

## COVER SHEET

### 2.4 Alternative land use options for the Tararua District

**For:  
Approval**

#### Background & context:

##### Applicant Organisation:

- Tararua District Council

##### Location:

- Whanganui - Manawatu

##### Proposal:

- Tararua District Council (TDC) is seeking funding to explore the opportunities for further developing and expanding 4 horticultural crops, Commercial Information Commercial Information.
- The investigations will cover the ideal environmental conditions required for these crops, farm business case (cash flows) for establishing each crop, collective business structures, processing opportunities, markets (new and existing) and a comprehensive tech transfer programme.

##### Funding Sought:

- Total project value: \$Commercial Inform (over 10 years)
- PGF Funding: \$100,000 (year 1)

Funding timeframe: \$Commercial Inform year Com with additional \$Commercial Info funded by TDC over years Commercia.

##### Background:

- The project builds on TDC's Go! Project in 2008 to identify alternative land use options for the district. This expands and builds on the earlier work.
- The impetus for land use change is the restrictions in nutrient loss (which is acute on dairy farms) and TDC's desire to look at profitable alternative low nitrogen land based enterprises in the district.
- This project is compatible to, and aligns with, the

#### Recommendation(s):

##### We recommend that the SRCs:

- Note** That Tararua District Council is seeking funding to explore the opportunities for further developing and expanding 4 horticultural crops, Commercial Information Commercial Information.
- Note** That the investigations expand and build on the earlier 2008 Tararua Go! Project which looked at diversification into Commercial I and Commercial Informa as an alternative land use.
- Note** That this project is compatible to, and aligns with, the Land Use Optimisation priority (particularly high margin/low volume specialist and crops and products) in the M-W Action plan.
- Note** That Tararua District Council is investigating profitable alternative low nitrogen land uses that will comply with the soil nutrient loss limits of the Horizons Regional Council Plan.
- Note** That the proposal has been discussed with MPI who support PGF funding to the level proposed.
- Support** The recommendation to **Approve** \$100,000 from the Provincial Growth Fund towards the Alternative Land use Options for the Tararua District project subject to confirmation of, and agreement to:
  - the description and timing of the milestone deliverables;
  - how Tararua District Council will collaborate with other Central District councils on aspects of these investigations, and
  - details on how the results of these investigations will be disseminated at the end of this project and how the impetus

<p>Land Use Optimisation priority (particularly high margin/low volume specialist and crops and products) in the Manawatu-Whanganui Action plan (Accelerate25).</p> <p>d) TDC is keen to collaborate with neighbouring district councils to gain economies of scale where these crops can also be successfully grown.</p> <p>e) The application has a strong and well-resourced technology transfer component</p> <p>f) MPI has worked closely with TDC for some months to refine and focus this project and is committed to defining contract deliverables that provide optimal opportunities to grow these horticultural industries.</p>	<p>will be maintained and delivered in future years.</p>
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### PGF criteria that this proposal supports:

PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	Potentially strong economic impact – new investment into the region, generation of new jobs, improved profitability and income streams.	✓✓✓
Delivers benefit to the community	Encourages and supports rural enterprise diversity through alternative land use	✓✓✓✓
Increased utilisation and returns of Maori asset base	<b>Commercial Information</b> is interested in the progress and outcomes of these investigations and are keen to participate in the commercial aspects of establishing and developing these horticultural enterprises.	✓✓✓
Enhanced sustainability of natural assets		
Mitigation of climate change effects	Horticulture enterprises provides a low carbon alternative to livestock farming. It will also provide alternative land use options for dairy farmers in the region that enable them to meet Horizons One plan rules and consent conditions and maintain their income with a lower stocking rate.	✓✓✓
<b>Additionality</b>		
Adding value by building on what is already there	There is a nascent <b>Commercial Inf</b> and <b>Commercial Information</b> industry in the district. The goal of TDC is to develop and expand these industries as well as look at the feasibility of	✓✓✓✓

	supplying <small>Commercial Information</small> to established <small>Commercial Information</small> (eg <small>Commercial Information</small> ) and establishing a <small>Commercial Information</small> industry.	
Acts as a catalyst for productivity potential in the region	Support and grow the economic viability of the region through alternatives horticultural enterprises	✓✓✓✓
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	Land Use Optimisation is one of the high priority areas in the Manawatu- Whanganui Economic Action Plan (Accelerate25).	✓✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	This has endorsement from the Lead Team members of Accelerate25, the Tararua District Council, Rangitane iwi leaders and has engendered interest from other neighbouring Central District councils.	✓✓✓✓
<b>Governance, risk management and project execution</b>		
Robust project management and governance systems	Tararua District Council has a dedicated Manager to oversee its economic development programme of work.	✓✓✓✓
Risk management approach	TDC has identified access to information and lack of farmer engagement risks to the project. Mitigation measures have been identified.	✓✓✓
Future ownership / operational management	TDC will make all information available to land owner end users through its extension programme and information through the website. TDC will also ensure that adjacent councils have this information and will actively look to promote and facilitate like industries to work together to upscale and further develop the horticultural crops promoted through this study.	✓✓✓✓

**The purpose of this briefing is to consider recommending PGF funds to the project titled “Alternative land use options for the Tararua District “**

#### **Risks Issues:**

- The major risk is that the findings of this project do not translate to adoption of new horticultural crops by land owners as advocated through the study. This risk is mitigated through the provision of quality information from trusted advisers (Plant & Food scientists). Note also the project builds in a substantial tech transfer programme at the end of these investigations – delivered by Commercial Inform - which will be ongoing for up to 10 years.

#### **Eligibility points of note:**

- *Due diligence:* Entity due diligence has been completed. No issues identified.
- *Conflict(s) of interest:* Based on the information provided no conflict of interest is evident.
- *Illegal Activity:* No illegal activity known.
- *Alignment with Regional development plans:* This project aligns with the Land Use Optimisation priority in

Accelerate 25 (M-W Action Plan). There is provision made in the Tararua District Council's Long Term Plan (LTP) (2018-2028) for "District Promotion and Economic Development" under which this project falls.

- *Commercial funding availability:* Funding for the local share of this project is through the financial provisions in its LTP.

#### Consultation undertaken or implications:

Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	MPI
<b>Supporting proposal:</b>									
Yes									
<b>Appendices:</b>									
Yes – Application									
<b>Sponsor(s):</b>									
N/A									
<b>Manager/Author of paper:</b>									
Nick Hough, Investment Team									

PROACTIVELY RELEASED