

Regional Economic Development

Weekly Report

8 – 12 July 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabureau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

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1. Dashboard updates

1.1 Status of applications as at 10 July 2019

New projects this week	17
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Expressions of Interest (EOI)**	Applications**	Total**
402	720	1,122

1.2 Headline Numbers as at 31 May 2019 (monthly)

Total PGF funding committed	Total funding contracted	Total value of funding paid to date
\$2,280.17m	\$606.47m	Confidential advice to Government

1.3 PGF investment to date as at 31 May 2019 (monthly)

Approved	Announced	Unannounced
\$1,293.77m 344 projects	\$1,968.37m 286 projects	\$269.59m 58 projects

1.4 Job numbers as at 31 May 2019 (quarterly)

Number of jobs created	831
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1.5 Progress of applications and EOI as at 10 July 2019

Stage	Count**
EOI / Application received	156
Evaluation	92
Inactive	245
Unsuccessful	356
Approved (pre-contract)	27
Contracting	41
Executed	205
Total	1,122

* Please note unsupported EOI are now categorised as unsuccessful. Approved projects also include out of process projects managed by other PGF agencies. Application numbers and project numbers may differ, as an application may result in multiple projects.

2. Upcoming announcements

Date	Location	Projects being announced	Amount	Additional information
18 Jul	Invercargill, Southland	Collaborative Investment Network	\$550k	To establish a membership-based investment network to mobilise Southland's private investment potential.
		Oreti Managed Aquifer Recharge	\$593k	Management of suitable aquifers to provide subterranean water storage.
		Rakiura Future Opportunities Project	\$100k	Project to lead strategic development and planning for Stewart Island in partnership with local, regional and central government, iwi and other strategic partners.
		Invercargill Airport Air Cargo and Terminal Development	\$500k	Airport development to support the return of scheduled jet services to Invercargill for the first time in 24 years.

3. Schedule of recent and upcoming recommendations

3.1 Summary of projects up for consideration in 16 July IAP Meeting

Project title	Region	Description of project	Funding sought
Miro Berryfruit	Bay of Plenty	To enable Maori investors to participate and become growers. Investment in the development of the berry sector over the next 8 years.	TBC
Sarjeant Gallery Te Whare o Rehua Whanganui Redevelopment	Manawatū/ Whanganui	Revitalise the Sarjeant Gallery in Whanganui, including construction of a major new wing and upgrades to the existing building.	\$12m
Big Daddy Adventure Park	Otago	A unique cable suspension platform offering multiple swing experiences above the John Bull Creek canyon on Northburn Station	\$2.25m

Confidential information entrusted to the Government

Wood Cluster - Centre of Excellence	Tairāwhiti/ East Coast	Creation of the further establishment of a wood processing centre of excellence in Tairāwhiti.	\$5.3m
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4. Delivery of projects update

4.1 Top priority projects of interest

Project name	Region	Amount	Status	Description/ update
Wilson's Training Centre	Northland	\$4.351m	With applicant	We are entering into an agreement this week with the applicant to release a tranche of funding so it can begin the next cohort of training while we continue loan negotiations. The first tranche is to be executed this week while the larger contract is currently with Confidential to review and provide a timeline which is due this week.
Ruapehu Alpine Lift Sky Waka	Manawatū-Whanganui	\$10m	Executed	The official opening for the Sky Waka will be held on 26 July which will be attended by the Under-Secretary. PDU officials have followed up with Ruapehu Alpine Lift about ongoing communication and engagement to ensure we are well-informed about all future events and openings Confidential

Confidential information entrusted to the Government - Withdrawn application

Confidential information entrusted to the Government

Project name	Region	Amount	Status	Description/ update
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Kaipara Rooding Contract	Northland	\$14.46m	With applicant	<p>A timeline has been agreed with Kaipara District Council for the Kaipara Rooding Contract:</p> <ul style="list-style-type: none"> • Confid – Agreement 1 contract queries identified and resolved with PDU • Confide – Kaipara Contract Management Board meeting • Confid – Contract Schedule 1 completed • Confid – PDU to provide final contract • Confidenti – Legal Review completed • Confidenti – Council papers sent out • Confidentia – August Council meeting and resolution to sign.
Oceania Marine	Northland	\$4.844m	With applicant	Confidential information entrusted to the Government
Hawke's Bay Water Projects	Hawke's Bay	Multiple	Multiple	Confidential information entrusted to the Government
Confidential information entrusted to the Government				

