



Kupe Waka Centre

Project overview

Name of the project	Kupe Waka Centre
Region	Northland
Tier and type	Tier 1: Tourism Tier 2: Whenua Māori
Applicant	Arawai Limited
Total project value	\$Commercial Information
Amount of funding sought from the PGF	\$4.6 million
Financial instrument	Grant
PDU recommendation	Approve

98. Arawai Ltd is seeking \$4.6 million from the PGF to develop the Kupe Waka Centre, an educational and training facility located in Doubtless Bay, Northland.
99. The Kupe Waka Centre is the national school of traditional Polynesian wayfinding and the site of the revival in waka building, ocean voyaging and traditional navigation over the last 30 years led by Sir Hekenukumai Ngaiwi Puhipi. Sir Hekenukumai Ngaiwi Puhipi (sole Māori landowner of the whenua) gifted the land into a reserve for the purpose of a whare wananga for kaupapa waka, to be known as Te Awapoko Waka Reserve.
100. The development of the Kupe Waka Centre will extend the range of facilities and infrastructure to provide a rounded visitor experience and cater for a wide range of education, training and artistic activities at the site. The new facilities will be clustered in the western half of the site with the reinstated pond providing a key feature in the landscaping.
101. The funding sought will add to \$Commercial Information of contributions already made to the development of the Kupe Waka Centre. The focus of this development is on providing high quality experiences and protection of cultural values of the site at Aurere, combined with the intent to employ as many people as is economically viable. The Centre does not seek to maximise revenue or profits, rather, the emphasis is on sustainability and meeting economic, social and environmental goals.

PDU recommendation

102. The PDU recommends that you approve in principle up to \$4.6 million towards the Kupe Waka Centre, broken into two phases:
- i. **Phase one** is to complete the detailed project plan and business plan (including cost and technical verification) for the site works and the new tourism business at the Centre.



- ii. **Phase two** will complete the work against the agreed project milestones.
103. **PGF Funding of \$^{Commercial In} be used to fund phase one.** This phase will include the following conditions:
- i. The delivery of a detailed project plan for the site development.
 - ii. Certified Quantity Surveyor Report.
 - iii. Costed Business Plan for the Centre (including an operating budget up to 5 years).
 - iv. Details of the governance and management personnel that will oversee the project of work and run the tourism business, and full due diligence be completed.
 - v. Confirmation of the entity that will own the assets as part of the development and the future governance plan for the reserve including addressing the ownership of the Intellectual Property associated with the Centre.
 - vi. Final project costs to be agreed by PDU Investment Team
 - vii. Project milestones be agreed by PDU.
104. **On completion of phase one, the balance of PGF Funding be used to fund phase two.** This will include the release of the funding balance of up to \$^{Commercial Information} against agreed project milestones.

Local support

105. The project is supported by Skills and Employment, Northland Inc. It is currently being considered as a project in the refreshed Te Taitokerau Northland Economic Action Plan 2019.

Governance

106. Further information is required from the applicant in relation to governance. This is addressed through the conditions that are recommended.

Benefits

107. The Kupe Waka Centre will promote social and economic development through four programmes:
- a) Manaakitanga - tourism, and events. Visitor experiences of a range of durations with a mix of products combining active and passive experiences and education and entertainment.
 - b) Tarai Waka - Waka building and associated Toi Māori. Waka building, carving and associated arts and crafts including raranga (weaving) for part of the visitor experience and retail sales.
 - c) Whakaako – education and training. Provide facilities and services to support education and training including: programmes developed by Tarai Waka and the Ka'iwakiloumoku Hawaiian Cultural Center at Kamehameha Schools; learning experiences outside the classroom for school pupils; a kura and whare kohanga; team building; and leadership training.



- d) Kaitiakitanga – environmental restoration. Wetland restoration and tree-planting initially as a landscaping project for the Kupe Waka Centre site and the associated wetlands but developing into a contracting business.

Costs and funding sources

108. The applicant has provided indicative costs and timelines for the Kupe Waka Centre Development. Below is an outline of the indicative costs for the project:

Description	Amount
<u>Facilities</u>	
Planning, design and upgrade of various facilities across the site	\$Commercial Info
<u>Infrastructure</u>	\$Commercial Info
Upgrading of site entrance, bridge, car parking, water supply, wastewater and other services to meet the increased demand through tourism operations	
<u>HR Development</u>	\$Commercial Info
Landscape Planning, development of a site maintenance plan, restoration plan	
<u>Project Management and Consenting</u>	\$Commercial Info
Design, engineering, project management and consenting costs	
Contingency (Commercial %)	\$Commercial Info
Total	\$4.6 m

PDU assessment of the project

Assessment against PGF criteria

Criteria	Rating (1✓ to 5✓)	Comment
Sustainable regional economic development	✓✓✓	Education and training support, including programmes developed by Tarai Waka and the Ka'iwakiloumoku Hawaiian Cultural Center at Kamehameha Schools. For rangatahi it offers transferable skills including science (astrology, celestial navigation, and wayfinding), strategy and discipline.
Productivity and innovation	✓✓	Another new high end tourism destination – providing another market to the navigation themed package in Te Tai Tokerau.



