tourism operators and complementary tourist service operators to create a critical mass and recognisable theme of experience and adventure.

Next steps:

- Master/development plan
- Engage other activity providers
- Engage with Tuwharetoa as investment partners
- Investment into international quality attractions

Enablers



1. Tourism Growth

The tourism opportunity presented by the upcoming developments in Taupō extends far beyond the six catalyst projects identified in this document. However, in order to unlock this potential, it is important to identify pieces of infrastructure which may reach capacity with increasing tourist numbers and also to manage the growth of key attractions sustainably.

Next Steps:

- Respond to opportunity presented by Ruapehu Alpine Lifts (RAL).
- Infrastructure requirements across district
- Prioritisation of investment.

2. Industry Growth

Taupō has strong industry sectors in geothermal energy, forestry, wood-based manufacturing and agricultural production with significant opportunity to further capitalise upon current resources and create a higher economic standard for the District.

Next Steps:

- Currently investigating best practice to attract high-value industry and skilled workers to the region

3. Social Revitalisation

The economic strengthening of Taupō not only supports the financial growth and prosperity of the District but also serves to better enhance the social aspects of the wider community. Through enterprise and job creation with combined focus on alleviating deprivation in key areas, Taupō District Council - in partnership with Tuwharetoa - can bring social revitalisation to the District as a whole.

Next Steps:

- Further work in key focus areas to create better public health and social outcomes.



4. Education

Education as a driver for change to a knowledge economy developing all levels (early childhood through to tertiary study) as a foundation for growth in the district.

Next Steps:

- Explore opportunities in STEM areas
- Create contextualised learning environment



5. Land Use

Management and modification of land in the Taupō district for agriculture, forestry, geothermal direct use and urban development is of significant importance for future economic growth and the quality of the lakes waters.

Next Steps:

- District plan review
- Development of land use policy that enables sustainable and economically prosperous land use.



6. Partnerships

Ngāti Tuwharetoa hold various high value assets in the district and possess significant financial power with a vested interest in supporting ventures which enable growth in the district.

Both regional and national government play a critical role in the strategy and funding of key public infrastructure projects and in the economic and social growth of New Zealand's regions.

Next Steps:

- Partner with Ngāti Tuwharetoa to bring economic and social prosperity to the region.
- Ensure access to Regional Development Fund and Bay of Connection.



Partnering for growth

The role of catalyst projects to unlock growth potential

Taupō has the opportunity to enhance its reputation as a truly internationally recognised lakefront destination and continue its progress as an increasingly appealing place to visit and live. In order to most effectively capitalise on this opportunity and other industries, the appropriate infrastructure must be provided with regionally impacting catalyst projects identified to attract investment, business and people.

While tourism is a significant element in the wider Taupō picture, it should not be considered in isolation and Taupo District Council is well positioned to leverage broader economic growth.

Creating partnerships with business leaders and external investors through Public-Private Partnerships (PPPs) in projects, such as major infrastructure and strategic construction developments, will allow a greater number of significant projects to be undertaken in the district. The expectation is that these partnerships will create the capital base from which to develop Taupō district and the surrounding areas to a level of greater efficiency of mobility and increased economic benefits.

Building on the strength of the agricultural, geothermal, forestry and tourism industries, the

district can capitalize on the current momentum of PPPs in greater New Zealand and use the existing networks of the Taupō District Council to make any opportunities communicable to the wider business community.

Taupō District Council and their partnerships can look to the end customer and use infrastructure as a form of service delivery rather than just a physical asset which represents a change in the way infrastructure has been thought of previously.

National Context

Fitting into the wider narrative

Central and regional Government have expressed interest in exploring opportunities for innovation and diversification across New Zealand. This is not just about economic growth, but also about improved well-being through social cohesion and fairness. When the regions succeed, the country succeeds.

Following the Labour parties coalition victory in the 2017 election, an annual \$1 billion Regional Development (Provincial Growth) Fund has been implemented to address the economic challenges and opportunities of New Zealand's regions. New Zealand needs to build regional capability. This applies to not only the resources of skills, physical capital and finance in the regions, but also the institutions, networks and infrastructure that support economic activity.

Decisions at a national level need to be workable at the regional and local level, and local councils need to work with policies such as the Local Governments Act (LGA) requiring local governments to address economic, social, environmental and cultural development. Regional economic development needs to be locally driven if it is to be effective but must also contribute to national goals as well, requiring both a top-down and bottom-up approach.

This post election space and Regional Development

Fund presents opportunity in conjunction with regional and local funding, such as that of the Bay of Connections and Taupō's TIF fund, to present a stable financial opportunity for district wide economic growth. NZ's Tourism Infrastructure Fund (\$104m) and those allocated for addressing capacity constraints at the country's conservation estates (\$76m) can be leveraged in instances such as the Tongariro Crossing.

The various strategies, plans and policies applicable to the district are to be aligned, reflecting changes at local as well as national levels. Dealing with such complexity in a linear fashion is not practical and therefore it requires a collaborative way of working on a national, regional and local scale to ensure that the dynamic and, at times, fluid nature of building a region are managed.

The key to achieving success in each region is to help it build on its own unique mix of economic opportunities and competitive advantages to attract new investment, and grow jobs and incomes. The \$1 billion of new funding annually is being made available over three years for regional economic development initiatives that will boost economic growth and benefit communities in regional New Zealand. Already highlighted is the interest from government to "plant 100 million trees a year" and make "significant" investment in regional rail, both of which the Taupō

district already has a focus on. TDC and the Taupō district are poised to take advantage of this financial investment and the associated economic growth outcomes.

In Taupō, key regional catalyst projects have been identified that fit into the national mandate:

- The Airport Precinct - Development of a new terminal, and adjacent commercial precinct
- The Civic Centre Precinct (CISP) - Developments, ranging from an upgraded civic centre to improved landscaping and facilities.
- T2T shared use track.
- Geothermal direct-use industrial zone - Industrial opportunities for co-location, symbiotic and joined up processing, or complementary activities related to timber processing, agriculture, horticulture.
- NZ Geo-Heat centre
- Wairākei Tourism Precinct - Providing exciting new services which would take advantage of the increased growth projected for the Taupō region.
- Taupō District Tertiary Hub

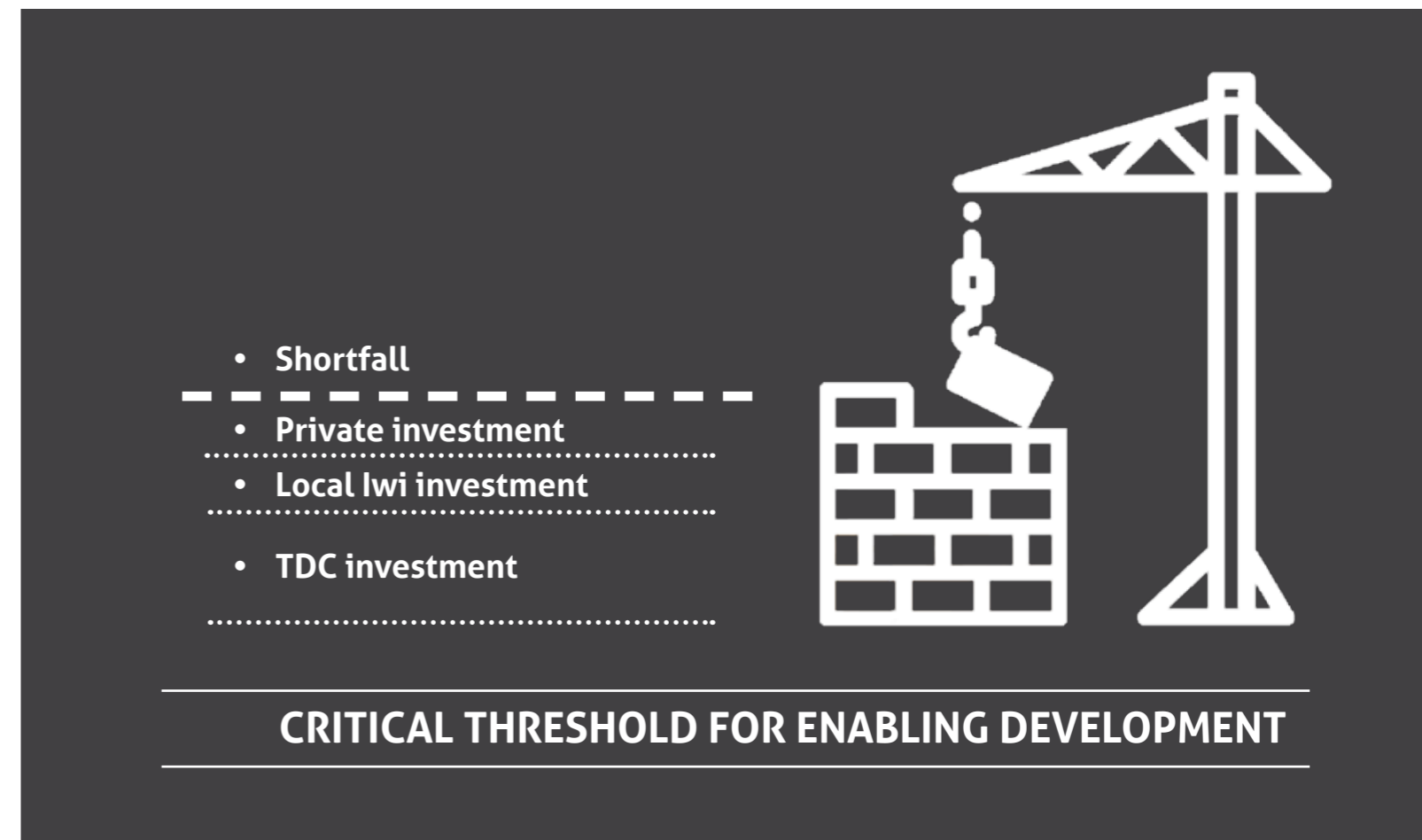
These are the primary projects where focused efforts can produce the best value and the strongest economic stimulus for the region.



Strategic Partners

To promote efficiency and provide the supportive infrastructure for growth in a sustainable and balanced way, an emphasis on partnerships is required. Collaboration and strong relationships between central, regional and local government, businesses, Ngāti Tuwharetoa, private investors and the community will enable the development and implementation of district-wide economic action that leverages identified opportunities for growth. When all parties are in unity and working together in agreement and understanding towards the same goals and outcomes, a tipping point of good-will, investment and momentum can be created.

A commitment is required from both sides to “own” the outcome, so being clear at the outset about respective roles, responsibilities, interests, and the contributions each party can make is important. To work together effectively, the deliberate identification of areas for engagement, ability to agree on the problem or opportunity, and the capability to collaboratively define objectives and desired outcomes is imperative. This collaborative process should provide a clear picture of priorities and options that can then enable clarity around funding decisions.



Partnerships on Catalyst Projects



TAUPŌ AIRPORT

Council - Ministry of Transport - MBIE

- Ministry of Transport • RAL • Air NZ and Airlines • Iwi



T2T SHARED USE TRACK

Council - Waikato Regional Council

- Ministry of Transport • Local Benevolent Funds • Iwi • Ruapehu Alpine Lifts • Air NZ and Airlines



CIVIC PRECINCT - CISP

Council

- Local Funds • Iwi • Waikato Regional Council



GEOHERMAL ENERGY

Council

- Council • Local Industry • GNS Science • Universities



TERTIARY HUB

Council

- Council • NZQA • Universities

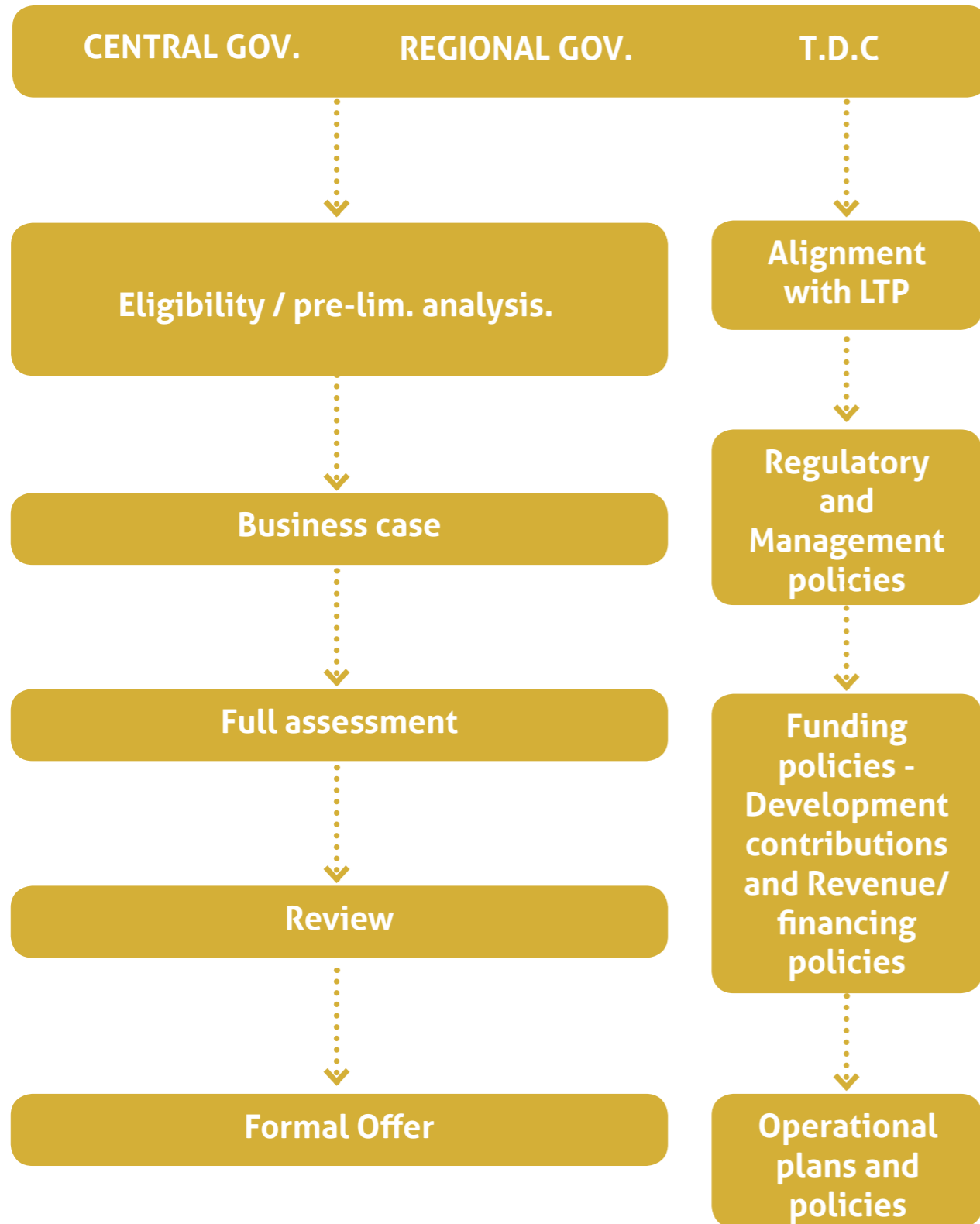


ADVENTURE PRECINCT

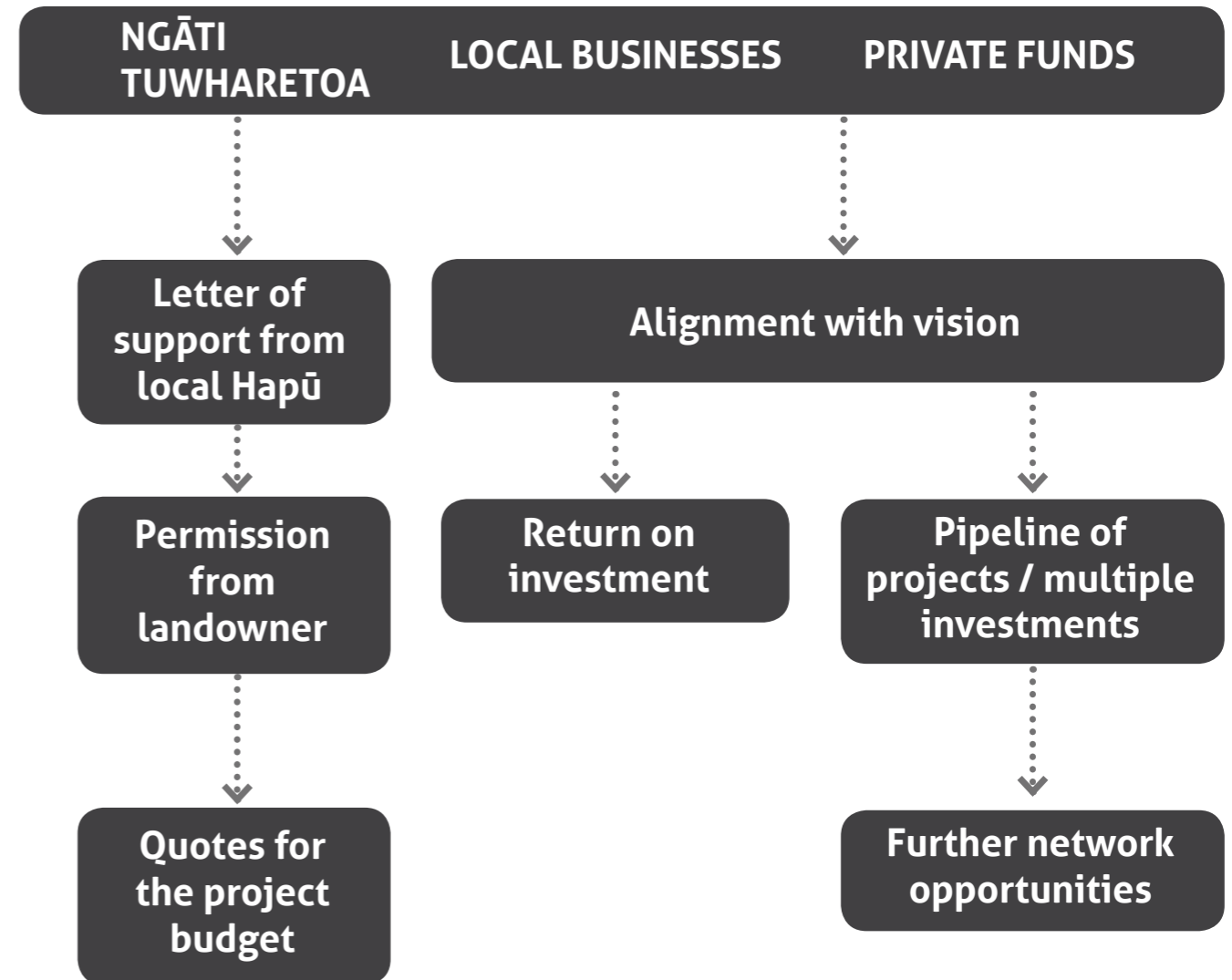
Council

- Council • Local Business • Tour Operators • Tourism NZ

Public Partners (BayTrust, TIF, MBIE, MoT, RDF)



Private Partners



Public and private partnerships and processes required for economic development and funding access

Financing

Investment is required to achieve economic growth and the appropriate mix of funding needs to be identified for each project within the Taupō region. The importance of partnering and the key role this plays in ensuring financial needs are met is crucial.

A potential roadblock to Taupō's growth is the question of financing.

Both traditional sources such as regional grants and funds and alternative private capital to finance the key projects necessary to secure Taupō's position as New Zealand's leading lakefront destination should be understood and pursued in a coordinated manner.

TDC need to understand the avenues to be explored for securing investment into the region from public, private, national and international sources:

Public/National

- Central Government – airport, state highways, projects with national benefit.
- Regional programmes such as Bay of Connections.

- TDC – local roads and core, supporting infrastructure including stormwater, water supply and waste water. It will be important to develop transparent and efficient ways of testing whether funding proposals warrant a financial contribution from ratepayers.

Private/international:

- Iwi
- Local businesses
- National and international private funds

Financing options should also be developed to meet the rising demands from investors and the broader community with infrastructure projects factoring in social and environmental targets. Some investors seek to add community value and have a strong social impact, as well as maintaining financial reward.

As one of the few OECD countries with stable fiscal and demographic outlooks as well as a world-class regulatory environment, New Zealand is exceptionally well-placed to capitalise on the global demand for assets with long-term real income streams. Its relative

isolation, simple political structure and natural beauty make it a very attractive location in which to invest.

By capitalising on this demand, Taupō has the potential to secure financing to kick-start the regional development needed to achieve its vision.

Investment can be constrained by a lack of visibility in the future infrastructure pipeline and investors want more certainty around infrastructure policy, financing models, and investment opportunities. TDC will need to position itself to present an attractive offering to investors and a key part of this will be the development of a prioritised project pipeline to securing an on-going stream of infrastructure/development financing through a reliable network of investors. A clear pipeline of future deals, that can be prioritised, provides reassurance that there will be a steady flow of opportunities– investors require certainty and transparency.

Alternative Financing and Procurement

Alternative Procurement Programs for city, regional or district infrastructure projects have been developed in cities and regions in Australia, Europe, Canada, and the United States. When it benefits the public interest for a particular investment, the programs are now increasingly being used to procure projects via long-term contract that transfer risk from government/public to private contractors in a transparent and competitive procurement process.

A significant barrier to the successful implementation of these programs is the development of the organisational capability and processes that assess and manage these alternative procurements, which differ significantly from those commonly in place in traditional public infrastructure agencies. A PPP is a partnership whereby two or more public and private entities are responsible for the design, delivery and financing of a project. For traditional local infrastructure agencies procuring a Public-private partnerships (PPP) would be a confronting delivery model and requires institutional learning to develop an effective procurement program and a standardised project pipeline.

Larger more complex projects often create a cross-organisational management problem if left to be implemented by local agencies themselves therefore highlighting a need for a special agency with an overarching mandate (NZIER '17).

The successful development of said programmes requires a combination of applying global best

practices and incorporating the local legislative, political, and institutional context in their design.

TDC's objective is to operate a sustainable financial model. Strong liquidity and positive cashflow, as well as a AA+ credit rating puts TDC in a strong financial position to meet its objectives of paying down debt and keeping rates sustainable. Identified in TDC's Financial and Infrastructure Strategies is the need for significant investment in the future for maintenance and renewals of existing infrastructure and ensuring that consequential operational expenditure is planned and available at the right time for any capital expenditure made.

78-79% of TDCs revenue comes from rates (80% is the cap). Current general rates revenue to TDC is \$38.7M and targeted rates of \$24.5m for a total of \$63M. They use the Local Government Cost Index + 1% to allow for growth. To be less than the LGCI would mean that TDC were either reducing services, transferring costs to future generations or finding efficiencies.

TDC has a good investment fund (TEL Fund) that they desire to grow for future generations. The fund is to be used as a community trust that community groups can apply for funding community initiatives. It is not envisioned that any of this fund would pay for a core Council service or assets.

Although open to alternative approaches that sustainably add value to the region, TDC have done very little in terms of third party or private investment

funding to generate other revenue streams, and need to look at opportunities for attracting private investment. It is recommended that Taupō District Council look at other benchmarked cities and the options that are currently utilised for alternative procurement and financing programmes. The specified measures or catalyst projects which have been recommended the Airport redevelopment, Civic centre development, Geothermal Industry, T2T shared use track, Tertiary Education Hub and Wairākei Adventure Tourism Precinct) represent key opportunities to trial alternative methods.

An output from this work could be:

- Proposed design and structure for the recommended economic development program for Taupō District Council, including authorities, key activities and performance metrics.
- A roadmap and timeline for the formation of this programme.
- A series of policy, financial and legislative recommendations necessary for its formation, including identification of funding sources.
- A plan to begin implementing the economic development program by identifying and implementing a pilot project in the Taupō region.
- A stable of further potential infrastructure projects which will catalyse investment in the region.

Asset Recycling Programme

Asset recycling programmes involve the sale of concessions for the operation of existing commercial public assets in order to use the proceeds from the transaction to pay down other public liabilities or re-invest in other long term assets. Asset Recycling Programmes are most successful when they accrete value for taxpayers in their own right, beyond simply monetising some assets.

The programmes can create value through the concession itself when the concession agreement transfers risk to the private party which also enable the concessionaire to operate the asset more efficiently or to increase the value of the asset itself.

The potential for asset recycling programmes to capture incremental value for taxpayers on both a regional and national scale are directly proportional to the ability to which the government conducts a well-managed, competitive procurement. This means that Taupō and New Zealand governmental bodies need to establish well tested and appropriate models of asset recycling in order to develop a successful method of this procedure.

Public and private funding

Taupō district consists of a number of key stakeholders, the primary of these being:

- Taupō District Council
- Ngāti Tuwharetoa
- Central government
- Private businesses
- Regional Council's

In order to further develop Taupō and capitalise upon the district's potential, a cohesive and agreed upon strategic plan which is favourable to all stakeholders is required to facilitate sustainable growth for the district. Further interaction between these stakeholders is required as well as a willingness to participate in programmes such as public-private partnerships where resources, finances and delivery is distributed between the individual parties involved.

Taupō district is now in the post-settlement phase which provides significant opportunity for Tuwharetoa to utilise their new found position to generate alternative avenues for business and job creation for the district. Iwi have expressed a desire to have significant financial input into key regional projects as well as a key role in strategic planning for Taupō.

Furthermore TDC need to establish a commercial environment which supports the investment of local capital into the economy in regards to business creation and facilitation of local innovation.

These principles, while nationally reaching, weave a strategy that can be foundationally and functionally Taupō centric and pivotal in the continuing narrative of the region.

Importantly, where there are learnings in terms of successful investment, partnering or operational models already established at a local level, these must be identified and considered in terms of the potential for broader application within the region.

Similarly, where there are clearly identifiable models that have been successfully utilised elsewhere, in comparable contexts both nationally and internationally, these need to be considered on the basis of their applicability to Taupō either directly or in an adapted form.

Bay of Connections - Strategy implementation and Funding

Local investment opportunities exist in Taupō and the Bay of Plenty through a range of stakeholders sharing the common vision of the betterment of the region for the people of Taupō.

Economic growth for the Taupō district will require an initial investment in order to generate and capitalise upon momentum in wider region.

TDC will require help from regional and national government in order to fund key catalyst projects in the district and to facilitate future growth.

The regional assessment for the Bay of Plenty was completed in Tauranga in 2015. Taupō district was included as part of this process in recognition of Taupō's strong connection to nearby Rotorua. The regional assessment portrays an economic review across key sectors including tourism, forestry, geothermal and agriculture with a series of actions generated from this analysis led by the Bay of Connections group.

In 2016 the Regional Tourism Organisations (RTO's) of the Bay of Plenty came together and established that the best approach (in agreement with MBIE) was four sub regional strategies which could come together as one regional strategy to utilise mutual leverage but with an ability to make the most of local circumstances, opportunities and challenges. This strategy includes information regarding key infrastructural projects needed to both unlock growth potential, but also to ensure that the region(s) can cope with increased visitor pressure.

Regional development is about working with others to take actions to improve economic outcomes for the region and quality of life for communities. It is more than economic development – it must also complement delivery of environmental, social and cultural outcomes.

The BoP Bay of Connections strategy implementation is as follows:

1. Commitment to a sustainable economic development approach.
2. Commitment to a collaborative and partnership approach in respect of strategy implementation.
3. Recognition that successful economic development outcomes will require the support and
4. Contribution of a range of local and central government agencies, community organisation and the business sector.
5. Commitment to encourage economic development initiatives throughout the region regardless of location.
6. Commitment to establish and implement agreed regional economic development priorities.
7. Promote the concept of wealth creation and undertake implementation to support this.
8. Commitment to encourage and support improved



Quantum of Funding

- local government services and approaches that support investment and wealth creation in the region.
9. Encourage and promote alignment of strategies of public and private sector agencies to assist with the effective implementation of economic development initiatives.
 10. Promote and support use of public/private partnerships for the funding and operation of major infrastructure.

1. The extent to which the project is regionally significant; and
2. The extent to which the project promotes inter generational, regional economic development; and
3. The extent to which the project enhances the council priority of green growth in the region; and
4. The contribution the project will make to improving environmental, social and cultural outcomes in the region; and
5. The extent to which the project is aligned with Bay of Connections strategic direction; and
6. The extent to which the project is a legislative requirement and;
7. The consequence of not funding the project; and
8. The extent to which the project provides value for money; and

9. The extent to which the project complements the vision of other organisations in the region; and
10. The extent to which the potential project partner demonstrates the capacity and capability to undertake the project; and
11. The extent to which the project is inter-dependent with other projects; and
12. What other funding source are available to the project; and
13. Whether the project will proceed or be delayed without Bay of Connection funding.
14. Implication of not receiving funding to development

Our brief

Background

The Taupō district is positioned geographically, strategically, economically, socially and culturally to become an increasingly strong growth district in New Zealand. Cultivating the existing assets in the district and building on the opportunities that are available through infrastructural and partnership developments can lead Taupō to become a world class destination. The Taupō District Council's vision is for Taupō to be recognised as the most liveable and prosperous district in the North Island by 2022.

Infrastructure is central to fully realising Taupō's potential and requires an exploration into the process of stimulating sustainable economic development by creating strategies to identify, manage and deliver key infrastructure projects. Without the necessary travel, accommodation, transport, entertainment facilities and other associated infrastructure, the full benefit of Taupō's position is unlikely to be realised.

