

COVER SHEET

3.4 Transforming Te Apiti into a major tourism destination - ^{Commercial Information} PGF Application		For: Approve	
Tier:	1 - Regional	Sector:	Feasibility Study
Background & context:		Recommendation:	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Central Economic Development Agency – (CEDA) <p>Location:</p> <ul style="list-style-type: none"> Manawatu-Wanganui <p>Proposal:</p> <ul style="list-style-type: none"> This feasibility study will evaluate the potential for Te Apiti (Manawatu Gorge) to be transformed into a major tourism destination. At the end of this project a sound understanding of tourism in the target region, the areas/assets available for tourism development within Te Apiti, and commercial validation of the tourism development opportunity. Funding from the PGF will be used for resourcing and expertise to lead this work <p>Funding Sought:</p> <ul style="list-style-type: none"> PGF \$100,000.00 (Grant) Total Project \$ ^{Commercial Information} <p>Co-funding provided by ^{Commercial Information} and Commercial Information</p> <p>Background:</p> <p>CEDA is Manawatū’s Economic Development Agency, and Regional Tourism Organisation. It is responsible for delivering growth through business attraction and development.</p> <p>The goal is to develop Te Apiti into a major tourism</p>		<p>We recommend that the SROs:</p> <p>a) Note that a complementary but independent application – Te Apiti; Nga Whenua o te Atua has also been submitted to the SROs. Combined, the two projects provide a regional tourism package. The proposed project submitted by Kahungunu ki Tamaki nui a Rua, based in Dannevirke, has 3 elements. The utilisation of the wind turbines of Te Apiti on the new aligned State Highway 3 (Manawatu Gorge replacement), to depict murals (6 metres high) of Maori Gods, painted by an internationally renowned streetscape artist as part of his international trail. These murals will be further enhanced by a virtual reality studio in Woodville which will bring these Gods to life providing an understanding of their place in the Maori world. The third element, also within the studio, to provide a historical view of the Manawatu Gorge; Maori and European, complimented by waka trips on the Manawatu River, an investment Kahungunu have already made.</p> <p>b) Note That DoC is in support of the application.</p> <p>c) Note That MBIE Tourism supports the application. Comments attached.</p> <p>d) Note That feedback was requested from both NZTA and MOT. Both Agencies indicated that they had no comment to make on the merit of the feasibility study. Should the application be successful and progress, the NZTA may be involved to consider any transport related impacts or changes related to any proposed initiatives.</p>	

<p>destination. This will be achieved by developing a cluster/critical mass of high-quality tourism experiences in the area, aggregated and promoted under the Te Apiti brand. Te Apiti includes the gorge itself, the Manawatū River as well as the two hill ranges (Tararua and Ruahine) that define it.</p> <p>Potential new tourism experiences include:</p> <ul style="list-style-type: none"> • Walking & biking (mix of existing and new trails). • Cultural experiences and sites of significance. • Educational Experiences – Te Apiti is home to Department of Conservation and Toyota Kiwi Guardians project, and work is underway to on more interpretation signage of flora and fauna. Horizons Region Councils environmental education programme also runs sessions here, along with other community groups. • On-water experiences e.g. rafting, kayaking, jet boating, fishing – pending river safety. • Over-water experiences e.g. flying foxes, adrenaline rides. • Land-based experiences e.g. canopy walks, zip-lining, ecotourism. • Built environment experiences e.g. new SH3 bridge, windfarm attractions, Woodville walkway. • Hybrid experiences e.g. using the river to access experiences within the gorge 	<p>e) Note The strong alignment with regional priorities with full support of local government stakeholders (Palmerston North City Council, Manawatu District Council, and Tararua District Council).</p> <p>f) Note That the PDU has assessed the proposal. The project best aligns with the criteria of supporting sustainable economic development over the long term, particularly in a region where unemployment is high and there are significant social challenges.</p> <p>g) Support the recommendation to Approve the request for \$100,000 grant from the PGF for the 'Transforming Te Apiti into a major tourism destination' feasibility study subject to:</p> <ul style="list-style-type: none"> ○ PDU agreement of project deliverables; ○ PDU agreement of the consultant contracted to undertake the work; and ○ PDU agreement to the project management governance including proposed gateways/key milestones to be established by CEDA. 	
<p>PGF criteria that this proposal supports: NOTE: The benefits identified below will be assessed and collaborated in the feasibility study. Realisation of benefits will be dependent on the development of new tourism experiences identified in the feasibility study.</p>		
PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
<p>Link with fund and government outcomes</p>		
Creates permanent jobs	The development of new tourism experiences is expected to provide the catalyst for new jobs	✓✓✓
Delivers benefit to the community	<p>The development of Te Apiti represents a significant opportunity to create greater regional dispersal, pulling tourists off the main route of SH One and into Manawatū, Tararua and beyond to Hawke's Bay and Wairarapa.</p> <p>The additional tourism expenditure in the region will increase demand for local goods and services.</p>	✓✓✓✓

