

COVER SHEET

2.18 Port Access Enhancement Project		For: Approve	
Tier:	3 - Infrastructure	Sector:	Transport - Road
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Napier City Council <p>Location:</p> <ul style="list-style-type: none"> Hawke's Bay <p>Proposal:</p> <ul style="list-style-type: none"> Funding to support relocation of a public weighbridge facility from a mixed use commercial and entertainment in Ahuriri to Pandora industrial zone. The current operator has 18 months remaining on their existing lease, consequently the infrastructure preparations will need to be accelerated to expedite this relocation. <ul style="list-style-type: none"> If the relocation is accelerated, gains will include high value land use activities (e.g. hospitality), safety, and logistical efficiencies. <p>Funding Sought:</p> <ul style="list-style-type: none"> PGF Funding: \$200,000 Total project value: \$^{Commercial Inform} <p>Background:</p> <ul style="list-style-type: none"> The applicant is the Napier City Council. Free and frank opinions 		<p>We recommend that the SRO:</p> <p>a) Discuss Napier City Council's application to support relocation of a weigh bridge and scaling operations from Ahuriri to a proposed site in Pandora.</p> <p>b) Note: The Ministry of Transport's view that there is alignment of this project to Government's priority for transport specifically to improving safety outcomes.</p> <p>c) Approve \$200,000 from the PGF subject to provision of additional cost related detail and any RLTP consents.</p>	

Free and frank opinions

- The current weigh station is adjacent to a residential, commercial and entertainment precinct in Ahuriri—the fastest growing suburb in Napier.
- The relocation will also combine weighing and scaling operations. Scaling is currently conducted in a separate location to the weighing, therefore requires trucks to manoeuvre through Ahuriri adding congestion to the area and inefficiencies to the logistics operators.
- A reconfigured trucking flow will allow higher value development of the area and so take away a major piece of friction on the state highway through to Napier Port.
- The new location will still be on-route but not on the state highway. The local road is in an industrial area making the volume risks acceptable.
- Napier City Council notes recent increases in log volumes have exacerbated the problems associated with the current location and that

Commercial Information

- Forecast log volumes have elevated the urgency and strengthened the feasibility of this relocation.
- This initiative has support from the Port of Napier and aligns with Matariki HBREDS.
- Commercial Information owns the adjacent land and has been consulted and approved

PGF criteria that this proposal supports:

PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
Link with fund and government outcomes		
Creates permanent jobs	<ul style="list-style-type: none"> • Commercial Information direct permanent jobs will be created, Commercial Information higher value land options in Ahuriri's vibrant Commercial Information sector will benefit 	✓
Delivers benefit to the community	<ul style="list-style-type: none"> • Efficiency gains for logistics operators, higher value land use opportunities, reduced congestion, increased safety. 	✓✓✓✓

Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> Commercial Information land owners Commercial Information may benefit from an alternative prospective tenant group. 	✓✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> None 	
Mitigation of climate change effects	<ul style="list-style-type: none"> None 	
Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> Relocation will not be displacing operations. Relocation will allowing additional land uses for the site in Ahuriri area. 	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> Land will be made available to support development of tourist, hospitality and retail sector activities, in keeping with the broader plan for Ahuriri. At the same time there will be efficiency gains for those accessing the port. 	✓✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<p>Refers to alignment with Matariki HBRED, specifically Work Area 4, "Lead in the provision of resilient physical, community and business infrastructure"</p> <ul style="list-style-type: none"> 4.1 Improve access to the Port of Napier to increase regional economic performance 4.6 Identify land available to support new business growth by liaising with councils 	✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> This proposal has been discussed and supported by Matariki REDS 	✓✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> This project will be managed by Napier City Council, which has robust project management processes and a track record of delivering large capital projects 	✓✓✓

Risk management approach	<ul style="list-style-type: none"> As per established project management protocols adopted by Napier City Council. 	✓✓✓							
Future ownership / operational management	<ul style="list-style-type: none"> WMSL will own the asset. 	✓✓✓							
The purpose of this briefing is to consider recommending/ declining PGF funds to the:									
<p>Risks Issues:</p> <p>There are no high level risks noted by the applicant.</p> <p>Lower level risks include:</p> <p>Demand risk, i.e. flattening demand weakening the case for relocation. This is low given the expansion of the forestry exports, log supply, and steady growth in trucking volumes.</p> <p>Adverse impacts on existing traffic in proposed location. This is low given that the new location is in an industrial zone.</p> <p>Eligibility points of note:</p> <ul style="list-style-type: none"> None 									
Consultation undertaken or implications:									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	
Supporting proposal:									
Yes									
Appendices:									
Yes – Application									
Sponsor(s):									
N/A									
Manager/Author of paper:									
AM									