Objectives

Taupō District Council (TDC) wishes to capitalise on its position as a year-round destination through sustainable economic development. The mechanism for this is an exploration of the process of stimulating economic development by constructing strategies to identify, manage and deliver key infrastructure projects.

TDC engaged Synergine Group Ltd (Synergine) to assist with this objective through the development of an integrated District Economic Strengthening Strategy (DESS) for the Taupō district, providing TDC with the following:

1. A clearer understanding of the broader Economic Strategy for the region, consistent with the findings of the NZIER report, and with consideration of national, regional, and local contexts.
2. A clearer understanding of how investment (by either government or the private sector) would stimulate economic growth in the Taupō region, and also deliver desired environmental, social and cultural outcomes, particularly for communities in the region under pressure.
3. An understanding of established models that are already working well within Taupō district, and from which learnings might be drawn or appropriate aspects applied elsewhere in the region to facilitate economic growth and the broader outcomes in (2) above.
4. An understanding of how existing investment in the region might be leveraged to generate better outcomes from future investment by either government or private investors.
5. A clearly defined list of key catalyst projects within the broader context of the region (e.g. the Airport and Civic Centre etc), at a level of detail that would support immediate engagement with appropriate government funding entities and/or private investment partners.
6. An understanding of where there might be alignment between Taupō's value proposition for industrial/commercial investment (e.g. land, sustainable and affordable energy, lifestyle etc) and potential industries or investment partners, both national and international.
7. An understanding of other, infrastructure related leadership opportunities where investment decisions could be supported on the basis of national benefit (e.g. Civil Defence/ Civic Building).
8. An understanding of constraints to development that would need to be considered in the regional context (e.g. built infrastructure (roads, municipal network services, technological), primary support services (e.g. education (early education through to tertiary), health, housing and aged care facilities).

The image features a solid yellow background with three thin, white, wavy lines that sweep across the lower half of the frame. The lines are smooth and fluid, creating a sense of movement and depth. They are positioned in the lower right quadrant, framing the text.

Background

Taupō District

Taupō as a place is both uniquely New Zealand, but also unique in New Zealand.

Geographically and symbolically Lake Taupō is the heart of Te ika-a-Māui, the North Island. Memories from the region run deep in the hearts of New Zealanders and international visitors alike. People are drawn to the enduring beauty of the region which is enhanced and signified by the history and culture of Ngāti Tuwharetoa. The centre-piece of the region is the Lake, framed by wonderful native forests and a splendid backdrop of a triptych of snow-peaked volcanoes, feeding the mighty Waikato River.

The recent Infometrics report of June '17 shows:

- Significant growth in volume and value of consented new residential buildings, +7.8%.
- Increased housing sales and median house prices +15%, relative to New Zealand, +6.8%.
- Increased volume and value of retail spending (+7.5%).
- Significant gain in commercial visitor arrival numbers and night stays, +8.4%, and total direct visitor spend, +9.9%.
- Overall real economic activity/GDP growth of an estimated 2.9% for the year compared to 2.8% national figure (June '17 figures, Informetrics).

Investment Opportunities

In addition to the opportunities and benefits foreseeable in the tourism sector, Taupō has other significant investment opportunities in the areas of: processing industries utilising the local geothermal energy; forestry processing; aquaculture; primary industry innovation and related educational opportunities.

Central government desires to see development that drive economic and social benefits in the regions thereby alleviating pressures on those areas already experiencing growth pressures, such as Auckland, Queenstown and Tauranga. Taupō is well placed to deliver key economic and social benefits, because of its readily available supply of land, desirable lifestyle and its healthy work/life balance.

Furthermore, the extensive and diverse environment, fertile soils, nutrient rich waters and geothermal activity provide opportunity for agriculture-horticulture, aquaculture and further augmentation of geothermal activities.

Investment in Infrastructure

Taupō's attributes of vibrant tourism, culture, lifestyle, natural energy and natural beauty underpin the potential for strong investment value propositions in the district from both the private and public sectors

The upgrading of the CBD and civic precinct to a higher

standard with increased presence of quality hotel offerings, quality restaurants and a more vibrant visitor lakefront experience are part of a broader context to enhance the district. It can be expected that this will lead to an increase in tourism spend and length of stay.

The forecast surge and quality expectations of increasing tourist numbers and business travellers will also place demands on Taupō Airport, requiring investment in the airport in order to allow efficient entry for tourists to the region. The current capacity of the airport, with minimal and low-quality infrastructure including an aging terminal and lack of supporting infrastructure, is 60,000 passengers per annum. Significant investment with key partners will be required to address this capacity constraint.

The key partners in this case are Central Government through the Ministry of Transport as the equal share partner in the airport land and facility, and the Ministry of Regional Development. Other potential parties may also be willing contributors if given the opportunity.

Leveraging off Investment

TDC is familiar with infrastructural constraints to growth and recognizes the need to identify mechanisms for funding of key infrastructure that cannot or should not be funded from general or targeted rating.

TDC recognises that there are opportunities for leverage

Taupō is an iconic destination, known for its distinctive diverse nature, lakeside setting, proximity to the Central Alpine Range and its profile internationally as an adventure sport hub in combination with Mana Whenua, and its broader heritage aspects. It holds a treasured place in the memories of many domestic and international visitors who have periodically spent time there.

from other regional investment through a partnership approach either in a public or private context. A key element in harnessing this potential will be the identification and development of opportunities that align and resonate with potential partners such as iwi, government and private investors.

The redevelopment of Taupō Airport is a good example of this where, as equal share partner, TDC is well positioned to partner with central government and others to deliver the infrastructure necessary from which wider development opportunities of the airport precinct can be leveraged. There is an immediate opportunity to work in partnership with Ruapehu Alpine Lifts (RAL) whose planned \$100 million investment in an 11-month season for the nearby mount Ruapehu ski fields, is expected to generate visitor numbers to the mountain in excess of 1 million per year.

The RAL opportunity is a clear example of one of the key challenges that TDC is facing in creating a strategy for regional economic strengthening. The RAL expansion plan also presents a need for increased accommodation, local transport and associated support services to support direct shuttle services between the mountain and Taupō, much of which will require investment funding.

At a more granular level, the quality of service demanded by visitors and the infrastructure required to support these growth demands are also changing

as the demographics and needs of the tourist market continue to develop. For example, MBIE data shows that the number of Chinese visitors (who demonstrably have the highest visitor spend) are increasing and are predicted to become New Zealand's largest tourism market by spend at around \$5 billion in 2022. Chinese visitation to the Taupō and associated base spend is currently approximately 10% lower relative to the national average - although there is anecdotal evidence to suggest there is potential for spend by this sector of the market to grow where additional services of a higher average standard are offered. In particular, visitor revenue can be expected to increase through ensuring development of higher quality, and more ethnically diverse dining experiences and 4.5 – 5 star accommodation.

Strategic Leadership

Taupō has demonstrated economic and demographic growth in the current business and tourism environment, however there remains significant potential to leverage this growth for broader, sustainable regional economic development that will ensure the needs of the region as a whole are met both now and in the future.

As identified in the recently completed LGA Section 17A Review, there is significant opportunity and an inherent need at this point for TDC to provide leadership in identifying and facilitating the development of

catalyst infrastructure projects that will encourage development. Accordingly, a key function of this DESS document is the identification of key catalyst projects and suitable funding models and delivery partnerships to deliver these projects.

Through strategic leadership and implementation of the key economic developments, which will strengthen the infrastructure and enhance the financial viability of the region, the people of Taupō – led by the Taupō District Council – can expect social and cultural benefits. In order to achieve this, TDC has acknowledged that a comprehensive strategic 'masterplan' approach is required to facilitate and enable Taupō's growth potential and delivers the desired outcomes in a way that works for all the people of Taupō.

A partnership

Guardianship

Clean, abundant water is a key component of our economic prosperity, health, environmental values and cultural identity. Lake Taupō is the great lake of New Zealand renowned for its deep clear waters, dramatic vistas, superb trout fishing and volcanic heritage. The government has acted with its partners Environment Waikato, the Taupō District Council and Ngāti Tuwharetoa to protect it. Tuwharetoa are treaty partners with the crown and hold legal title to the bed of the lake and its tributaries. Accordingly Tuwharetoa are the kaitiaki of the lake and own it.

The lake plays a significant role in all aspects of the Taupō lifestyle, heritage and economy. It is a source of recreation, food, tourism and business opportunity whilst also bearing significant importance for Māori. It is important that the lake is maintained in a clean and sustainable manner in order to allow the continuation of this provision for future generations and for those downstream, such as Ngāti Tainui, that rely upon the Waikato River.

TDC and Ngāti Tuwharetoa have taken substantial measures and investment in ensuring the longevity of Taupō's natural environment and tāonga of the region.

Ngāti Tuwharetoa

Ngāti Tuwharetoa and its entities are the kaitiaki of the Taupō region and of the tāonga and heritage. Ngāti Tuwharetoa's mahi, Ngā Ara Mātua, is a strategic plan of creating, delivering and optimising the following outcomes and strategic focus areas:

- Culture
- Education
- Stewards of natural resource use
- Whanau Ora
- Active and global thinking and strategy
- Commercial and enterprise development

Furthermore, the Te Kapua Whakapipi report gives focus toward ensuring a quality of life so richly deserved for all Ngāti Tuwharetoa - to embed a future for the benefit of all of the Taupō district. The strategy upholds the things that are important for the future development of iwi and the district through challenging each generation to grow the skills and knowledge necessary to prosper and benefit in a modern setting and to care and protect the natural environment, waterways and tribal tāonga.

Taupō District Council

TDC and its respective agencies Enterprise Great lake Taupō (EGLT), Destination Great Lake Taupō (DGLT) and Town Centre Taupō (TCT) have similarly generated a cohesive strategy toward growth, development and opportunity capture for the district.

EGLT: provide inspiring leadership that supports and encourages initiatives that build on collective regional strengths, creates new and innovative enterprises, offers economic benefits and preserves a high quality living environment.

DGLT: ensure that the Great Lake Taupō district is marketed as a visitor destination so as to maximise the longterm benefits to the Taupō district economy.

TCT: maintain a sustainable CBD product that is dynamic, vibrant innovative and facilitates successful business.

Private sector

The private sector plays a crucial role in the success of a district economic strengthening strategy. Economic growth, productivity and job creation are dependent upon the level of investment into district infrastructure; physical, commercial and social. In order for Taupō to capture growth in industry sectors, private investment and entrepreneurship is required to introduce new products to market, for infrastructure development as well as growth of the knowledge economy and provision of capital.

The private sector not only generates alternate and innovative revenue streams, but also has the capability to create new jobs and attract higher income professions, further developing the economic reputability of the district on both a national and international platform.

Community

Economic growth is paramount to the success of communities and similarly the people of Taupō district are an important aspect of how and why an economic strategy is implemented. The community of Taupō have vested interest in how their rates are spent and which particular projects are carried out within the district.

It is important that the people of Taupō have an audible voice so that the issues they encounter can be addressed, the infrastructure which they utilise daily meets their needs and the district is established in a manner that effectively allows economic, cultural, social and environmental prosperity for all residents.



Taupō township

Taupō is a highly desirable domestic tourism destination and has international reputation based on the nearby Tongariro Alpine crossing, Mt Ruapehu ski fields, trout fishing and luxury lodge accommodation. The industry and visitor experience in Taupō largely relates to the Lake, the Waikato river and the geothermal fields.

This growth has the potential to significantly transform the district however if growth continues without additional management and direction as explained in the above policies there is potential for significant capacity issues. Therefore there is a coping and enabling aspect to future development in order to adapt to noticeable gains in Taupō's total population and net population migration/tourism into the district.

Direction for investment and infrastructure must be predicated on a long-term destination aspiration for Taupō and its role in the greater regional offering, recognising the destination alongside Rotorua and as a gateway for Tongariro National park.

Taupō has the potential and ability to position itself as an international quality resort style lake town, with distinct summer and winter offerings.

'Demographics snapshot 2016/17' shows:

- Residential properties: 10,496 developed & 465 undeveloped
- Rural Properties: 340 developed & 70 undeveloped
- Projected resident population of 26,363 in 2023 w/ gradual increase to 26,911 in 2033 and slight decrease to 26,703 in 2043
- Household projections of 10,985 in 2023 w/ a rough upward trend to 12,218 in 2038
- Number of new dwellings increasing

Sustaining the viability and vibrancy, and further expansion and development, of Taupō as an attractive destination for a diversity of visitors and industries and to deliver on the promise of an international quality destination will require:

- Increase in investment and activity in the district
- Town centre redevelopment.
- Upgrade of airport and facilities
- Geothermal and Spa development.
- Cultural tourism focus.
- Industrial land use

- Use of education as a vehicle for local youth to effectively prepare for adding to the region in both an economic and civic capacity.
- Improved access, connectivity and capacity between the Taupō sub-region and northern and southern locations - particularly air access (fly/drive).
- Address aging infrastructure and renewals.
- Utilise and maximise amenities.
- Increase international medium to large hotels and conference venues.

Future development in the town of Taupō must be delivered and managed in a careful, deliberate and responsive manner to achieve noticeable gains in Taupō's net population, migration, industry growth and tourism.

Direction for investment and infrastructure must be predicated in a long-term basis and the Taupō district's role in the greater regional offering, considering Rotorua, Ruapehu and Tongariro National Park





Turangi

Turangi is located at the southern end of Lake Taupō and the northern edge of the Tongariro National Park and Tongariro river, in close proximity to Mt Ruapehu. In the early 1960's Turangi was developed to house hundreds of construction workers and their families to work on the Tokaanu hydro power station and is also well known for its trout fishing and other outdoor activities. In recent times however, the area has fallen into low socio-economic status with facilities and families lacking connection into a wider, district economic strategy.

The Turangi region has been considered an area that has had socio-economic difficulties following the withdrawal of the workers on the power station but offers significant opportunity for growth and prosperity through the guidance and stewardship of the Taupō District Council (NZIER17). Turangi provides the TDC with an opportune situation to stimulate more growth and create greater social outcomes for its people.

Māori make up a larger proportion of the young and active population, relative to pākehā, with a prominent educational attainment disparity as identified by the Education Review Office. This draws focus toward ensuring that Māori in Turangi and Tokaanu have access

to quality education that can inspire and prepare them for a vibrant future.

Turangi, and the Taupō District in general, can capitalise on the disillusionment of teachers from other regions leaving due to regional house prices and PPTA pay scales to appropriate those resources into areas such as Turangi and the city centre.

TDC and DGLT act to promote the town of Turangi and the Turangi-Tongariro ward. Discussion around partnership opportunities with DGLT to further explore development options and the need for an economic growth plan to ensure future growth and development in Turangi.

The current statistics ('Demographics snapshot 2016/17') for Turangi are:

- Estimated decline projection in population; 3334 persons (2018) – 2475 (2043).
- Demographics snapshot 2016/17
- 60.5% of population are Māori, relative to 29% for the wider Taupō district

- Household projections show a decrease from 1389 (2018) to 1125 (2043).
- Residents: non-residents ratio (53%: 47%) with an increase in residency proportionately.
- 8.2% of people aged 15 years and over held a bachelor's degree or higher as their highest qualification.
- Unemployment rate is 11.8% for people aged 15 years and over, compared with 6.0% for all of Taupō District.
- 16.2% of people aged 15 years and over have an annual income of more than \$50,000.
- Around 39% of all passenger movements on SH1 between Taupō and Turangi are tourism related - direction of Tongariro National park
- Visitor flow at Turangi I-Site of ~90,000 in 2016
- Increasing house prices as demand for residential and holiday homes increases; up 14%.



Kinloch

Kinloch is a unique settlement with spectacular views over Lake Taupō to the mountains of Tongariro National Park. Its sandy beach and relaxed vibe make it an attractive summer holiday location.

Nestled within Whangamata Bay, the crystal-clear waters surrounding Kinloch are popular for fly-fishing, while charter boats and the marina make it easy to get out on the water.

Golfers and the more extravagant tourist will enjoy The Kinloch Club, an award-winning golf course and lodge designed by Jack Nicklaus.

Kinloch has experienced an increase in development and population growth in recent times with trends supporting a continuation of this over the coming 25 years.

- Population is projected to grow over next 25 years to 818 (2043) - sigmoidal growth tapering off from 2018-2023.
- Roughly one in four property owners was a resident. By 2016 this had increased to approximately one in three property owners being a resident.
- Residential properties: 760 developed and 236 undeveloped.
- Still a substantial area of residential-zoned land available for development.

- Household projections of 295 in 2023 with a rough upward trend to 357 in 2038 and continued increase to 372 in 2043.
- Number of new dwellings increasing linearly to 340, with 445 new lots - Trend of a reducing number of lot creation vs dwelling construction.
- 5% of population are Māori, relative to 29% for the Taupō district.
- In 2016 64% of property owners were non-residents. Increasing proportion of permanent residents in Kinloch.

'Demographics snapshot 2016/17'



Mangakino

Mangakino rests beside the beautiful lake Maraetai, where people come for everything from wakeboarding to relaxation. Located in the heart of the north island within the northwest of the Taupō District, Mangakino borders the western shores of the lake on the Waikato river with stunning lake and forest scenery with a past founded on hydropower.

Surrounded by water, forest and farmland, Mangakino is heralded as a great place for peace, tranquility and adventure, providing a location which appeals to many demographics and interests. It is an affordable place to own a holiday home or to live with relatively low house prices around \$150,000, and land prices from \$32,000 to \$285,000, subsequently less than nearby Taupō and larger New Zealand centres.

Mangakino becomes a hive of activity in summer when watersport enthusiasts, mountain bikers and hikers flock to this small township. The population has stabilised with market analysis showing that it is becoming an ever increasing destination for out of town visitors and holiday homes. Mangakino has now been discovered and although “it may just be a little village, it's breathing again” with significant opportunity for growth.

Mangakino's population has been in steady decline, with the population nearly halved since the 1996 census however the current increase in interest from the Auckland and Waikato market bears promise for positive net migration and development of the area over the coming years. The recent 'Demographics snapshot 2016/17' shows:

- Residential properties: 616 developed & 105 undeveloped
- 324 occupied dwellings and 342 unoccupied dwellings - with non-resident property owners owning approximately two thirds of the property market (63% non-residents) - growth as a holiday destination
- 61.6% Māori vs 29% for the Taupō District.
- In Mangakino, 3.3% of people aged 15 years and over held a bachelor's degree or higher as their highest qualification, compared with 12.2% for Taupō District as a whole.
- The unemployment rate in Mangakino is 12.9 % for people aged 15 years and over, compared with 6.0% for all of Taupō District.

Visitor Economy

Ministry of Business Innovation and Employment data indicates a total direct visitor spend for the Taupō district of \$588 million for the year ending January 2017: an 8.2% increase on the January 2016 figure (compared to 6.9% nationally). This was 2.26% of the total international and domestic tourist spend.

MBIE data indicates a total direct visitor spend for the Taupō district of \$623 million for the year ending September 2017, an increase of 11% on the September 2016 figure (compared to 6% nationally). This was 2.3% of the total international and domestic tourist spend.

Market analysis has revealed that the largest international tourist base is Australia (325,000 persons), followed by UK (202,000), Europe (350,000), Rest of Asia (82,000) and US (79,000) for the year to June 2017. Chinese visitation is off a low base (54,000), but is the fastest growing market nationally: Taupō holds 6% of the 16.6 million commercial visitor

nights, however holds only a 2% market share of the international visitor spend with \$220M.

Domestic guest nights are more consistent throughout the year but also experience a peak in January for the summer holiday season Domestic visitation to Taupō is increasing at approximately 5% p.a. and has a market share of 2.6% (\$403 million, year ended September 2017).

Taupō has 4% of New Zealand's domestic spend on accommodation with 2.1 million domestic visitor nights per annum. Taupo has the second highest ADR at \$175, Queenstown is the only higher. Historical data shows a strong seasonal variation among both international and domestic visitors to the Taupō region. International visitors follow a particularly strong pattern from year to year where guest nights in the summer months are approximately four times higher than during the winter. More consistent throughout the year, domestic guest nights also peak in January during the summer holiday season.

With RAL's lengthened and increased appeal to international travelers, it is anticipated that guest nights throughout the middle of the year will grow closer to the summer figures. Additionally, with the middle of the year being the most popular period for conferences, improved conference facilities in the Taupō region will help to address this seasonal variation.

Furthermore, the region has natural sites which are beginning to be overwhelmed and require additional infrastructure so that they can cope with current and increasing visitation pressure. A key example of this is Tongariro National Park.

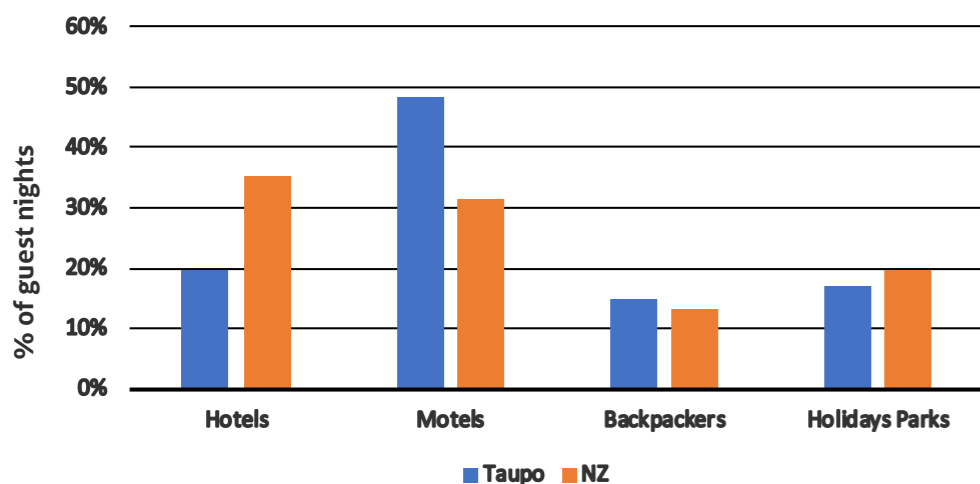
Tourism New Zealand has recently launched a new global campaign to entice visitors to the regions and advertise off-peak travel. The \$3 million digital campaign seeks to encourage tourists into the regions during shoulder seasons not only to boost local economies but to reduce pressure on stretched accommodation and services in main centres such as Auckland and Queenstown. This showcases regions, like Taupō district which should benefit from this national tourism strategy.

Primary Production and Direct Use

Accommodation in Taupō varies significantly to the national average. Hotels and other high-end accommodation make up 35% of the national average, but in Taupō only 20% of guest nights are spent in hotels. In contrast, almost 50% of guest nights in Taupō are spent in motels, while the national average is 30%.

This is evidence of an opportunity for further development of accommodation for the more affluent visitors to Taupō and the need to provide appropriate 4 ½ star accommodation to cater for growth of this group.

Accommodation Types



The presence and use of Taupō's geothermal activity has meant that local industry has been infused with real ingenuity and innovation in harnessing this energy. This effectively creates a base from which the region can be seen as forward thinking and sustainable, and where Taupō can create a case for funding from the \$1 billion Regional Development Fund. Close management of projects in this area will result in meeting the potential of the region.

Geothermal energy was first harnessed in 1958 at the Wairākei power station, the first wet steam station in the world. Increasing demand has sparked a recent increase in geothermal power use amongst the industrial sector as the energy is 100% renewable and has the lowest cost base of energy production. There remains capacity to increase geothermal use, within context of low cost energy for large scale industry or for direct heat value such as drying milk powder (Miraka), growing tomatoes at Tuaropaki or kilns for timber (Tenon).

Forestry and Wood processing in the Bay of Plenty region accounts for a significant proportion of total forestry in New Zealand and includes facilities such as Tenon Limited, Natures Flame, Laminex and Permapine. There is significant opportunity to grow this industry in a sustainable manner through tapping into the geothermal resources.

Agriculture, specifically dairy, is booming in the Taupō district as of late with significant land conversion taking place. Miraka, a milk processing company in Taupō, and the joint venture between Miraka and Shanghai Pengxin to process UHT milk is further increasing yield and technology within the local dairy industry, increasing GDP and creating valuable jobs.

Furthermore, opportunity for aquaculture ventures, such as commercial trout farming, within the freshwater lake and rivers using geothermally assisted growth has been studied to assess potential in this sector.

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Deep Design and Analysis

Joined Up Thinking

Weaving together the Local - National - International narrative



National Policy



CULTURE AND HERITAGE

"The Treaty of Waitangi is New Zealand's founding document and is an agreement between the British Crown and Māori rangātira" - Ministry of Heritage and Culture



BUSINESS GROWTH AGENDA

The Business Growth Agenda (BGA) sets an outward focus for the NZ economy, with an intent to build a competitive and productive economy where "all regions have an opportunity to grow and prosper"



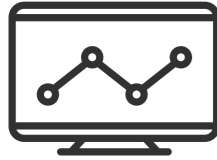
SOCIAL INVESTMENT APPROACH

The Social Investment Approach, lead by the ministry for Social Development, targets the most vulnerable families of New Zealand. The intent of this is to minimise long term welfare dependency and increase employment and social inclusion through investment in human capital and the mitigation of the long-term fiscal cost of support



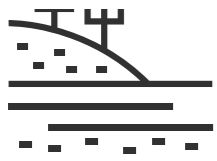
ENVIRONMENTAL POLICY

The New Zealand Government has agreed that sustainable development principles should underpin its economic, social and environmental policies at home and abroad. 'Sustainable development' integrates concern for social, economic and environmental issues.



BOP REGIONAL GROWTH PROGRAMME

The Bay of Plenty region is blessed with natural resources, a favourable climate and abundant renewable energy and water resources. A wide range of sectors contribute to the success of the region, including horticulture, forestry, agriculture and tourism.



BAY OF CONNECTIONS

Through working together and connecting the right people, places, businesses, organisation and industries, the benefits from within and into the region are boundless.



WAIKATO MEANS BUSINESS

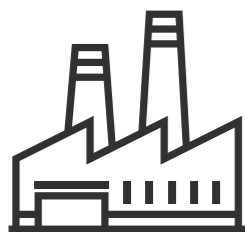
"We want to improve standards of living in the Waikato region, where all people, communities and businesses reach their potential".

Regional and Local Strategy

TDC LONG TERM PLAN 2015-25

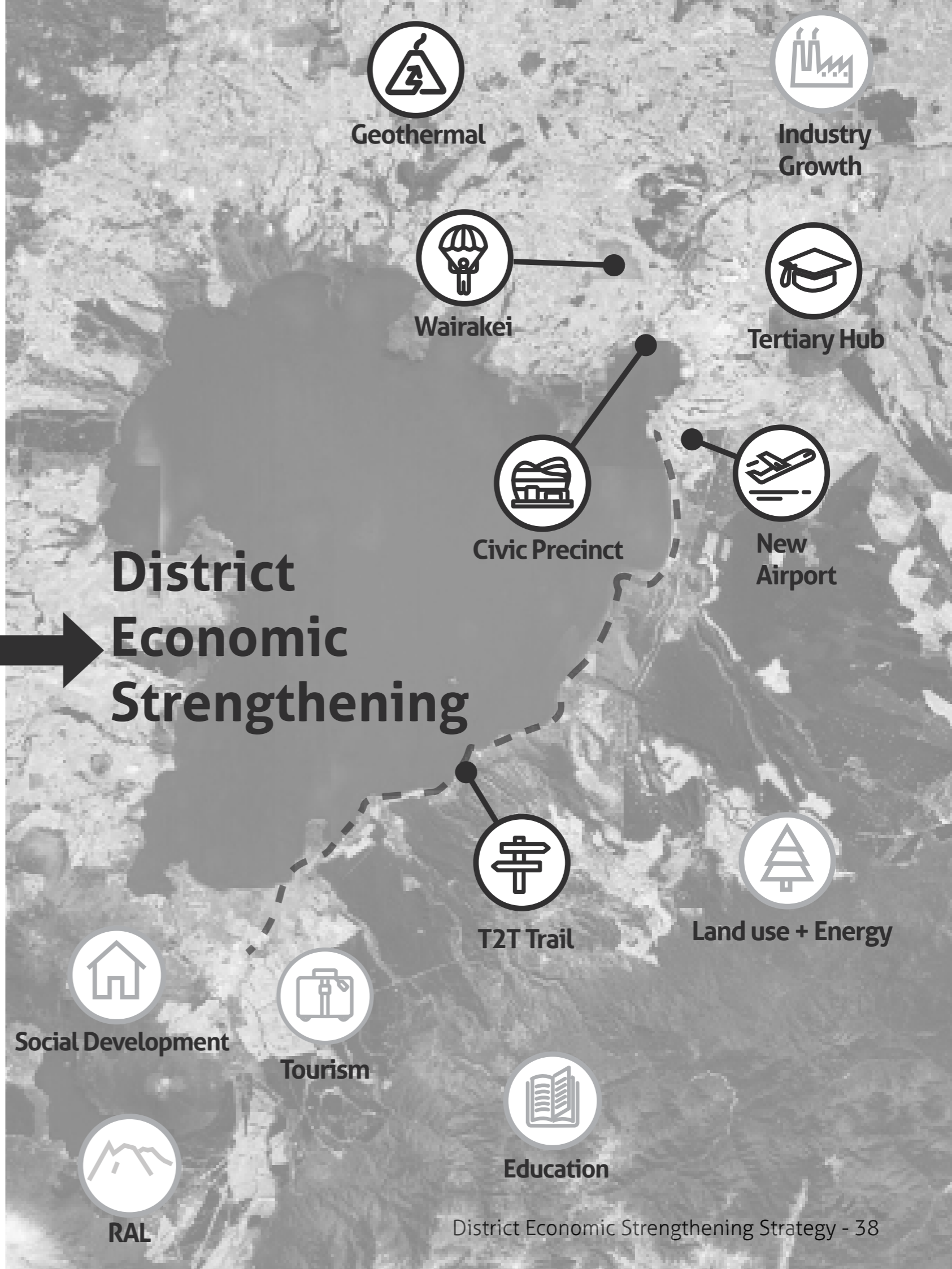


- Ensure that the Taupō district remains a great place to live
- Promote economic development
- Protect our water resources and use them wisely
- Maintain the quality of infrastructure that we have
- Keep rates and debt affordable



TDC URBAN CISP (2011)

A detailed 20 year vision for future planning and revitalisation of the Taupō town centre and a new industrial area, with a significant pipeline of transformational projects.



