

COVER SHEET

2.16 Whakatāne Waterfront and Town Centre Regeneration PGF Application		For: Approve	
Tier:	3 - Infrastructure	Sector:	Feasibility Study
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Whakatāne District Council <p>Location:</p> <ul style="list-style-type: none"> Whakatāne, Eastern Bay of Plenty <p>Proposal:</p> <ul style="list-style-type: none"> Whakatāne Waterfront and Town Centre Regeneration <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$<small>Commercial Information</small> PGF Funding: \$646,000 <p>Background:</p> <ul style="list-style-type: none"> This application is for the funding of specific plans, models, and assessments necessary for the completion of a robust 'Better Business Case' for the Whakatāne waterfront and town centre regeneration project. This regeneration project encompasses the refurbishment of a commercial wharf on the Whakatāne river and the development of the town in a way that maximises its tourism and marine services. It is hoped that together this wharf and town centre regeneration can build a base for greater private investment into the tourism and marine services sectors driving increased economic and employment growth. Specifically, this project is looking for funding a feasibility study for the creation of a waterfront and town centre master plan, economic and financial analysis of the waterfront and town centre regeneration, and a destination management plan. The funding will also work to 		<p>We recommend that the SRO:</p> <p>a) Discuss the application from the Whakatāne District Council for the creation of a Whakatāne waterfront and town centre regeneration business case.</p> <p>b) Note that the PDU Investment Team assessed the application and has concluded that there is alignment with the criteria of the PGF.</p> <p>c) Note the proposal is seeking <small>Comm</small>% of the total project costs. For grants the PGF requires <small>Comm</small>% co-funding.</p> <p>d) Note MPI is broadly supportive of the application.</p> <p><i>"Noting that the Whakatāne wharf is providing the interim facilities needed to support the aquaculture industry until the Ōpōtiki harbour is developed."</i></p> <p>e) Approve \$646,000 from the PGF fund towards the Whakatāne Waterfront and Town Centre Regeneration subject to:</p> <p>i) Whakatāne District Council working with the private wharf developer (Whakatāne Marina Limited) to ensure this project is not in conflict with their proposed development.</p> <p>ii) The Whakatāne District Council</p>	

<p>progress the first steps of the Whakatāne wharf construction through the development of design, engineering, and geotechnical reports and plans for the wharf.</p> <ul style="list-style-type: none"> Note that a private developer plans to build a marina opposite the current wharf on the other side of the Whakatāne River. The proposed marina would cater for commercial and recreational users as well as potentially providing a car park area and a hardstand. This proposal is yet to receive resource consent. 	<p>develops a clear development plan that identifies potential private investors.</p>	
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"> This project will not directly create any permanent FTE positions beyond the life of the business case development stage. However, the completion of the overall township and wharf regeneration project has the potential to act as a catalyst for substantial private investment, increased employment opportunities, and greater economic growth. 	✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> The wider regeneration of the town centre and wharf to prioritise two key growth industries for Whakatāne could have major positive benefits for the community in the form of greater job opportunities and economic growth. It is estimated that the wharf redevelopment on its own will generate up to \$^{Commercial} per annum in economic growth by 2030. This figure is provided by the Stakeholder Strategies Report (a report commissioned by the Whakatāne District Council for this project). 	✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> The local Iwi's commercial arm, Ngati Awa Group Holdings (NAGHL), have significant property interests on, and adjacent to, the waterfront. In addition, NAGHL has substantial investments in the visitor economy in Whakatāne. The completion of a wharf and town centre redevelopment that prioritises aquaculture and tourism could have a significant positive impact on these NAGHL's assets. 	✓✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> N/A 	

Mitigation of climate change effects	<ul style="list-style-type: none"> N/A 	
Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> This project would work to build upon and increase the current size of the Whakatāne wharf. This will increase the number of berths available to commercial and recreational users and thus have a positive impact on the commercial value of the asset to the Council. In addition, where the report identifies a more efficient use for Council land it could potentially add to the value of that land. 	✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> This project, through the reconfiguration of the township and development of the Whakatāne wharf, could act as a base for substantial private investment. This investment could lead to greater access to, and utilisation of, the natural assets of the region. This would generate greater levels of productivity for the region. 	✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> The regeneration of the Whakatāne waterfront and town centre is considered one of four catalytic and priority regional projects for Eastern Bay of Plenty as identified in the wider Regional Development Plan Report (RDPR) and the Bay of Plenty Region Visitor Economy Strategy. 	✓✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> This project is proposed by the Whakatāne District Council with the support of NAGHL. As a result, this project has the inherent support of local governance groups and Iwi. 	✓✓✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> This project will be overseen by both a Project Team and Governance Group. These two governance structures will be made up of representatives from local Iwi and the Council. 	✓✓✓
Risk management approach	<ul style="list-style-type: none"> Risks and interests will be lodged on respective risk and interests registers. These registers will then be reported regularly to the Project Team and Governance Group. 	✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> The Council will continue to own the wharf. However, the proposed townscape regeneration may see Council assets sold. 	

The purpose of this briefing is to consider recommending/ declining PGF funds to the:

Risks Issues:

- The main risks to this project are that the costs of the reports are greater than the amount budgeted for and are not provided for on budget. This risk has been identified by the applicant and they propose to mitigate this risk through a well-defined project scope

Commercial Information

Eligibility points of note:

- *Due diligence:* As the applicant is the Whakatāne District Council full due diligence is not required.
- *Conflict(s) of interest:* Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further.
- *Illegal Activity:* 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.
- *Alignment with Regional development plans:* This project is considered a key catalytic project and is identified as a regional priority in Regional Development Plans.
- *Commercial funding availability:* Given the nature of the project which is to determine the design and best use of Council owned assets and land 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	MPI - Supportive
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Supporting proposal:	Yes
Appendices:	Yes - Applications and supporting letters are as annexes
Sponsor(s):	N/A
Manager/Author of paper:	Connor Anderson, Investment Team / David van der Zouwe, Investment Team