



CITY AND REGIONAL DEALS: MEMORANDUM OF UNDERSTANDING OTAGO CENTRAL LAKES REGION

Between: His Majesty the King, the Sovereign in right of New Zealand (**Central Government**)

And: the local authorities listed in Part 1 of Schedule 1 (together, the **Region**),
each a **party** and together the **parties**.

Dated: 2025

City and Regional Deals will be long-term commitments between central and local government, with opportunities for the private sector and iwi / Māori to participate.

City and Regional Deals will be based on a 30-year vision for a region. They will define shared priorities, objectives, actions and timeframes, and consider mechanisms available to support improved regional economic outcomes, deliver connected and resilient infrastructure, and improve the supply of affordable, quality housing.

Central Government and the Region wish to progress discussions for a City and Regional Deal on the terms set out in this Memorandum of Understanding.

***City and Regional Deals will be enabling, empowering, enduring and adaptable.
They are to deliver game-changing outcomes that unlock significant economic growth.***

It is agreed:

1. Memorandum of Understanding (MoU)

1.1 The Region has been invited to enter discussions with Central Government for the City and Regional Deals programme as a potential candidate for a City and Regional Deal.

1.2 In February 2025, the Region submitted a light-touch proposal to Central Government setting out its view of what could be included in a City and Regional Deal. That light-touch proposal forms the starting point for discussions.

1.3 This MoU records the commitment of Central Government and the Region to now work together, collaboratively and co-operatively, to reflect what they each wish to achieve from a City and Regional Deal and see if terms can be reached, as further set out in this MoU.

2. City and Regional Deals Strategic Framework and purpose

- 2.1 City and Regional Deals will be created with reference to, and consistent with the guiding principles of the Regional Deals Strategic Framework announced by Central Government in August 2024.
- 2.2 City and Regional Deals will deliver developments and/or enable change that ensure significantly higher economic growth for a region beyond what would be delivered through business-as-usual activities. This will be achieved through City and Regional Deals that:
 - (a) identify and deliver on the unique economic potential of a region;
 - (b) enable tailored solutions to address specific place-based challenges; and
 - (c) align local and central government priorities and drive co-ordinated policy solutions.

3. Terms for progressing to a City and Regional Deal

- 3.1 The next stage following this MoU is for the parties to work together to agree the basis on which they will move forward with negotiations for a City and Regional Deal (the **Negotiation Terms**).
- 3.2 The Negotiation Terms will cover the joint priorities and parameters that each party would like to discuss as part of a City and Regional Deal, including:
 - (a) a refined 30-year vision for the Region;
 - (b) outcomes sought and specific objectives over the next 10 years, for this City and Regional Deal;
 - (c) the projects and initiatives that would deliver on the objectives;
 - (d) the further information that Central Government will need to receive from the Region (and vice versa) in order to progress to a City and Regional Deal;
 - (e) potential involvement of the private sector and/or iwi / Māori organisations;
 - (f) how a City and Regional Deal with the Region would support growth for their communities and for New Zealand; and
 - (g) any additional steps, timelines and milestones needed to get to a City and Regional Deal.
- 3.3 Through the discussions, a party may propose new, varied or alternative terms from those indicated by the Region's light-touch proposal or this MoU, which provide improved or different pathways to achieving a shared vision. Central Government may also specify terms that it will require to progress a City and Regional Deal with the Region.
- 3.4 Central Government is discussing negotiation terms with a number of regions. The Region accepts that Central Government may at any time during negotiations with the Region decide to prioritise its negotiations with one or more regions for the first City and Regional Deal (which may or may not include the Region). Despite such a reprioritisation, the parties may continue discussions for a later City and Regional Deal. The Region acknowledges that Central Government may or may not enter into a City and Regional Deal with the

Region or any other regions(s). Central Government acknowledges that the Region may or may not enter into a City and Regional Deal with Central Government.

4. Timing and next steps

- 4.1 Central Government's current timeline for progressing negotiations for the first phase of City and Regional Deals is set out in Schedule 2.
- 4.2 Recognising the opportunities that a City and Regional Deal could bring to the Region, each party acknowledges that time and resource will be required to agree Negotiation Terms and, if discussions continue, to negotiate a City and Regional Deal within the timeframes set out in Schedule 2.

