



The Comfort Group Limited

C/- David Gaze

Gaze Commercial

PO Box 758

Shortland Street

Auckland 1140

22 January 2019

Dear David,

### **The Comfort Group proposal**

On behalf of Te Waka, the Waikato region's economic development agency, I write to confirm our support in principle for The Comfort Group's proposed development at Ohinewai.

Te Waka was established in July 2018 to lead, support and facilitate regional economic development in the Waikato region. Our mandate is to help create prosperity and growth right across the region. As you are aware, on 14 November 2018 Te Waka launched our 2018-2022 Waikato Economic Development Programme. The priorities outlined in the Programme were developed during the Waikato Economic Summit, where 250 of the region's business, iwi, community and local government leaders were invited for two days in late August 2018.

The Hamilton to Auckland corridor development is poised to propel significant growth opportunities for Waikato. Affordable and available land, labour market cost advantages and access to transport links combine to make the corridor an attractive location for large scale businesses. Te Waka naturally supports the establishment of new businesses that are suited to the corridor.

According to the Socioeconomic Deprivation in the Waikato Region report, May 2018, the Huntly, Ngaruawahia and Meremere area ranks among the most deprived 20 % in New Zealand, with Huntly one of the most deprived data zones in the country. "These deprivation zones are characterised for

the most part by very high employment, income, health and education deprivation.” The Comfort Group’s proposed location at Ohinewai offers significant job opportunities for this area.

During the Summit, attendees identified housing as one of the primary barriers to growth in Waikato. The Programme highlights housing a key cross-cutting priority. The Comfort Group’s proposal to develop 900 houses in part as social support for employees aligns with Te Waka’s objective to support development of affordable housing in locations to support job growth.

We understand that The Comfort Group has initiated discussions with Huntly College and Tainui Group Holdings with a view to ensuring that local people are given every opportunity to be trained and available to be employed by the company’s proposed manufacturing facility. Te Waka strongly supports this approach as it aligns with a soon to be released Waikato Regional Labour Market Strategy that identifies a priority to create better linkages between businesses and the education/training pipeline of employees.

In summary, I believe the Comfort Group’s proposal offers significant potential benefits for Waikato. Te Waka’s support is contingent upon there being a net positive economic impact to the region and that the local community fully supports the proposed development. We understand that The Comfort Group plans to commission work to understand the economic impacts to the region and to engage with the community about the concept.

I am happy to lend the full support of Te Waka to this proposed next step.



Dallas Fisher

Chairman

Te Waka

c.c Ken Munn

PWC Limited