

2.22 Mangamaire Ara Ki Mua

Evaluation, Cover Sheet and Decision Form

Project:	Mangamaire Ara Ki Mua		FOR:	Approval
Applicant:	Mangamaire Trust		PDU ID:	Commercial Information
Application type:	WM	(A) Total Project Value:	\$ Commercial Information	
Funding type:	Grant	(B) PGF Funding Sought:	\$535,000	
Entity Type:	Maori Land Trust	(C) PGF Funding Recommended:	\$535,000	
Region:	Hawkes Bay	(D) Applicant Contribution:	\$ Commercial Information	
Tier:	3 - Infrastructure	(D/A) Co-contribution Rate:	Com %	
Sector:	Whenua Māori			
Application summary:	The applicant seeks PGF assistance to develop infrastructure to access its currently under-utilised Maori Freehold land. This involves constructing a bridge onto the parcel of land, establishing a farm track and other relevant works to prepare the land for productive use.			

It is recommended that SROs:

Support the PDU recommendation to Approve \$535,000 grant from the PGF fund towards Mangamaire Ara Ki Mua

➤ **Because:**

- This project strongly aligns with two of the key purposes of the Whenua Maori allocation such as:
 - The construction of the bridge will solve the landowner's largest economic development barrier of accessing its own land.
 - This project will be the first step to allowing the development of the under-utilised land.
- This project is well supported at a regional level.

➤ **Note:**

- MPI is supportive of the project and this project, and will enable the Maori landowners to Commercial Information
- Commercial Information

➤ **Subject to:**

- Evidence of relevant consents being obtained.
- Evidence of a project plan in place.
- The PDU ensuring the procurement process, cost quotes, and payments made against invoices and agreed project milestones are to the Unit's satisfaction.

Application description

The applicant seeks PGF assistance to develop infrastructure to access its currently under-utilised Maori Freehold land. The project is for funding the following on Mangamaire’s existing ^{Commercial Info} land:

- Construction of a ^{Commercial Info} or **Commercial Information** bridge across Wimbledon Road onto Mangamaire A4 (\$^{Commercial})
- Farm track construction (\$^{Commercial})
- Fence repair (\$^{Commerc})
- Upgrade of stock water system (\$^{Commerc})

Currently access to the applicant’s own land is limited as entrance to the Mangamaire block is by crossing a stream. As such, the applicant has stated the land block trustees have not been able to develop their own land and therefore fund the installation of a bridge and other required works.

PGF funding will enable development of the underutilised Maori land by solving the landowners’ largest barrier of accessing their land. A ^{Commercial Information} feasibility study was conducted by **Commercial information** to explore land-use options. **Commercial Information**

Commercial Information Potential applications to the PGF will be assessed on a case-by-case basis.

The project is estimated to be completed within approximately ^{Commercial Information} and will require road consent.



Co-Funding Table

Co-Funder	Pledged/Confirmed/Cash/In-Kind	\$
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PGF	Requested	\$535,000
Applicant	In-Kind	\$ <small>Commercial Inform</small>
Total		\$ <small>Commercial Informati</small>

Overseas Investment Office

- Is the application being made by a non-New Zealand based legal entity? (Foreign investment laws may apply and the Overseas Investment Office consulted) No

Section B: Operational Assessment Criteria (Complete for Eols and Applications)

(Rate and comment – 1= poor, 5 = very good - Provide the number for this project, not subsequent phases)

Fund and government outcomes

Please highlight number below

Would the project:

➤ create permanent jobs?	Not directly, however, access to the applicant's own land will allow development of the land and lead to subsequent job opportunities.	<small>Commercial Information</small>
➤ deliver community benefits?	The construction of the bridge will solve Mangamaire landowners' largest barrier of accessing their own land.	<small>Commercial Information</small>
➤ increase utilisation of and returns on Maori assets?	This project will be the first step to allowing the development of the under-utilised Maori Freehold land.	<small>Commercial Information</small>
➤ enhance the sustainability of natural assets?	Not directly, however, when access is permitted there is potential for sustainable development of the land.	<small>Commercial Information</small>
➤ mitigate climate change effects, or assist with the lowering of emissions?	Not evident.	<small>Commercial Information</small>

Additionality

Would the project:

➤ add value by building on what is already there, without duplicating effort?	Currently there is no vehicle access available to the applicant's land blocks. The construction of the bridge and other relevant works will provide an important addition to grow the applicant's current asset base.	<small>Commercial Information</small>
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<p>➤ be a catalyst for productivity potential in the region?</p>	<p>This project will allow the landowners to explore potential land-use options identified in the ^{Commercial Information} feasibility study by first providing access for them. It is envisaged that the planned land use activities has potential to generate up to \$^{Commercial} of income per annum for the landowners.</p>	<p>Commercial Information</p>
<p>Connected to regional stakeholders and frameworks</p>		
<p>Does the project:</p>		
<p>➤ align with regional priorities, such as frameworks, or regional plans?</p>	<p>The project aligns strongly with the following two purposes of the Whenua Maori allocation:</p> <ul style="list-style-type: none"> • To address the largest barrier for Maori landowners wishing to move beyond the pre-commercial phase by providing access to financial capital for developing Maori land. • The allocation will be targeted at under-resourced land blocks that require investment of financial capital to unlock and realise latent potential. 	<p>Commercial Information</p>
<p>➤ have the support of local governance groups (councils, iwi and hapu)?</p>	<p>Central Hawke’s Bay District Council has provided a letter of support for the project.</p>	<p>Commercial Information</p>
<p>Governance, risk and project execution</p>		
<p>Does the application show:</p>		
<p>➤ robust project management and governance systems?</p>	<p>^{Privacy of natural persons} (Chairman of the Trust) and ^{Privacy of natural persons} (Trustee) will be responsibility for providing project updates to the remaining Trustees who will provide oversight.</p>	<p>Commercial Information</p>
<p>➤ plans for future ownership and operational management?</p>	<p>The applicant will own the asset on delivery.</p>	<p>Commercial Information</p>
<p>➤ how the project will be delivered and managed?</p>	<ul style="list-style-type: none"> ➤ The applicant has stated ^{Commercial Information} will be managing the bridge installation. ➤ PDU will ensure the procurement process, costs, and payments made against invoices and agreed project milestones are to the Unit’s satisfaction. 	<p>Commercial Information</p>