District Economic Strengthening

Global Principles

UN State of the World's Cities

Urbanisation and economic growth go hand in hand, and are essential for “socio-economic transformation, wealth generation, prosperity and development” - UN State of the World's Cities 2016.

The emerging future of cities and towns largely depends on the way in which we plan and manage urbanisation and growth, and the way in which we leverage this transformative process to "provide the setting, the underlying base and also the momentum for Global change". By following this vision, Taupō can work within a context of global best practice and shape itself into a sustainable and prosperous destination for tourism and business alike.

In producing the State of the World's Cities the UN analyses urban development and shows, with compelling evidence, the importance of a step-change in approach that relies on collaboration, cooperation, planning, governance, finance and learning that can sustain positive change. These may be employed by governments and regional councils, such as TDC, to fulfill their obligation of providing the highest standard for the community.

UN Public Space Toolkit

At a more ground level the UN Public Space Toolkit act to define the cultural, social, economic and political functions of cities and continue to be the first element to mark change in the status of a place from a chaotic and unplanned settlement to a well-established town or city.

Public spaces are a vital ingredient of successful cities. They help build a sense of community, civic identity and culture. Public spaces facilitate social capital, economic development and community revitalisation. Quality of urban life is essential for cities to prosper and those that improve the quality of life for their citizens experience higher levels of prosperity and are also likely to find themselves more advanced in terms of sustainability.

Such cities strive towards social equity through increasing public access to public goods, urban commons, preventing private appropriation and expanding the scope for improved quality of life. Cities that have a strong notion of the 'Public' demonstrate this commitment to improved quality of life through provision of adequate street space, green areas, parks, recreation facilities and other public spaces.

NZ has significant opportunity to further develop its public spaces and therefore form more livable and just environments in its cities and towns. This Toolkit

“Public spaces contribute to defining the cultural, social, economic and political functions of towns and cities. They continue to be the first element to mark the status of a place from a chaotic and unplanned settlement to a well-established town or city”

- Joan Cloas, Under-Secretary-General, United Nations Executive Director , UN Habitat

may be employed by TDC to champion placemaking in New Zealand to connect tourists, locals and business personnel alike to their natural surroundings and improve quality of life through this avenue.

A good city should be an inclusive city, one that provides spaces for social engagement and fosters social cohesion, tackling poverty and inequality through the provision of inclusive, safe and accessible public spaces, especially for marginalised groups.

Green public space provides an opportunity for people to be close to nature, with the associated positive impact that this can bring in terms of mental health and the simple pleasure of experiencing nature in an urban environment.

A mixed and diverse public space provides a place that is vibrant, busy and automatically reduces insecurity.

It is important for urban planning to establish and organise these public spaces, and for inspired urban design to facilitate and encourage their use, in the process enhancing a sense of identity and belonging.

Through its multi-functional and multi-disciplinary nature, public space offers a holistic view of the city, such as social inclusion, governance, health, safety, education, environment, transport, energy and the local urban economy.



National Policy

Acknowledging tikanga

The collaboration between government (both local and national), and Māori is recognised as central to the successful implementation of this project. TDC act in accordance with the fundamental principles in the Treaty of Waitangi and maintain the mana of the iwi through inclusive and open dialogue.

All policy noted within this section acknowledges the importance of Māori contribution and aims to celebrate Taupō's truly bicultural partnership in this and all ventures and how, under new government and in a post-settlement space, Taupō can capture economic and social development benefits.

Business Growth Agenda and MBIE

Our economy is made up of diverse regions, each with distinct strengths and challenges, depending on local natural resource, infrastructure and people. Because New Zealand will realise its full economic potential when all our regions are thriving, regional economic development is a priority for MBIE and is supported by the Regional Growth Programme and other Government agendas.

The Business Growth Agenda (BGA) is central to the Government's priority of building a more productive and competitive economy. Lifting productivity and competitiveness is critical to creating business opportunities, more jobs, higher wages, and ultimately a more prosperous New Zealand.

The main focus of the BGA is to ensure that businesses have the motivation and confidence to invest through six key elements required for growth and success: export markets, investment, innovation, skills, natural resources and infrastructure as well as capturing three important cross cutting themes: regulation, Māori economic development and regional economic development.

The BGA sets an outward focus for the NZ economy with the intent of reaching an 'export to GDP ratio' of 40% by 2025, adding value to exports and reducing dependence.

He kai kei aku ringa (providing the food you need with

your own hands), the Māori Economic Development Strategy and Action Plan was released in 2012, developed in partnership between the Ministers for Economic Development (MBIE) and Māori Affairs. He kai kei aku ringa focuses on boosting Māori economic performance, and is being implemented through a Crown Māori Economic Growth Partnership.

MBIE is focussing on how our sectors, regions and people can contribute to improve performance across the economy and the development of industry towards more knowledge-intensive manufacturing and service activities, through strategies such as:

- New Zealand Energy Efficiency and Conservation Strategy 2017-2022
- New Zealand Energy Strategy 2011-2021.
- The Food and Beverage Information Project
- The Regional Growth Programme
- Tourism 2025 – Growing Value Together

There is significant opportunity for a 'step change' over the medium term to counteract longer-term risk to Taupō and to enable potentially significant economic gain.



Environmental

The Resource Management Act 1991 (RMA) is New Zealand's primary legislation regarding how we should manage our environment. It is based on sustainable management of our resources and involves consideration of the effects that our activities have on the environment now and in the future when making resource management decisions.

The purpose of the RMA 1991 is to promote the sustainable management of natural and physical resources and to manage the use, development and protection of natural resources such as water and geothermal energy in a way that enables people and communities to provide for their social, economic and cultural well-being and health while:

- sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
- safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and
- avoiding, remedying, or mitigating any adverse effects of activities on the environment

Social Investment Approach

Equally important, the Social Investment Approach, led by the Ministry for Social Development, has its focus on the most vulnerable families of New Zealand. The intent is to minimise long term welfare dependency and increase employment and social inclusion through investment in human capital and in the mitigation of the long-term fiscal cost of support.

Ngāti Tuwharetoa make up the largest proportion of the young and active population and have a prominent educational attainment difference relative to local Pākehā. This draws focus toward addressing the differentials and ensuring that active Ngāti Tuwharetoa and youth in the Taupō District are educated to a higher standard so to generate an overall shift in wellbeing and economic vitality.

Furthermore the term trend of this demographic shift may also affect the wealth of the total Taupō District population over time. Māori's average wealth per capita is roughly half that of Pākehā with focus on better education and health models deemed key to addressing discrepancies between social groups.

In educational terms Māori are continually over-represented below expectations in standardised national testing, and the skills involved with more vocational employment tend to be overlooked in traditional schooling. The goal of any development with a social focus must be representative of all peoples right to a standard of education that allows them to have choices post institutional study.

Any work that is undertaken needs to balance the economic, social, cultural and environmental aspects of the Taupō district and act as a conduit for a holistic benefit for all of its residents.

Regional Policy

Bay of Plenty Regional Economic Growth Strategy

The Bay of Plenty (BoP) regional economic development strategy sets out the issues, challenges and opportunities that face the Bay of Plenty, and identifies strategic priorities and areas of focus to transform the region. The strategy aims to guide regional economic development policy, investment and activities of which Taupō wants to be seen as a priority in regard to funding allocation and strategy.

Central government is working with the region to identify how it can best support implementation of the strategy.

The BoP economic development strategy identifies a number of strategic priorities, with a clear vision, mission and values supported by the four main themes:

- More globally competing firms in the Bay of Plenty.
- World class infrastructure to catalyse economic development.

- Environmentally sustainable.
- Innovative and productive industry sectors.

Economic opportunities for the Bay of Plenty, as highlighted in the Bay of Connections strategy include:

1. Improving productivity growth.
2. Increasing average household income levels.
3. Attracting highly productive, higher skilled and globally competitive businesses to the sub-region.
4. Rapidly addressing skill shortages in key industry sectors.
5. Ensuring areas of available commercial land are targeted towards integrated business and industrial parks.
6. Continuing progression of tertiary education and research partnerships to drive innovation and entrepreneurship.

7. Improving industry participation in education and training.
8. Driving relevant and leading edge tertiary provision to attract and retain young people.
9. Realising the full potential of key industry clusters.
10. Supporting legislative changes to maximise the utilisation of multiple owned Māori land.

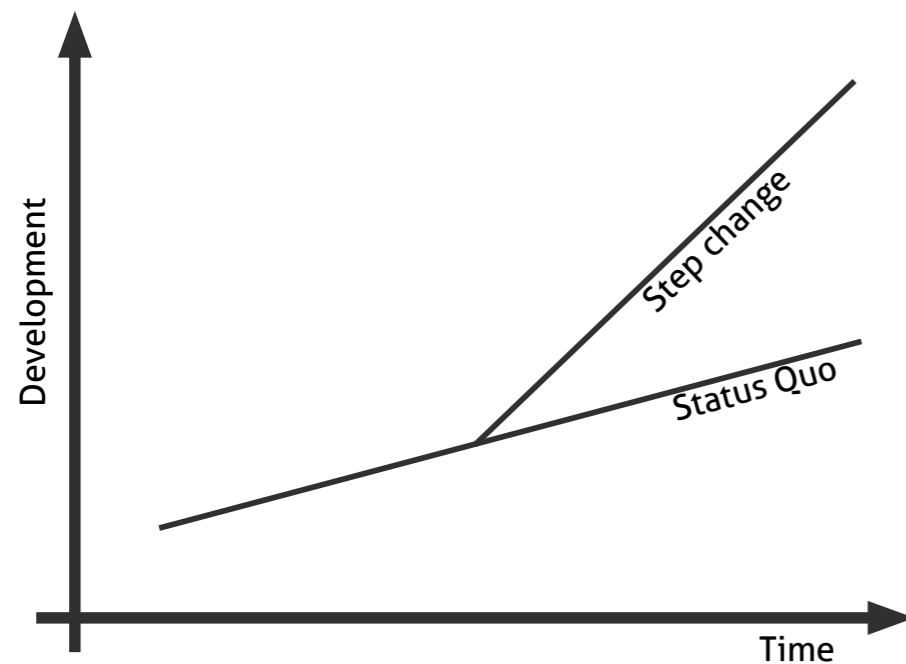
The driving force behind the Economic Growth of the region is the people coming together and moving ahead towards a mutually beneficial future. This includes partnership, transparency and distribution of funding that ensures Taupō is represented both regionally and nationally and able to capture market growth in all industry sectors.

The spirit of working together that exists in the Bay of Plenty on a regional, business and community level is the foundation of Taupō's future and further growth and development of the District.



Local

NZIER s17a Review Report



The step change is created by an increase in coordination between Council and Activities led by a single Economic Development Vision and Strategy

Synergine has made use of documentation produced and currently available to the Taupō District Council to understand the activities and strategies of various service providers as well as prior recommendations. The recent NZIER review of economic development in the Taupō district under section 17A of the Local Government Act has been used accordingly to help direct the focus of our works.

NZIER describes the development vision and strategy being operationalised in a bottom-up manner with a significant need for a top-down element to the overarching strategy driven by a shared vision of what Taupō district wants to become. TDC stated that its goals include ensuring the Taupō district remains a great place to live with further intent to promote economic development. NZIER highlighted that any vision should not only guide the service providers but that other internal services and policies should also align with their vision.

NZIER confirms that 'how' the Taupō district develops this vision is "outside the scope of this review" and suggest that there is a good case for a "limited-life, specific purpose entity" to be established to champion the development of a shared economic development vision drawing on governors and managers of service providers.

The Taupō district currently benefits (and will continue to do so over the medium term) from tourism and construction and is described as one of the few towns in New Zealand that is growing economically and demographically. This medium term benefit can be leveraged by Taupō to unlock the district's socio-economic development, given the current constraints faced by the region are attended to. There is significant opportunity for a step change over the medium term to counteract the longer-term risk to Taupō and enable to significant economic gain.

In order to deliver a "more productive and competitive economy", the government has identified key areas: export markets (of which tourism is included), skilled and safe work places, natural resources and infrastructure. Furthermore Budget 2016 provides \$94.4 million of new funding for regional economic development initiatives to boost economic growth.

Any work that is undertaken needs to balance the economic, social, cultural and environmental aspects of the Taupō district and act as a conduit for a holistic benefit for all of its residents.

TDC Long Term Plan 2015-25

The DESS document is to provide guidance on the economic aspects of the Taupō District Councils new LTP (2018-2028)

The economic base of the Taupō district is intrinsically linked with the unique characteristics of Lake Taupō and its surrounding geography. Tourism, forestry, energy generation (hydro and geothermal) and agriculture therefore largely drive the Taupō economy. There is significant potential for the Taupō district to gain added value from these industries with further strategic infrastructure developments and investment opportunities.

The relatively young age of Taupō's infrastructure assets has resulted in a projected large build-up of cash reserves (by 2025). These reserves will be required in future years to fund the renewal of those assets and to ensure intergenerational equity is achieved with minimal burden for current or future generations.

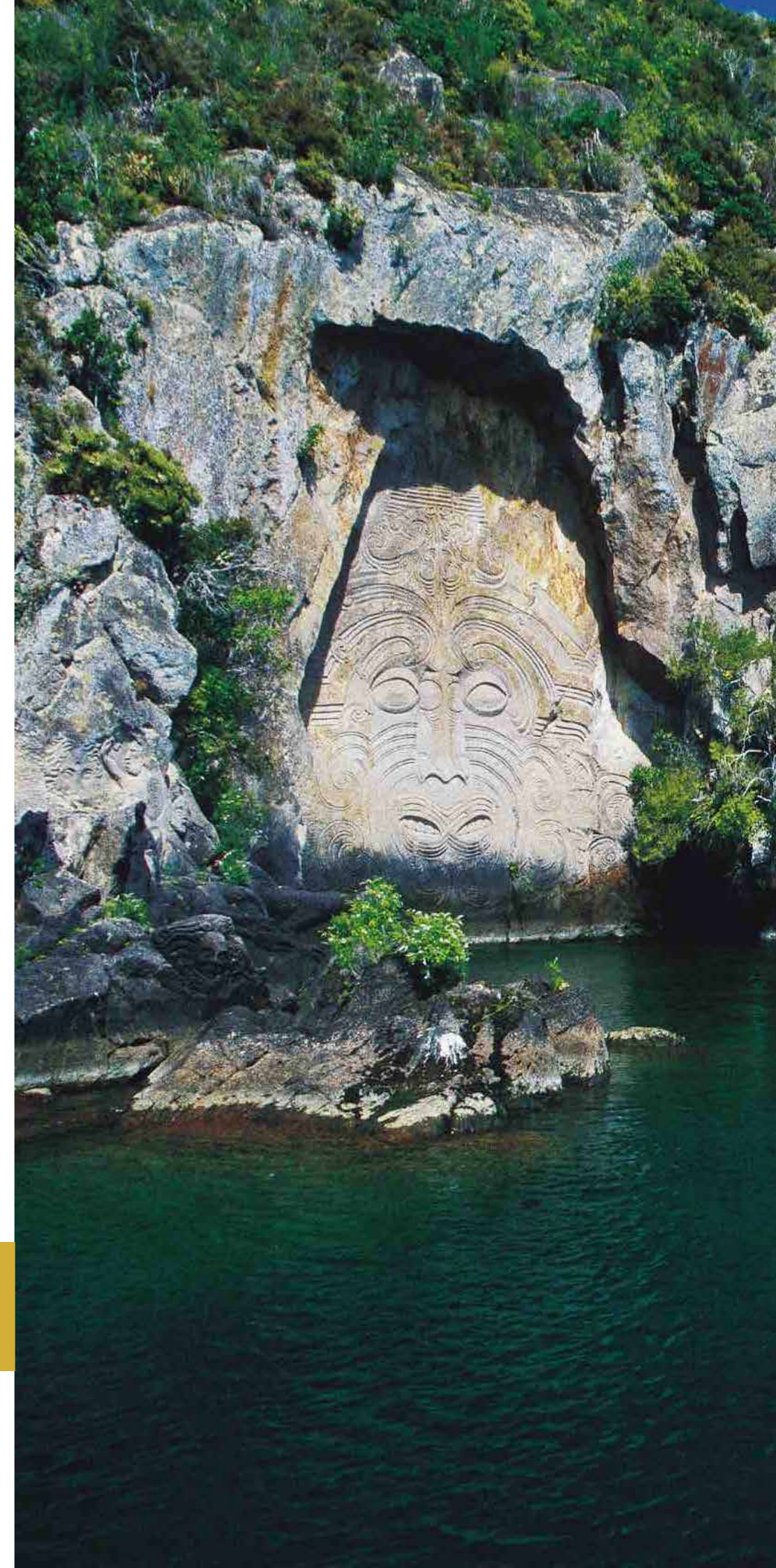
TDC have recently upgraded or built some significant community and infrastructure assets such as the refurbishment of the AC Baths, Lake Terrace water treatment plant, East Taupō Arterial Road, Taupō wastewater treatment plant and several other water

plant upgrades around the district. Local development is also underway with the Water Treatment Plant upgrades at Kinloch and Acacia Bay as well Taupō's transport infrastructure such as the rural seal extensions and Huka Falls road improvements.

Taupō District Councils long term plan describes six main targets:

- Retain current level of service
- Maintain quality infrastructure
- Protect water resources
- Debt from \$162 to \$103 million by 2025
- Increase investment from \$84 to \$143 million
- Future growth opportunity
- Enablers and constraints
- Placemaking

Building and maintaining quality infrastructure is one of the most critical parts of the foundation required for a resilient and growing economy.



Deep Design

Design is the creative problem-solving process that captures the flow and interfaces of our lives. Deep Design is a way of thinking about the way we create, manage and sustain relationships with people, and the human impact, industry and interface with our built, social and natural environments. Deep design captures all aspects of society within built form and acts to ensure environmentally sustainable and conscious infrastructure development.

Deep Design is a truly holistic conceptual framework in which economic activity creates goods and services that generate ecological, social and economic value: where waste becomes unnecessary and where human needs are balanced by nature's realities.

Systems, services or products designed according to Deep Design are characterised by being:

- Integral – consciousness and compassion must permeate every aspect of the lifecycle from innovation through to production to delivery, usage and beyond.
- Benign – no damage must be done or accrue to people or the environment. Sustainable practices must be used at all times.
- Resonant – Deep Designs are part of our identity and must align with our most deeply felt values and ethos. The whole design of integrated intangibles

is far greater than the sum of the parts of the purchaser.

- Low impact – "soft pathways" where costs are accounted for over the lifetime of the product or system and meet criteria for sustainability.
- Strategic – Deep Design is sustainable in terms of being socially desirable, ethically defensible, culturally appropriate, ecologically responsible and economically feasible - now and in the future.

In terms of urban planning we need to rethink from conceiving our cities as machines to understanding the city as an ecology and a place of belonging. We need to shift our thinking from how things look in the landscape to how things can work better for society – balancing nature's needs with commercial realities and enterprise but on a human scale.

Four critical Deep Design elements that distinguish it from previous more simplistic approaches are: philosophy, viability, governance and ecology.

- Philosophy – the philosophy of Deep Design does not merely focus on the product being manufactured, or the service being offered, but focuses primarily on the human agency: How will this infrastructure satisfy real human felt needs? What could the district/regional/national impacts be? Design should be exercised on a human scale and with the needs of local people and culture in

mind – improving the complex ecology of dynamic flows and interactions as people go about their daily lives. There should be no waste. Action must be synergetic and regenerative where urban planning and infrastructure development would ensure that our cities/towns have clean air, water, diversity and aesthetic appeal and maintain this.

- Viability – Viability regards the consequences of our design decisions and the influence that these have upon societal environments. The principles of Deep Design enable social infrastructures and decision making processes that ensure viability whereby civilization can generate resilient, flexible learning ecologies creating diversity and richness that contains much of real value. Without it civil society would collapse.
- Ecology – Deep Design establishes a balanced view between economic and ecological benefit where products, innovation, services and processes are planned in a manner that have future viability and where ecologically intelligent outcomes are just as desirable as the economic benefits. This highlights the importance of new disciplines such as industrial ecology being used to ensure permanent assets are created – rather than perpetual liabilities. Flows of energy and materials are recycled, and infrastructure will be economically, socially and ecologically advanced. Communities are reintegrated and nested

skillfully into industry and with nature where green space and public land are intertwined within the narrative of their respective township and cities.

- Governance – Through the use of open-source development, cooperative industry clusters and 'creative and historical commons' approaches to sharing of innovative and beneficial intellectual property, and similar collaborative mechanisms, Deep Design puts people, flows and cooperation at the centre of its governance agenda. In terms of infrastructure and planning this means moving from minimal consultation and ensuring open engagement with local people and culture: while guiding principles are set centrally by government, citizens themselves will take responsibility (both bottom-up and top-down).

Future cities and towns will still need to meet standard requirements for cost, function and performance but in ways that are also ecologically intelligent, serious about social justice and revitalisation, safe, and healthy, so that they are vibrant, walkable, transit orientated, mixed-use neighbourhoods and structured around greenspace areas so that workspaces and residences are interlinked with schools and transportation hubs.

Furthermore this must be achieved through collaboration that integrates multiple perspectives from a diverse range of representative peoples for the purpose of enhancing intelligence, fairness, dignity and equitable economic, social, cultural and environmental benefit.



Application to Taupō District

Deep Design captures the need to intertwine infrastructure and other developments with the natural setting, the history and tāonga of a place and the social aspects of a community or district.

Although the tourism industry is not purely what Taupō exhibits, it is a major contributor to New Zealand's and Taupō's economy and has sustained significant growth recently (24% in the last 2 years). Growth of this magnitude brings vast economic opportunity but can also present challenges - capacity of Taupō's infrastructure could be stretched and the ability to consistently offer a high quality tourism experience and lifestyle (which can deliver New Zealand's brand promise) may well be compromised.

Deep Design is important in connecting infrastructure with the local narrative but also acts to minimise the constraints which will potentially inhibit further growth in the District. These are:

- A lack of sufficient roading infrastructure to facilitate increased visitors/tourist numbers - improved road access to and through the region to reduce travel time, congestion and improve safety.
- State Highway 1 has a high closure rate and therefore prevents movements between Taupō and Turangi/Mt Ruapehu - Interferes with RAL's proposed centralisation of tourists in Taupō.
- Specifically, a need to address issues at Bulli point/ Te Poroporo.

- Insufficient top end internationally branded 4 ½ star accommodation.
- Limited use of public space.
- Low-medium quality facilities - need to ensure that market meets needs of upper class, higher spend tourists.
- Taupō airport does not have a large capacity – maximum of 100,000 a year (as a tier 3 airport).
- Airport terminal is sub-standard, not large enough to meet current demand/visitor flow and presents visitors with a poor first impression of the region.
- Aviation connectivity is also a challenge with limited connectivity to the south.
- Taupō industry is showing some signs of productive investment but is still experiencing many challenges. Business confidence is very mixed depending on the industry that one is associated with.
- Sustained investment in residential property over the previous peak economic cycle has led to a situation where we have a stock of vacant lots in certain locations in the district, however at rates lower than those of adjacent centres like Rotorua.
- The town centre is disconnected from waters edge.
- Sub-optimal use of green space and waters edge.
- Aging and expensive lines infrastructure across both Ruapehu and Turangi.
- Educational attainment that does not resonate on

a national scale in comparison with some of the larger cities, 12.2% of people aged 15 or over hold a bachelors degree in Taupō vs 20.1% in NZ.

As per s17a review

- Key challenge is population decline - expected to increase to above 37,046 in 2035, and then fall to 35,300 in 2043 (only marginal increase).
- Taupō District must meet the aspirations of the young population, provide them with pathways from lower income jobs in Tourism while acknowledging the risk aversion of an ageing ratepayer population.
- Need to encourage and maintain a thriving and attractive CBD for both visitor and local market.
- Economic development requires a strategy that is fit-for-purpose and provides sufficient guidance to the range of players involved – TDC, the business community and people of the Taupō District, the current service providers, regional and central government.

This pressure therefore justifies the need to address economic and social infrastructure shortcomings and the allocation of investment in the district from both local and national funds.



Taupō District Context

Taupō District Case Studies

Case studies and details of specific focus areas around the Taupō District, such as the recent large scale investment from RAL into the Whakapapa Ski fields, investment into social infrastructure and the demands for greater tourism infrastructure



**Industry
Growth**



Tourism



RAL



Ruapehu Alpine Lifts

Mt Ruapehu, New Zealand's largest ski field, is located in the Tongariro National Park approximately 1 hour and 15 minutes' drive from Taupō. Ruapehu Alpine Lifts, operators and managers of the ski field, have recently renewed their license with DOC for the Whakapapa field and have started to implement a 6 year, \$100 million investment plan that will increase visitation and therefore revenue. RAL's investment at Whakapapa includes the following:

- \$21M has been invested to date – new all-weather snowmaking machine that guarantees great snow conditions over a longer season regardless of the weather, thus increasing snow capacity and extending the length of the season from June – December.

- A \$30M Aerial Tramway project to be completed by Dec 2019 is in the approval stage. It will increase access to Knoll ridge café/restaurant and minimise closed days due to an ability to operate in a majority of conditions that would otherwise close the mountain.
- A \$30M multi-purpose facility replacing Whakapapa's current base area including a Convention Centre (400-500 delegates), opening May 2021.

These investments target the areas of the tourist market associated with families and first-time snow visitors and ensure a consistent, high quality alpine experience.

Currently 90% of RAL's skiers and 20-30% of non-skiers are domestic. It is anticipated that the proportion of international visitors will increase to close to 50% of all visitors.

RAL's forecast expects compound annual growth in visitor arrivals of 7%, reaching 600,000 visitors at Whakapapa by 2027. This is considered a conservative estimate, with possible growth being closer to 10% (actual growth since 2014) or 15% (average actual for Queenstown and Rotorua Skyline Gondolas).

This growth in visitors to Ruapehu has the potential to contribute greatly to Taupō's economy. RAL estimates that for every \$1 spent on the mountain, visitors spend \$7 or more in the local town.

RAL's growth will result in an increased visitor base and spend in Taupō as it becomes a destination hub for snow seekers through accommodation offerings, the installation of 2 retail offerings and a shuttle service.



Great snow conditions and “big smiles” year-round

The anticipated growth of RAL’s visitor numbers is mainly due to their investment in summer infrastructure. Over the next 10 years, RAL expect to see their ski/snowboard visitors increase from 125,000 to 185,000, while sightseers will go from 51,000 to 410,000.

