



Cabinet Business Committee

Minute of Decision

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Infrastructure Funding and Financing Act 2020: Te Awa Lakes Levy Proposal

Portfolios **Housing / Finance**

On 24 November 2025, the Cabinet Business Committee:

- 1 **noted** that on 5 September 2025, Te Awa Lakes Limited, on behalf of Te Awa Lakes Joint Venture, submitted a levy proposal to use the funding and financing model enabled by the Infrastructure Funding and Financing Act 2020 for water and transport infrastructure necessary to enable its Te Awa Lakes urban development project;
- 2 **noted** that the proposed Te Awa Lakes levy would:
 - 2.1 apply from 1 July 2027 to 30 June 2057 to all properties within the proposed levy area;
 - 2.2 allow a maximum of s 9(2)(b)(ii) (plus GST, if any) of levy revenue to be collected over the entire levy period;
- 3 **noted** that a special purpose vehicle would raise finance on the strength of the levy, and that this finance would enable a special purpose vehicle to provide up to \$50 million towards the construction costs of eligible water and transport infrastructure;
- 4 **noted** that a Levy Order under the Infrastructure Funding and Financing Act 2020 (the Act) is required to authorise the charging of the levy;
- 5 **noted** that section 27 of the Act requires that the responsible Minister may only recommend the authorisation of a levy order if:
 - 5.1 satisfied that authorising the proposed levy is appropriate having regard to the matters set out in subsection (4) and in accordance with subsections (5) and (6);
 - 5.2 the responsible Minister has received a recommendation report that includes all endorsements and consents under sections 20, 21 and 24;
 - 5.3 the levy is being recommended on terms set out in the recommendation report;

- 6 **noted** that section 28 of the Act requires that, before recommending the authorisation of a levy order, the responsible Minister first consult the Ministers responsible for the following Acts:
- 6.1 the Commerce Act 1986;
 - 6.2 the Credit Contracts and Consumer Finance Act 2003;
 - 6.3 the Local Government Act 2002;
 - 6.4 the Local Government (Rating) Act 2002;
 - 6.5 the Public Finance Act 1989;
- 7 **noted** that the responsible Minister considers that the requirements referred to in paragraphs 5 and 6 have been satisfied;
- 8 **agreed** to the use of the proposed Te Awa Lakes levy under the Act to enable Te Awa Lakes Limited (on behalf of Te Awa Lakes Joint Venture) to fund eligible costs relating to the Te Awa Lakes urban development project;
- 9 **invited** the responsible Minister to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decision above;
- 10 **noted** that the Order in Council will be drafted on the terms set out in the recommendation report prepared under section 26 of the Act;
- 11 **noted** that the debt financing the levy supports will include concessional lending from National Infrastructure Funding and Financing Limited that requires an upfront expense of between **§ 9(2)(b)(ii)** to **§ 9(2)(b)(ii)** to be recognised, and that an existing Vote Finance appropriation of \$10 million “Greenfield Model Lending –Interest Concessions” already exists for this purpose;
- 12 **authorised** the Minister of Finance and Associate Minister of Finance (Hon Chris Bishop), to jointly agree the transfer of up to \$5 million of funding from the 2027/28 financial year to the 2025/26 financial year from the appropriation in paragraph 11 above;
- 13 **noted** that the above transfer will be fiscally neutral over the forecast period and have no impact on OBEGALx or net core Crown debt.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Christopher Luxon (Chair)
Hon David Seymour
Rt Hon Winston Peters
Hon Nicola Willis
Hon Chris Bishop
Hon Simeon Brown
Hon Brooke van Velden
Hon Shane Jones
Hon Erica Stanford
Hon Louise Upston
Hon Judith Collins KC
Hon Todd McClay
Hon Simon Watts
Simon Court MP