



Riverside Hotel and Entertainment Precinct

Project overview

Name of the project	Riverside Hotel & Entertainment Precinct
Region	Northland
Applicant	Northland Development Corporation Limited (NDC)
Total project value	\$Commercial Information
Amount of funding sought from the PGF	\$1,314,739.00 (excluding GST) for completion of the feasibility study and business case.
Financial instrument	Grant

23. The applicant, Northland Development Corporation Limited (NDC), is a Northland-based consortium made up of property construction and development professionals who have been involved in multiple local and national projects.
24. The project has arisen out of identifying the need for additional high quality hotel accommodation and the lack of theatre and conferencing facilities in Whangarei. The lack of facilities is seen as an opportunity cost for the local and wider regional economy, particularly in light of current and future demand in the tourism sector, which is projected to continue grow.
25. The current proposal would include development of the following facilities:
- One Four Star hotel and one Three Star hotel;
 - Apartments;
 - Development of the marina;
 - Conference and theatre facilities; and
 - Retail opportunities.
26. PGF funding of \$1.3m is sought for the completion of the following aspects of a feasibility study and business case and would go towards:
- Architecture and Urban Design;
 - Concept engineering and site investigation;
 - Estimates of cost (CAPEX), Financial assessment (OPEX), & National and Regional Economic impact assessment;
 - Community consultation & workshops including Iwi and operator;
 - Planning, Consenting and Permits; and
 - Project Management including disbursements and contingency.
27. An independent report has been prepared by Commercial Information and provided with the application to verify the current lack of quality hotel accommodation in Whangarei and



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the expected increase in demand for higher quality hotel accommodation and related facilities in the coming years.

28. High level concept plans and drawings have been prepared by **Commercial Information** [REDACTED]
29. Development of the entertainment precinct, with appropriate conferencing facilities, is seen as an important component in attracting investment in the hotel development by international hoteliers.

Local support

30. The applicant has worked closely with local and regional councils in relation to the project and there is alignment with both the long term plan and the central city development plans for Whangarei.
31. As part of its initial feasibility study for the project, NDC commissioned **Commercial Information** [REDACTED] to validate the project via consultation with wider stakeholder groups in Whangarei.
32. All 28 participants involved in the **Commercial** interview process were in favour of the project going ahead.

Governance and ownership

33. The project would be managed by NDC via its project manager, Griffiths and Associates Limited, with governance provided via a committee made up of representatives from local councils, Northland Inc. and local Iwi.
34. **Privacy of natural persons** [REDACTED]
35. The applicant notes there is a lack of quality alternative project managers and consultants in the local Whangarei market with relevant knowledge and skills to advance the project.
36. **Commercial Information** [REDACTED], the applicant is willing to undertake the work with full transparency and with independent oversight from a governance committee, including representatives of Northland Inc.

Benefits

37. It is estimated that approximately \$**Commercial Informa** per annum will be injected into the Whangarei economy and provide upwards of **Commercial** FTE jobs if the project goes ahead.

Costs and funding sources

38. PGF funding of \$1,314,739.00 is sought for the completion of a comprehensive feasibility study and business case for the hotel and entertainment precinct project.
39. NDC has received \$**Commercial Informa** from a combination of **Commercial Information** [REDACTED] to undertake feasibility studies. NDC has advised that it has also incurred approximately \$**Commercial Informatio** in costs via payments to **Commercial Informatio** [REDACTED] and other consultants who have been engaged in the project to date.



40. Commercial Information

41. \$Commercial Information is expected to be contributed from the private sector, such as hotel operators, and the balance from local government (approx. \$Commercial Information). These figures are expected to be verified following completion of feasibility study.

Recommendations and next steps

42. Subject to decisions by Ministers, the next steps are:
- a. Finalise any further due diligence matters.

PROACTIVELY RELEASED