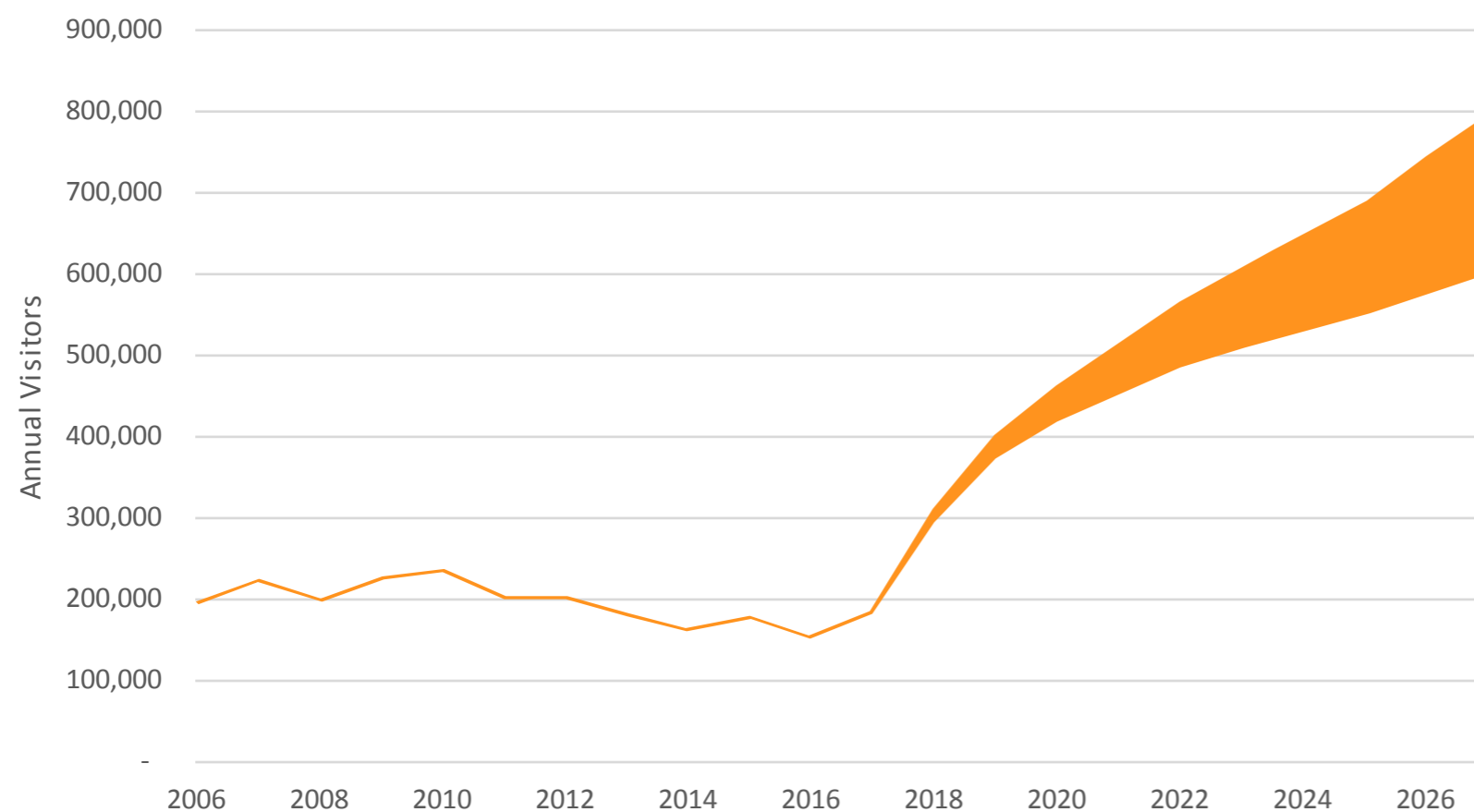
The RAL development is likely to result in an increased number of visitors coming through Taupō Airport via a “fly-drive” concept, requiring accommodation in the Taupō township. This would however only function suitably if there was appropriate flight scheduling and increased frequency in and out of Taupō Airport.

Key constraints which may act to impair the success of this investment include:

- SH1 between Taupō and Turangi – High crash rate and road closures. 1000 visitors can be lost a day if the road is closed (~\$100,000 worth of revenue)
- Taupō airport is currently at capacity and cannot service additional passengers to an appropriate standard.
- The airport terminal is sub-standard, not large enough to meet current demand/visitor flow and presents visitors with a poor first impression of the region
- Makeshift baggage claim area.
- Limited car parking, coach/bus pick up points.

There is significant potential for Taupō to capitalise upon RAL’s investment in Mt Ruapehu. In order to achieve this, for there to be an increase in the visitor base, and consequently a financial benefit to Taupō, the constraints mentioned above need to be mitigated.

Visitors to Whakapapa Skifield



Turangi

There have been discussions regarding methods or projects which could act to stimulate growth in the area between stakeholders such as EGLT and TDC and other external sources such as RPS.

These include:

- T2T shared use track – a track that extends from Taupō to Turangi along the lake edge.
- Geothermal Hot Pools – Redevelopment of the Tokaanu hotpools.
- Revitalisation of the Turangi CBD.
- Repair and replace aging and expensive lines infrastructure across Turangi.

Tourism product development – focus on cultural tourism and enabling product development in order to stimulate economic and social growth.

Building on this is the vision for the southern lake area and the interaction and inclusion of not only Turangi and Tokaanu but also Hatepe, Te Poroporo (Bulli point), Motutere, Tauranga Taupō and Motuoapa with tourism and future industry developments. Incorporating these smaller settlements and helping them to develop appropriately sized and attractive offerings will prevent these communities from being isolated from participating in and benefitting from wider economic growth. There is significant importance in navigating this with an achievable, agreed upon plan in order to ensure that Turangi, Tokaanu and the

surrounding townships are able to meet their potential in a sustainable way, providing an authentic Taupō experience. TDC, Tuwharetoa and other operators, in partnership with local residents, can help to create a plan to deliver on aspirational goals in relation to economic growth through local initiatives and product development that benefits locals and residents.

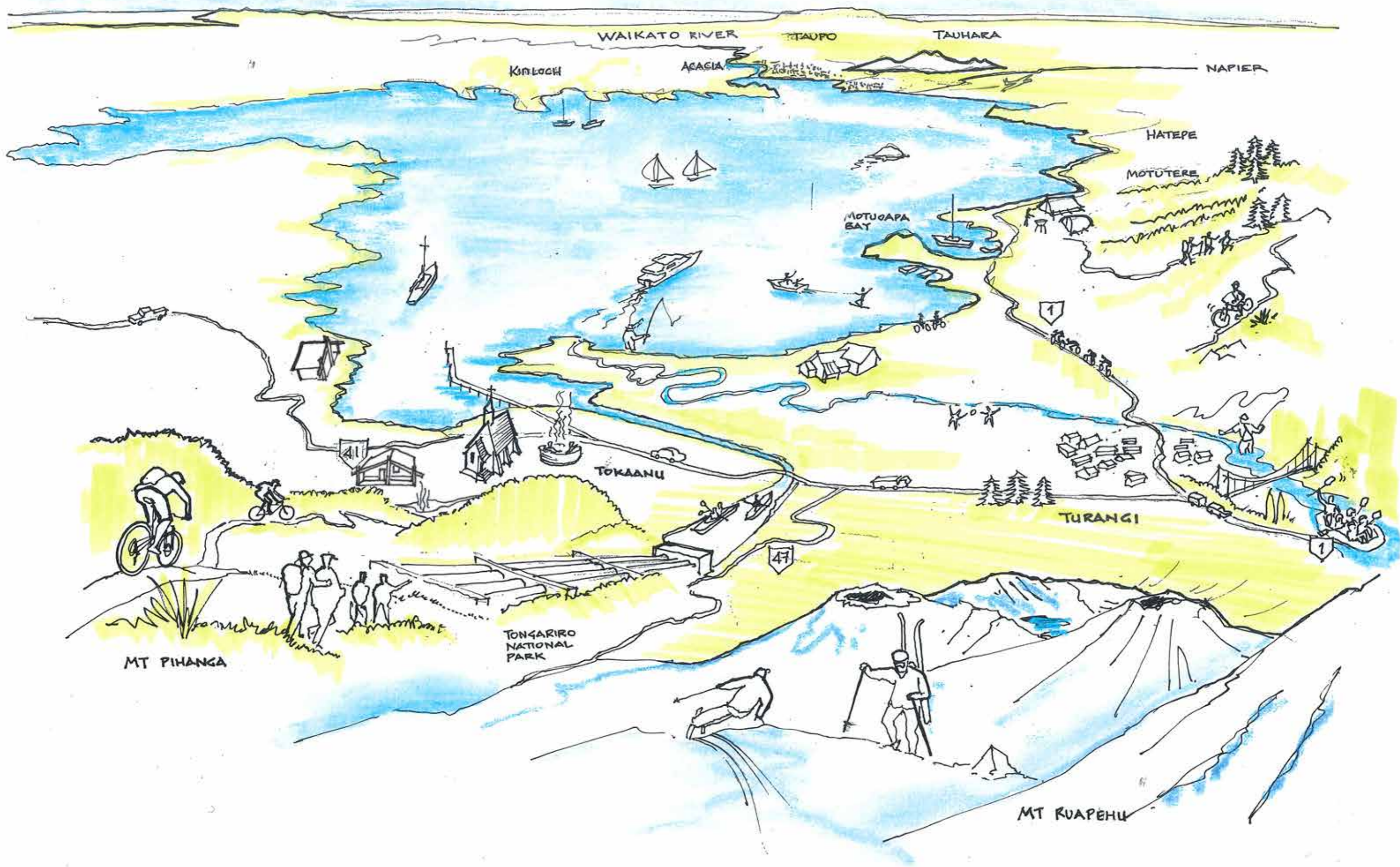
Tokaanu township provides geothermal hot springs and pools for locals and visitors. The pools have been identified as a redevelopment opportunity and discussions are underway between TDC and iwi. A quality hot-pool complex could be one component of a transformational plan along with other investment potentially led by Iwi into tourism, commercial and retail linked activities.

Discussion is required as to whether the district wide approach to marketing and economic strengthening is driving equitable growth throughout the district and how the effectiveness of targeted and dedicated marketing campaigns to spread visitation growth evenly across the district can be maximised. Turangi is the gateway to the Tongariro National Park, the Tongariro crossing and also home to the famed Ka mate Haka, a true representative war dance of Aotearoa and the New Zealand All Blacks. Taupō districts biggest and most profitable season is summer and given Turangi and Tokaanu's proximity to the Whakapapa ski field, and RAL's \$100 million investment, there is significant opportunity to create a thriving year-round tourism

destination for backpackers, families, international tourists, skiers and anglers. Taupō, Turangi and Tokaanu could link to provide an attractive offering for visitors to Whakapapa by providing accommodation and transport from the Taupō CBD and airport with a place to eat, drink and recover after a day on the mountain in Turangi and Tokaanu. Other non-snow related offerings in the area could also be thriving, creating a tipping point and critical mass for economic uplift.

Equally as important is the mandate of the Social Investment Approach (SIA), led by the Ministry for Social Development, which has its focus on the most vulnerable families of New Zealand, of which many in Turangi are. The intent of this is to minimise long term welfare dependency and increase employment and social inclusion through investment in human capital and in the mitigation of the long-term fiscal cost of support.

The restorative capacity for the region of Turangi is part of the redemptive narrative of Taupō district. There is a need for local and district wide businesses, council leadership and Iwi to come together in generating and fulfilling a feasible plan that benefits the people of Turangi and the surrounding settlements now and for the generations to come. The area needs to capitalise upon its natural beauty and setting as well as obtain investment, both economically and socially, in order to thrive and ensure sustainable and beneficial outcomes for the local people and the Taupō District.



WAIKATO RIVER

TAUPO

TAUHARA

KINLOCH

ACASIA

NAPIER

HATEPE

MOTUTERE

MOTUOPAPA BAY

TOKAANU

TURANGI

MT PIHANGA

TONGARIRO NATIONAL PARK

MT RUAPEHU

Tauranga

Historically, Tauranga has been seen as both a premium holiday destination but also an opportunity to enjoy a peaceful retirement. In recent years the area has experienced exponential growth as the region capitalises on the significant issues experienced in larger centres with housing and salary scale. Thus the region has developed an economic hub reputation and become one of New Zealand's most liveable cities.

Tauranga as an attractive destination

Priority One is the western Bay of Plenty region's economic development organisation, in partnership with the sub-region's local authorities. Their focus is on fostering innovation, creating a compelling destination, a hub for talent and knowledge creation and connection and collaboration with the intent of promoting business uptake in the western Bay of Plenty.

Priority One's purpose is to build a vibrant economy that retains and attracts talented, skilled and creative people and the businesses that need them.

Tauranga is a key example of a district that is thriving.

1. The latest estimates from Statistics NZ and Infometrics showed Tauranga's population grew to

124,600 by the end of last year, up from 116,190 in 2013. A total of 8410 in two years, (more than the entire population of Te puke), and the flood of people is expected to continue.

2. Contrary to popular belief, Tauranga's influx includes a significant number of foreign immigrants. A report from economic research company Infometrics showed that Tauranga had "a permanent and long-term net migration" of 1188 people from overseas in the year 2016. This reversed the trend from the previous decade, during which international migration saw the city lose more people than it gained.
3. Priority One strategic projects manager Greg Simmonds said Tauranga's growth spurt differed from previous ones in that there were plenty of jobs for the new arrivals. During the past year 7, 900 jobs had been created.
4. Businesses were moving to Tauranga for reasons including access to the port, the price of industrial land and because "this is a place where people want to live".
5. One of the most noticeable results of the population boom was the rise in Tauranga's house prices. The

latest figures showed a 24 per cent rise in the past year, although the rate of growth was slowing.

6. Statistics New Zealand (and Priority One) estimated that Tauranga's population would exceed 129,000 in 2018 - an increase of about 13,000 in five years.
7. Statistics NZ forecast that the Bay of Plenty has the highest levels of employment growth, outstripping even Canterbury. Its annual employment growth of 13% is well above that of Waikato and Auckland, the other two members of the so-called "golden triangle", which recorded 9% and 3% respectively.

With the increase of employment opportunities and affordable housing, population growth in Tauranga has inflated to an unprecedented high - and the city's housing and infrastructure are struggling to keep up.





Ruapehu

Ruapehu district is situated in the western half of the Tongariro National Park with industry sectors such as tourism, forestry and agriculture making up a majority of its GDP. Ruapehu leverages off of similar revenue streams as seen in its northern counterpart, taking advantage of the natural setting and adventure tourism market with the intent to grow in various other areas.

Ruapehu District Council (RDC) has identified 5 key growth areas:

- Tourism and visitor services
- Manuka honey production
- Fresh vegetables (potential for geothermal direct-use)
- Business process outsourcing and food innovation outsourcing

- Increased productivity of land

Three strategic areas that will require strong and focused attention to enable these opportunities are:

- Transport and distribution,
- Productivity of Māori land
- Growing business by building capacity, scale and innovation.

Tourism

- Market value of \$42m per annum
- Ruapehu Alpine Lifts
- General nature/ adventure tourism
- Ruapehu, Ngauruhoe and Tongariro mountains
- Tongariro National Park

The Ruapehu district had a GDP of \$488 million in 2016, growth of 1.8%, with other indicators such as productivity also increasing at an above average national rate, +1.2% relative to -0.2% (NZ).

Ruapehu District Council wants to achieve its potential: a prosperous rural community that capitalises on the agricultural, business and tourism sectors, while maintaining an outstanding rural and alpine environments.

Transforming Ruapehu into a district known for its business opportunities, tourism opportunities, rural attractions, lifestyle and beauty is the goal. There is opportunity for partnership between TDC and RDC as both look forward towards a vibrant future for their respective communities.



Rotorua

Tourism

Rotorua has an extensive tourism market that captures various elements from cultural experience to adventure tourism activities.

- Tourism in Rotorua is an \$807 million per annum industry of which \$421.8 million relates to from domestic visitors and \$384.7 million to international visitors.
- Rotorua provides potential tourism partnership opportunities as well as an insight into a variety of undeveloped market sectors that may be considered for Taupō.
- Destination Rotorua intends to reach \$1.5 billion annual visitor spend by 2030.
- 2.2 million visitor nights (year upto Sep '17) in commercial accommodation.

Māori Economy

- The region has a strong Māori contingent.
- According to an investigation by PWC there are opportunities for developing 'unutilised' Māori land.
- Protects and promotes heritage and reveals the Māori story to international and domestic tourists alike.
- Achieve more market share, larger conference delegate size and a higher quality delegate experience.

Geothermal

- The shared close proximity to geothermal fields presents further shared vested interest for the area.
- Geothermal can also subsequently contribute to tourism through the spa and wellness activities.

- Provide heating to residential and commercial sectors
- Use in agriculture through direct-use for crops, vegetables etc.

Forestry and Agribusiness

- The central North Island produces nearly half of New Zealand's annual wood harvest, in which Rotorua and Taupō are both significant stakeholders.
- Growth in the agriculture sector needs to take into consideration the impact on the local fresh water sources and receiving environments.
- Given the tourism centred around both Lake Taupō and Lake Rotorua, these need to work together to protect the quality of the water from agricultural waste and exchange research to further reduce effects of primary industry on other aspects of the natural environment.

Infrastructure

A key platform of any economy is good infrastructure. Transport, electricity, communications, roading and other utilities are essential for business to flourish. Fast communications technology and good road networks mean it is easier than ever to operate business from wherever you may be. With its attractive environment, Taupō district has always been a more popular destination, however good infrastructure development will make Taupō a popular place to live and work.



Civil Defence



**Tourism
Infrastructure**



**Resilient
Infrastructure**

Tourism Infrastructure

National Tourism Infrastructure Assessment - Deloitte

Tourism is a major contributor to New Zealand's economic prosperity, being our largest export sector and growing at a high rate (24% over the last two years). This is highlighted in the Taupō district where tourism accounts for ~28% of GDP. Growth of this magnitude brings significant opportunity but consequently significant challenge whereby capacity can be stretched and consistency of a high quality tourism experience can be compromised.

Tourism is a \$34.7 billion industry directly contributing ~6% of GDP and 21% of total export earnings. As tourism plays such a significant role in our economy, it is of national importance to manage and optimise its contribution effectively and sustainably. In order to capture the maximum benefit for the nation and maintain community support, all aspects of the tourism industry and the infrastructure that supports it needs to upscale accordingly.

1. Tourists interact with a vast array of infrastructure types, from airports to cycle paths.

2. Many of the infrastructure classes that visitors use are shared with Taupō residents - locals shown to be the primary user.
3. The intensity of tourism – and hence infrastructure utilisation – is variable: it is transient, with seasonal and geographic peaks.
4. The economic beneficiaries of tourism are widely diffused (across many individual businesses, across sub-sectors and, in many cases, regions).

The commercial incentives that drive market activity are usually insufficient in the tourism industry to ensure that infrastructure demands are met. A level of coordination is required in order to facilitate the necessary optimisation of investment decisions between national and local governments with industry in order to plan, manage and stage tourism infrastructure investment accordingly. Government, both local and national, are uniquely placed to support the tourism industry in navigating future investment opportunities.

This work serves to establish and apply a framework for prioritising tourism infrastructure investment - "prioritisation must be multifaceted in its approach". An analysis was conducted across 31 regions and 20 categories of tourism infrastructure with the results of this illustrated below in order of highest priority:

- Visitor accommodation
- Airports and related facilities
- Telecommunications
- Car-parking
- Water and sewerage systems
- Public toilets
- Road transport

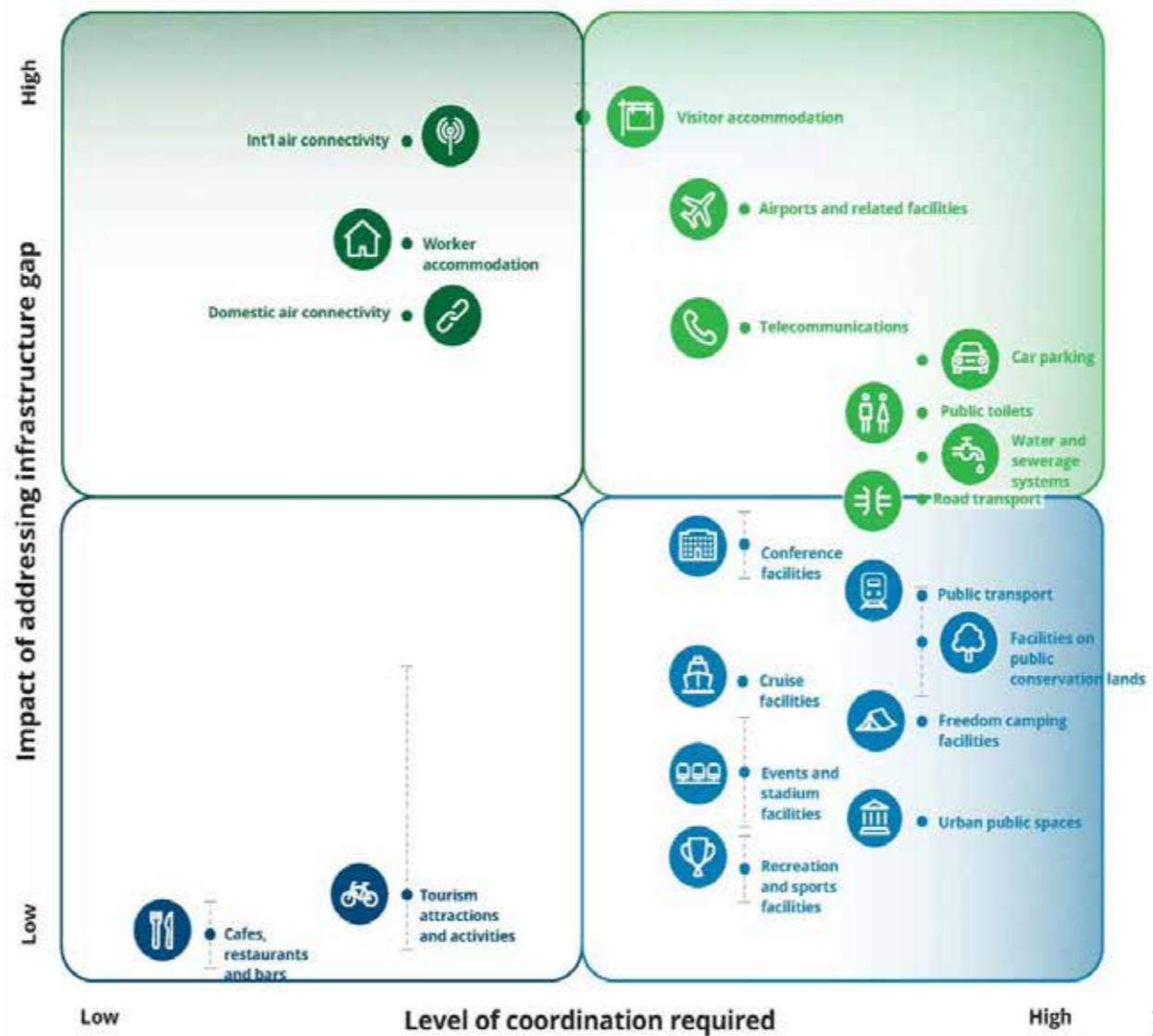
The results place visitor accommodation as the highest priority infrastructure type across New Zealand. Addressing the current constraints in accommodation would generate greater additional tourism activity



relative to any other. Air connectivity and worker accommodation are both registered as areas which, if addressed, will have significant impact on tourism activity and are where market resolution is more likely. Along with telecommunications, car parking, water and sewerage and road transport these require coordination from industry and government. These require active effort beyond individual operators/providers in order for existing gaps to be resolved.

These infrastructure types have been identified as those with the greatest impact on tourism activity overall as well as those requiring a coordinated effort at government and industry levels to resolve existing gaps and ensure a sufficient level of infrastructure for the industry.

TDC can leverage this national analysis to focus efforts in areas shown to be of high impact addressing infrastructure gaps and therefore enhancing tourism growth and thus prosperity for the local economy.





Resilient Infrastructure

There is a growing international focus on the resilience of cities and towns. Furthermore, Taupō is the largest natural hazard area in New Zealand.

The increase in severe weather events and natural instability has highlighted the need for cities/towns to augment their resilience to disaster risks that they may face, and to mitigate and respond to these risks in ways that minimise the impact of severe weather events and natural disasters on the social, environmental, and economic infrastructure of the town/city.

As local and national municipalities plan, design, and implement sustainable infrastructure projects, there is significant need to consider the impact of extreme weather and natural disasters on the city's physical infrastructure in order to build resilience and further facilitate growth.

The National Infrastructure Plan has set a vision that by 2030, NZ's infrastructure is resilient, co-ordinated and contributes to economic growth and increased quality of life.

“Resilience in our infrastructure underpins economic, environmental and social resilience of the community” - Taupō District Infrastructure Strategy.

Taupō District Council is currently considering options for the replacement of the existing civic building. Apart from the day to day delivery of normal services, Taupō District Council has confirmed that the civic building is the hub for civil defence and emergency response activities for the Taupō region. In addition, as the only Local Authority with a full-time civil defence team, in a natural disaster scenario Taupō will also provide a key civil defence leadership role for other neighbouring regions, which collectively comprise one of the most geologically active zones in New Zealand.

To ensure continuity of function post event, a key requirement for the Civil Building is that it is to be designed specifically to meet the requirements of its designation as a building of Importance Level 4 (IL4).

The meaning of the designation “Importance Level 4 (IL4)” is defined as a structure that has “very high” economic, social or environmental consequences as

it will be required to be used “post disaster” and “not collapse” as a result of a 2500 year event (wind or earthquake). More importantly, it should only suffer marginal damage as a result of a one in 500 year event. Therefore this building should be designed for seismic isolation to ensure the building is fully functional following an event of this scale.

Ensuring the resiliency of the CBD in combination with placemaking initiatives will revitalise the town centre and further enhance the economic prospects of the central business area, promoting economic development for the district.

In order to sustain access to the region in times of disaster the Taupō Airport needs to be built to earthquake standards and in a resilient manner so as to maintain itself as a key entry point. The withdrawal of Air New Zealand from some regional routes has also prompted questions on the resilience of transport links that connect regional populations and economies.



Civil Defence and Emergency Readiness

Taupō District Council does need to be mindful of the geothermal activity both in an opportunistic view, but also in a Civil Defence view. The Council must have and non-voted leaders of the region, the Council must have appropriate responses to the weather and seismic activity that may take place in what is an active region. Through educational channels the council could reiterate its position and articulate the responses to such activity.

Recent events have introduced more than the usual uncertainty into the economic outlook. The earthquakes centred in Kaikoura and Seddon reverberated throughout the country, disrupting business activity and causing substantial damage to infrastructure and buildings. The total cost of the rebuild from this round of earthquakes is uncertain given the full extent of the damage has yet to be assessed and further aftershocks are likely over the coming months.

Taupō district centres itself around Lake Taupō, a moderately active geological area. Recently New

Zealand has seen an increase of volcanic and plate activity with particular events that have caused significant damage and destruction throughout the country. Taupō rests at the centre of the North Island in close proximity to Mt Ruapehu, one of New Zealand's few remaining active volcanoes and a highly active zone. In preparation for potential future events it is important that Taupō fulfills its extraregional responsibility as the location for central Civil Defence Emergency response.

In order to maintain itself as an effective focal point for response to natural disasters and minimise casualties, Taupō needs to establish a well-functioning infrastructure network and facilities (i.e. the IL-4 civic building).

The national contingency plans pulled together in the aftermath of the 2011 Christchurch earthquake assumes access to all airports, aerodromes and airports in the event of a natural disaster.

"Any city's resilience to external shock relies primarily on effective institutions, governance, urban planning and infrastructure" - UN-HABITAT

Connectivity and Infrastructure

The National Infrastructure plan (NIP) has the purpose of reducing uncertainty for businesses by outlining the government's intentions for infrastructure development up until 2030. The NIP sets out a vision that by 2030, New Zealand's infrastructure is resilient, co-ordinated and contributes to economic growth and increased quality of life and TDC have followed this accordingly.

Airport

Tourism Industry Aotearoa have found that airport infrastructure is a key hurdle in attracting more tourists to New Zealand regions.

Taupō airport presents itself as one of the key gateways to the Taupō district, allowing direct access from Auckland and Wellington with daily flights. However, the current service offering and airport infrastructure limit the access and experience of passengers due to a relatively low frequency of flights as well as a sub-standard, small airport terminal with minimal service provision.

In order for Taupō to accommodate for increased passenger flows and visitation, attributed to the growing tourism and business trends both nationally and regionally, the upgrade and development of a new airport terminal and associated infrastructure is required to meet the predicted passenger growth to 100,000 by 2022.

Transport infrastructure

The isolation of the District from key market areas can impede the exploitation of the District's raw material resources and also potentially hinder business migration to the district. The East Taupō Arterial and recent works on SH1 have increased access and also minimised large truck movement throughout the CBD.

SH1 closure rates, between Taupō and Tongariro National Park remain high and relatively unsafe. This creates issues for transportation of resources and also tourism movement, particularly tourists en route to the National Park for skiing and nature-based activities.

Improved connectivity between the Taupō subregion and northern and southern locations, SH1 safety improvements and expansion of the roading networks is a priority, and requires further work regarding:

- Engage with NZTA on business case development for roading improvements
- Develop feasibility study for significant safety and environmental improvements at Te Poroporo (Bullipoint)
- Incorporate tourism growth patterns into business case planning with NZTA on the improved connectivity between Taupō and Turangi.
- Regional railway - opportunity in a pro-rail Labour government environment

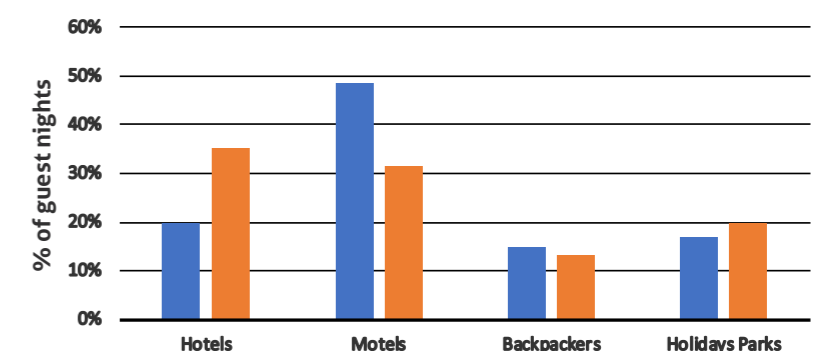
Accommodation & Project Palace

Government research has found an extra 26 hotels are needed over the next decade to cope with the visitor boom in New Zealand. There is a current shortage of hotel rooms during high demand periods in all the centres. This is particularly in summer and autumn (December and March quarters) and when there are major events on (Project Palace).

