

# PALMERSTON NORTH CITY COUNCIL

## Minutes of the Economic Growth Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 12 April 2023, commencing at 9.04am

**Members Present:** Councillor Leonie Hapeta (in the Chair), The Mayor (Grant Smith) and Councillors William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan and Orphée Mickalad.

**Non Members:** Councillors Lew Findlay, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

The Mayor (Grant Smith) was not present when the meeting resumed at 1.34pm. He entered the meeting again at 2.11pm during consideration of clause 13. He was not present for clause 13.

Councillor Lew Findlay was not present when the meeting resumed at 1.34pm. He was not present for clauses 13 to 17 inclusive.

### **Karakia Timatanga**

Councillor Fitzgerald opened the meeting with karakia.

### **9-23 Confirmation of Minutes**

Moved William Wood, seconded Rachel Bowen.

#### **The COMMITTEE RESOLVED**

1. That the minutes of the Economic Growth Committee meeting of 22 February 2023 Part I Public be confirmed as a true and correct record.

Clause 9-23 above was carried 15 votes to 0, with 1 abstention, the voting being as follows:

#### **For:**

The Mayor (Grant Smith) and Councillors William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

#### **Abstained:**

Councillor Leonie Hapeta.

## ECONOMIC GROWTH COMMITTEE - PART I - 12 APRIL 2023

### REPORTS

#### **10-23 Palmerston North Airport Limited - Interim Report for 6 months to 31 December 2022**

Memorandum, presented by Cameron McKay, Chief Financial Officer, and Murray Georgel, Palmerston North Airport Ltd Chair and Jonathan Baker, Palmerston North Airport Ltd Chief Financial Officer.

In discussion the Mayor mentioned the heritage of aviation in Palmerston North and acknowledged the attendance of Lindsay Elston who is a relative of Len Mangham a past contributor to our regions aviation history.

Moved Leonie Hapeta, seconded William Wood.

#### The **COMMITTEE RESOLVED**

1. That the Committee receive the Interim Report and Financial Statements of Palmerston North Airport Ltd for the period ended 31 December 2022, presented to the Committee on 12 April 2023.

Clause 10-23 above was carried 16 votes to 0, the voting being as follows:

#### **For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

#### **11-23 Palmerston North Airport Limited - Draft Statement of Intent for 2023/24 to 2025/26**

Memorandum, presented by Cameron McKay, Chief Financial Officer, and Murray Georgel, Palmerston North Airport Ltd Chair and Jonathan Baker, Palmerston North Airport Ltd Chief Financial Officer.

In discussion an additional two motions were passed requesting inclusion of a 10 year financial outlook and an expectation to commence dividend payments from 24/25 (Y2).

The meeting adjourned at 10.37am.

The meeting resumed at 10.57am.

Moved Grant Smith, seconded Leonie Hapeta.

#### The **COMMITTEE RESOLVED**

1. That the Committee receive the Palmerston North Airport Ltd (PNAL) draft Statement of Intent for 2023/24 to 2025/26, presented to the Economic Growth Committee on 12 April 2023.

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Clause 11-23 above was carried 15 votes to 1, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock and Kaydee Zabelin.

**Against:**

Councillor Karen Naylor.

Moved Grant Smith, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

2. That Palmerston North Airport Limited be advised:

- a. Council supports the proposed direction and implementation strategy;
- b. PNAL adjusts the target for tangible net worth from \$50m to \$80m;
- c. Council recognises the projected requirement for loans totalling \$31.7m by 30 June 2024 and that Palmerston North Airport Limited will be seeking to utilise the loan facility provided by the Council to fund a significant portion of this.

Clause 11-23 above was carried 12 votes to 4, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock and Kaydee Zabelin.

**Against:**

Councillors Mark Arnott, Brent Barrett, Lorna Johnson and Karen Naylor.

Moved Lorna Johnson, seconded Leonie Hapeta.

2. That Palmerston North Airport Limited be advised:

- d. that the SOI 2023/24 to 2025/26 includes a 10 year financial outlook to provide shareholder confidence in the ability of the airport to manage its debt.

Clause 11-23 above was carried 16 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

Moved William Wood, seconded Karen Naylor.

2. That Palmerston North Airport Limited be advised:

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- e. that the SOI 2023/24 to 2025/26 include an expectation of a dividend of 10% of net profit after tax to be paid in 24/25 (Y2) and 20% in 25/26 (Y3).

Clause 11-23 above was carried 9 votes to 7, the voting being as follows:

**For:**

Councillors William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Lorna Johnson, Debi Marshall-Lobb, Lew Findlay, Karen Naylor and Kaydee Zabelin.

