
Economic Development Committee

Komiti OOhanga Whakatupu

OPEN MINUTES

Minutes of a meeting of the Economic Development Committee held via Audio Visual link on Tuesday 1 March 2022 at 9.30am.

PRESENT

Chairperson	Cr R Hamilton
<i>Heamana</i>	
Deputy Chairperson	Cr E Wilson
<i>Heamana Tuarua</i>	
Members	Mayor P Southgate
	Deputy Mayor G Taylor
	Cr M Gallagher
	Cr R Pascoe
	Cr M van Oosten
	Cr M Donovan
	Maangai O Te Ua
	Maangai T P Thompson-Evans

In Attendance	Cr M Bunting
	Cr K Naidoo-Rauf
	Blair Bowcott – General Manager Growth
	Sean Murray – General Manager Venues, Tourism and Major Events
	David Bryant – General Manager People and Organisational Performance
	Greg Carstens – Growth, Funding and Analytics Unit Manager
	Tilly Murcott - Programme Manager
	Tracey Musty - Financial Controller
	Amy Trigg - Senior Policy Analyst
	Claire Foster - Property Officer
	Nicolas Wells - Strategic Property Manager
	Mike Bennett – Key Account Manager
	Mark Morgan - Waikato Regional Airport Limited
	Scott Kendall - Waikato Regional Airport Limited
	Nicola Greenwell - Hamilton and Waikato Tourism Limited
	Richard Leggett - Hamilton and Waikato Tourism Limited
	Vanessa Williams - Hamilton Central Business Association
	Mike Neale – Hamilton Central Business Association
	Tony Giles - Waikato Innovation Growth Limited and NZ Food Innovation (Waikato) Limited
	Kelvin French - Waikato Local Authority Shared Services

Governance Team Amy Viggers – Governance Lead
Carmen Fortin – Senior Governance Advisor
Tyler Gaukrodger – Governance Advisor

Cr Hamilton opened the meeting with a karakia.

1. Apologies – Tono aroha

Resolved: (Cr Hamilton/Cr Wilson)

That the apologies for absence from Cr Bunting, and apologies for partial attendance from Mayor Southgate, Cr Pascoe, Maangai Thompson-Evans and Te Ua were accepted.

2. Confirmation of Agenda – Whakatau raarangi take

Resolved: (Cr Hamilton/Cr Wilson)

That the agenda is confirmed.

3. Declarations of Interest – Tauaakii whaipaaanga

Deputy Mayor Taylor declared a perceived conflict in Item C2 (778 Heaphy Terrace and 2D Brooklyn Road - Sale of Land). He noted that he would not be participating in the discussion and vote.

Cr Donovan declared a perceived interest in Item C2 (778 Heaphy Terrace and 2D Brooklyn Road - Sale of Land). He noted that he was not conflicted and would take part in the discussion and vote on the matter.

4. Public Forum – Aatea korero

No members of the public wished to speak.

5. Confirmation of the Economic Development Committee Open Minutes of 23 November 2021

Resolved: (Cr Wilson/Cr van Oosten)

That the Economic Development Committee confirm the Open Minutes of the Economic Development Committee Meeting held on 23 November 2021 as a true and correct record.

6. Chair's Report

The Chair took the report as read, and noted that the report was an update and noted that information on the website update would be sent to Members. He responded to questions from Members concerning the Technology Education Working Group updates from the lockdown period.

Resolved: (Cr Hamilton/Cr Wilson)

That the Economic Development Committee receives the report.

7. Waikato Regional Airport Limited - Six-monthly Report to 31 December 2021

Scott Kendall and Mark Morgan (Waikato Regional Airport Limited) spoke to the six month review of the Waikato Regional Airport, including passenger traffic, terminal resilience project, Northern Precinct planning, Omicron disruption, hotel MIQ contract, organisation and people, aeronautical development, sustainability, future property development, and shareholder ownerships. They responded to questions from Members concerning development plan to expand functionality of the airport, masterplan timeline, Council workstream collaboration, future planning for hotel, resilience of covid workforce and project impact, and impact of global activities and fuel prices on projects.

Resolved: (Cr Wilson/Maangai Te Ua)

That the Economic Development Committee:

- a) receives the report; and
- b) approves the Waikato Regional Airport Limited Draft Statement of Intent 2022/23.