Hotels and other high-end accommodation make up 35% of the national average, but in Taupō only 20% of guest nights are spent in hotels. The Taupō subregion has the highest percentage of rental holiday homes in the wider region and needs to establish a more comprehensive top end hotel offering.

Commercial accommodation constitutes 1.095 million visitor nights in contrast with 3.1 million total visitor nights for the Taupō district (February 2017).

There is a need for increased international medium-large hotels and conference centre venues in the district and an increased tourist stay length, beyond the current trend of 1.8 nights per person.



Freedom Camping

- Implement upgrade plans in the new reserve management plan for Hipapatua/Reid's Farm, apply to Tourism Infrastructure Fund for additional feasibility funding.
- Whakaipo Bay – Formal DOC campground to be developed.
- Tongariro Alpine Crossing – track and facilities require urgent upgrade to cope with huge visitor volumes. Overarching management plan in conjunction with other stakeholders including DOC and Ruapehu District Council to manage access, volume and amenities required.
- Huka Falls – Develop feasibility study to assess car parking and other infrastructure. Upgrade bridge and view points and progress with preliminary stakeholder and design work.
- Develop café/satellite i-site. Enhance physical and signage linkages to broader Wairākei Tourist Park.
- Wairākei Tourist Park – Promote vacant land for additional tourism ventures.
- Develop investment prospectus to encourage additional investment.

Internet/communications

- High speed fibre roll out to be completed by 2022 for fringe Taupō, Turangi and Taupō Airport.
- Partner with stakeholders to seek prioritisation of the roll out.

Taupō and Turangi CBD

Support the revitalisation of the Town Centre through strategic investment, enabling infrastructure, supporting tourism and commercial activities.

- Review funding model of the i-sites in the district.
- Establish a sustainable funding mechanism, develop a best case infrastructure plan including improved parking and ticketing facilities with a transport hub as a gateway to Tongariro National Park.

Housing and Construction

Following the effects of the Global Financial Crisis, momentum in the Taupō district economic growth rate was mostly lead by tourism and construction. Construction activity continues to ramp up as housing supply increases in response to strong demand.

- The housing market is growing at a consistent and substantial rate, as observed over the last 2 years in particular, but is still affordable relative to other business centres, regions and cities in New Zealand.
- Net population growth to around 39,000 in 2048 for medium scenario (from 37,000 - 2017) a 5% net growth in district's population.
- This lower cost housing supports migration to the district and consequently centralisation of Taupō as a successful business centre.
- Residential building consents are up significantly since 2014 - 30,000 to 46,000.
- Sustained over-investment in residential property over the previous peak economic cycle has led to a situation where we have a large stock of vacant lots in certain locations in the District.
- Council to consider how it might explore providing affordable land parcels for development of affordable housing.

Land use

- Enterprise Great Lake Taupō are planning to conduct a land-use study of the district to develop a resource for landowners to explore alternative land use options to improve productivity, profitability and sustainability.
- Total estimated industrial land provision within Taupō District is 1,090 ha. However, removing special use leaves 460 ha with 115 ha as 'vacant'.
- Direct Industrial Employment base forecast to grow by 825 - 1400 people by 2048 with a net additional land requirement of 85 - 115 ha (medium – high) factoring in the NPS UDC long term buffer.
- Can comfortably accommodate efficient industrial development assuming all vacant industrial land is able to be developed upon, however high growth scenario will cause a long term shortfall of 17ha.

Visitor infrastructure

Taupō is renowned for its natural beauty and its significance within the New Zealand tourism industry. In order to ensure that the region maintains and enhances its tourism offering in a growing market, it needs to ensure that visitor infrastructure at key sites is improved and also that transport infrastructure, accommodation and other services meet the growing demands to meet visitor needs and desires.

Lines infrastructure

- Ensure maintenance and function of lines infrastructure in rural areas
- Ensure renewals are up to date and met on time to minimise power shortages and black-outs.

Infrastructure

1. Taupō Airport

Taupō Airport - A focus on increasing frequency of flights with an emphasis on increasing day-to-day capacity. The airport acts as a port of entry and is often a first impression for tourists. It is important to ensure the network regarding airport and the terminal reveals Taupō's nature and is fit for increasing visitor numbers, while maintaining a visually appealing gateway for tourists.

2. State Highway 1, South of Taupō

This stretch of road has a high crash rate with a demand for investment. Ensure minimisation of crash rate/fatalities - minimise closed days and ensure traffic flow and access to Mt Ruapehu is not impeded.

3. Norman Smith/Thermal Explorer Highway intersection

Currently constrains traffic around the intersection of Norman Smith Street/ Thermal Explorer Highway and Spa Road. Discussions are active on possible solutions.

4. Tongariro Street

Pedestrianisation of Tongariro Street to aid waterfront development. A traffic study valuing \$100,000 is recommended to be undertaken.

5. Titiraupunga Street

As part of the pedestrianisation of Tongariro Street, traffic is aimed to be redirected along Titiraupunga Street. This diverts traffic away from the crowded main waterfront area.

6. Rural Seal Extension

\$3.41M project along many of Taupō District's rural roads, with a completion aim of 2025.

7. Poihipi Road

\$1.472M project that undertakes road seal widening along Poihipi Road, completed by 2022.

8. Taupo's Rail

Potential, under new pro-rail government, for development of a railway to and from the port of Tauranga for export of Taupō's resources (i.e. forestry, dairy)



Taupō City
Roading Network

Highway Arterial Collector

Stormwater

1. Installation of Enviropods

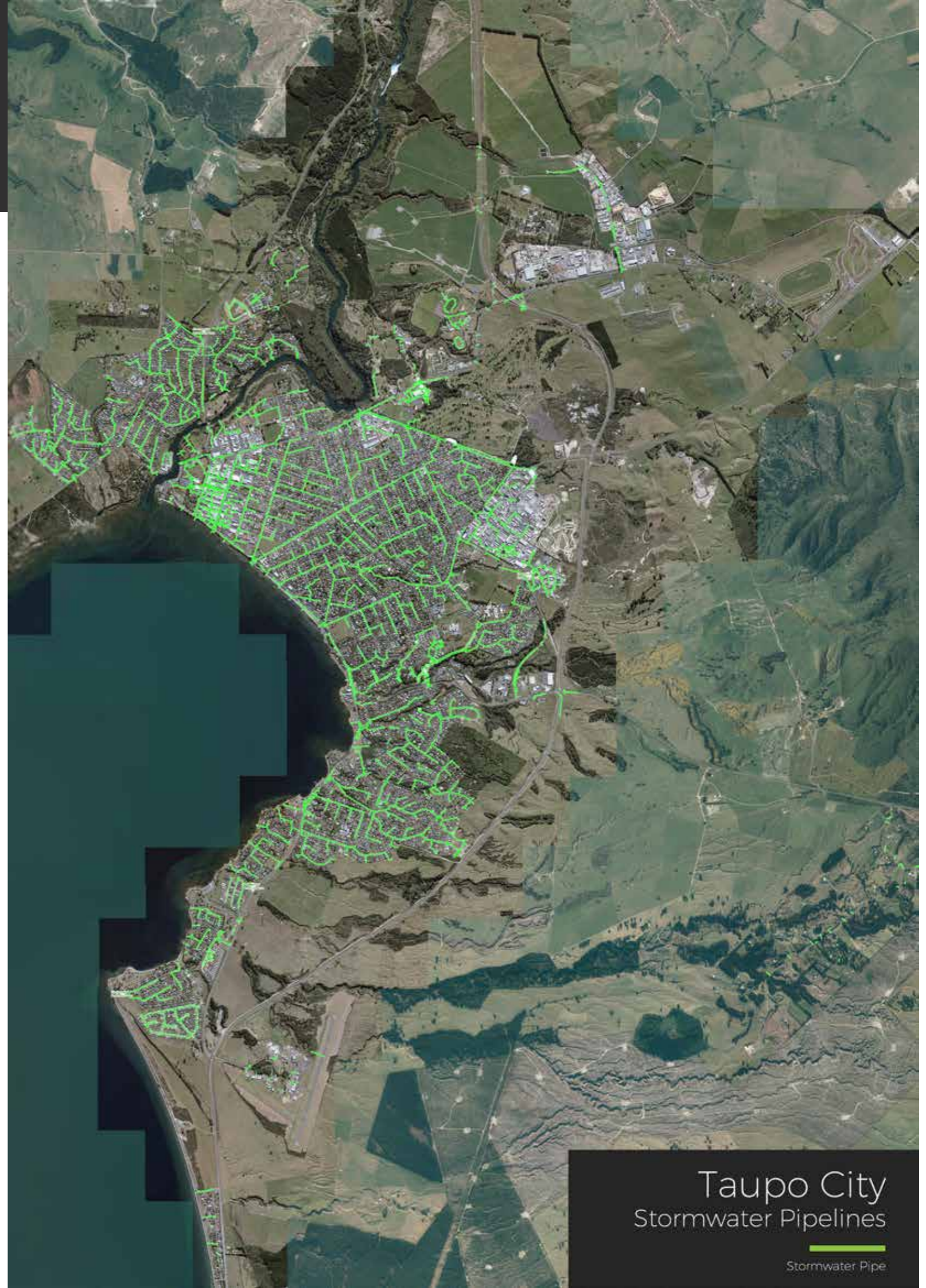
Improved quality of stormwater discharges – Lake Taupō is the heart of the district and there is substantial need to maintain clarity and cleanliness for tourism purposes. Retaining the natural factors which directly influence visitation will in turn affect Taupō's GDP.

2. Capital expenditure by 2025

\$2.584 million to be spent on maintaining and improving the quality of stormwater discharges into the lake in order to mitigate adverse effects on the environment.

3. Stormwater renewals

In order to maintain the current stormwater infrastructure, Taupō District Council has a \$1.12 million renewal plan in place.



Water Supply

1. Capital expenditure of water Supply

Total capital expenditure of \$45 million, from 2017-2025, to maintain compliance with drinking water standards.

2. WTP upgrade for Kinloch

\$4.22 million project upgrading the Water treatment plant to meet drinking water standards NZ (DWSNZ) for safer drinking water, 2019-2022.

3. Water Supply Kinloch

Security of supply via upgrade of the Kinloch reservoir. \$2.9 million, 2017-2018.

4. WTP upgrade for Acacia bay

\$3.1 million project - upgrade the water treatment plant at Acacia bay to meet DWSNZ, to ensure safe drinking water and capacity, 2017-2019.

5. WTP upgrade for Motuoapa

\$2.6 million project - upgrade the water treatment plant at Motuoapa to meet DWSNZ, to ensure safe drinking water and capacity, 2021-2023.

6. WTP upgrade for Omori

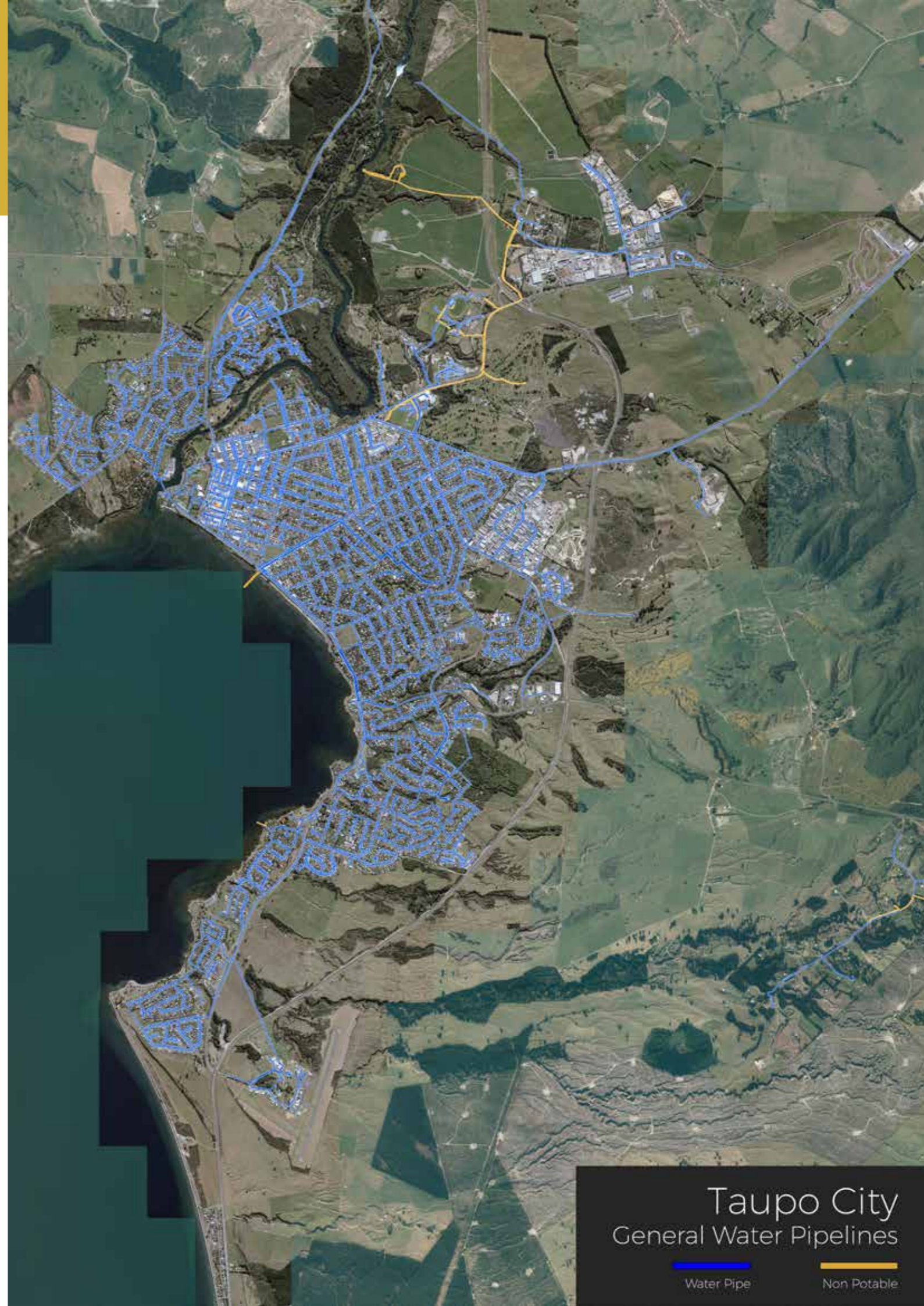
\$2.4 million project - upgrade the water treatment plant at Omori to meet DWSNZ, to ensure safe drinking water and capacity, 2020-2022.

7. WTP upgrade for Poihipi

\$1.472M project that undertakes road seal widening along Poihipi Road, completed by 2022.

8. Renewals

The remaining \$16.5 million of capital expenditure is for renewals, up to the year 2025.



Wastewater

1. Capital expenditure of Wastewater

Total capital expenditure of \$26.1 million, from 2017-2025, to meet anticipated or existing consent requirements and to restrict discharge of nitrogen and phosphorous into the lake catchment

2. Taupō Wastewater

\$554,000 Storm flow diversion for Taupō township to better distribute and control wastewater during periods of heavy rainfall, 2017-2019

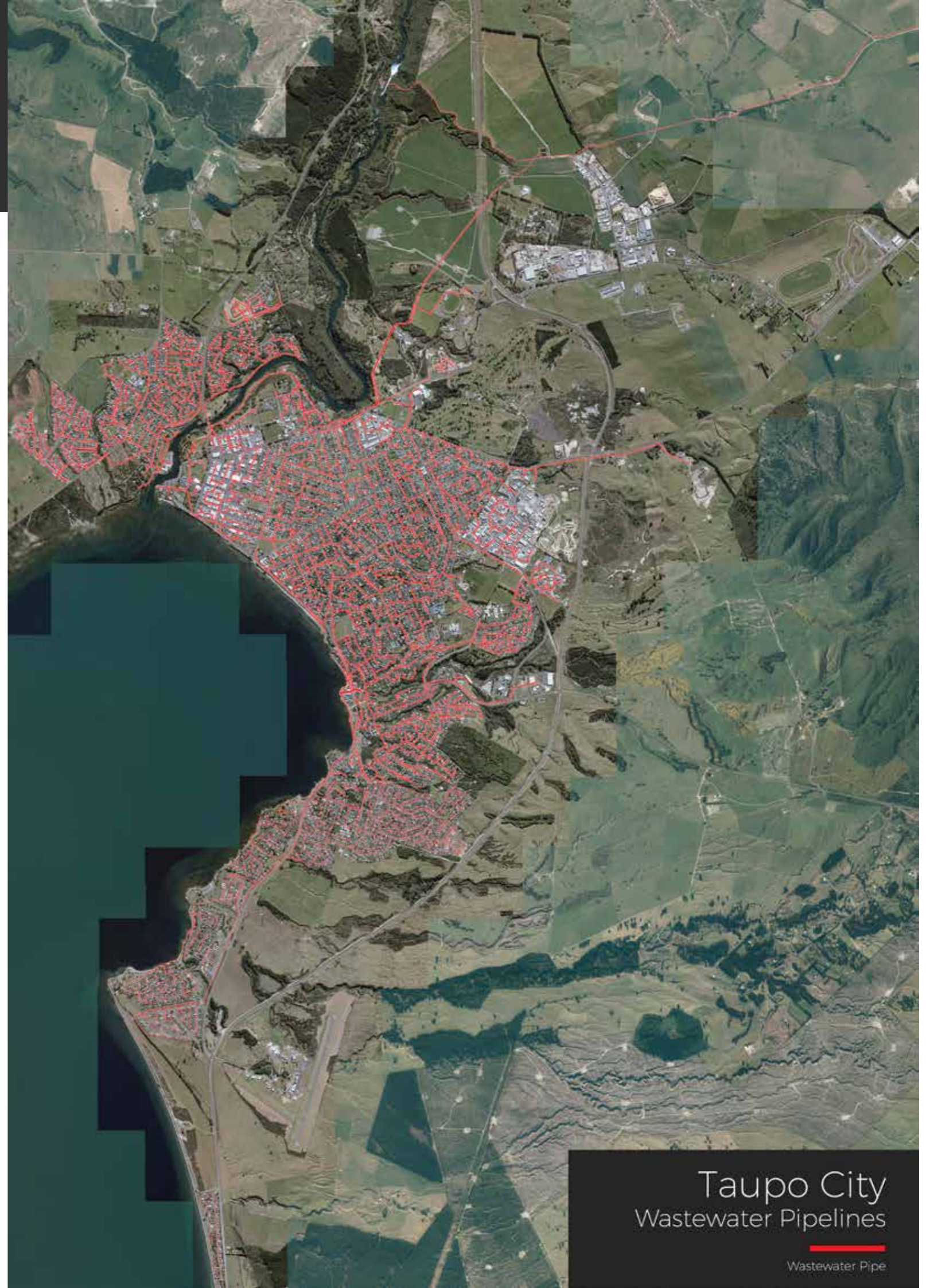
4. Whakamaru Wastewater

\$456,000 - Upgrade the Whakamaru Wastewater Treatment Plant to meet likely consent renewal conditions.

5. Kinloch Wastewater

\$325,000 upgrade of Kinloch Wastewater Treatment Plan to ensure nitrogen limits are not exceeded and that Kinloch's wastewater will meet likely consent renewal conditions.

It is crucial that Taupō District Council act appropriately with Ngāti Tuwharetoa, as Kaitiaki, to protect the waters of the lake and its rivers. Through development of infrastructure and policy that supports sustainable use of Taupō's water resources, tourism, local industry and the wider community will continue to benefit from Taupō's tāonga for years to come.





A Vision and Pathway for Sustainable Growth

SUSTAINABLE GROWTH

OPPORTUNITY ENABLING



Tourism

- RAL Currently invested \$21M, with another \$81M in mountain infrastructure.
- Increases visitor numbers into Mt Ruapehu from 350,000 - 1 million a year.
- Infrastructure at capacity.
- Product development.
- Destination management.



Air

60,000
visitors per annum
↓
100,000
visitors per annum
by ~2022



Road

- 1,090,000 visitors per annum
- Traffic flow increase +6.6%, 3.3% NZ (June '17)



local

- Community and local business needs
- Support of local innovation and start-up
- Net migration gain - 184 persons (year June '17)



Transport

- Airport
- Bus terminal for RAL/domestic coaches
- Walking/cycling
- Taupō - Turangi shared use track
- Encouraging pedestrian movements to business/town centre



Roading

- SH1 between Taupō and Tongariro national park - high crash rate
- Norman Smith/Highway intersection
- Tongariro St pedestrianisation
- Norman Smith highway intersection



Geothermal

- Enhance use of the seven natural geothermal sites in Taupō
- Generate a direct use industrial zone and capitalise upon sustainable energy
- Continuity and expansion of local research



Social

- Healthcare
- Education
- Affordable Housing



Employment

- Talent attraction
- Job creation
- Unemployment down from 4.2% to 3.9% (June '17)



Water

- Improved quality
- Maintained capacity with growth
- Plant and Network
- Nitrate reduction
- Partner with Tuwharetoa, WRC and TDC



Education

- Establishment of Tertiary hub to train and up-skill locals within the district
- STEM
- Knowledge economy



Waste

- Safeguarding of environmental assets (Lakes and Rivers)
- Meet regional growth capabilities



Accommodation

- Requires more high quality 4 ½ star hotels
- Ensure number/quality of beds meets forecast growth in demand (Project Palace)
- Guest nights +8.4% (June '17 year)



Housing

- 69 residential consents (June '17)
- Number of consents increased +7.8% compared with +4.7% national average (June '17)
- Average house value yp +15% June '17)

POTENTIAL OUTCOMES

Background

Catalyst Projects



Regional Growth

- Taupō - 2.9% GDP growth
- Waikato - 2.7% GDP growth
- Rotorua
- Kinloch
- Mangakino
- Turangi
- Bay of Connections



Industry

- Miraka - Dairy payout of \$284m, up \$104m (2017)
- Tuaropaki Trust
- Contact Energy
- Mercury Energy
- Mighty River Power
- Tenon



Tourism

- Growth of International and domestic tourism marketing
- Expenditure up 9.9% (June '17)
- Increased in no. of visitors
- Ensure demand of RAL step-change is met by local infrastructure



Taupō Airport

- Low capacity, limited adaptability terminal
- Poor first impression
- Attract private jet/high net worth visitors
- Limited supporting infrastructure
- Sub-standard baggage claim
- Flight infrequency
- Significant increase in visitor no. due to RAL investment
- Air NZ desire terminal upgrade - opportunity
- Airport adventure tourism precinct



Civic Precinct (CISP)

- National conference value is increasing to \$600M
- Taupō has 1.9% market share.
- Opportunity - location and natural setting provides significant potential for growth and market capture



T2T - shared use track

- Draw connection between Taupō and Turangi
- Generate opportunity for eastern settlements through increased tourist flow



Tourism/Wairākei Tourist Park

- Taupō Skydive - no. 1 skydive hub in southern hemisphere
- Huka Falls - most visited natural attraction in NZ
- Overall tourist spend of \$618m in Taupō RTO - growth of 9.9% / year (without RAL step-change).



Geothermal Industry

- Grow existing and attract new industrial businesses
- There are seven main geothermal fields in the Taupō district
- There are ten electricity generation plants
- Potential to co-locate with other industries
- Potential conduit to connect investors
- Opportunity to continue world-leading research







Taupō District Tertiary Hub






- Opportunity to offer higher learning in tourism, engineering, commerce and hospitality
- Possibility of leveraging relationship with Universities
- STEM
- Create a knowledge economy

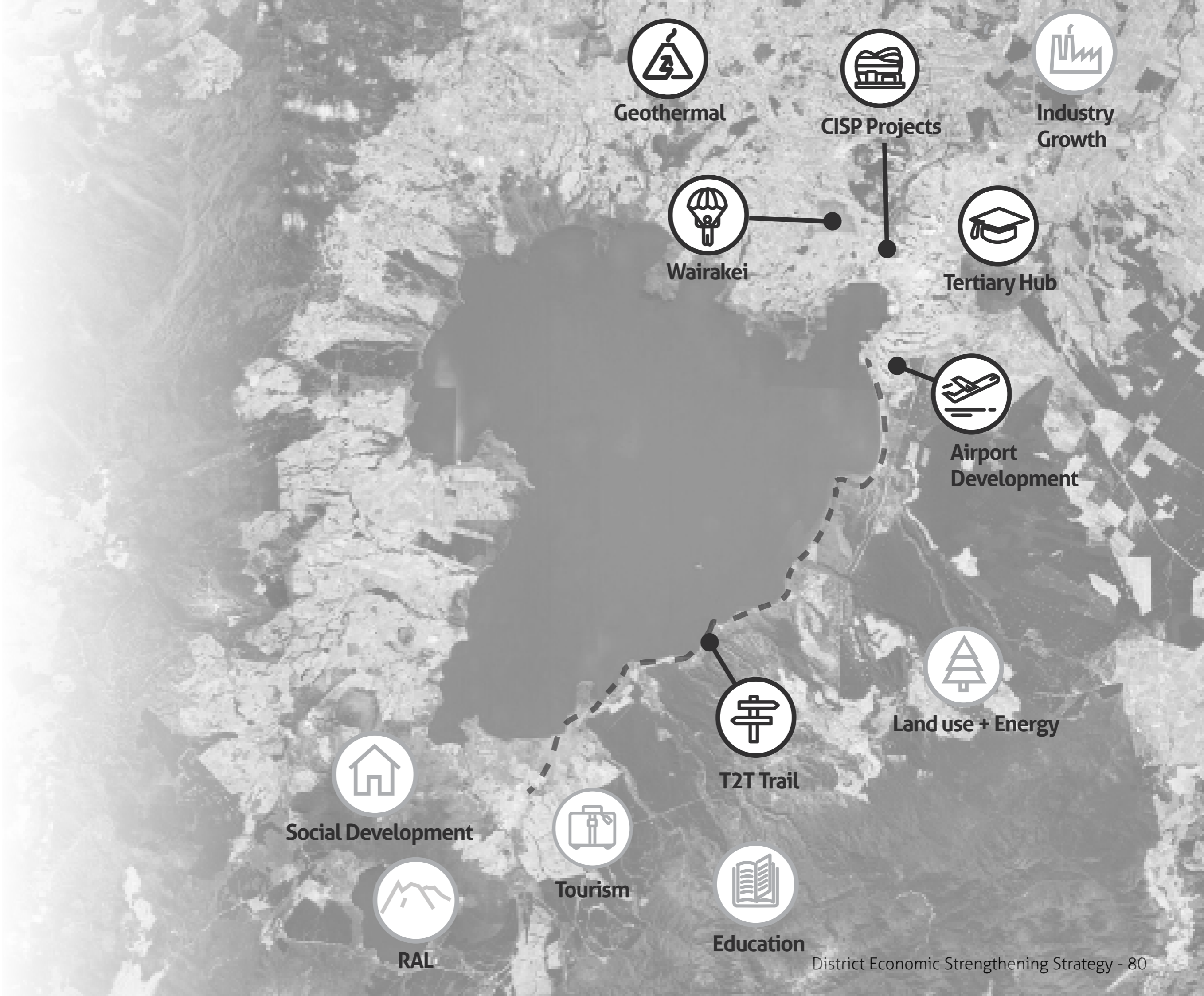
Vision for Taupō

■ District Catalyst Projects:

-  Taupō Airport Precinct
-  CISP project
-  Geothermal Industry
-  T2T shared use track
-  Tertiary Education Hub
-  Wairakei Adventure Precinct

■ Enablers:

-  Social Development
-  Industrial Precinct
-  Tourism
-  Land use
-  Education



Geothermal



CISP Projects



Industry Growth



Wairakei



Tertiary Hub



Airport Development



Land use + Energy



T2T Trail



Social Development



Tourism



RAL



Education

District Catalyst Projects

In isolation, the current structure of economic development service provision within the Taupō District works well on a day-to-day basis. However, there is an overall lack of direction. Taupō district faces some long-term challenges and although it benefits currently from a medium term boom, there is an opportunity for TDC to leverage this situation and invest in its future to further ensure economic growth and stability.

The strands of the various industry culminate in the development of several key projects which have been identified as having a catalyst in the reinvigoration of the Taupō region. Through this capital expenditure and infrastructure vitalisation, the economic, tourism and social implications can be potentialised.

There is momentum in the region, and Taupō District Council should view these projects as harnessing the potential package of each.

Taupō needs catalyst projects to unlock this potential in and make the most of current momentum.



Geothermal



CISP Project



Wairakei



Tertiary Hub



Civic Centre



Airport
Development



T2T Trail



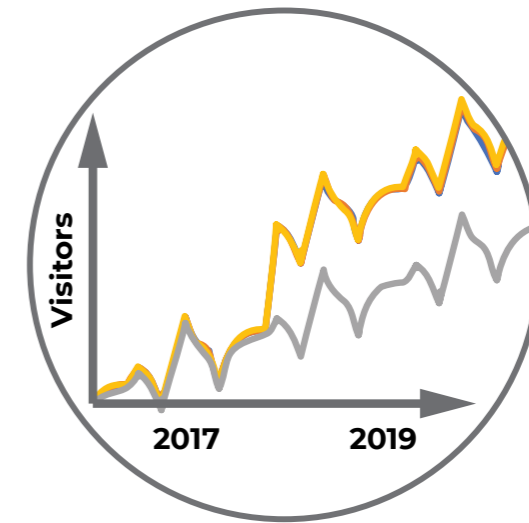


Airport Precinct

Tourism Industry Aotearoa have found that airport infrastructure is a key hurdle in attracting more tourists to New Zealand regions.

