

## COVER SHEET

1. FoodHQ plus Project PGF Express Application	For: Approve
<b>Background &amp; context:</b>	<b>Recommendation:</b>
<p><b>Applicant Organisation:</b></p> <ul style="list-style-type: none"> <li>FoodHQ is a collaboration of 8 companies <small>Commercial Information</small> Commercial Information</li> <li><small>Commercial Information</small> is the appointed entity to take responsibility for and make application to the PGF on behalf of FoodHQ.</li> </ul> <p><b>Location:</b></p> <ul style="list-style-type: none"> <li>Palmerston North</li> </ul> <p><b>Proposal:</b></p> <ul style="list-style-type: none"> <li>FoodHQ's goal is the development of a fully integrated world-class food and science and innovation campus. The objective is to future proof NZ's food industry. PGF funding is requested to undertake a detailed business case to essentially prove the concept.</li> </ul> <p><b>Funding Sought:</b></p> <ul style="list-style-type: none"> <li>Total project value: \$ <small>Commercial Information</small></li> <li>PGF Funding: \$100,000</li> <li>Co Funding* \$ <small>Commercial Inform</small> Commercial Information and Commercial Information contributions</li> </ul> <p><b>Background:</b></p> <ul style="list-style-type: none"> <li>FoodHQ was established in 2013</li> <li>A \$ <small>Commercial Information</small> Food Science Facility is being constructed, a joint project between Massey University and Ag Research. It will feature laboratories and shared spaces focused around education and research into meat and dairy. The facility will also be a key component of the wider FoodHQ partnership</li> <li>FoodHQ's focus is on: <ul style="list-style-type: none"> <li>Growing innovation capacity and commercial attraction</li> </ul> </li> </ul>	<p><b>We recommend that the SROs:</b></p> <p>a) <b>Note</b> a staged approach will be adopted for the business case:</p> <ul style="list-style-type: none"> <li>Identify the nature of shared services, range of options and scale; and the</li> <li>Development of the business, economic (wider impacts) and commercial (for external investment attraction) cases in support of the proposal.</li> </ul> <p>b) <small>Commercial Information</small></p> <p>c) <b>Note</b> that MPI have reviewed the proposal and support the recommendation.</p> <p>d) <b>Support</b> the recommendation to <b>Approve</b> \$100,000 from the PGF fund towards the FoodHQ project subject to:</p> <ul style="list-style-type: none"> <li>Confirmation that co funding of \$ <small>Commercial Inform</small> is secured;</li> <li>Written confirmation from FoodHQ founding partners that <small>Commercial Informa</small> is mandated to act on their behalf in contracting with the PGF to undertake and manage the development of the business case; and</li> <li>PGF agreement as to who will undertake the key deliverables of the business case.</li> </ul>

<ul style="list-style-type: none"> <li>Shared services - leveraging existing space and land utilisation to create new spaces to service common needs and requirements including environment-controlled storage, operating plant and equipment, innovation space, office space and meeting rooms.</li> </ul>		
<b>PGF criteria that this proposal supports:</b>		
PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	Development of the FoodHQ super campus would deliver more permanent jobs – numbers unknown at this stage	✓✓
Delivers benefit to the community	Primary industries in the Manawatu/Whanganui region would benefit from increased access to international-level research, development and commercialisation skills, business growth and job opportunities and resources.	✓✓✓
Increased utilisation and returns of Maori asset base	•	
Enhanced sustainability of natural assets	•	
Mitigation of climate change effects	•	
<b>Additionality</b>		
Adding value by building on what is already there	It builds on Manawatu/Whanganui's significant existing resources in the primary industries and science and technology space	✓✓✓✓
Acts as a catalyst for productivity potential in the region	•	
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	Local councils are supportive of FoodHQ (both Palmerston North City Council and Manawatu District Council). <b>Commercial Information</b>	✓✓✓

Support from local governance groups (inc. Councils, Iwi/Hapu)	•								
<b>Governance, risk management and project execution</b>									
Robust project management and governance systems	The project will be led by FoodHQ Chief Executive <sup>Commercial</sup> and will be supported by input from key partner organisations (including <sup>Commercial Information</sup> Information ) at a working group level. The project will be overseen by the FoodHQ Board who will meet regularly over the period to ensure progress.	✓✓✓							
Risk management approach	Risks and mitigation approach identified	✓✓							
Future ownership / operational management	Structure/ legal entity of FoodHQ to be established as an output of the business case								
<b>The purpose of this briefing is to consider recommending PGF funds to the FoodHQ proposal</b>									
<p><b>Risks Issues:</b></p> <ul style="list-style-type: none"> <li>Insufficient resourcing input from partners at idea development stage. Mitigation: The applicant to develop a project approach with clear work streams and defined participation of key personnel. The PGF to agree who will undertake the key deliverables of the business case.</li> </ul> <p><b>Eligibility points of note:</b></p> <ul style="list-style-type: none"> <li><i>Due diligence:</i> Full due diligence is to be completed. It is a condition of approval that due diligence is to be to the satisfaction of the Head of PDU Investment team.</li> <li><i>Conflict(s) of interest:</i> Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further.</li> <li><i>Illegal Activity:</i> Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity.</li> <li><i>Alignment with Regional development plans:</i> Yes</li> <li><i>Commercial funding availability-</i> Given the nature of the project which is to develop the business case access to commercial funding is not considered a feasible option.</li> </ul>									
<b>Consultation undertaken or implications:</b>									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	MPI
<b>Supporting proposal:</b>		Yes							
<b>Appendices:</b>		Yes - Applications and supporting letters are as annexes							
<b>Sponsor(s):</b>		N/A							
<b>Manager/Author of paper:</b>		Nick Hough, Investment Team							

PROACTIVELY RELEASED