4.2 Other projects

Project name	Region	Amount	Status	Description/ update
Port Tarakohe	Top of the South	\$252k	Contracted	The draft business case to develop the Port Tarakohe infrastructure needed to cope with the significant increase in mussels predicted for Golden Bay has been received and will go to the Tasman District Council (TDC) for approval at their next meeting (date tbc). Confidential information entrusted to the Government
Te Taihu Strategy	Top of the South	\$434k	Contracted	Wakatū Incorporated has initiated the community and industry consultation hui to seek input on the development of the Te Taihu Intergenerational Strategy. The community discussions will be completed in time for the strategy to be completed this September. The hui are receiving a positive local media profile and being very well attended with waitlists.

Confidential information entrusted to the Government - Withdrawn application

4.3 Major upcoming project milestones

Project name	Description/ update
Manea Footprints of Kupe Centre	Planning phase complete by the end of July 2019.
Old Ghost Road Upgrade – Upgrade 4km of Trail	Planning phase completed by the end of July 2019.
Westport Airport – Critical Infrastructure Resilience	Initiation phase completed by the end of July 2019.
Invercargill Airport Air Cargo and Terminal Development	<p>Project due to be completed by the end of July 2019.</p> <p>There may be a split of announcements.</p> <ol style="list-style-type: none"> 18 July Minister may announce the investment in the Airport 26 August, Minister will be heading to Invercargill on the inaugural flight from AKL. <p>If the announcement is made on 18 July that the PGF is supporting the development of the airport, it would not be a physical ribbon cutting. The 26 August announcements would include this.</p> <p>Note – the announcement of PGF investment in the airport on 18 July is yet to be confirmed.</p>
Advanced Aviation Hub	Final Business Case completed by the end of July 2019.
Taranaki – Innovation Precincts	Final Feasibility Study completed by the end of July 2019.
Development Phase Study for Tourism Services – Hokitika to Westport (KiwiRail)	Final Development Phase Report completed by the end of July 2019.
Marsden Aged Care Facility	Final Business Case completed by the end of July 2019.
Port Feasibility Study – Greymouth and Westport	Final Feasibility Study completed by the end of July 2019.
Feasibility Study pathway toward sustainable destination	Confidential advice to Government
Undertaking the Feasibility Studies of Three Projects Marine Centre of Excellence, Airport and Marina Project Development	Final Feasibility Studies completed by the end of July 2019.

Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
0073 19-20	July Recess Week Three	Minister	Ben Dalton	11 Jul
3989 18-19	Update on Te Ara Mahi	Ministers Jones + Jackson	Nathan Grennell	10 Jul

Appendix 2 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: Sky Waka Gondola Opening	Minister Jones	Kate Styles	13 Jul
0068 19-20	Further recommendations for [redacted] proposal	RED Mins	David van der Zouwe	15 Jul
0069 19-20	PGF Proposals for Review	RED Mins	David van der Zouwe	15 Jul
0092 19-20	MBIE Ministerial Satisfaction Survey	RED Mins	Karen Walfisch	15 Jul
0105 19-20	Omeo Loan Notification	RED Mins	David van der Zouwe	15 Jul
TBC	DEV Report Back	Minister Jones	Robert Pigou	TBC

Appendix 3 – Official Information Act requests

Ministerial OIA						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA023	Privacy of natural persons	25 Jun	16 Jul	25 Jul	Consultation	Any briefings or communications you as Undersecretary or your office has received in regarding to the 11 Marae Connectivity projects announced as part of the Wairoa/ Hawkes Bay PGF Press Release on 10 June 2019
OIA295		4 Jul	17 Jul	24 Jul	Consultation	Briefing: Options for engaging third parties to support the Provincial Growth Fund provided to the Minister on 6 May 2019. Provincial Growth Fund: Loan Approval Process and Delegated Authority for PrGF Loans report provided to the Minister on 27-May.
OIA301		8 Jul	23 Jul	30 Jul	Consultation	<p>Please provide information of tax payers funds used in the funding or development of kiwifruit orchards or purchasing Sungold (G3) licence within the last 24 months and those planned for the next 24 months. This may be under the provincial growth fund or another Maori development strategy.</p> <p>Details requested include,</p> <ul style="list-style-type: none"> • How many orchards per region • \$\$ involved per region • Hectares involved per region • Funding model, Gift, Interest free loan, Interest bearing loan Hectares of Sungold (G3) License involved

