



Regional Infrastructure Fund Position Paper: Cultural institutions of regional significance

This paper outlines the Regional Infrastructure Fund (RIF) approach to investment in proposals relating to cultural institutions of regional significance. The intent is to provide clarity on what the RIF is aiming to achieve for this focus area and its investment priorities.

OVERVIEW

To be eligible for the RIF, applicants must be unable to access the investment their project requires from other sources. This is to ensure the RIF does not crowd out private investment. Applicants will also generally need to contribute co-funding, including evidence to show they are making the highest contribution that they financially can.

These position papers provide a guide for potential applicants and other stakeholders to support them to identify suitable projects and to frame their applications. Potential projects are not necessarily excluded because they are not covered in a position paper, provided the project meets the RIF eligibility criteria.

The position papers are designed to align with existing Government strategies and policies, and those in development. They will be updated from time-to-time to ensure they continue to align.

FORM OF INVESTMENT

The RIF is a capital fund, meaning loans, equity and other capital investments are the preferred form of funding. Grant funding will only be available in very limited cases, to accelerate projects that don't have a viable source of debt repayment and would otherwise not progress.

Loans, whether concessionary, convertible, or suspensory, are the most preferred form of funding, as they are the most likely to encourage strong commercial incentives on RIF co-investors.

Each project proposal will be assessed against factors such as commercial potential and strategic alignment with the RIF to identify the most appropriate funding option to deliver the best value for New Zealanders.

OBJECTIVES

The key objectives of RIF investment in cultural institutions of regional significance are to:

- Develop cultural institutions that enhance regional economic and community resilience.
- Encourage regional connectedness and growth through enhancements of cultural institutions of regional significance.
- Improve the sustainability of cultural institutions of regional significance.

CONTEXT

Cultural institutions of regional significance include marae, museums, performing arts venues and whare taonga. It can also include heritage buildings that house significant arts, culture and heritage collections.

Cultural institutions of regional significance fall within both the Resilience Infrastructure and Enabling Infrastructure components of the RIF. Resilience infrastructure is infrastructure that will improve a region's ability to absorb, adapt and/or respond to stresses and shocks. Enabling infrastructure is infrastructure that supports growth by ensuring regions are well-connected and productive. Projects funded within this component will be assets that are used by, and/or generate benefits for, many parts of a community or multiple businesses, and support economic development.

New Zealand's cultural institutions of regional significance have an important role in supporting and promoting our national heritage and unique identity. They also contribute to their region's economic prosperity through boosting tourism.

Cultural institutions also provide an important resilience and recovery role for their local communities. Recent examples include:

- Marae renovated through the Provincial Growth Fund being used as community emergency centres in recent extreme weather events.
- Tairāwhiti Museum providing collection space to the local community to store personal photo albums to protect them from the impacts of Cyclone Gabrielle.

GAPS AND OPPORTUNITIES

Investment can support applicants to develop cultural institutions of regional significance that support regional growth, resilience and sustainability, or upgrade existing institutions to attract more economic activity such as tourism or enhance regional resilience.

INVESTMENT PRINCIPLES

Investment principles provide guidelines for how the RIF will primarily aim to invest in cultural institutions of regional significance. The RIF may invest in projects that can demonstrate the following attributes:

- The project is aimed at meeting genuine funding shortfalls for capital construction projects that are construction-ready.
- The project is designed to increase protection to the institution from weather events and natural hazards.

TYPES OF PROJECTS THAT THE RIF WILL NOT INVEST IN

The RIF will not support investment in projects already predominantly funded through other central government programmes