

MINO-0428 – Update for the Office of Minister Wood on the first tranche of Infrastructure Acceleration Fund announcements

15 July 2022

Kāinga Ora provided advice to the Minister of Housing and Minister of Finance on 15 July 2022, seeking agreement to enter into finalised funding agreements for tranche one of the Infrastructure Acceleration Fund (IAF) proposals. A public announcement of this milestone is scheduled to be made by the Minister of Housing in Rotorua on Thursday, 21 July 2022.

Waka Kotahi contributed to the assessment process for the IAF as outlined in *BRI-2413 The Infrastructure Acceleration Fund and emerging funding challenges for transport*.

The tranche one portfolio is for a total of \$179 million from the IAF and is based on enabling an estimated 4,000 dwellings in the medium term (next ten years) and an aggregate total of 8,360 dwellings over the long term. The housing developments included in tranche one and their relevant transport impacts are described in the table below.

Housing developments	Description	Transport infrastructure or impacts
P025 Taruheru Catchment, Gisborne	\$4.4 million to deliver three waters and transport infrastructure, which Council considers will enable 560 dwellings.	Roading upgrades and extension.
P038 Kaikōura Western Developments, Kaikōura	\$7.8 million to deliver three waters, flood management and transport infrastructure which Council considers will enable 460 dwellings.	Construction of a new connector road and provision of cycling and walking infrastructure.
P058 Central and Western Area Intensification, Rotorua	\$84.9 million to deliver three waters, flood management and transport infrastructure, which Council considers will enable 3080 dwellings.	Minor roading improvements including cycleways.
P097 Ōmokoroa Development, Western Bay of Plenty	\$38.4 million to deliver three waters and transport infrastructure, which Council considers will enable 2580 dwellings.	Intersection upgrade for SH2/Ōmokoroa Road. Waka Kotahi expects to be able to contribute \$5 million co-funding for the SH2/Ōmokoroa Road intersection and has been working closely with Kāinga Ora and the council to support this project.
P10 Ōtaki Housing Developments, Ōtaki	\$29.4 million to deliver three waters and transport infrastructure, which Council considers will enable 1040 dwellings.	Roading upgrades.
P170 Maraenui Revitalisation, Napier	\$12.4 million to deliver three waters infrastructure, which Council considers will enable 400 dwellings.	No relevant transport infrastructure or impacts.
P177 Patterson Road Development, New Plymouth	\$1.8 million to deliver three waters and transport	Intersection upgrade and road widening and extension.

	infrastructure, which Council considers will enable 240 dwellings.	Construction of shared pathway and cycleway/walkway over sewer.
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It is important to note that execution of the funding agreements represents the start of the journey for the delivery of the infrastructure and the dwellings expected by Councils to be enabled in the housing developments. There are various milestones that Councils and developers will need to satisfy and navigate along the way, working alongside the Crown.

Three of the above housing developments have assumed some funding from the National Land Transport Fund (NLTF) to support the enabling transport infrastructure (P025 Taruheru Catchment, P097 Ōmokoroa Development and P177 Patterson Road Development).

Over the last few months, Waka Kotahi has discussed the funding with applicants to ensure any risk with NLTF funding is understood. The relevant funding agreements acknowledge the risk that any project expecting to receive funding from the NLTF that has not been approved by Waka Kotahi may need to explore an alternative funding source if the activity is not prioritised in the National Land Transport Programme. Where necessary, Waka Kotahi will continue to be involved to support the design and construction of transport infrastructure.

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