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1691	Privacy of natural persons	22 May	13 June	5 July	Review	All information relating to the feasibility study undertaken by the Ministry for Business, Innovation and Employment for KiwiRail on freighting logs by rail from Te Wera and Stratford to New Plymouth, and Port Taranaki.
1819-1790		30 May	15 Jul	19 Jul	Consultation	I have now re-read the Cabinet papers publicly released about the Provincial Growth Fund. I can find no reference to the exclusion of Porirua City or more generally, metropolitan Wellington. I would therefore request the Cabinet reference and associated minute. I would also like advice provided by officials that support this Government position - specifically the policy rationale. I do this under the Official Information Act. It may be that I simply haven't accessed the right Cabinet papers but I would appreciate a link to the appropriate records.
1819-1800		13 Jun	4 Jul	19 Jul	Drafting	I am requesting under the Official Information Act the PDU provides the following information: -How many jobs have been created to date through the Provincial Growth Fund? (include date from when this figure was recorded) -How many of these are made up of permanent full-time workers? -How many workers are permanent full-time workers? -How many of these workers are on contracts? -How many workers are migrants on a working visa? I would also like a breakdown of the jobs created by region.

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1838	Privacy of natural persons	19 Jun	10 Jul	17 Jul	Consultation	Can you advise me what applications were made to the Provincial Growth Fund and what were approved/accepted, for all applications relating to the Kāpiti Coast District?
1819-1863		21 Jun	12 Jul	19 Jul	Review	<p>I am interested in loans (not grants) to private businesses that have been announced as part of the Provincial Growth Fund.</p> <p>Please provide, for each loan:</p> <ul style="list-style-type: none"> - The recipient of the loan. - The size of each loan. - A brief explanation of the purpose of each loan (i.e. expanding a warehouse etc). - The interest rate for each loan. - Whether the cost of capital for each business receiving a loan has been calculated, and whether this a factor in determining the interest rate of the loan. <p>Finally, in more general terms, how is the rate of interest for each loan determined? This question can be answered generally, rather than with specific explanations for each loan.</p>

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1896	Privacy of natural persons	27 Jun	18 Jul	25 Jul	Consultation	We are interested in what, if any, progress has been made towards the establishment of a dry dock in New Zealand that is larger than the dry dock in Auckland. We request any information in respect of this. We specifically request any information since 2017 in respect of a possible dry dock in Whangarei or a dry dock Picton (Shakespeare Bay). This includes any written information of any type, including but not limited to, memos, briefings, Cabinet Papers, Cabinet Committee papers, letters, emails, designs and aide memoires. We specifically and additionally request the recollections of Robert Pigou of his conversations with officials and colleagues in the seven days prior to 27 June 2019, to the extent that they relate to dry docks.

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1920-0018	Privacy of natural persons	3 Jul	25 Jul	31 Jul	Consultation	<p>I request the following information relating to the Provincial Growth Fund within the boundaries of the Kāpiti Coast District Council territorial authority:</p> <ul style="list-style-type: none"> • How many applications are currently under consideration by the Provincial Growth Fund in Kāpiti? • How many applications have been approved in Kāpiti but are waiting for a public announcement to be made (as of 2 July 2019)? • How many applications have been declined in Kāpiti? • How many applications have been received from the Kāpiti Coast District Council and how many of this are still under consideration, have been approved, or been declined?
1920-0014		3 Jul	23 Jul	30 Jul	Consultation	<p>All held information including; Expression of Interests, the funding application and it's supporting documents i.e. Letters of Support, all project planning documents, and all held correspondence between MBIE and all parties related to the 'Nga Pumanawa Tupuna' project which was funded \$948,000 through He Poutama Rangatahi announced 2 July 2019 by Hon Willie Jackson.</p>

Appendix 4 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2445	Privacy of natural persons	17 Jun	8 Jul	Support for unsuccessful PGF application for at-risk youth hostel/programme
SJ2453		17 Jun	10 Jul	PGF work will result in "ghost towns" - new forestry will drive out farmers
SJ2465		19 Jun	16 Jul	Desire to develop a Māori-led solar energy enterprise
SJ2461		19 Jun	16 Jul	Reject the application from Dunedin City Council for Harbour Basin project
SJ2458		18 Jun	16 Jul	Waste reduction - single use coffee cups - research and feasibility
SJ2522		24 Jun	22 Jul	Kawakawa Rail River Foreshore / Ashby's Boat Yard
SJ2510		24 Jun	22 Jul	STHW 38 Sealing
SJ2490		24 Jun	22 Jul	Housing Crisis
SJ2528		24 Jun	22 Jul	Maternity Services for Lumsden
SJ2539		25 Jun	25 Jul	Westland dairy company
SJ2554		3 Jul	24 Jul	Regional Development New Plymouth
SJ2557		3 Jul	24 Jul	RGF for recycled plastic waste material
SJ2559		3 Jul	24 Jul	Opotikis wellbeing about to take a setback
SJ2588		3 Jul	24 Jul	Hawkes Bay Regional Water Security Programme PGF

