

COVER SHEET

1. Port of Greymouth Feasibility Study PGF Application	For: Approval
Background & context:	Recommendation:
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Grey District Council (GDC) <p>Location:</p> <ul style="list-style-type: none"> West Coast <p>Proposal:</p> <ul style="list-style-type: none"> Undertake a feasibility study for an upgrade of the existing Greymouth port <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$ <small>Commercial Informa</small> PGF Funding: \$ <small>Commercial Informa</small> <p>Background: Greymouth port and its continuing commercial viability is considered to be of strategic importance to the West coast and the local economy particularly given the decline in recent years in the mining and logging industries in the region.</p> <p>GDC has identified a need to upgrade the Greymouth Port in three main areas:- upgrading berthage to cater for larger vessels, upgrading the slipway, and undertaking essential dredging work. <small>Commercial Information</small></p> <p><small>Commercial Information</small>. That application will be independently assessed post completion of the feasibility study.</p> <p>As a first step in the proposed port upgrade project GDC wish to undertake a feasibility study for which PGF funding of \$ <small>Commercial Informa</small>. This is considered a prudent measure that will inform decision-making on the way forward for the proposed port upgrade.</p> <p>It is also noted that GDC is making a further separate application to the PGF to develop a Greymouth Master plan that will include a</p>	<p>We recommend that SROs:</p> <p>a) Discuss Grey District Council's PGF application to undertake a feasibility study for the upgrade of Greymouth Port.</p> <p>b) Note That PDU have assessed this application and consider that it meets the following PGF eligibility criteria:</p> <ul style="list-style-type: none"> Surge region Tier 1 by value and purpose Regional priorities/Stakeholder support <p>c) Note that this feasibility study forms one part of a potentially larger application for the port upgrade which will be independently assessed independently</p> <p>d) Approve \$ <small>Commercial Informa</small> from the PGF to be allocated to Grey District Council to undertake a feasibility study for the upgrade of the existing Greymouth Port subject to the applicant confirming the following matters to PDU's satisfaction:</p> <ol style="list-style-type: none"> the scope of the feasibility study which is to include a full economic analysis; the consultant/consultancy who is to undertake the study; and the cost of the study will not exceed \$ <small>Commercial Informa</small>.

feasibility study and development of a coherent strategy for the revitalisation of Greymouth and to confirm its status as the service hub for the West Coast.

The purpose of this briefing is to consider recommending PGF funds to Grey District Council

Alignment to PGF criteria:

Increased Economic Benefit

The feasibility study will inform this item further but on the face of the information provided it is considered that the upgrade to the port will provide economic benefit to the region.

Additionality

The project to upgrade an existing port will broaden the market for the port by facilitating increased port activity leading to new jobs and benefiting affiliated industries. There is also a strong counterfactual argument for the upgrade of the port in that if the investment does not proceed then the port could slip into decline to the detriment of the local economy.

Alignment with regional plans/ Stakeholder support

Port upgrade project has strong stakeholder support evidenced through letters of support for the port upgrade.

Management and Governance

Considered satisfactory with GDC as contracting partner that will provide management and governance for the project.

Risks Issues:

Expertise:- Feasibility study to be undertaken by a suitably qualified consultant with specialist knowledge in the subject matter.

Independence:- Feasibility study needs to be a non-biased, independent assessment of the port project that is not externally influenced.

Conclusiveness:- Feasibility study to provide conclusive recommendations that will facilitate sound future decision making on the way forward for the project.

Eligibility points of note:

- *Due diligence:-* In light of the applicant/contracting party being GDC minimal due diligence is considered to be required.
- *Conflict(s) of interest:-* Based on the information provided and declaration by the applicant, no conflict of interest has been identified.
- *Illegal Activity:-* Based on the application information provided there is no indication that the applicant or project has been involved in, or associated with illegal activity.
- *Alignment with Regional development plans:-* Project aligns with regional priorities to enhance and stimulate the local economy.
- *Commercial funding availability:-* Given the nature of the project it is considered that access to commercial funding is not considered a feasible option.

Consultation undertaken or implications:

Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	
Supporting proposal:									
Yes									
Appendices:									
Yes – Application and letters of support									
Sponsor(s):									
N/A									
Manager/Author of paper:									
SE, Investment Team									

PROACTIVELY RELEASED