Background

- Existing growth in tourism sector
- Developments at Mt Ruapehu will generate a step change in airport patronage
- Potential for inadequate airport facilities to throttle growth
- A considered response required to fully realise benefits



Step change in visitors

Opportunity **TO BE THE BEST SMALL AIRPORT IN NZ, A COMMERCIAL HUB AND A “DESTINATION IN ITS OWN RIGHT”**

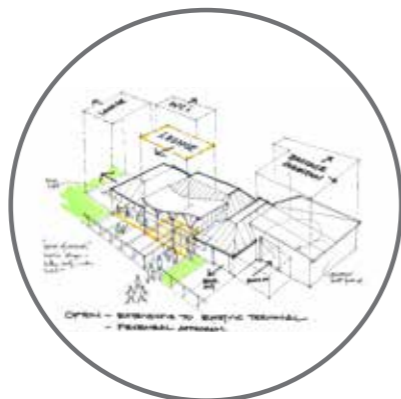
Response

Consider a range of airport development options to investigate and select the most appropriate plan for the future

Airport Terminal



Option 1: Baggage Handling Upgrade



Option 2: Medium Term Terminal Fix



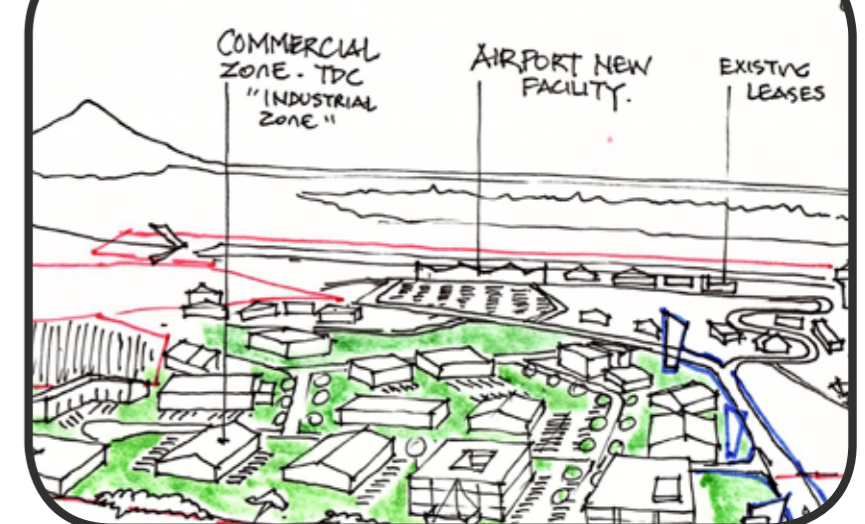
Option 3: New Terminal



Option 4 : Full Airside Upgrade



Commercial Precinct



AIRFIELD TO 1650' HEIGHT
FREE SPACE - TO
DROP ZONE.



TAUPŌ
CITY

SPRAWL
FOLLOWS
LAKE
EDGE

HELICOPTERS
LOW FLYING

INWARENKA

INI Settlement

LARGER
TERMINAL

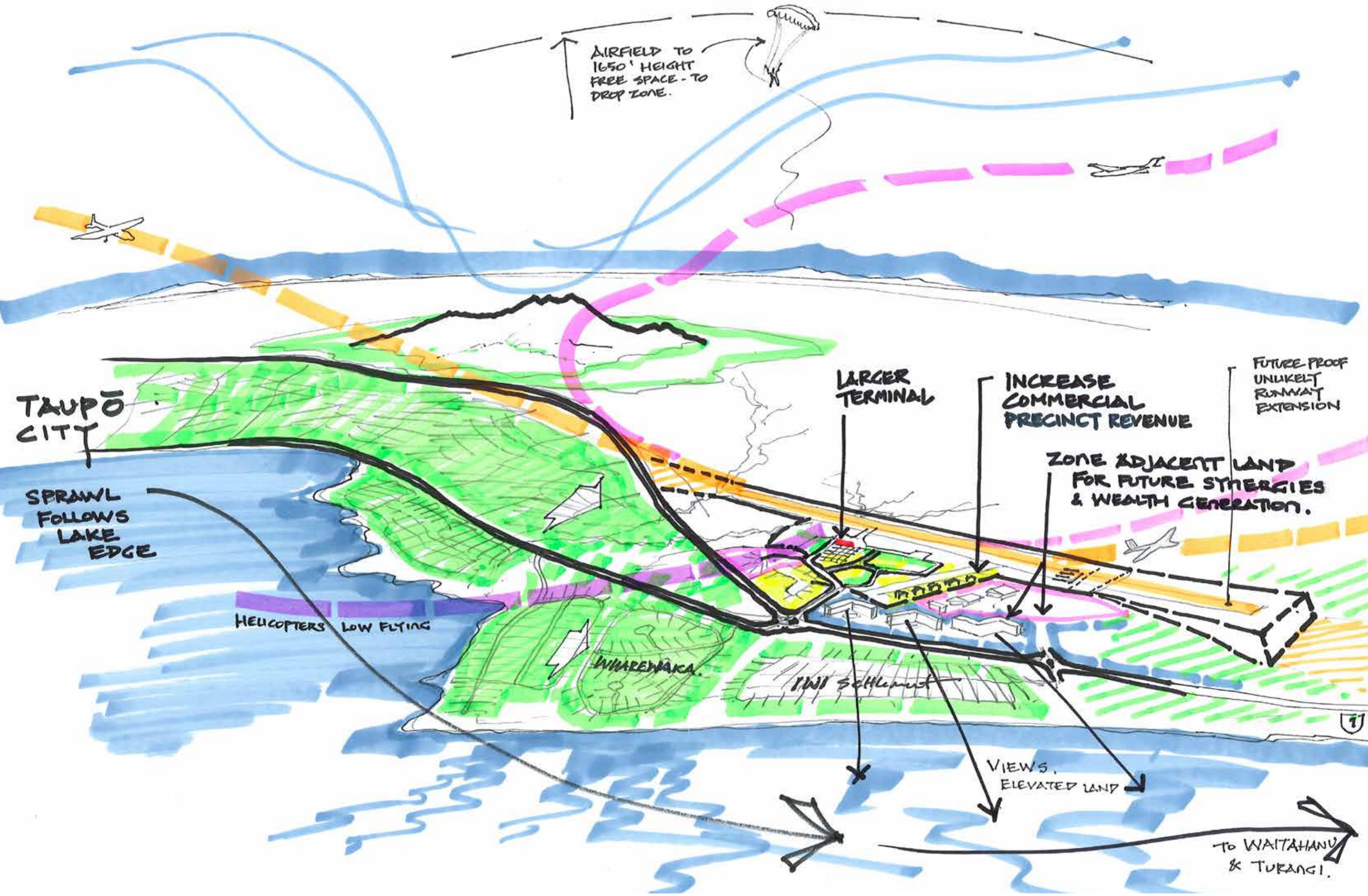
INCREASE
COMMERCIAL
PRECINCT REVENUE

ZONE ADJACENT LAND
FOR FUTURE SYNERGIES
& WEALTH GENERATION.

FUTURE PROOF
UNLIKELY
RUNWAY
EXTENSION

VIEWS,
ELEVATED LAND

TO WAITAHANGU
& TURANGI.



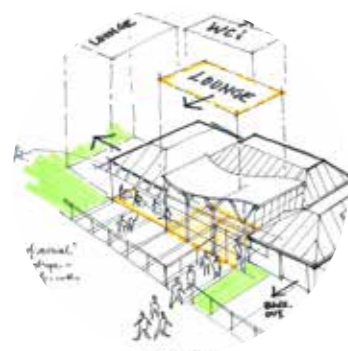


Airport Terminal



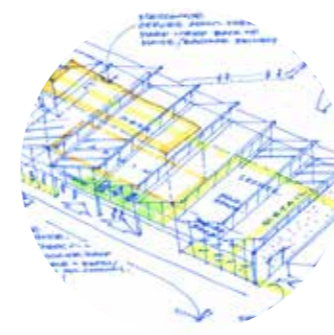
1. Terminal Baggage Handling

This option is focused primarily on the provision of improved baggage handling facilities, in response to identified service limitations currently provided by the Airport Terminal.



2. Medium Term Terminal renovation

As per option 1 this option comprises the addition of a freestanding structure, with a covered connection to the existing terminal, providing fully enclosed and separate baggage handling, screening and processing facilities with fully integrated baggage drop-off/pick-up accessible to patrons without leaving the terminal.



3. New Terminal

This option provides for the full replacement of the existing terminal with a new terminal and supporting infrastructure.



4. Full Airside Upgrade - Tier 2

This option would also comprise additional upgrading of passenger processing areas, lounge and waiting areas and the currently limited sanitary amenity facilities. All of these aspects would be constrained to a degree by the current shape and layout of the existing building.

COMPARISON OF SCALE: 3130
INVERGARGILL 98x32 SHOWN.

EXISTING ROAD & ALIGNMENT.

STRATEGY: FORM NEW
TERMINAL NEW ALIGNMENT
MAINTAIN OPERATION OF
EXISTING. REPURPOSE UPON
COMPLETION.
EG. MEETING RM SUITE
KORU LOUNGE

NEW CARPARKING.
NOS TBC.

FORM LARGER
CARPARK; BUS SET DOWN
DROP OFF ZONE

FUTUREPROOF
ECONOMIES OF
STRUCTURE - USE
8 M GRID - REPEAT
BAY AS REQUIRED

AREA SHOWN: 1150 M²
8 m x 24 = 192 x 6 BAYS
20-30 M WIDTH RANGE
= 960 - 1440 M²
(15-25% ROM)

VIEWERS DROP ZONE!
'SPECTACLE!'

aisle
as
EXISTING
ROAD.

TRANSFERENCE TO LANDSIDE
PRECIPT.

← T →
TERMINAL
GROWTH

← T →
TRANSFERENCE TO AIRSIDE PRECIPT.

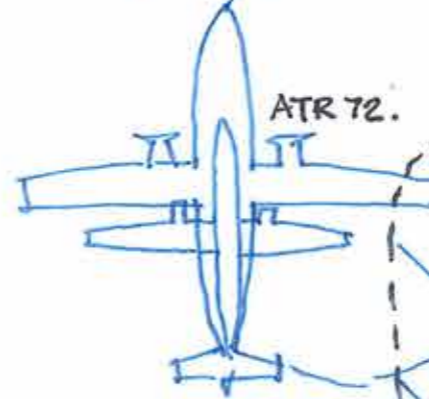
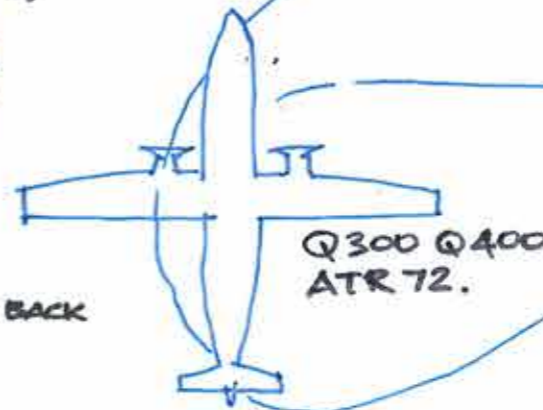
YARD FOR
TROLLEYS
STAIRS
EXISTING.

370 M²
EXISTING.
+ BAGGAGE
60-70 M²
440 M²

SET BACK

GATE

AUDW MOVEMENT AREA
INCREASE - SET TERMINAL
OVER



'GATES' 4, 5,
JETS APRON
& MOVEMENT AREA.

3.

2.

1.

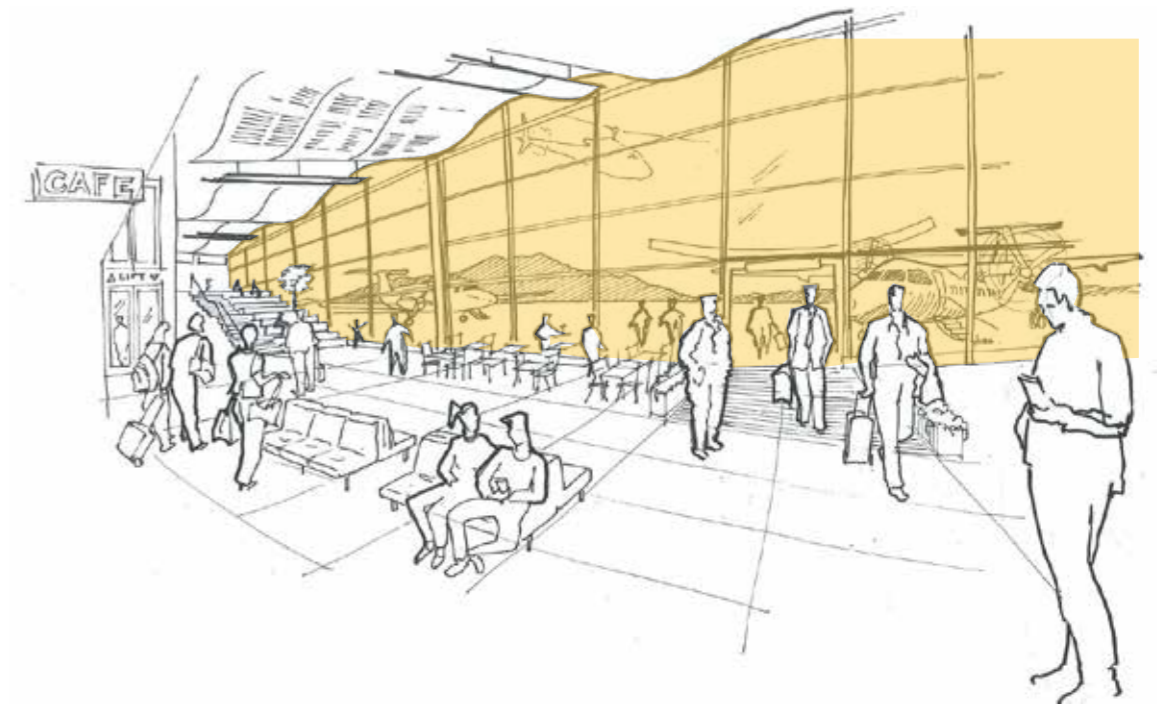
4.5.

TAXIWAY.

ADDITIONAL
MANEUVERING
APRON FOR
GATE 1 LARGER
CRAFT. HATCHED.



Commercial Precinct



Commercial Precinct

Airports and related facilities is rated as the infrastructure with the third highest tourism impact in New Zealand. While airports and related facilities are of lower value in their ability to generate tourism activity, it has a large overall impact as it affects a large visitor base. Addressing the gap in airports and related facilities will require a high level of coordination as development will involve a large number of agencies and stakeholders - National Tourism Infrastructure Assessment, Deloitte

Taupō's Airport is a primary gateway for visitors, particularly for the premium visitor who is well resourced but time constrained and desires a seamless, quality, end-to-end visitor experience.

The attractiveness, capacity, and efficiency of Taupō Airport are critical factors in the visitor's impression and evaluation of the Taupō experience. All these aspects need to be addressed competently before visitor numbers increase beyond current levels.

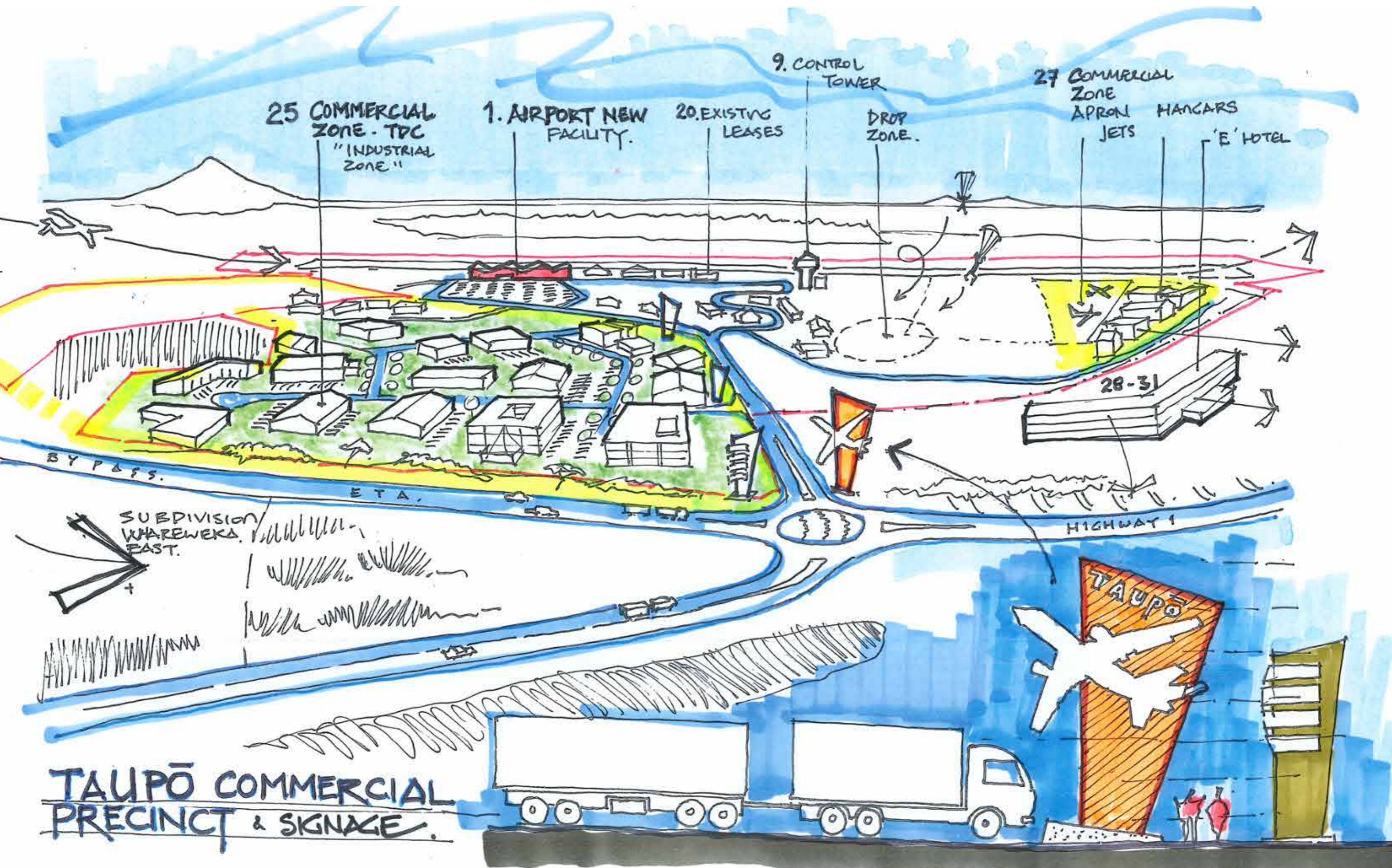
Option 3 for Taupō Airport expansion, as described in the Taupō Airport Strategy report prepared by Synergine, proposes a New Airport Terminal to process three 70 seat planes simultaneously (future –proofed for additional extensions), a 240m increase in runway length, for safety and additional apron area.

Link to Wairākei Tourist Park

The airport currently houses Taupō's more extreme recreational sport facilities through helicopter bases, and two sky-diving operations. As such it would be a logical extension to host other adventure tourism specialists in the same zone. Activities could include fly-in fishing expeditions, ski and snowboard helicopter tours and other like-minded enterprises.

Helicopter shuttles to the Huka Lodge from Taupō Airport are a feature of a stay there. A co-located accommodation offering would be a logical stop en-route to Mount Ruapehu. Facilitating transport to other satellite areas of the district also provides exclusive opportunities for more discerning patrons.

By mapping the preferred experiences and the physical desire lines for each type of visitor profile, a picture can be created of which visitor experiences should be accommodated in close proximity and in which ideal location.



CISP project's

To embark on a series of Catalyst Projects to begin the transformation of Taupō and prepare the Civic precinct for the crescendo of a new Events Precinct overlooking the Lake on Ferry Road.

Strategy



Make the most of Taupō's unique environment

- Reconnecting the town to lake and river and mountains
- Quality spaces, movement and buildings



Enhancing Taupō as a desired and memorable destination

- Create great visitor experiences
- Premium facilities and accommodation



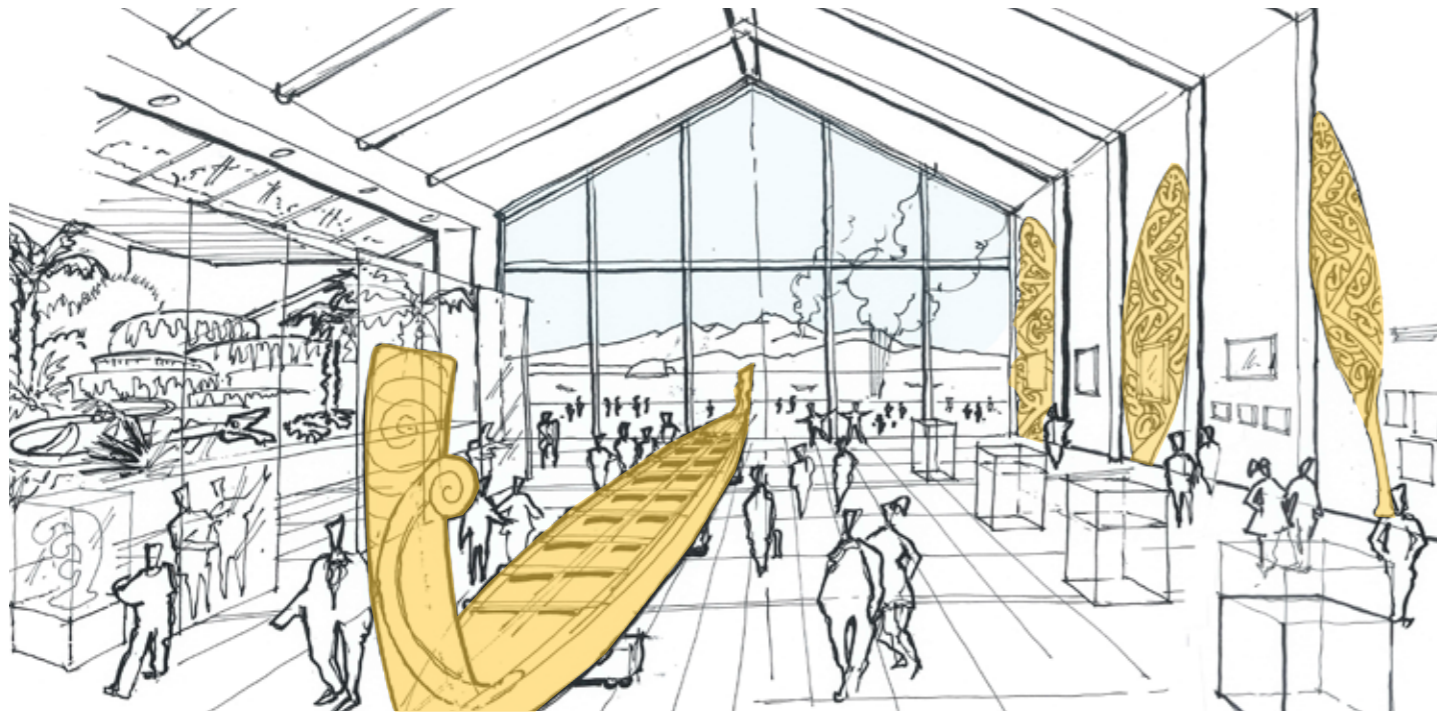
Celebrate the past

- Partner with Ngāti Tuwharetoa to develop shared vision and projects
- Protecting and promoting heritage
- Authenticity



Lead with Catalyst projects

- Stimulating community excitement and support
- Provide tangible demonstration of the wider vision for the Taupō region



Potential projects

- 1 Café Circle connected to the Lake Edge
- 2 Enhanced Lake Edge along Ferry Road
- 3 Street Improvements in the Domain
- 4 Reconfiguring central area streets to strengthen the Civic Heart
- 5 New Cross River Connections
- 6 Key new buildings in the Civic Precinct for ceremony and events, particularly an expanded Museum complex overlooking the Lake.
- 7 A restored Heritage Precinct





Geothermal Industry

Taupō's geothermal resources have the potential for further growth in the region through attracting industrial plants and research centres to the region.

Running from Mt Ruapehu to White Island, the Taupō Volcanic Zone (TVZ) is an area of geothermal activity with numerous geothermal fields and volcanoes. Geothermal systems consist of water stored in underground aquifers which is heated by hot rock and magma underneath. By drilling wells into the ground to release the superheated water, significant renewable heat energy can be accessed.

Although geothermal electricity production has been widely developed throughout the region, there is significant potential to develop direct-use applications of geothermal energy. Whereas electricity production is only feasible for high-temperature geothermal fields, there is potential to use energy from currently undeveloped fields with a lower temperature to drive other direct-use projects.

The Resource Management Act 1991 is the primary regulation controlling taking and using geothermal heat and energy in New Zealand. Resource consents are issued and administered by the Regional and District councils. As shown in the map opposite, the Waikato region's geothermal systems are classified into four key areas: Development, Limited Development, Research and Protected. Protected systems contain vulnerable geothermal features, and extraction of any geothermal fluids is prohibited. In Research and Limited Development systems, small amounts of fluid are permitted to be taken which will not damage surface features. Development systems are unrestricted subject to obtaining resource consents.

Next Steps

- Continue to develop contacts with suitable research partners to front a geothermal research facility
- Progress with industrial partners suitable to develop direct-use industry in the district
- Develop critical pathways



Bay of Plenty Regional Growth Strategy

"Geothermal resources are considerably underutilised, with potential to increase the use of steam and heat for industrial use other than electricity generation across the entire temperature spectrum"

"The region would benefit from a concerted effort to market the opportunities provided by geothermal energy use to relevant industries"

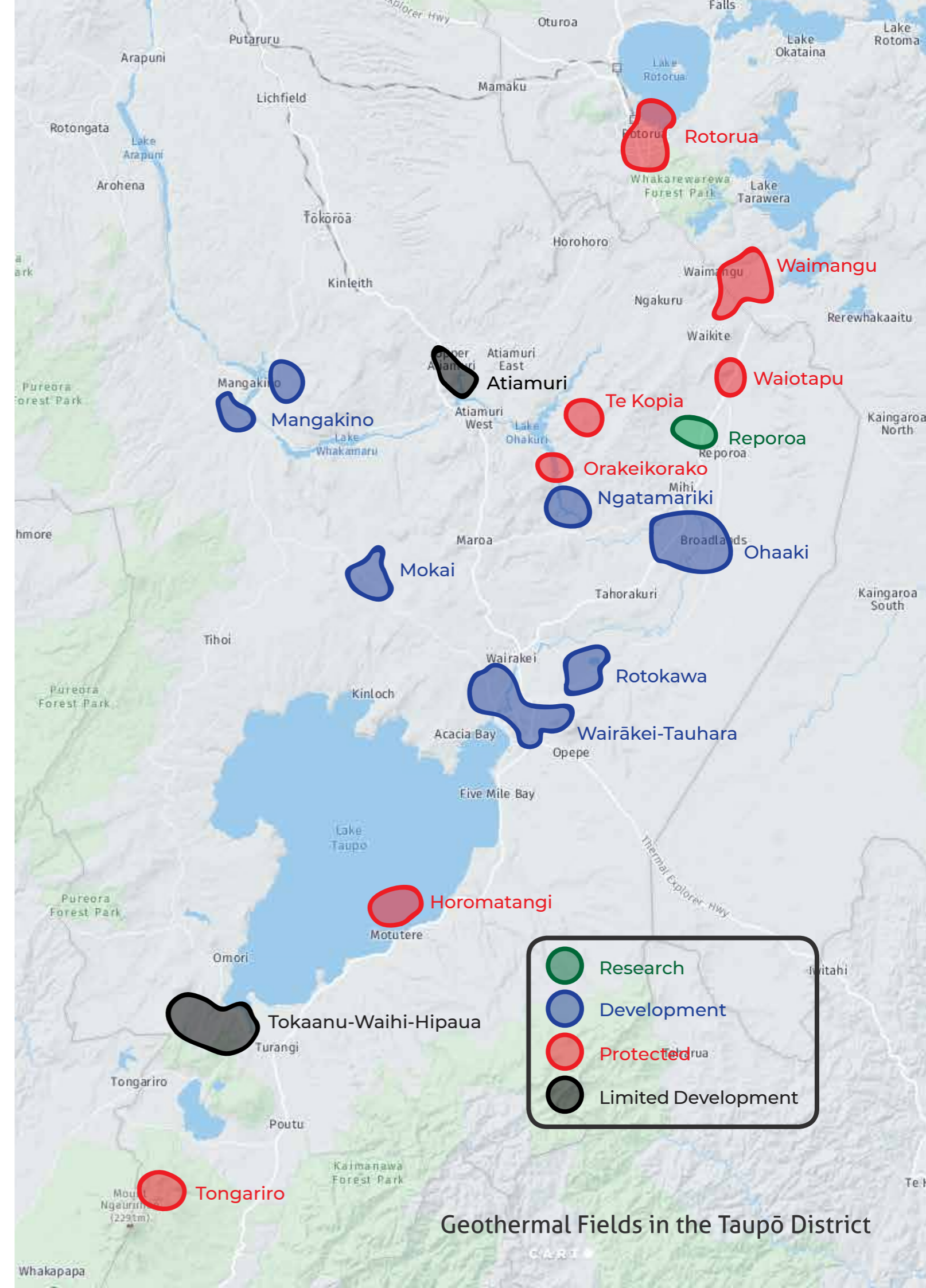
Three ongoing projects are identified in this strategy to further the development of geothermal energy in the region:

- Identify 10 geothermal-symbiotic industries with five companies each (50 total) for investment, and develop action plans
- Clarify Crown Minerals Act with respect to mineral and product recovery
- Research commercial and economic feasibility of product recovery and report on top 10 targets
- Progressing with the feasibility study to establish and operate a national centre for direct use research and communications

Bay of Connections Energy Strategy

The Bay of Connections Energy strategy identifies geothermal energy as one of its key opportunities. The following opportunities are identified around this area:

- Geothermal electricity plant and steam-field equipment construction, operation and maintenance
- Create specialist research centres around geothermal heat extraction for energy technologies and applications
- Greater cascade use, especially for food production and processing. There are significant opportunities in direct use of geothermal for heat over a wide range of temperatures right down to ground source heat pumps using ground temperatures at around 15C



Geothermal Fields in the Taupō District



Geothermal Direct-Use Industrial Zone

Leveraging the significant sustainable energy opportunities of Taupō

Geothermal direct use is a significant industry in the Taupō district with ability to grow. A key example of successful geothermal co-location is at Mokai where a geothermal power station shares wells with greenhouses and a milk drying facility. Currently the largest direct user of geothermal heat is the Norske Skog Tasman paper and pulp factory in Kawerau, which is co-located with a geothermal electrical power plant.