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
	Privacy of natural persons			application
SJ2638		3 Jul	24 Jul	eMana Limited
SJ2623		3 Jul	24 Jul	New invention to reduce plastic waste in the environment
SJ2625		3 Jul	24 Jul	I can help with the plastic.
SJ2626		3 Jul	24 Jul	Trash video
SJ2628		3 Jul	24 Jul	PGF Investment to address NZ plastic challenges
SJ2643		3 Jul	24 Jul	Plastic Waste Solutions: 174 - 176 Neilson St Onehunga Auckland
SJ2646		3 Jul	24 Jul	Provincial Growth Funds Waste Plastics Solution: PLASTOIL
SJ2649		3 Jul	24 Jul	Waste disposal
SJ2615		3 Jul	24 Jul	Start-up business funding for recycling enterprises
SJ2620		3 Jul	24 Jul	A submission to GDC re the formation of a Spatial Plan.
SJ2604		3 Jul	24 Jul	Create a job not take a job
SJ2590		3 Jul	24 Jul	Regional Economic Development
SJ2535		25 Jun	25 Jul	Christian Science Monitor article
SJ2658		9 Jul	30 Jul	New Community based equity system completed, referred to you from 3 missed meeting request late last year

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2686	Privacy of natural persons	9 Jul	30 Jul	Plastic waste – treatment and disposal
SJ2667		9 Jul	30 Jul	Recycling in Northland
SJ2669		9 Jul	30 Jul	Plastic recycling
SJ2688		9 Jul	2 Aug	Te Wananga Whare Tapere o Takitimu - Potential Growth Fund Application
SJ2655		9 Jul	2 Aug	Job Training, Low Cost Housing, Export, Regional Development
SJ2559		9 Jul	2 Aug	Say No to Waikato's request for funds
SJ2647		9 Jul	2 Aug	World Series Shearing (WSS)

PROACTIVELY RELEASED

Appendix 5 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 26861 (2019)	Hon Nathan Guy	12 Jul	15 Jul	Has he had any meetings where Westland Milk Products was discussed; if so, what was the date of the meeting and who else was in attendance?
PQ 26862 (2019)	Hon Nathan Guy	12 Jul	15 Jul	Has he had any meetings with Ministers where a possible bailout of, or financial injection into, Westland Milk Products was discussed; if so, when and who attended any such meeting?
PQ 26863 (2019)	Hon Nathan Guy	12 Jul	15 Jul	Has he received any reports relating to Westland Milk Products since 1 July 2018; if so, what are the dates and titles of all reports?

PROACTIVELY RELEASED

Appendix 6 – Proactive Release

Documents for Proactive Release			
Name / Document Type	Quantity	Due for release	Status
Applications	257	From 8 July	Preparing
Funding Agreements	257	From 8 July	Preparing
Independent Advisory Panel Meeting Papers	2 document sets	From 8 July	Preparing
Regional Economic Development Ministers Meeting Papers	3 document sets	From 8 July	Preparing
Regional Economic Development Weekly Reports	5	From 8 July	Preparing
Provincial Growth Fund Position Paper - Airports	1	From 8 July	At Minister's Office
Provincial Growth Fund Position Paper – Feasibility Studies	1	From 8 July	At Minister's Office
Unlocking Tairāwhiti's Economic Potential: Tairāwhiti Roading Package	1	From 8 July	At Minister's Office
3076 18-19 Briefing: PGF Investment in Airports	1		At Minister's Office

Documents Released This Week	
Tracking Number	Request
2223 18-19	Te Ara Mahi Proposals for Review – RED Ministers meeting – January 2019
2545 18-19	Te Ara Mahi Proposals for Review – RED Ministers meeting – February 2019
2836 18-19	Te Ara Mahi Proposals for Review – RED Ministers meeting – March 2019
2224 18-19	Te Ara Mahi – Provincial Growth Fund Tier 1 Investments in Employment, Skills and Capability