5. Disclosures relating to City and Regional Deals

Confidentiality

- 5.1 Each party agrees it is acceptable to publicly announce their entry into this MoU and, except where specified, the details contained in this MoU.
- 5.2 Subject to the other provisions of this clause 5, each party must keep the other party's Confidential Information in confidence and must only use or disclose that Confidential Information to the extent necessary to perform its obligations, and/or take the intended benefit of its rights, under the MoU. However, this will not prohibit:
 - (a) either party from using or disclosing any Confidential Information with the prior written consent of the other party (to be given or withheld in the relevant party's sole and absolute discretion);
 - (b) use or disclosure of Confidential Information that is in the possession of a party, or has become generally known to the public, other than through a breach of this MoU or any other obligation of confidentiality in relation to such information;
 - (c) either party from disclosing Confidential Information to its personnel or advisors who need to know, so long as the relevant personnel and advisors use the Confidential Information solely to enable that party to perform its obligations and/or take the intended benefit of its rights under this MoU, and so long as they are informed of the confidential nature of the information and the disclosing party will be responsible for any acts or omissions of such persons constituting a breach of this MoU or which would constitute a breach of this MoU if done or omitted to be done by the relevant party;
 - (d) disclosure required by any law, or any compulsory order or requirement issued pursuant to any law; or
 - (e) Central Government from utilising Confidential Information (for example an initiative or proposal) put forward by the Region for consideration as part of a City and Regional Deal for a region or regions not comprising the Region.

For the purposes of this MoU, **Confidential Information** means all information about the existence and content of this MoU, the Negotiation Terms, all information regarding a party which is made available to the other party in connection with the City and Regional Deals programme and all information concerning the status of any discussions or negotiations between the parties in relation to the City and Regional Deals programme.

5.3 Each party acknowledges and agrees that nothing in this MoU restricts a party's ability to:

(a) in the case of Central Government:

- (i) discuss, and provide all information in respect of, any matters related to the MoU with any Minister of the Crown, any other government agency, offices of Parliament, Crown entities (as defined in section 7(1) of the Crown Entities Act 2004) and state enterprises (as defined in the State-Owned Enterprises Act 1986), any State services (as defined in section 5(a) to (d) of the Public Service Act 2020) or any of their respective advisors; and
- (ii) meet its obligations under any constitutional or parliamentary convention (or other obligation at law) of or in relation to the New Zealand Parliament, the New Zealand House of Representatives or any of its Committees, any Minister of the Crown, or the New Zealand Auditor-General, including any obligations under the Cabinet Manual including the "no surprises" principle; and

(b) in the case of the Region, discuss, and provide all information in respect of, any matters related to the MoU with the Region's economic development agency in accordance with clause 5.2(c).

Official Information Act / Local Government Official Information and Meetings Act

5.4 Each party acknowledges that:

(a) the contents of this MoU and any related material; and

(b) information provided to that party by the other party (including any reports),

may be official information in terms of the Official Information Act 1982 (OIA) or Local Government Official Information and Meetings Act 1987 (LGOIMA) and, in line with the purpose and principles of the OIA and LGOIMA, information related to the MoU or to a party may be released to the public unless there is good reason under the OIA or LGOIMA (as applicable) to withhold it.

5.5 If a party is required to disclose Confidential Information under the OIA or LGOIMA, then, before making such disclosure, the relevant party must, to the extent possible, consult with the other party as to the form, content and timing of the disclosure.

6. Other terms

6.1 Either party may end this MoU and the discussions about a City and Regional Deal at any time by giving advance notice in writing to the other if they consider that discussions are unable to satisfactorily progress. If the MoU ends, each party agrees that it is acceptable to publicly announce the fact it has ended.

6.2 Each party acknowledges that it will be responsible for its own costs and expenses incurred in connection with the entry into this MoU and progressing to Negotiation Terms and, if discussions continue, to a City and Regional Deal.

6.3 Except as set out in clause 6.4 or as otherwise expressly stated, this MoU is a non-binding statement of intent and does not create any legally binding obligations between the parties.

6.4 Each of clause 3.4, clause 5 and this clause 6 is binding on the parties. For clarity, for the

purposes of this MoU, where the term party is referring to “the Region”, the reference to “party” shall be to each local authority comprising the region.

MoU Schedule 1 – Details about the Region and its potential City and Regional Deal

Part 1 – The Region

For the purposes of this MoU, the Region comprises:

Local authorities comprising the Region	
1.	Queenstown Lakes District Council
2.	Central Otago District Council
3.	Otago Regional Council

In the context of City and Regional Deals, this grouping of local authorities may otherwise be referred to as the “**Otago Central Lakes Region**”.

Part 2 – 30-year vision for the Region

The 30-year vision for the Region is:

Otago Central Lakes – From premier destination to hub for investment
Leverage New Zealand’s premier tourist destination by attracting investment to deliver a business and lifestyle experience that is a magnet for new and international investment, entrepreneurship and production, to amplify the region’s growth, economic diversification and resilience.