8. Hamilton and Waikato Tourism Limited - Six-monthly report to 31 December 2021

The General Manager Venues, Tourism and Major Events introduced the report, noting the close work with Hamilton and Waikato Tourism Limited due to the Covid impact, and benefit of having people on the ground, and benefit of the sector funding from Central Government rather than private investors.

He introduced Nicola Greenwell and Richard Leggat (Hamilton and Waikato Tourism Limited). They introduced the six month report, noting the impact of Covid on the last six months, key highlights and spending, Hamilton commercial accommodation and annual tourism electronic spend rates, local tourism and events activity and campaigns, board changes and delay in recruitment, and emotional support for sector. They responded to questions from Members concerning the national management plan, plan for Tasman campaign activity, cooperation with Food Waikato and Waikato Tourism, accommodation occupancy rate and beds for visitors, hotels' future planning and emergency housing, involvement in national advertisement campaigns, advantage of coming out of restrictions, feedback from new tourists, Te Huia opportunities, funding from other Councils, inclusion of Kiingitaanga and collaboration with Waikato-Tainui, and tourism spend projections.

Resolved: (Maangai Thompson-Evans/Mayor Southgate)

That the Economic Development Committee receives the report.

9. Hamilton Central Business Association - Six-monthly update

The Programme Manager introduced the report, noting the purpose of the report is to discuss the six-monthly update for the period of July – December 2021, and noted the impact of Covid-19 on activation and the cancellation of events in the city. She noted that the report does not discuss any decisions regarding unspent activation funds and that this unspent funding and the yearly activation plan would be reported to the May Economic Development Committee meeting.

Vanessa Williams and Mike Neale (Hamilton Central Business Association) spoke to the report, noting the impact of Omicron spread, new business in the Central Business District, November/December promotion of businesses, publicity within last six months, and CBD activation. They responded to questions from Members concerning impact of Covid on viability of businesses and numbers, possible support from Council, closing business rate, future planning, local MP business advocacy, social media promotion, relationship building with local businesses, and services within the central city.

Resolved: (Deputy Mayor Taylor/Cr van Oosten)

That the Economic Development Committee receives the HCBA six-monthly report to 31 December 2021.

The meeting was adjourned from 11.41am to 11.55am.

Mayor Southgate left the meeting during the adjournment.

10. Waikato Innovation Growth Ltd, NZ Food Innovation (Waikato) Ltd - Half Year Report 31 December 2021 and Statement of Intent 2022/23

The Key Account Manager introduced the report noting the strategic review preparation will help inform the Council's strategic review and introduced Tony Giles (Waikato Innovation Growth Limited and NZ Food Innovation (Waikato) Limited). They noted the draft statement of intent states that as per past years, Food Innovation Waikato Foods aims to run a financially sustainable small scale dryer, breaking even at the 240 day per-year production mark, and continue run the management contract for the melody dryer. He further noted the current operation, the factors affecting the performance, and updates on the customers in the sector.

Resolved: (Cr Hamilton/Cr Wilson)

That the Economic Development Committee:

- a) receives the report; and
- b) approves the Waikato Innovation Group Ltd and Group of Companies draft Statement of Intent 2022/23.

Mayor Paula re-joined the meeting (12.03pm) at the conclusion of the above item. She was not present when the item was voted on.

11. Waikato Local Authority Shared Services/ Co-Lab - Half Year Report 31 December 2021 and Statement of Intent 2022/23

The Financial Controller introduced the report, noting the change of name from Waikato Local Authority Shared Services to Co-Lab and introduced Kelvin French (Waikato Local Authority Shared Services). They took the report as read, noting the statement of intent for the company, acknowledged the staff who had assisted in projects, upcoming projects, support for Council improvements, the change of vision to include the benefit added to Councils. They responded to questions from Members concerning efficiency of working with Council and staff limitations, Water Reform discussions, providing services for further Councils, and next steps for progress.

Resolved: (Cr Wilson/Cr Pascoe)

That the Economic Development Committee:

- a) receives the report; and
- b) approves the Co-Lab draft Statement of Intent 2022/23.

Mayor Southgate left the meeting (12.23pm) at the conclusion of the above item. She was present when the item was voted on.

12. WLASS/Co-Lab - additional shareholder and replacement HCC director on Co-Lab Board – Recommendation to the Council

The General Manager People & Organisational Performance took the report as read.