Criteria	Rating (1✓ to 5✓)	Comment
Increased employment, training or work readiness for the sectors workforce	✓✓✓	The applicant indicates sustainable employment will be created through the project with Commercial Info FTEs and on-site training in waka building, sailing voyaging hospitality, Toi Māori – with base salaries based on the living wage.
NZ's ability to meet climate change commitments	N/A	
Māori aspirations for utilising land and other resources and achieving cultural objectives	✓✓✓✓	<p>The site of which the Centre is located on was set aside as a Māori Reservation known as Te Awapoko Waka Wananga Reserve for the purpose of whare wananga for kaupapa waka.</p> <p>The land is classified as Māori Freehold – the proposal builds on existing Māori assets physical and intellectual assets eg. kaupapa waka, navigational tikanga and matauranga, existing facilities.</p> <p>Indigenous to Indigenous relationship through the shared practice of celestial navigation – strengthening the role of Matauranga Māori through economic development.</p>
Additionality	✓✓	Tourism – improving the tourism products on offer in the region: Building cultural capital and increasing visitor access to a culturally enriched product ie. waka building and associated Toi Māori eg. carving, raranga (weaving)
Connections and alignment with regional priorities	✓✓✓	Strongly aligned with strategies and plans for Te Tai Tokerau–Northland including: <ul style="list-style-type: none"> - Tai Tokerau Northland Economic Action Plan,



Criteria	Rating (1✓ to 5✓)	Comment
		<p>(2016). Arawai has worked with Northland Inc (Privacy of Information Act 2000) on its tourism model. The Plan seeks to develop “..more compelling value propositions based on linking cultural and natural advantages and creating authentic visitor experiences throughout the region which ultimately encourages the visitor to stay longer” Kupe Waka intends to put this into practice.;</p> <ul style="list-style-type: none"> - He Tangata, He Whenua, He Oranga: An Economic Growth Strategy for Tai Tokerau Māori Economy, (2015) in terms of shared tikanga principles and values, the focus on education and training for enablement, and the contribution of Maturanga Māori and tikanga mahi in economic development.
Environmental sustainability and/or productivity of natural assets	✓✓✓	Kaitiakitanga – environmental restoration: wetland restoration and tree-planting initially as a landscaping project for the Kupe Waka Centre site and the associated wetlands but developing into a contracting business.

Agency comments

TPK

109. The initiative is intended to provide local employment opportunities, a work based training facility and contribute to the preservation of traditional waka carving practices. TPK supports the transmission of unique mātauranga Māori that carries significant cultural capital also of benefit to the Māori tourism narrative in the north.
110. Some concerns were raised about the future of the Māori reservation. The PDU seeks to mitigate this by including as a condition of funding confirmation of the entity that will



own the assets as part of the development and the future governance plan for the reserve including addressing the ownership of the intellectual property associated with the Centre.

Risk assessment

111. The following risks remain:

Type of risk	Mitigation
The successful delivery of the project without the necessary technical expertise i.e. engineering, ecological restoration.	This has been addressed by phasing the project into two stages as per the conditions.

Recommendations and next steps

112. The PDU recommends that you approve in principle Arawai Ltd's application for \$4,589,102 from the PGF in the form of a grant, with the following conditions:

- i. PGF Funding of \$^{Commercial Information} be used to fund phase one. This phase will include the following conditions:
 - The delivery of a detailed project plan for the site development.
 - Certified Quantity Surveyor Report.
 - Costed Business Plan for the Centre (including an operating budget up to 5 years).
 - Details of the governance and management personnel that will oversee the project of work and run the tourism business, and full due diligence be completed.
 - Confirmation of the entity that will own the assets as part of the development and the future governance plan for the reserve including addressing the ownership of the Intellectual Property associated with the Centre.
 - Final project costs to be agreed by PDU Investment Team
 - Project milestones be agreed by PDU.
 - On completion of phase one, the balance of PGF Funding be used to fund phase two.
- ii. Phase Two funding of up to \$^{Commercial Information} to be made available against agreed milestones provided satisfactory outcomes are achieved through Phase One.