Eol

Complete the above for EOIs. If Section B assessment is strong for an Eol, discuss with an Investment Director, the Eol may be progressed to an Application. If the results of the evaluation are not strong, discuss with an Investment Director, this may be an unsupported Eol.

Application

If the results of the evaluation questions in Section B are strong for an application, complete Evaluation/ Cover Sheet form and submit due diligence form. Complete request for additional information and send to applicant. Amend form as new material is supplied.

If the results of the evaluation questions in Section B are moderate, discuss with an Investment Director – the application may or may not be able to proceed.

If the results of the evaluation questions in Section B are mostly 1 or 2, discuss with an Investment Director – it is unlikely the application can proceed.

Complete assessment and undertake due diligence?

- Yes.** Complete the Evaluation/ Recommendation form and submit DD request form.
- No.** Complete the front page of this form, recommending the application be declined.

PROACTIVELY RELEASED

Section C: Risk Management Evaluation			
Does this application demonstrate consideration of the following risks?			Yes
Type of risk	Risk description	Mitigations	Risk Rating
<input checked="" type="checkbox"/> Project risk	Key contractors are not able to complete project on time and to budgeted cost.	Ensure procurement process, cost quotes, and payments made against invoices and agreed project milestones are to the Unit's satisfaction before release of funding.	Commercial
<input checked="" type="checkbox"/> Regulatory Risk	Road consent may not be obtained in the estimated timeframe.	Ensure evidence of consent before release of funding.	Commercial
<p><i>If the answers to the first question is NO, or assessments of risk(s) are HIGH, discuss with an Investment Director.</i></p>			

Section D: Funding and financial analysis			Please highlight number below
Does the application show:			
➤ How strong is the financial position of the applicant organisation?	The PDU recommends a grant as the	Commercial Information	Commercial Information
➤ How does the scale of the project compare to their overall business?	PDU recommends a grant for the project.		Commercial Information
➤ Why is Crown funding being sought rather than commercially-available funding?	Traditional commercial funding options may be unavailable due to the potential request to hold land as security.		Commercial Information
➤ What does the independent financial analysis/ business case indicate?	N/A		Commercial Information

<p>➤ Is the funding model requested appropriate? Is the PDU recommending a different model?</p>	<p>Given the potential significant benefits to the broader community, better utilisation of unproductive land and the applicant’s current financial position, a grant is recommended under the Whenua Maori fund allocation.</p>	<p>Commercial Information</p>
<p>➤ Has the applicant provided evidence of market pull for this project?</p>	<p>N/A</p>	<p>Commercial Information</p>
<p>➤ Has the applicant provided evidence that their supply chain is secure?</p>	<p>N/A</p>	<p>Commercial Information</p>
<p>Summary of funding and financial analysis:</p>	<p>Given the potential significant benefits to the broader community, better utilisation of unproductive land and the applicant’s current financial position, a grant is recommended under the Whenua Maori fund allocation.</p>	<p>Commercial Information</p>

Funding arrangements

Grant.

Consultation from partner agencies undertaken or implications

MPI is supportive of the project and has provided the following comments:

Securing PGF grant funding to access Mangamaire land will create opportunities for land owners whānau and re-build the connection to the whenua will allow whānau to come home.

Free and frank opinions

Conflicts of interest and T&Cs

T&Cs have been signed.
DD has been completed and no concerns have been raised.

Summary statement of Peer Review undertaken

The following Peer Review has taken place in connection with this application:

All applications are discussed between the Regions Team and Investment Team during the assessment process and prior to submission to SROs / IAP.

Consultation with the relevant partner agencies has occurred allowing them to provide any relevant technical advice with any feedback included verbatim within this application form.

In the development of this form:

- i. A peer review by an Investment Director has taken place and included the following to the satisfaction of the peer reviewer:
 - a. An evaluation against the PGF criteria;
 - b. financial analysis;
 - c. A risk assessment, highlighting any relevant or key risks;
 - d. Conflicts of interest have been noted and accepted and the peer reviewer concurs with the recommendation proposed.
- ii. The Head of Investment has reviewed this recommendation.
- iii. This application has been reviewed by the PDU SLT.

Peer Review has been completed

Yes

Supporting proposal: Yes

Appendices: Yes – Applications and additional information

Author of paper: LY/AM – Investment Team