Resolved: (Cr Hamilton/Cr Wilson)

That the Economic Development Committee:

- a) receives the report;
- b) recommends that the Council approves that Western Bay of Plenty District Council (WBOP) becomes a shareholder of Co-Lab on the following basis:
 - i. WBOP is issued with one (1) ordinary share in the company, for a consideration of

\$1,000, noting that the share will remain uncalled;

- ii. WBOP signs a deed acceding to the Shareholders Agreement dated 5 October 2005;
- iii. the constitution of the company is amended to reflect that WBOP will, together with Thames-Coromandel, Hauraki and Matamata-Piako District Councils, be entitled to appoint one representative to the company's Board;
- iv. WBOP will contribute at the rate of 100% (as opposed to the 50% the other BOPLASS shareholding councils do, ie Rotorua and Taupo) to Company Management and Support costs, the Opportunity Development Fund and any other requests for funding in line with the formula previously agreed between the current shareholders; and
- v. WBOP will contribute a proportionate share to the "value" of opportunities currently under development; and
- vi. if the required 75% approval of the resolution details in paragraph 2. b) i. to v. above is received, authorise the Co-Lab Board and Chief Executive to:
 - a. approach WBOP to establish whether they are willing to accept the offer on this basis; and
 - b. if so, take the necessary actions to achieve the outcomes noted above; and
- c) recommends that the Council approves the transition of the Hamilton City Council-appointed director of Co-Lab from David Bryant, General Manager People & Organisational Performance to Lance Vervoort, Chief Executive Officer, by 31 March 2022.

13. Civic Financial Services Limited - Statement of Intent 31 December 2022

The Financial Controller took the report as read, noting that the purpose of the report was to provide a six-monthly update and to approve the statement of intent for Civic Financial Services.

Resolved: (Maangai Te Ua/Maangai Thompson-Evans)

That the Economic Development Committee:

- a) receives the report; and
- b) approves the Civic Financial Services Limited Statement of Intent 31 December 2022.

14. International Relations Update

The Senior Policy Analyst introduced the report, noting that the purpose of the report was to provide a quarterly update on the International Relations and Sister Cities workstreams. She highlighted the key points within the report, including the engagement and strategic reports being completed by an international relationships company, the citizen exchange meetings with Saitama, Japan, and an opportunity for the Mayor to speak to an international relationship conference in Wuxi, China.

She responded to questions from Members concerning the conference in Wuxi, Eastern Bridge opportunities to speak to Council, focus of different city relationships, relationships between international schools, and diplomatic study tours.

Resolved: (Cr Hamilton/Cr Gallagher)

That the Economic Development Committee receives the report.

Item 17 (Licence to Occupy - Spark New Zealand - FMG Waikato Stadium – Recommendation to the Council) and Item 18 (Municipal Endowment Fund - Quarterly Report - Q2 2021/22 FY) was taken following item 14 (International Relations Update) due to staff availability.

15. Licence to Occupy - Spark New Zealand - FMG Waikato Stadium – Recommendation to the Council

The Strategic Property Manager introduced the report, noting the request for a licence to occupy by Spark New Zealand at FMG Waikato Stadium and that although the request is for a new licence, the equipment has been installed for approximately 10 years and has been covered by a licence which has now expired.

Resolved: (Cr Wilson/Maangai Thompson-Evans)

That the Economic Development Committee:

- a) receives the report; and
- b) recommends that the Council approves a new licence for Spark New Zealand for existing telecommunications equipment and antennae located at FMG Waikato Stadium, subject to the following terms and conditions:
 - i. Term – 10 years, commencing 1 June 2022;
 - ii. Rental – Market value to be determined closer to commencement; and
 - iii. Rent Reviews – 3 yearly CPI.

16. Municipal Endowment Fund - Quarterly Report - Q2 2021/22 FY

The Strategic Property Manager introduced the report, noting that it was a standing quarterly report and explained how the Municipal Endowment Reserve has been invested, and that the progress of the investments will be reported in the next quarterly report. He responded to questions from Members concerning the possibility for short-term negative returns, ethical investment policies, and foreign investment in Russian organisations.

Resolved: (Cr van Oosten/Deputy Mayor Taylor)

That the Economic Development Committee receives the report.