Part 3 – City and Regional Deal aspirational goal

The outcome that the parties will seek to achieve from this City and Regional Deal over the next 10 years is:

An Otago Central Lakes Deal will provide certainty for new infrastructure and services that are critical to the Region’s growth and resilience, driving increased value from tourism and developing growth sectors, such as technology, film and agriculture, enabling productivity growth to lift outcomes. New investment in infrastructure and business activity will increase the integration of the two districts’ economies and grow investment and value across the wider Otago Central Lakes subregion.

This, together with affordable housing, will support the projected population growth of ~21,000 residents and ~25,000 (peak day) visitors, generating real annual average GDP growth of 5.6% pa, reaching \$12b in GDP value by 2035.

As discussions progress between Central Government and the Region, this vision for the Region and aspirational goal for the City and Regional Deal will be refined as the parties further develop the City and Regional Deal's scope, joint initiatives and priorities.

Part 4 – City and Regional Deal areas of focus and objectives

The areas of focus and specific objectives to be explored and refined for the City and Regional Deal are:

	Area of focus	Specific objective(s)
1.	Directly grow the local economy	<ul style="list-style-type: none"> Investment has been attracted to ensure a sustainable tourism sector, and growth in diversified sectors including technology, film and agriculture. The total value of the visitor economy has increased. The Region is positioned as New Zealand's investment "shopfront", i.e. the place to invest and live.
2.	Transforming the transport network	<ul style="list-style-type: none"> Accelerating the introduction of an offline Mass Rapid Transit to help overcome congestion, enabling stronger high density urban growth and improved connectivity and reliability for freight, workforce and visitors across the region. Appropriate funding and financing tools and/or partnering with the private sector to deliver or provide certainty to critical future public transport, bridge, and roading infrastructure.
3.	Innovative delivery models for public health services	<ul style="list-style-type: none"> A health needs assessment has been undertaken for the Region and identified priorities, followed by agreement and staged delivery of a plan that aligns to the identified needs. Public / private partnership models of care and investment opportunities have been designed and appropriately implemented or advanced.
4.	Securing future energy supply and resilience	<ul style="list-style-type: none"> Long-term energy security, affordability and resilience for the Region has been planned and enabled. The Region has been established as an innovation test bed for alternative energy solutions.
5.	Unlock critical infrastructure and affordable housing	<ul style="list-style-type: none"> Additional affordable homes have been enabled and delivered. New funding and financing tools have enabled the region to successfully manage the forecast growth of residents, visitors and industry.

During discussions, the parties may confirm, substitute, amend and/or remove one or more areas of focus and/or specific objectives from discussions to provide improved or different pathways to achieving the outcome and a shared vision.

The projects and initiatives that are proposed to form part of a City and Regional Deal will be worked through to ensure they will collectively achieve the outcome sought and deliver the specific objectives, and to ensure that they are acceptable, achievable, and affordable in the context of the Regional Deals Strategic Framework.

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MoU Schedule 2 – Timeline for City and Regional Deals

Central Government’s current working timeline for the first phase of the City and Regional Deals programme is as follows:

Milestone	Timeline
Joint priorities and parameters (“Negotiation Terms”) confirmed between Central Government and relevant regions	Late July 2025
Deal negotiations continue between Central Government and regions, with some negotiations progressing ahead of others	August 2025 +
For the City and Regional Deal in 2025:	
City and Regional Deal agreed in principle by the relevant region(s)	Early September 2025
<ul style="list-style-type: none"> • Officers from each local authority within a region will continue to progress any final items, pending formal approvals • Local government elections 	September - October 2025
<ul style="list-style-type: none"> • Central Government to obtain any required internal approvals to enter into the City and Regional Deal • Each local authority within a region to formally approve entry into the City and Regional Deal 	October - November 2025
One City and Regional Deal agreed	December 2025
For City and Regional Deals in 2026:	
Two further City and Regional Deals agreed	By October 2026

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Commitment to this MoU

Central Government and each of the following local authorities agrees to the terms set out in this MoU.

SIGNED by Queenstown Lakes District Council



Authorised Signatory

Mayor Glyn Lewers

Print Name and Position

26 June 2025

Date

SIGNED by Central Otago District Council



Authorised Signatory

Mayor Tamah Alley

Print Name and Position

26 June 2025

Date

SIGNED by Otago Regional Council



Authorised Signatory

Cr Gretchen Robertson, Chairperson

Print Name and Position

26 June 2025

Date

SIGNED on behalf of Central Government

Authorised Signatory

**Hon Chris Bishop
Minister for Infrastructure**

29 June 2025

Date



Authorised Signatory

**Hon Simon Watts
Minister of Local Government**

29 JUNE 2025

Date

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