

Hamilton's central city

Infrastructure Acceleration Fund

November 2022



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Our focus

As Hamilton grows, Council is focused on refining, refocussing and building on our past. We're already planning for housing intensification without undermining the things our community already values about our central city.

Alongside the development community, Council is focussed on creating a connected, welcoming and diverse central city that reflects our identity, anticipates our future, promotes creativity, innovation and entrepreneurship and celebrates our strong connection to the Waikato River.

A hub that attracts local, national and international businesses, encourages and enables mixed inner-city living options, supports a vibrant retail, hospitality, and entertainment sector and is underpinned with the amenities and services that build a strong community.



1650
residents



20,727 people
are employed in
the central city



2529 businesses in
the central city with
\$2.9 billion GDP



Median age in the
central city is 32.2



14 schools and early
childhood centres walkable
from central city

30%

of Hamilton's population
is projected to identify as
Maaori by 2038



Area of open spaces
make up 10% of the
central city



1.6% of indigenous
vegetation remains in
the central city



3% of people working in
the central city ride
a bike to work

A central city where people love to be.

Hamilton is one of the fastest growing urban areas in the country. Council, alongside its partners, is working hard to ensure our central city is positioned to take advantage of all the opportunities this growth brings. That includes making the central city an exciting place to live by offering a range of housing options.

As the primary commercial, civic and social centre of the Future Proof sub-region¹, Hamilton's central city:

- covers an area of 1,380,000m²
- is home to 1650 Hamiltonians
- offers 20% of the city's employment
- contains 276,000m² of office space
- hosts 77,500m² of retail space.

In 2020, Hamilton's central city contributed an estimated \$2.9 billion (34.7%) to Hamilton's GDP, making it the beating heart of Hamilton and the wider Waikato.

Over the next 10 years Council is investing \$129.3 million into the central city to help build a well-connected, vibrant and cosmopolitan hub that Hamiltonians can be proud of and that visitors will flock to and enjoy.



We're shaping a city that's easy to live in, explore and connect. The central city will be a place where children and young people are just as welcome as adults, with time and spaces to play and meet, and safe routes and spaces for people of all ages and abilities.

What is the Infrastructure Acceleration Fund (IAF)?

The IAF is a key part of the Government's \$3.8 billion Housing Acceleration Fund. It's designed to allocate funding to new or upgraded infrastructure to unlock housing developments and enable a meaningful contribution to housing outcomes in areas of need.

Hamilton City Council proposed six areas for funding throughout the process with our central city proposal being successfully granted \$150.6 million in November 2022.

This will fund a new water reservoir and pump station, pedestrian and cycling bridge, and investigations into other strategic three waters and transport infrastructure.

This \$150.6 million funding will be supported by \$129.3 million provision from the Council's 2021-2031 Long-Term Plan, \$80 million in development contributions, and \$100 million of direct infrastructure investment from the development community.

This investment will unlock more than \$2 billion of new residential and commercial development by 2034, providing up to 4,000 new homes and 305,000 m² of commercial area.

¹Future Proof Strategy Consultation Draft 2021. The Future Proof sub-region encompasses the territorial authorities of Waikato district, Hamilton city, and Waipā district and covers an area of approximately 575,000 hectares.

Why the central city

Hamilton's central city is recognised for its key role in the development of a strong economic corridor between Ruakura to the east and Te Rapa and Horotiu to the north.

It's the economic heart of the Waikato region for employment and commercial activity. We work closely with central government and our neighbouring councils in Tauranga, Auckland, Waikato and Waipaa to make sure our city and our region continues to flourish.

It's home to smart thinkers and businesses, mostly in professional, scientific and technical industries, including global companies and emerging local business and enterprise. Many major businesses have offices in the central city, including banking, finance, creative and professional firms and tourism.

Building up the central city is an essential element in Council's response to the government's National Policy Statement on Urban Development (NPS-UD). We are encouraging inner city living, and greater housing density.

However, it is more than just building houses; Council is intent on building sustainable and vibrant communities. New houses need appropriate infrastructure, amenities and services, like open green spaces, shops and schools, so that our central city continues to be a place where people love to be.

Benefits of investing in Hamilton's central city

The benefits of investing in the central city are significant and extend beyond delivering more homes in one of New Zealand's fastest growing cities.

The combined \$2.5 billion of private and public investment will generate up to 1800 jobs every year

and an estimated \$140 million increase in annual GDP over the next ten years. It will also directly deliver on the NPS-UD and represent a tangible commitment by the Government to the Urban Growth Agenda partnership (formed under Future Proof). This partnership has delivered the Hamilton to Auckland Corridor Plan and the Hamilton-Waikato Metropolitan Spatial Plan adopted by Cabinet in 2020.

What does the future hold?

Planning and delivering infrastructure is expensive. Our ability to fund infrastructure projects is limited to the current tools available, namely debt, rates, cost efficiencies and user fees and charges.

This \$150.6 million funding will help Council deliver the strategic infrastructure needed to facilitate intensification in the central city area.

The funds will be used to deliver infrastructure that unlocks housing development in the short to medium term and comes with the expectation that developers, landowners, and Council all contribute their "fair share" to the cost of projects.

What this funding won't cover

The funding will not cover all the infrastructure required to service intensification to the levels required by NPS-UD.

Specifically, investment to upgrade our water supply and wastewater treatment facilities, strategic bulk mains and wastewater interceptors outside of the central city area, and the local network upgrades within the central city are not included.

A place to live, work and play.



Boundary Name

- Central City Area
- Areas within 800m from the Central City

Road

- State Highway
- Minor Arterial Road
- Major Arterial Road
- Railway

- Stormwater
- Wastewater
- Water
- Transport

Indicative estimates: Inflated \$NZ in millions, based on indicative concepts and assumed construction dates

*Note: Active modes river bridge \$10 million 2021-31 Long-Term Plan amount is additional to the bid request. Bridge location to be determined.

IAF Housing Outcomes Agreements have been signed between Kāinga Ora, Council and the following developers to deliver dwellings in the central city.

Tristan Jones / Jones Group

Apex Property Group NZ Limited

Pragma Developments Limited

Tainui Group Holdings Limited

Stark Property Limited

Hamilton City Council

Cavendish Ventures Limited

Council is already working to support the evolution of the central city:

- We've created a Central City Programme to lead our place-based approach to the central city transformation.
- Key projects in the next 10 years focus on opening our beautiful city up to the mighty Waikato River and celebrating the unique cultural and historical heritage of Hamilton Kirikiriroa.
- We're making it easier to move around with intersection upgrades, the rejuvenation of our transport centre, creation of bike hub and repair stations and development of design guidelines to make sure our public spaces and streets are attractive, safer, well maintained, accessible, and inclusive.
- We're keeping Hamiltonians and visitors safe with daily patrols by City Safe Officers, CCTV upgrades and the work we do with the Hamilton District Licensing Committee.
- We've incentivised quality developments through developer contributions remissions, including total remission for central city buildings six or more storeys high.
- We're partnering with developers to utilise our strategic property portfolio to deliver transformational outcomes.
- Through the Hamilton Central Business Association activation fund we're bringing vibrancy to central public spaces for everyone to enjoy.
- We're prioritising commercial development in the central city to enhance economic prosperity and function.
- We're enhancing and increasing quality of, and access to, our blue-green network, enhancing resilience, ecology and biodiversity and improving the health and well-being of residents.
- New community infrastructure considers the future needs of the community such as open spaces, street upgrades, schools and iconic buildings.

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