These examples not only demonstrate the high turnover industrial sector that is already operational in Taupō, and its vicinity, but also serves to highlight opportunity for further investment and development of industries in the area. There may be other opportunities for co-location and symbiotic processing or complementary activities of geothermal energy in conjunction with delivering a pipeline of large scale projects (timber processing, horticulture and agriculture) in the Taupō region. EGLT acts as a conduit to connect investors, iwi and other stakeholders with utilisation of low cost land, energy and ensure operation of high intensity industry.

Geothermal direct use has the potential to provide a sustainable source of energy for industry into the future. As the national demand for energy grows and the prices of fossil fuels increase, there will be

significant opportunities for industrial processes to replace or supplement their current systems with geothermal heat.

This inter-relational activity provides a business model in which the benefits extend beyond purely more efficient business but also social benefits through increased employment, higher income jobs and an overall increase in wealth and revenue for the local and national economy.

Furthermore there is a large proportion of comparatively cheap land available for industry in conjunction with geothermal co-location.

Next Steps

- Explore potential direct-use zones and market opportunities for future operations as part of the District Plan review.

Temperature (deg C)	Potential Direct-Use Applications
30-70	Thermoculture, bathing, geothermal heat pumps, soil warming, biogas production, aquaculture, cooking and pasteurisation
70-140	Fabric dyeing, pulp and paper processing, timber drying, building heating and cooling, fruit and vegetable drying
140-220	Binary geothermal power plants, refrigeration and icemaking, cement and aggregate drying, ethanol, biofuels production
200 +	Steam turbine, binary electricity, process steam, mineral recovery


Opportunities for Development

- Lack of demand for electricity driving geothermal electricity generators to consider diversification into other opportunities.
- Māori are major stakeholders and have interests in many geothermal resources.
- Government targets encourage increased use of renewables and direct use of geothermal energy.
- Costs for geothermal energy extraction, particularly for low-heat uses, are competitive with current energy costs through electricity.
- Agglomeration economies are enhanced by geothermal co-location, through technologies such as heat cascading.

Barriers to Innovation

- Lack of understanding about the scale of the direct use opportunity in the Taupō district (exploration to date has primarily targeted high-temperature fields suitable for electricity generation).
- Mixed levels of awareness of the opportunities for geothermal energy beyond electricity generation.
- Despite successful local examples of the technology (Kawerau mill and milk processing at Mokai), little information is available to other industries who could employ direct use geothermal energy.
- Resource consent processes are complex, expensive and difficult to navigate.
- There is a lack of leadership and collaboration within the geothermal industry in New Zealand, however EGLT are succeeding in promoting and ensuring growth and collaboration in the Taupō district.





NZ Geo-Heat Centre

Leveraging the significant sustainable energy opportunities of Taupō

The need for a geothermal research centre situated in Taupō has been identified in a number of strategies including the Bay of Connections Energy Strategy and the Bay of Plenty Regional Growth Strategy.

This research centre, called the NZ Geo-Heat Centre, would be responsible for research into direct use techniques. A relatively new concept worldwide, the potential to produce world-leading innovation is significant from this type of centre. In addition, situating the centre in close proximity to the geothermal centre of New Zealand where the majority of direct use applications take place will encourage industry collaboration.

The New Zealand Geothermal Association's publication *Geoheat Strategy for Aotearoa New Zealand* identifies the establishment of "a centre for geothermal direct use advocacy and activity" as one of its 5 priority actions for 2017 - 2018. It is possible that the proposed NZ Geo-Heat Centre could also fulfill this role as a national communicator on the subject.

Key Players

University of Auckland Geothermal Institute

The UoA Geothermal Institute offers education and training courses in geothermal energy, technology, exploration, simulation and modelling. It is widely recognised for the excellence of its research and teaching. Based in the Engineering Department, its primary research focus is on reservoir modelling.

GNS Science

GNS Science leads multidisciplinary, collaborative geothermal research that is supported by the New Zealand Government. Its work centers around four themes: Resource Characterisation, Sustainability, Technologies and Numerical Modelling.

Geothermal Resource Research Group

The University of Canterbury's Geothermal Resource Research Group focuses on gaining insights into the characteristics of geothermal reservoirs, surface expression of geothermal features, exploration of new fields and geothermal power generation.

These universities may also look to create a permanent faculty in Taupō, creating an opportunity to maintain innovation in the area. This faculty may then be leveraged with other universities offering a satellite campus for a range of opportunities for Taupō residents.

Next Steps

- Complete the NZ Geo-heat Centre business case in order to analyse feasibility, requirements, potential funding and next steps
- Prioritise development of Centre and collaboration of research and industry partners



Case Study - Tuaropaki Trust

Leveraging the significant sustainable energy opportunities of Taupō

Tuaropaki Business

• Geothermal Power Generation

Mokai is blessed with a strong geothermal resource. The Mokai geothermal energy field is located under the Trust's land where hot rock heats underground water to over 380°C. Deep wells enable the hot water and steam to be piped to the surface to generate electricity for commercial use.

The Tuaropaki geothermal power station currently produces 113 MW of electricity which is delivered via a 22 km connection line to the National Grid at the Transpower Whakamaru substation producing enough energy to power Hamilton.

• Pastoral Farming

Pastoral farming is a core activity of the Tuaropaki Trust. Their 3,410 ha farm produces beef and lamb, and milk from its dairy herd.

• Dairy

Milk solids produced by the dairy unit are contracted to supply to Miraka, in conjunction with overseas investors, Shanghai Penxin. High quality genetic dairy animal replacement, improved feed management and cost reductions per cow have been a recent operational focus.

• Station

A concentration on producing quality beef has emerged. The Trust has also established its own auction facilities on site as a new channel to market. Feed strategies and stock management are continually evolving for the Station.

• Energy Services and Engineering

The Trust is the owner of MB Century. New Zealand's only world-class, all-encompassing geothermal and energy solutions provider, MB Century offers the full range of geothermal and energy services.

These services include the following:

- Geothermal and Oil/Gas Drilling;
- Steamfield Design and Engineering;
- Reservoir Data Logging;
- Hydro Engineering/Consultancy;
- Process Engineering;
- Geothermal and Hydro Power Station Maintenance;
- Heavy Fabrication, Precision Machining;
- Industrial Coatings;
- Water and Geothermal Sampling Analysis;
- Environmental Monitoring; and
- Construction.

MB Century is also been very committed to health,

safety and environmental management in the New Zealand industry and has been working towards achieving the highest international standards regardless of country or location.

• Miraka

The Tuaropaki Trust is a cornerstone shareholder of Miraka Limited - a state of the art whole milk powder and Ultra-High Temperature (UHT) plant built on Tuaropaki land.

Tuaropaki Trust also has businesses or affiliations with:

- Foods and Nutraceutical
- Telecommunications
- Temperature Controlled Horticulture
- TeamTalk
- T>STREAM
- Ngaire George Sustainability Centre
- Vinoptima Estate

Tuaropaki is an Ahu Whenua Trust established by the Māori Land Court under the Te Ture Whenua Māori Act (1993). The Trust Order requires the Trustees to administer the Tuaropaki E lands for the benefit of the beneficial owners.



Tuaropaki Trust History

1994 – Tuaropaki Trust establishes the Tuaropaki Power Company Limited

2000 – The 'Mokai I' 55 MWe geothermal power plant is completed and commissioned – 100% owned by the Tuaropaki Trust.

2002 – Tuaropaki and its JV partners build a 5.5 ha state-of-the-art geothermal heated glasshouse at Mokai and establish the produce company Gourmet Mokai.

The decision is made to build a second geothermal power plant.

2004 – Tuaropaki purchases ESAT Communications interests in ESAT Tuaropaki Ltd and forms Tuaropaki Communications Ltd – 100% owned by the Tuaropaki Trust.

Tuaropaki Communications launches its satellite telecommunications product Rural Inzone.

2005 – Construction of Mokai II is completed and the 38 MWe geothermal power plant begins generating power.

Tuaropaki invests in Vinoptima Estate winery and also NZ Communications, the later becoming 2Degrees Mobile

2008 – A power generating unit is added to the power station increasing its capacity to 113 MWe.

2010 – Tuaropaki and JV partners build a state-of-the-art geothermal heated and powered milk powder processing factory at Mokai – the first of its kind.

The relevance of this case study is that it highlights the potential for further investment within the region and the various avenues of industry development that can be achieved in the Taupō district.

It also demonstrates the potential uses for the natural resources in the district. Taupō is laden with geothermal areas which can be utilised to produce cheap energy for large scale industrial ventures.

Case Study - Miraka

Leveraging the significant sustainable energy opportunities of Taupō

Miraka is a joint venture between Wairarapa Moana Incorporation and Tuaropaki Ltd. The factory at Miraka, 30km northwest of Taupō, uses (recycles) energy (60 gigajoules of waste heat a day) from the nearby Tuaropaki, Mokai geothermal power station.

Miraka is a relatively new entrant to the New Zealand dairy processing industry. Miraka has built a credible brand based on its strong Māori shareholder base. The shareholders include Tuaropaki Trust; Wairarapa Moana Incorporation; Vinamilk (Vietnam); Waipapa 9 Trust; Hauhungaroa Partnership; Tauhara Moana Trust; Huiarau Trust; Te Awahohonu Forest Trust; Global Dairy Network and Te Putahitanga o Nga Ara Trust. They are able to process ~ 250 million litres of milk into powders and UHT products with a majority of this purchased by Shanghai Penxin of China.

Miraka produces high quality whole milk powder to meet high-end ingredient requirements. The milk powder is sold to high-end international customer base. Miraka also produces consumer packs of UHT milk for the international market.

They export to North America, Central America, South America, the Caribbean, North Africa, East Africa, West Africa, the Middle East, North Asia, South Asia, South East Asia, Australia and the Pacific.

Miraka milk comes from 100 local farms within an 85km radius of their processing plant. Their suppliers are all part of the Miraka whanau.

- Māori-owned Miraka is well established in the New Zealand dairy-processing industry with strong values founded on the cultural beliefs of its owners.
- Capacity to produce 60 million litres of UHT milk producing 240 million packs of UHT packs a year
- Uses sustainable and renewable geothermal energy and state-of-the-art manufacturing processes,
- The Miraka milk supply comes from 100 local farms within an 85km radius of the factory. This 85km sourcing radius gives Miraka farm-fresh advantage and results in superior quality products. Our range of quality products has a global reach to more than 23 countries.
- Miraka has an intergenerational view of business – "We're here for the long term and have a shared vision of sustainable business practices that ensure our future generations enjoy the benefits we do today."
- Processing by-products - Biological waste created during the drying process is composted at the Tuaropaki Trust worm farm nearby. The worm castings in turn go to the local native plant nursery and these plants are used for riparian waterway planting.

Miraka - Māori for Milk

The Miraka brand is represented by the face of a kaitiaki (guardian), body of Papatuanuku (Earth Mother) and Ranginui (Sky Father), which highlight their connected relationship with one another and our natural world. This symbolises the strong emphasis Miraka places on its responsibility as a guardian of resources. The vision of 'nurturing our world', reflects a global outlook and is founded on a strong set of values that will ensure sustained prosperity for present and future generations.

The Tuaropaki Trust works closely with Miraka to provide a renewable energy and environmental sustainable model for their operations. Miraka uses renewable electricity and steam from the Mokai geothermal field to run its processing operations - a world first for the whole milk powder processing industry. This gives the Miraka product a lower carbon footprint and potential marketing advantage. Further, biological waste created during the drying process is composted at the Tuaropaki Trust worm farm.

The continued investment in Miraka allows the Trust to have vertical integration of supply chain of the global dairy sector.



Overseas Investor - Vinamilk

Mai Kieu Lien is the Chief Executive Officer and Board member of Vinamilk, one of the leading dairy-business company's in Vietnam. Vinamilk, a strategic investor in Miraka, is the largest company, in terms of capitalisation, on the Ho Chi Minh stock exchange. The formidable Madame Lien is at the forefront of the economic revolution that has been transforming Vietnam. She was named in Forbes' "Asia's 50 Power Business-women" list for 4 years in a row from 2012-2015.



Miraka highlights the potential for further investment within the agricultural industry and similarly the productivity of both the land and the market within the district.

It is a prime example of successful industrial development and a symbiotic relationship of industry with geothermal power generation - a key motive toward establishment of high energy consuming industries.



T2T shared use track

Connecting tourism flow from Taupō to Turangi

The proposed Turangi to Taupō track is a 57km trail extending between Taupō and Turangi and will pass through the communities of Waitahanui, Motutere, Waitekoko and Motuoapa. It will extend along the eastern bays of Lake Taupō providing a unique experience for both international and domestic tourists as well as creating business opportunity for the Taupō community.

Lake Taupō is the largest freshwater lake in Australasia and the surrounding area bears extensive winter and summer cycling offerings. This combination of a beautiful natural settings coupled with district-wide tourism activity gives the T2T potential to be ranked among the most iconic trails in New Zealand.

The estimated total cost of the track is \$18.3 million, with staged construction an option.

Target market

- Tourism (domestic and international visitors)
- Recreational cyclists and walkers (local residents)
- Broader potential market (do not currently walk or cycle but may be interested in doing so in the future)

Long Term Benefits

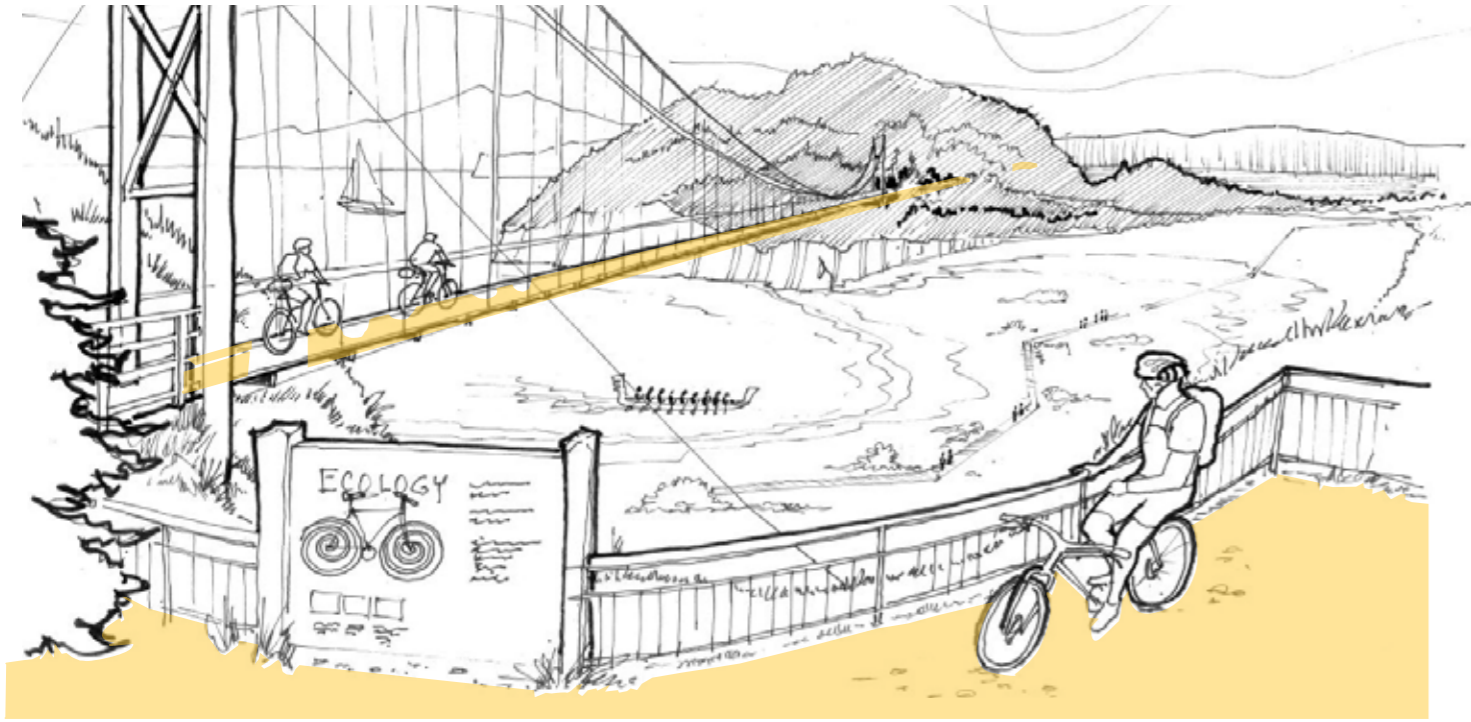
1. Increased employment and economic development opportunities for the District – 47 regional jobs created in the construction phase and between \$2.87 and \$4.71 million in annual regional income generated
2. Enhanced reputation for Taupō and Turangi as a national and international cycle tourism destination

Track Strengths

1. Well positioned to increase length of stay of international visitors in region.
2. Provides easy-intermediate multi-day walks and rides that meet the demand of international visitors.
3. Well located between major population centres in adventure tourism district.
4. Advantage of Interesting settlements along the track.
5. Essential elements of scenic value and opportunities to be immersed in the landscape and interact with nature.
6. Offers year round adventure opportunity - targets

shoulder seasons - therefore increased economic return.

7. Provide sustainable growth through business opportunity for small settlements along the eastern lake edge.
8. Creation of short term jobs through track design and construction.
9. Demand for secondary services throughout the region as construction progresses.
10. Employment growth indirectly related to the current investment in tourism development.
11. Diversification of the region's tourism product and track mix.
12. Increased international awareness of Taupō as a hiking and cycling destination through branding and marketing.
13. Greater attraction of a high value and fast growing segment of New Zealand's visitor market



- Although the total build cost for grade 1 is \$18 million, \$8m of this is one 3km section between Titoki and Bulli points, where NZTA are potentially going to work on at some point in the future ~ only \$6-8 million between Turangi and Bulli point.
- TDC have applied for classification of the shared use track as a "Great Walk" of New Zealand.
- Bay Trust as potential investor for the shared use track

Next Steps

- Undertake stage 2 Feasibility study to secure funding for the project through Bay Trust and other potential funding streams.

Turangi to Taupo Trail

57 km | Two way | Grade 1

User numbers

15,000 - 22,000 Year 1
21,500 - 34,000 Year 5

Trail User Spend

\$6.9m - \$10.2m Year 1
\$9.7m - \$16.0m Year 5

New Jobs

33 - 49 FTE Year 1
47 - 76 FTE Year 5

Construction Cost

(Turangi to Bulli Point)
\$6.1 million





Taupō Tertiary Hub

A tertiary hub dedicated to the proliferation of Taupō's knowledge base in order to add value to the future of local industry

Traditionally NZQA recognised institutions of a tertiary nature in Taupō have been limited. There is a real tangible opportunity for new ventures in this area to facilitate a knowledge society in the region.

The importance of secondary and tertiary education to both economic productivity and social well-being has been identified through various MBIE reports. Taupō has some tertiary trade and hospitality education, a small satellite campus of the Rotorua based Toi-Ohomai Institute of Technology and an English Language school but a broader tertiary education is lacking.

GNS Science has an office in Wairākei monitoring and analysing a myriad of earth sciences and NIWA has an office in Turangi but neither offer tertiary qualifications in the District. There is a bus service to the main campus of Toi-Ohomai Institute of Technology in Rotorua, but advanced training in earth sciences, energy, farm and dairy sciences, horticulture science and fishery management are missing from Taupō. These areas of academic pursuit are locally relevant to Taupō and could be accommodated in Taupō as a satellite campus of a science or engineering faculty of a larger university. Creating a partnership with a large university will offer significant research and individual

growth opportunities for the betterment of Taupō's wider economy.

The possibility of contextualized learning in the Science, Technology, Engineering and Mathematics disciplines (STEM) in the Taupō context are significant and, at the point of this report, have been underdeveloped in the tertiary sector of education. While there is currently no academic research institute in the fields listed above to create a higher education presence in Taupō, a new development and partnership in this area would retain scholars and attract and inspire undergraduates to locate themselves in Taupō.

With a view for a development in higher learning for the region there is opportunity for facilities currently operating in a major centre - or for new operators - to create tertiary offerings in tourism, engineering, commerce and hospitality, as well as a range of vocational training. To facilitate this higher learning, Taupō could leverage its relationship with universities to offer a learning hub which is multi-functional as a satellite campus. Through enhanced computer-mediated learning, residents would be able to access previously unavailable university courses and complete assignments through correspondence thus mitigating

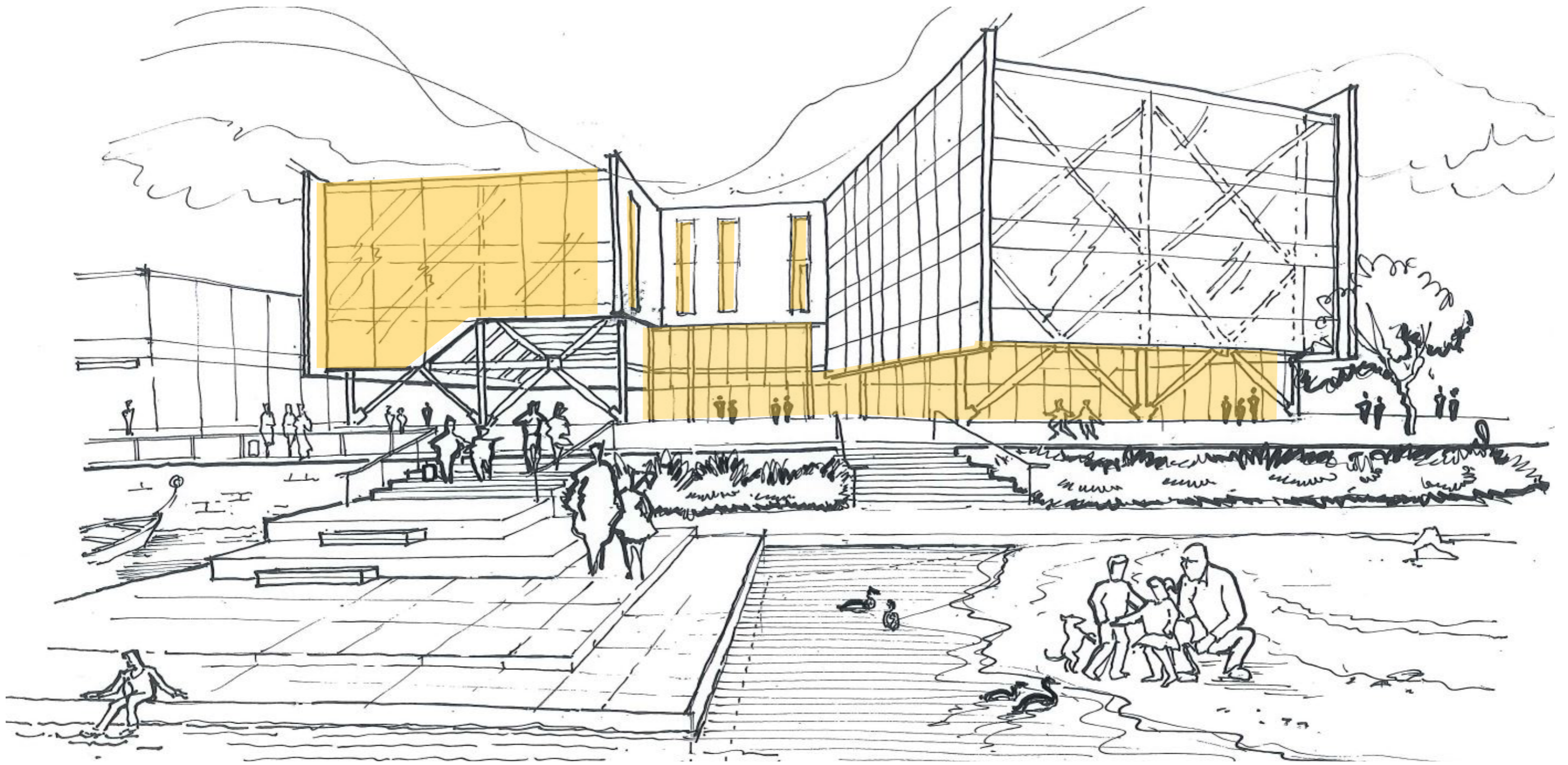
the need to leave Taupō.

Creating a knowledge economy specialised around geothermal activity, tourism and iwi-based enterprise is of real benefit for the future of the region. School leavers could continue their learning creating enhanced practice in the city. Scholarships could be made available through philanthropic means, patronage of the learning hub, iwi, or alignment with industry research and development.

As an extension to a learning hub, Taupō could explore the possibility of attracting a STEM faculty of a larger university to locate a satellite campus in Taupō.

Next steps:

- Identify courses which are relevant to local business and industry demand and establishment of these.
- Identify, contact and connect partners, stakeholders and owners, including national and international universities.
- Support Toi-Ohomai to deliver a broader range of courses in Taupō.
- Encourage contextualised learning through established business community networks.





Wairākei Tourist Park

A precinct dedicated to enhancing the Taupō tourist experience by encouraging cooperating between tourist service operators.

There is an opportunity for Taupō to create a stronger tourism centre at the Wairākei Tourist Park precinct. This can be achieved by encouraging other complementary tourist operators on to large format sites along the west bank of the Waikato River between Wairākei Drive and the River, from Huka Lodge to the Huka Prawn Park.

This land, generally along Karetoto Road on the west side of the Waikato River, includes a number of popular, but seemingly disparate tourism operators which are generally connected in nature but are too distantly spread from each other for the Wairākei Tourist Park to be seen as a collective precinct and a tourism destination.

The objective will be to 'connect the dots' with other matching tourism operators and complementary tourist service operators to create a critical mass and a recognisable theme of experience and adventure so that Wairākei Tourist Park becomes more of a known and desirable tourist destination, therefore increasing visitor flow and thus adding to the local economy.

The challenge will be to provide new tourism leaseholders with certainty of tenure and co-location with symbiotic neighbours.

Much of this land is scheduled as 'Wairākei Tourist Park' on the District Plan maps and zoned as 'Rural' in the Taupō District Plan.