Increased utilisation and returns of Maori asset base	<p>Presents an opportunity to potentially benefit Maori through geographical proximity.</p> <ul style="list-style-type: none"> Alignment with Commercial Information, in Central Hawkes Bay - an indigenous revitalisation project submitted by Hawkes Bay Regional Advisor for PGF support. Complementary project to a separate PGF application from Ngati Kahungunu ki Tamaki nui a Rua -Te Apiti, Nga Whenua o Te Atua. 	✓✓
Enhanced sustainability of natural assets	This study will assess the potential for the sustainable development and enhancement of this natural environment.	✓✓
Mitigation of climate change effects	Not directly	NA
Additionality		
Adding value by building on what is already there	Currently there are a number of walking/cycle tracks – this project proposes to develop critical mass by expanding the range and number of tracks with the addition of other water and aerial activities, cultural and educational (an existing DoC and Toyota Kiwi guardian project)	✓✓✓✓
Acts as a catalyst for productivity potential in the region	Increased options for tourism activity will increase productivity and economic activity.	✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<p>The project aligns:</p> <ul style="list-style-type: none"> Accelerate 2025 - Manawatū-Whanganui Economic Action Plan, which specifically targets tourism as a growth driver. NZ Transport Agency's SH3 Manawatū Gorge replacement plan Palmerston North City Council's Economic Development Strategy Palmerston North City Council (PNCC) preparation of a masterplan for the Gorge on behalf of Te Apiti - Manawatū Palmerston North City Councils Manawatū River Plan and Framework. Manawatū District Councils Economic Development Strategy – Growing and Diversifying Priority Sectors; Visitor and Tourism: Manawatū River Leaders Accord Action Plan Goals 	✓✓✓✓

Support from local governance groups (inc. Councils, Iwi/Hapu)	This project has the endorsement of the A25 Team, DoC, and the Mayors of Palmerston North, Tararua, and Manawatu District Council. Letters of support held.	✓✓✓✓							
Governance, risk management and project execution									
Robust project management and governance systems	Consulting activities will be managed by CEDA acting Marketing and Communications Manager Gateways will be established by CEDA to ensure that the consulting assignment remains on track. Progress payments will be aligned with key milestones to mitigate delivery risk. Weekly progress meetings will be held with the consultant to add an additional layer of project oversight. CEDA will ultimately be responsible for delivery of the consulting project.	✓✓✓✓							
Risk management approach	The applicants have identified the key risks which are ranked as 'L' with an acceptable mitigation approach.	✓✓✓							
Future ownership / operational management	Ownership of activities found to be viable would be expected to be taken up by a combination of private operators and local government/DoC.	✓✓✓							
The purpose of this briefing is to consider the approval of PGF funds to CEDA to complete a feasibility study that evaluates the potential of developing Te Apiti -Manawatu Gorge into a major tourism destination									
Risks Issues: <ul style="list-style-type: none"> The Feasibility Study does not show viability of some or all of the proposed activities. Eligibility points of note: <ul style="list-style-type: none"> <i>Due diligence:</i> Entity due diligence not required for RDA. <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. <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. <i>Alignment with Regional development plans:</i> This project aligns with the relevant regional and local government plans. <i>Commercial funding availability:</i> Not a feasible option given this is a feasibility study. 									
Consultation undertaken or implications:									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	DoC, MOT, NZTA, MBIE Tourism
MBIE Tourism comments: <ul style="list-style-type: none"> Overall we support this feasibility proposal. Manawatu is embryonic tourism region and a medium priority for government tourism investment. The project is consistent with the draft Tourism Strategy outcomes such as NZ benefits from more 									

productive tourism growth.

- The proposed contractor ^{Commercial Information} [redacted] has performed well in the past.
- This project appears to be the first step of many - “preliminary evaluation of the tourism development opportunity is the first step”. I suggest that the future steps to actually realise the opportunities is developed as part of this work (if not already developed).
- The Manawatu River was considered one of the worst for water quality in the country and unsafe for contact recreation <http://www.mfe.govt.nz/fresh-water/clean-projects/manawatu-river> - Understanding the current condition of the river would be beneficial and managing perceptions will need to be considered.

Supporting proposal:	Yes
Appendices:	Yes - Commercial Information [redacted]
Sponsor(s):	N/A
Manager/Author of paper:	Nick Hough, Investment Team.

PROACTIVELY RELEASED