17. Event Sponsorship Activity - Policy Review and Fund Update - Recommendation to the Council

The General Manager Venues, Tourism and Major Events spoke to the report, noting that the original intent was to provide an update to the policy and to discuss some small changes requested within the policy. He further noted that the report provides an update on the funding for the current financial year and that many events have had to be cancelled or modified, which has caused an underfund to the sponsorship fund. He responded to questions from Members concerning community lens on the fund, Community Committee involvement, He Pou Manawa Ora considerations, underspend amount, total fund budget, Hamilton Central Business Association underspend, potential activities and promotions, and other organisational involvement.

Resolved: (Cr Wilson/Maangai Thompson-Evans)

That the Committee:

- a) receives the report; and
- b) recommends that the Council approves the draft Event Sponsorship Policy (as set out in **Attachment 1** of the staff report).

Resolved: (Cr Wilson/Maangai Thompson-Evans)

- c) the Economic Development Committee recommends that the Council approves that any underspend of the 2021/22 Event Sponsorship fund be redirected to “events” re-launch activity targeting CBD activation in partnership with the Hamilton Central Business Association when Governments COVID-19 alert framework moves to Orange and/or Green status in either the current 2021/22 financial year or within the 2022/23 financial year; and

- d) requests staff report back to the next Economic Development Committee with a plan and proposal.

Cr Pascoe left the meeting (12.55am) during the above item. He was not present when the item was voted on.

The meeting was adjourned from 1.14pm to 2.04pm.

*Mayor Southgate and Deputy Mayor Taylor left the meeting during the above adjournment.
Maangai Te Ua retired from the meeting during the above adjournment.*

18. H3 Group - Quarter 2 Activity Report 1 October to 31 December 2021

The General Manager Venues, Tourism and Major Events introduced the report noting the reduced events activity at the various venues, the focus on recovery efforts, forward planning events, future conference and sports bookings, and the impact of Covid restrictions. He responded to questions from Members concerning competing facilities in other cities, funding implications of competing facilities, depreciation and budget impact, re-valuation of assets and increase in assets, aging of assets impact, staff turnover and replacement.

Resolved: (Cr Hamilton/Cr Wilson)

That the Economic Development Committee receives the report.

Cr Pascoe re-joined the meeting (2.07pm) during the above item. He was present when the item was voted on.

Deputy Mayor Taylor re-joined the meeting (2.22pm) following the above item. He was not present when the item was voted on.

19. General Manager's Report – Recommendation to the Council

The General Manager Growth introduced the report noting that staff would be speaking to the different areas within the report.

The Key Account Manager spoke to the diplomatic school tour, noting the tour had been rescheduled multiple times and was currently scheduled for early June. He spoke to sector specific working groups, bringing more businesses into Hamilton, and amendments to the Economic Development website. The Growth, Funding and Analytics Unit Manager further noted three distinct areas on the website to be amended, including economic development, economic insights, and growth analytics.

The Strategic Property Manager spoke to the Victoria on the River buildings discussions held with developers, venues and hospitality venues attendance, and outlined the staff recommendation that rent relief be reviewed for hospitality venues.

Staff responded to questions from Members concerning website interaction with Elected Members, view of Municipal Endowment Fund, and rent relief consistency with other building owners.

Resolved: (Cr Wilson/Cr Pascoe)

That the Economic Development Committee:

- a) receives the report;
- b) recommends that the Council approves \$138,000 to provide 50% rent relief for eligible Council tenants in the hospitality sector during the Covid Protection Framework effective from 3 December 2021 to 3 June 2022, in accordance with the following criteria:

- i. tenants need to occupy Council-owned premises and operate in the hospitality sector;
- ii. provide proof of financial hardship and a reduction of more than 50% normal revenue for the period;
- iii. provide proof of any Government subsidies applied for and received; and
- iv. provide proof of any relief funding received from other sources.

Mayor Southgate re-joined the meeting (2.34pm) during the above item. She was present when the item was voted on.

20. Resolution to Exclude the Public

Resolved: (Cr Wilson/Deputy Taylor)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Economic Development Committee Public Excluded Minutes of 23 November 2021) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. 778 Heaphy Terrace and 2D Brooklyn Road - Sale of Land)	

C3. General Manager's Report

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C3.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
	to enable Council to carry out negotiations	

The meeting moved into a Public Excluded session at 2.46pm.

The meeting was declared closed at 3.40pm.