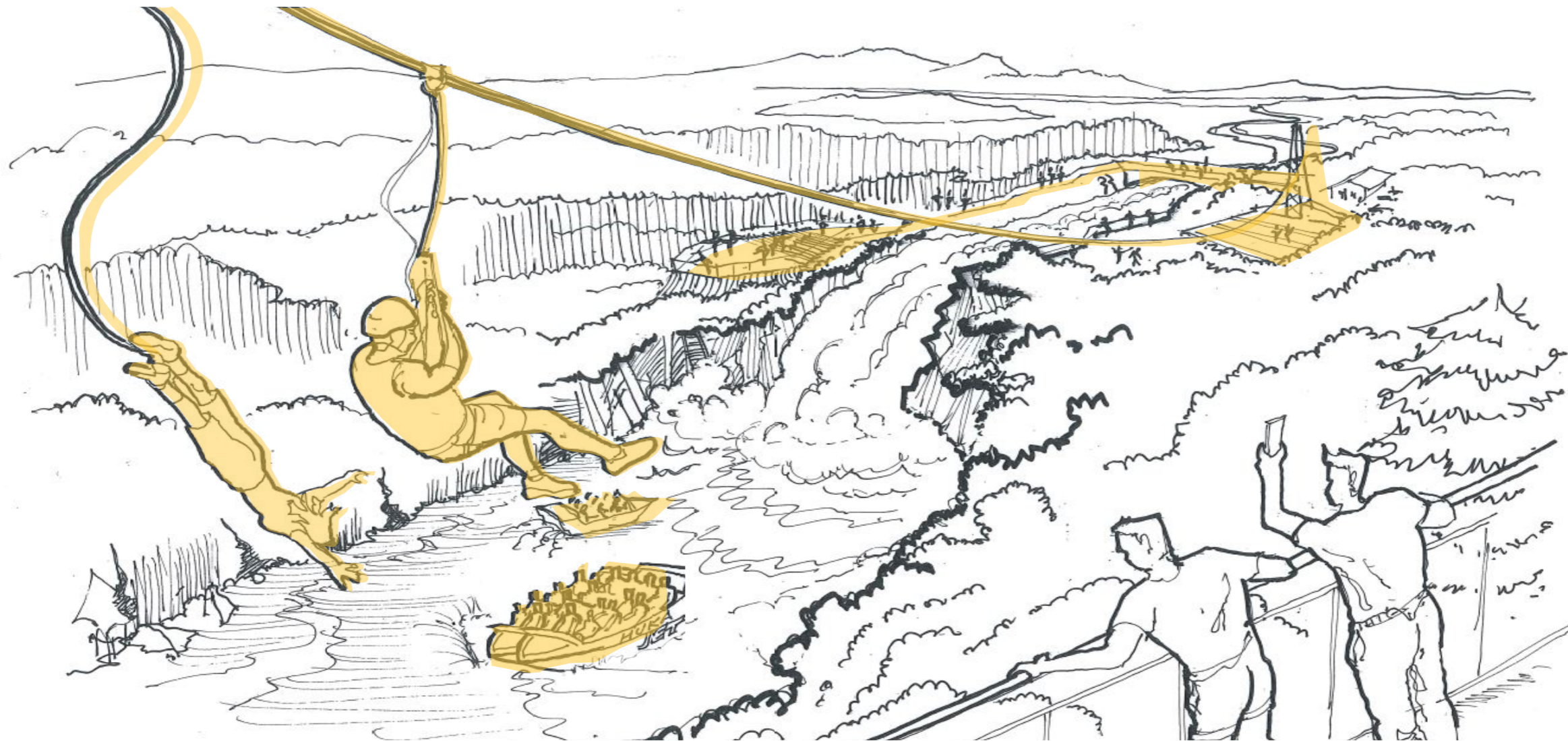
The area of land for this development opportunity is in the order of 60ha. Currently Council owns some of this land but much of it is Crown land is currently under management by Land Information New Zealand.

After the Tuwharetoa settlement was completed in mid 2017, some land parcels reverted to Tuwharetoa control, and with the adjoining Council land, it may become available for development.

Council has a role in assisting to protect this strategic economic opportunity in enhancing the existing tourist precinct along Karetoto Road by encouraging and allowing private investment, tourist activities compatible with tourism character of the precinct and also via parallel infrastructure development.

The current activities in this 'Wairākei Tourist Park' zone are:

- Craters of the Moon Geothermal Walk
- Craters Mountain Bike Park
- Heli Adventure Flights
- Huka Falls Jet
- Huka Falls River Cruise
- Huka Honey Hive
- Huka Prawn Park
- Rock n Ropes
- Shooters Golf Range
- Souvenir Outlet and Mountain Bike Hire
- Taupō Water Sport Park
- Volcanic Activity Centre (GNS Science)
- Wairākei Golf + Sanctuary
- Wairākei Natural Thermal Valley
- Wairākei Terraces and Thermal Health Spa
- Wairākei Public 9 Hole Golf Course
- Wairākei Resort



Next Steps

- Develop a master plan for the development of the area, to coordinate different investors and businesses and create a well laid out precinct.
- Engage with investors and activity providers to manage their input into the planning and development process.
- Engage with public and private organisations as well as investment partners.

Growth opportunities

Taupō also has the opportunity to further expand its Industry and Tourism sectors and to facilitate better healthcare and social outcomes for its people.



Industrial



Social Development



Tourism



Education



RAL

Industrial Opportunity

Taupō has strong industry sectors based on geothermal energy, forestry, wood-based manufacturing and agricultural production with significant opportunity to further capitalise upon resources.

Industry is one of the strands of the Taupō opportunity narrative which can enable and accelerate district-wide economic growth and development particularly in reference to sustainable and clean energy and innovation associated with geothermal direct-use.

Taupō's industry sector is growing and the Taupō District economy is benefitting from this, however it is important to differentiate GDP growth from employment growth. Earnings by industry vary significantly, with the tourism industry earnings on average close to half that of other industries. Tourism growth generates momentum for the Taupō District economy but it is a low productivity industry generating relatively low wages. There is therefore a demand for a broader range of employment opportunities in the district in partnership with Central government and the private sector.

Taupō is able to leverage its beautiful natural setting and desirable destination characteristics whilst also utilising the land, to produce business opportunity for both local and national organisations. Key competitive advantage exists in areas such as geothermal direct use, land use, forestry and aquaculture.

Industrial Precinct

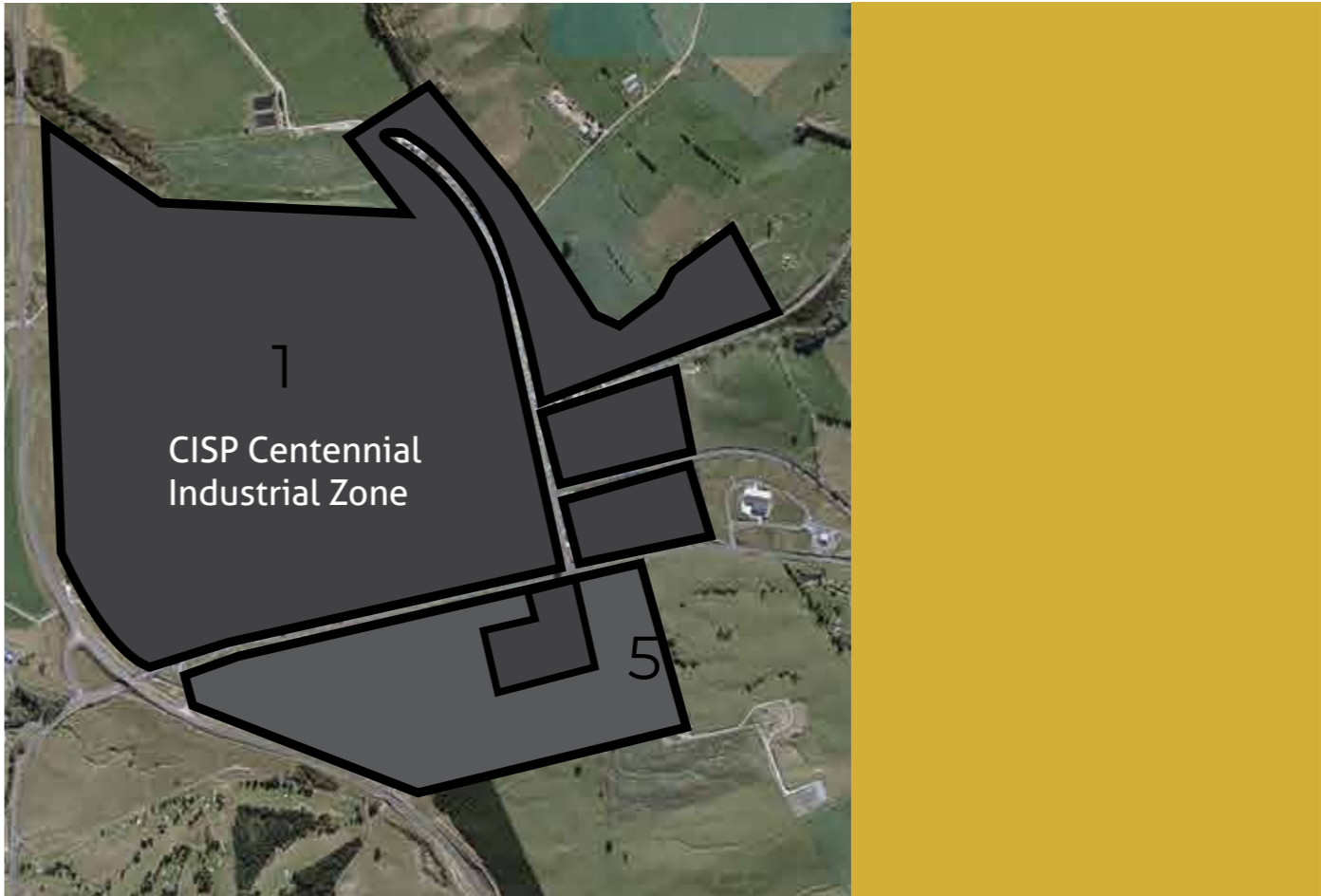
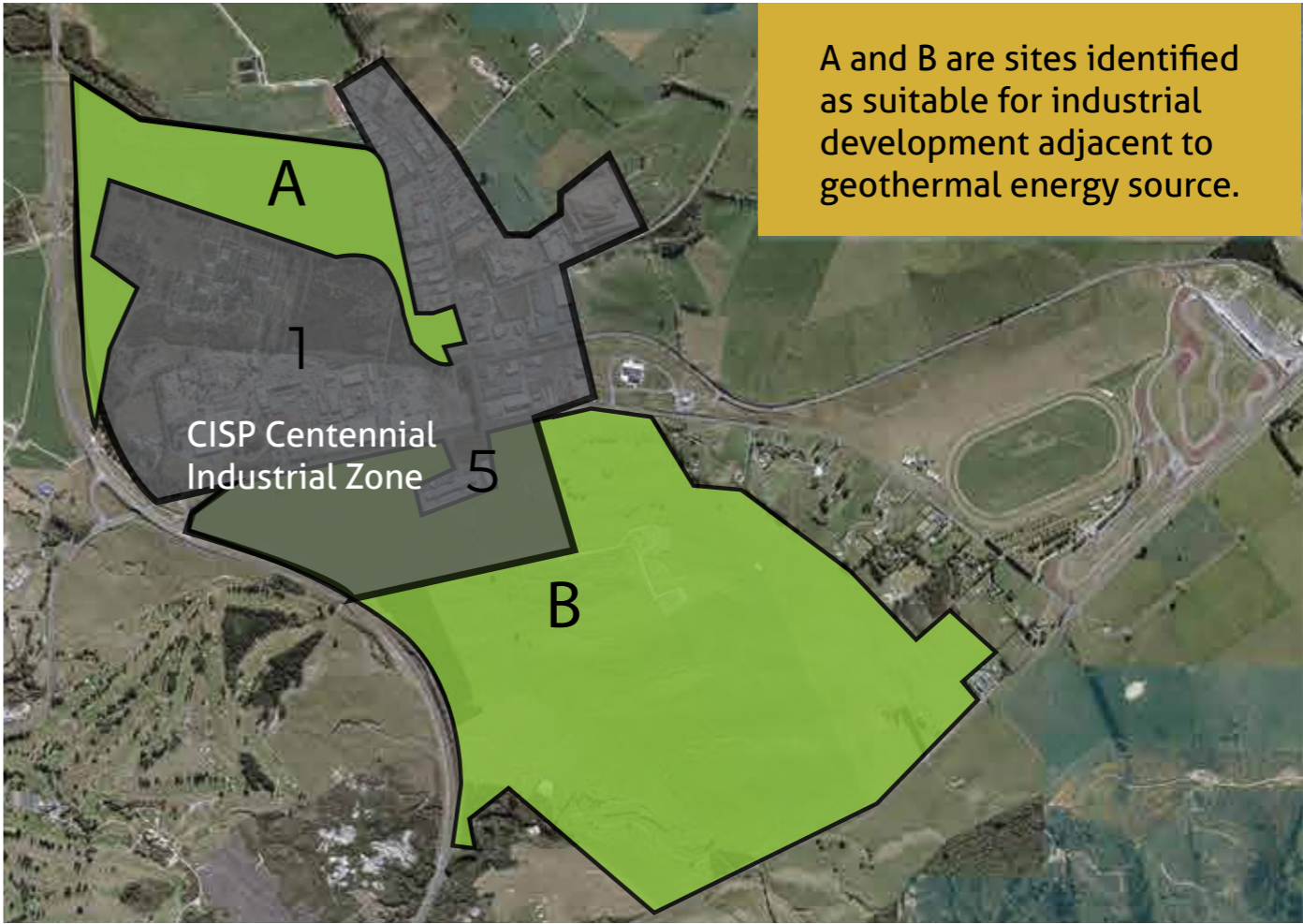
The Taupō district is poised to launch itself into becoming one of the strongest economic regions in New Zealand. While the region delivers a wide range of opportunities sought after by both local and international travelers, and is perfectly positioned to capitalise on New Zealand's expanding tourism industry, Taupō District Council (TDC) is also actively working with its agencies, iwi and other potential development partners to promote economic growth opportunities outside of tourism.

In addition to the lifestyle advantages of the region, there are also key competitive advantages that have the potential to attract businesses to the region and create employment opportunities for both the present community and future newcomers encouraged to move to the region. Lower average house prices, cheap industrial land, GDP growth are all indicators which support business and personel immigration to the area.

Significant work has been undertaken by TDC and Enterprise Great Lake Taupō in pursuing the interest of the business sector (both commercial and industrial). This has entailed in a range of proactive initiatives including: direct engagement with smaller business entities (e.g. professional service providers, small

retailers, special interest/bespoke industries); actively targeting applicable market sectors (e.g. warehousing, large footprint production); and actively competing with other regions for some much larger-scale investment opportunities requiring significant and detailed "investment case" development upfront.

Parallel investment and assistance from the government is required to realise the business opportunities Taupō can offer the industrial and commercial sectors. This investment is required in education, housing affordability and healthcare.



Innovation and Competitive Advantage

With significant developments in the technological capacity of new industrial and commercial projects in the community, the region is set to identify itself as an innovative and dynamic knowledge economy. Supporting this with cultural sensitivity and enhanced through strong educational facilities the region can explore areas of agricultural, geothermal and aquacultural industry to their potential.

Forestry and Wood Processing

On the eastern side of the lake lies one of the largest contiguous pine forests in New Zealand. This presents significant opportunity for the forestry sector and demands an increased facilitation of infrastructure to support growth of this opportunity. There is a need to:

- Increase skills and capability
- Create transportation links
- New and advanced wood processing techniques/ facilities to further progress forestry in New Zealand such as direct use combination of forestry and geothermal power,
- Continued research and attainment of forestry qualifications and study at the Tertiary hub
- Become the established forestry and wood processing plant/location in the southern hemisphere - representative of best practice.

Agriculture and Horticulture

Taupō is rich in fertile and well draining soils, water resources (the Lake) and has access to geothermal heat energy. It is one of the most sustainable farming locations in the country and has some of New Zealand's best dairy farming due to the volcanic soils.

It has a fast developing horticultural industry due to co-located geothermal heat climate controlled greenhouses which enable effective and relatively cheap produce growth as seen at Gourmet Mokai.

There is significant potential for further innovation and growth of agriculture and horticulture in the district due to its abundance of natural resources.

Aquaculture

Aquaculture in New Zealand has grown from small beginnings to a significant primary industry, sustainably producing premier quality seafood – Greenshell Mussels, King Salmon and Pacific Oysters. In 2016 New Zealand's aquaculture sector generated ~\$500 million in revenue with a target goal of \$1 billion by 2025.

Aquaculture ventures within the freshwater lake and rivers using geothermally assisted growth is being studied to assess potential in this sector.

Remote tech hub

Taupō provides the lifestyle that many domestic and international personnel desire. There exists the opportunity for establishment of a remote tech hub where businesses can hire offices or space within a complex and have a separate working environment for employees located in the Taupō district.



Lifestyle

In order to facilitate growth in industry sectors Taupō needs to be able to accommodate an upscale in industry employees and also offer opportunities for civic and social participation. Taupō provides a high degree of liveability and work-life balance as it is surrounded by natural beauty, has short commute times and minimal traffic. As a tourist destination the district is prepared, but as a supporting region of business and economic development, the region needs to continue to explore opportunities in housing development meeting the needs of a range of skilled personnel.

Taupō boasts a great work/life balance and is a fantastic spot to entertain international clients. "Miraka has a lot of international clients and when they come to Taupō we are able to combine business with pleasure".

Case study - Taupō Beef and Lamb

In 2000, Taupō catchment farmers were told by authorities/council that nitrogen from stock effluent was potentially damaging the 'water quality'. Taupō farmers accepted a 'cap' to livestock numbers to reduce nitrogen levels by 20%.

In accepting a cap in perpetuity on livestock numbers, limiting production and realising the economic implications of the nitrogen cap, consumers have been willing to pay a premium for 'top quality' produce that advertised that it protected the lake.

Taupō Beef has resonated with customers throughout the North Island and has won numerous awards and accolades including The Sustainable Business Network's Supreme Award for "The Business Making the Greatest Contribution to a Sustainable New Zealand" in 2015.

Taupō Beef and Lamb highlights the opportunity and presence of innovation in the Taupō District.

"Giving them the opportunity to be welcomed onto our local Marae, take a break and catch a trout or enjoy a round of golf on a world class course makes the Taupō-Miraka experience a memorable one." - Richard Wyeth, CEO of Miraka

Tourism Opportunity

Tourism in Taupō

Taupō is an aspirational and exciting destination to both live and to visit. In collaboration with the industrial sector the tourism industry can thrive as international markets see New Zealand as a safe and beautiful holiday destination. Taupō has retained the picture postcard beauty of the country that is disseminated through media and film industries. Adding to that the geothermal activity and the expansion of the Whakapapa ski field exemplify the significant opportunity that exists for further growth and market diversification.

It is apparent that the economic opportunity presented by the Taupō tourism industry is a significant one that warrants endeavours to support developers and investors. Partnership of TDC, Ngāti Tuwharetoa and tourism operators is crucial in maintaining and expanding the current tourism offering and in ensuring that Taupō captures the growth of New Zealand's tourism market. The number of international visitors to New Zealand was 3,678,000 and is expected to grow to 4,900,000 by 2023, up 39 % on 2016 (MBIE, '17). The total visitor spend will increase from \$10.4b to \$15b.

In alignment with the burgeoning tourism market will be the opportunity for an increased labour market in the region and the expansion of general economic retail trade in the surrounding sectors.

Coping with Growth

In addition to investing in direct tourism infrastructure and activities, it is essential to consider the investment necessary to ensure that existing facilities are able to cope with the additional visitor numbers.

Two key projects already identified are Taupō Airport and the CISP civic projects. In addition, the following sites are in need of sustainable growth management:

- Tongariro Crossing
- Bulli Point
- Huka Falls
- Otumuheke
- RAL - Whakapapa Infrastructure
- Freedom Camping Infrastructure
- Hipapatua / Reid's Farm
- Conferencing
- Hotels

Shoulder Seasons

Taupō's current tourism industry experiences significant seasonal variation throughout the year, particularly for international visitors. Monthly overseas visitors during the winter season are almost a quarter of summer visitors, and domestic visitors decline significantly during the autumn months, particularly May. In order to fully capitalise on Taupō's potential tourist market, and provide more consistent income for the industry, it is important to focus on attracting tourists to the

Taupō district during these shoulder seasons through proliferation of the winter activities.

This need has been identified in Destination Great Lake Taupō's strategy "The Next Big Thing", which focuses on marketing the shoulder season to visitors, both international and domestic. Their strategies include lengthening the perceived summer season, promoting the winter holiday experience, and growing markets which are likely to travel outside of New Zealand's summer season. This focus ties in with RAL's investment and potentially the T2T shared use track which will increase the activities available in the region during the shoulder seasons significantly.

By increasing the year-round aspect of Taupō's tourism sector, it is possible that significant social benefits will be generated as flow-on effects. Greater certainty of jobs in hospitality and other tourism-related industries will encourage workers to make Taupō a home and invest in the area, rather than staying in the region for only a season. In addition, because tourism-related industries employ a larger proportion of unskilled workers on the lower end of the socio-economic spectrum, economic benefits seen from increasing visitor numbers during the shoulder season will flow more directly on to the individuals and families in need.



Social Revitalisation

Economic strengthening leads to better social outcomes. Increased infrastructure development gives rise to potential for local business ventures and for the prosperity of all in terms of social infrastructure and wellbeing.

Development of social initiatives that are bespoke to the Taupō district may be restorative for the youth of the region. Areas for development here include the Early Childhood Education and also building on existing initiatives incorporating Kapa Haka and Waiata as part of the daily curriculum in the educational institutions.

NZEI and ERO have both supported initiatives in which ako is based around tikanga māori and whereby initiatives are strongly rooted in the development of indigenous national culture. The Tertiary Education Commission have attested to such principles in that “Good Kaupapa Māori-based education practice needs to be learner-centred, whole-of-organisation, dynamic, responsive and highly adaptive”.

In addition, placing attention on the STEM elements of schooling (Science, Technology, Engineering and Mathematics) will create more opportunity for contextualized learning from a secondary and tertiary educational viewpoint.

The Taupō District has about 200 very vulnerable children with another 800 showing significant vulnerability. The current focus on child poverty and social investment from central government is an opportunity for TDC to improve the later life outcomes of its most vulnerable population and address some of its long-term challenges.

Connecting with these youth becomes a social responsibility for the region and the partners involved in the project. The emphasis must be put into development that enhances the lives of the future generations.

TDC needs to further support social entrepreneurship and NGOs by investigating and applying the idea of social investment.

Job Creation

The catalyst projects and associated infrastructure developments mentioned throughout this document focus on enhancing the district-wide economy and supporting growth of local business ventures and opportunities. This is based on development of industry, tourism and ensuring that substantial capability in tertiary education is available.

This acts to increase the quality and average salary for employment within the District and also serves to create more, higher paying jobs for both local people and to facilitate growth of the District through creation of attractive job prospects. Through capture of Taupō's competitive advantage in industry, significant talent can be attracted to the district. Through the recruitment of experienced, knowledgeable market leaders and their migrating to the area, further business development and innovation will follow.

Unemployment rates in Taupō are 3.9%, with a lower proportion of people in the professional work sector relative to the New Zealand average. This Economic strategy would also increase the number of jobs which operate in the \$50,000+ bracket.



Healthcare

The current medical facilities in Taupō district are somewhat limited to smaller practices and surgeries of a less complicated nature. A majority of difficult cases are moved to larger centres, primarily Waikato and Rotorua Hospitals.

- Employment in health and community services is projected to grow over the next 3 years.
- Potential shortage of ambulances as high transfer rates of patients, coupled with a major event or accident would utilise all available ambulances
- Noteworthy that the hospital or healthcare provision be capable to meet demand and expectation for a civil defense centre in times of crisis, especially given Taupō's proximity to the nearby volcanoes and current geological turbulence.
- There is a need to accommodate for Māori healthcare (ie whanau ora) that is suited to their needs and culture and provides high quality healthcare.
- Lakes DHB to take a holistic view of the industry and how it impacts Taupō's residential population
- Low availability of doctors - require more GP's

Age care

The population of Taupō is ageing, at a rate that is comparatively higher than worldwide phenomena:

- The proportion of the population aged 65 years and over is projected to grow from 17.3 % to 29.8% in 2033 and 41.3% in 2043
- It is anticipated that much of the expected migration to the Taupō District will be from older residents who already have a dwelling in the district.
- There will be a change in the type of infrastructure required as a result of change in population and demographics make-up. In particular an aging population has additional accessibility and mobility requirements and a need to address the ability of Taupō to provide adequate healthcare to suit the demographic shape of the population.

The silver economy will become more established and prevalent over this coming growth period and there is opportunity for the district to capitalise on this demographic shift:

- Opportunity for development of retirement villages and homes
- Provision of facilities and activities for retirees.
- Investment from the elderly into the economic sector through capital investment in local businesses.
- The 65+ demographic tend to be more inclined to invest in social causes and have a higher involvement with society groups and wider decision making.
- Opportunity for 65+ age group to share knowledge with the younger generation through mentoring and Tertiary education facilities.

Taupō Education

Support schools in the uptake of new technologies to teach while being culturally aware.

Education has been identified as a key strategic area for creating an environment for change in Taupō. Movement to a knowledge economy through education has been identified as a catalyst for change, both locally and globally, through a range of international initiatives led by the United Nations (UNESCO Education for the 21st Century). In congruence with the cultural and indigenous element within this document, Taupō can continue to develop the levels of māoritanga that exists in the district (through the significant kapa haka and waiata competition) and incorporate these ideas into the day-to-day curriculum. These are existing strands of the New Zealand Curriculum document but can create a point of difference in the Taupō district creating through strong ties to the culture and celebration of the biculturalism of the area. This may be achieved through the choosing of local or New Zealand based

Māori authors and poets; studying the stories of Ngāti Tuwharetoa; learning about the historical elements of the land through waiata and kapa haka; and engaging with local kaumatua on a regular basis for direction and consultation.

As well as this, the district can position itself as making significant advancements in the fields of Science, Technology, Engineering and Mathematics (STEM) as a collaboration project with a university. Promotion of these key areas, regarded as influential drivers in a knowledge economy, can position Taupō as a thought leader. The pedagogical practice of STEM teaching and learning is currently widely considered (Stanford's STEM Learning Lab is a leader in this area of research) to advance level of cognitive and social development in a society with dramatic results. Through contextualised

learning models, these areas can be fostered by industry which has the possibility of leading to employment growth in this area and greater exposure to the university systems and expectations for young people.

International learning trends have developed around institutionalised use of technology and portable devices. This change in focus and structure within educational facilities offers the opportunity for targeted approaches to children and young people in the nation, and Taupō district. Using technology offers a transformational approach to teaching and learning if used effectively by skilled practitioners.



Opportunity

New subdivisions in the area will put strain on the existing primary schools (four of which have already employed zoning) and even more pressure on the two colleges despite recent efforts to increase rooming in Taupō-nui-a-Tia College. The college is expecting roll growth to 1200 students by 2020. Similarly, Tauhara College is nearing capacity with 620 current students.

This presents opportunity for TDC in collaboration with stakeholders and private equity to investigate other schooling options for families moving into the area including, but not limited to, continued growth of existing schools, the introduction of charter, integrated and private schooling at all levels of education aligning with the distinctive tone and feel of the region.

A significant number of Taupō residents are schooling their children outside of the district. Some are bused

to Rotorua or Tauranga, while others attend boarding school farther afield. Engaging with this population of residents may assist in the strengthening of the local educational facilities.

Attainment levels particularly at the senior level can be incrementally increased through a system of pedagogical steps including an attempt to encourage experience Auckland teachers to the district for a better lifestyle and working conditions.

Movement into the tertiary sector can be strengthened through ongoing support of the Pathways programme in Taupō and the aforementioned Tertiary Hub. This, when aligned with the contextualized learning models and the STEM teaching and learning programmes, can provide a robust and future-looking environment for the education of the youth in Taupō.

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Conclusion

The rich story of the Taupō District represents the weaving together of several narratives. It is focused around the strands of Water, Land, Energy. An abundance of natural resources and heritage interwoven at the heart of New Zealand; Great Lake Taupō. Within this story is the potential for Taupō to leverage economic growth through working together as one with the social revitalisation of place and people as a paramount focus. This will enable the District to maintain its identity whilst creating opportunities that endure for the benefit of our children's children. This is a journey for everyone in the Taupō District in a post-settlement space.

Through measures outlined throughout this document, the overall economic, social and cultural elements of the region can be improved and sustain subsequent growth through tourism and continued focus on developing key areas such as primary production, direct-use industry and tertiary education within the Taupō context. This will enable Taupō District Council and the private sector to build capacity and expertise in the very fields that will be critical in the infrastructure of the future – clean energy, smart infrastructure, healthcare for aging populations, innovation and enterprise. Taupō is poised for significant growth and has the potential to capitalise upon its natural beauty and resources to bring both economic and social prosperity to the district.

Taupō's strategic position when aligned with the structured approach outlined in this document can create a framework to meet the Council's desire of the most liveable and prosperous town in the North Island by 2022

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Stakeholder Name	Company Name	Position
Mike Groome	TAA	Operations Manager
Greg Stebbing	EGLT	Chairman
	Tuwharetoa	Advisor
John Funnel	Airport User - Skydive Taupō	Businessman
Wayne Smith	Go Tongariro	Chairman
Chris Johnston	Towncentre Taupō	Chairman
Julie McLeod	Towncentre Taupō	General Manager
Ray Salter	DGLT	Chairman
Damian Coutts	DCLT	Chairman
Steve Giles	In-house Events	District Events Manager
Jessica Simpson	In-House Economic Development	Business Development Manager
John Ridd	In-House Economic Development	Group Manager, Business and Technology

Stakeholder Name	Company Name	Position
Neil Ward	TDC	Finance Manager
Topia Rameka	Tuwharetoa Māori Trust Board	CEO
Dylan Tahu	Tuwharetoa Māori Trust Board	Māori Liason
Vaughan Nairne	Bake Cafe, Vine Cafe	Owner
Nick Carroll	TDC	Policy/Strategy Manager
Sir Tumu Te Heuheu Tukino VIII	Tuwharetoa	Ariki
Gareth Green	TDC	CEO
Gareth Robinson	TDC	Facilities, Centre Manager
Tongonui Kingi	Councillor	Turangi-Tongariro Ward Councillor
Luisa Haines	Taupo Distirct Council	Museum and Library Manager
Will Samuel	EGLT	General Manager
Kylie Hawker-Green	EGLT	Communications and Projects