**Against:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, Vaughan Dennison, Roly Fitzgerald, Billy Meehan, Orphée Mickalad and Patrick Handcock.

The meeting adjourned at 11.58am.  
The meeting resumed at 12.04pm.

### 12-23

#### **Central Economic Development Agency (CEDA): Six-Month Report 1 July to 31 December 2022 and Draft Statement of Intent 2023-24**

Memorandum, presented by David Murphy, Chief Planning Officer, Bobbie O'Fee, CEDA Chairperson, Jerry Shearman, CEDA Chief Executive, Jacqui Middleton, CEDA Finance and Operations Manager, and Janet Reynolds, CEDA Marketing and Communications Manager.

Moved Leonie Hapeta, seconded William Wood.

#### The **COMMITTEE RESOLVED**

1. That the Committee receive the Central Economic Development Agency (CEDA) Six-Month Report 1 July to 31 December 2022 (Attachment 1).
2. That the Committee receive the Central Economic Development Agency (CEDA) draft Statement of Intent 2023-24 (Attachment 3).
3. That the Committee agree that the recommended comments on the draft Statement of Intent 2023–24 outlined in Table 1 be advised to the Central Economic Development Agency (CEDA).

Clause 12-23 above was carried 16 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Lew Findlay, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

The meeting adjourned at 12.37pm.  
The meeting resumed at 1.34pm.

The Mayor (Grant Smith) and Councillor Lew Findlay were not present when the meeting resumed.

## ECONOMIC GROWTH COMMITTEE - PART I - 12 APRIL 2023

### 13-23 **College Street and Botanical Road Intersection**

Report, presented by Chris Lai, Activities Manager – Transport, and Kathy Dever-Tod, Acting Chief Infrastructure Officer.

Officers corrected an error in the report under Option 1 which should read “Install the right turn phases” and not “Install the right turn bay and phases”.

Moved Leonie Hapeta, seconded William Wood.

#### The **COMMITTEE RESOLVED**

1. That the Committee refer an additional Capital New Programme of \$120,000 to the 2023/24 Annual Budget deliberations to enable the right turn infrastructure and phases change work to be implemented at the College St/ Botanical Road intersection (Option 1).

Clause 13-23 above was carried 12 votes to 2, the voting being as follows:

#### **For:**

Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad and Kaydee Zabelin.

#### **Against:**

Councillors Patrick Handcock and Karen Naylor.

Moved Leonie Hapeta, seconded William Wood.

2. That the Committee refer the cycleway improvement work at the College Street/ Botanical Road intersection for consideration to the 2024-34 Long Term Plan process (Option 1).

Clause 13-23 above was carried 14 votes to 0, the voting being as follows:

#### **For:**

Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

### 14-23 **Vogel Street Safety Improvements**

Report, presented by Chris Lai, Activities Manager – Transport, and Kathy Dever-Tod, Acting Chief Infrastructure Officer.

The Mayor (Grant Smith) entered the meeting at 2.11pm.

Moved Leonie Hapeta, seconded William Wood.

#### The **COMMITTEE RESOLVED**

1. That the Committee note that public engagement will be undertaken to seek community feedback on Vogel St safety

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improvement packages.

Clause 14-23 above was carried 15 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

**15-23**

**6-monthly report on International Relations and Education Activities**

Memorandum, presented by Gabrielle Loga, International Relations Manager.

Moved Leonie Hapeta, seconded William Wood.

The **COMMITTEE RESOLVED**

1. That the Committee note the progress on the International Relations and Education activity over the past six months, contributing to the Economic Development Plan and Innovative and Growing City Strategy.

Clause 15-23 above was carried 15 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

**16-23**

**Palmerston North Quarterly Economic Update - March 2023**

Memorandum, presented by Stacey Bell - City Economist.

Moved Leonie Hapeta, seconded William Wood.

The **COMMITTEE RESOLVED**

1. That Committee receives the following reports for information:
  - a. Palmerston North Quarterly Economic Update – March 2023; and the,
  - b. Palmerston North electronic card spending report – December quarter 2022

Clause 16-23 above was carried 15 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

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### **17-23 Work Schedule - April 2023**

Moved Leonie Hapeta, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

1. That the Economic Growth Committee receive its work schedule for April 2023.

Clause 17-23 above was carried 15 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Leonie Hapeta, William Wood, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Debi Marshall-Lobb, Billy Meehan, Orphée Mickalad, Patrick Handcock, Karen Naylor and Kaydee Zabelin.

### **Karakia Whakamutunga**

Councillor Fitzgerald ended the meeting with karakia.

The meeting finished at 2.42pm

Confirmed 21 June 2023

**Chair**