

PROACTIVELY RELEASED

Shovel Ready Infrastructure Projects

Midway, Gisborne

Surf Life Saving Community Infrastructure

Midway SLSC Community Hub

14 April 2020

Commercial Information

Commercial Information

Executive Summary

Why Fund this Project?

- Surf Life Saving Infrastructure is critical in protecting the community in the water,
- Surf Life Saving Club’s and their community facilities positively contribute to the social wellbeing of the local community that they service, including both domestic and international visitors.
- COVID 19 has significantly affected community organisations ability to fund infrastructure projects through traditional sources, particularly those who distribute the proceeds of gaming machines.
- Without an upgrade of the building, the Club will in time be unable to continue to provide its services to the community.
- The project’s construction will support approximately ^{Commercial} jobs.
- **The project is ‘shovel ready’, with design to commence as soon as the funds are secured.**
- With domestic travel anticipated to increase over the 2019-2020 Summer Period as a result of Covid-19, it is critical that Surf Life Saving Infrastructure is fit for purpose.

Shovel Ready Gateway Test and Construction Timeframe

Status		
Design	<i>Design to commence as soon as the funds are secured</i>	▶▶
Procurement	<i>Request for Tender to the market in next</i> ^{Commercial Information}	▶▶
Designations/Consents	<i>In preparation</i>	▶▶
Land Acquired	<i>Yes</i>	✓
Business Case or Investment Case	<i>Approved</i>	✓

An updated timeline to consider COVID-19 shows design could start as soon as the funds are secured.

Task Name	Duration	Start	Finish
Midway (Gisborne)	^{Commercial} days	Commercial Information	Commercial Information
Design	^{Comme} days	Commercial Information	Commercial Information
Consenting	^{Comme} days	Commercial Information	Commercial Information
Procurement	^{Comme} days	Commercial Information	Commercial Information
Construction	^{Commerc} days	Commercial Information	Commercial Information

What we need

- Financial Assistance – \$ ^{Commercial Information} **(plus GST)** representing the funding that is yet to be secured or at a significant risk of being withdrawn as a result of Covid-19.
- Government recognition of community infrastructure as being a priority for the current coalition Government. In particular, fit for purpose infrastructure that keeps the community safe in the water.

Package Contents

1. CIP Project Information Form
2. Concept Design Draft One Midway SLSC
3. Financial planning estimates
4. Overview of Midway SLC Community Hub Presentation
5. Strategic Plan 2020 - 2025 Midway SLSC ver 3.0 Final - 2 Mar 2020
6. Support Letter Gisborne District Council
7. Support letter Gisborne Holdings
8. Support Letter Gisborne Commercial Information
9. Support letter Gisborne Commercial Information
10. Support letter SLSNZ
11. Support Letter Trust Tairawhiti

Supporting letters withheld - Commercial Information

Project Application Form

Section 1: Key Information [Criteria 2 and 3]

1. Project Title:

2. Please provide your details:

Organisation Name:	Midway Surf Life Saving Club (SLSC)		
Entity Type:	Registered Charity		
Contact Name and Role:	Privacy of natural persons		
Email Address:	Privacy of natural persons	Telephone:	Privacy of natural persons

3. Please provide a very brief description of the infrastructure project:

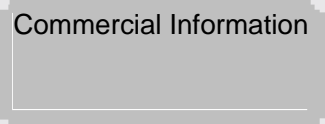
Midway Surf Life Saving Club is seeking to build a new 'fit for purpose' facility at a total project cost of \$ creating the 'Midway SLSC Surf Rescue Community Hub.'

A). The construction will not only address the urgency of the escalating deterioration of the 56 year old building including structural erosion, lack of storage and functionality including no access for the disabled. The currently facility is also limiting our ability to service the growing population in this area. Not only is Midway SLSC one of the largest and fastest growing surf lifesaving clubs holding National competitions at least once a year (drawing in over 4000 spectators and competitors to Gisborne) it is also the base for the Regional Paid Guard Facility.

B). The build will also be in alignment with Tairāwhiti's overall vision for the wider waterfront precinct development currently in progress. Midway is the heart of the waterfront 'midway', a prime real estate location and currently the fastest growing area of community development in Tairāwhiti including the newly established Motorhome Park (700m away), the redevelopment of Gisborne District Council Olympic Pool Complex (50m away), the Lions Bike Park (500m away) the development of Awapuni Industrial Area plus new workers) as well as increased use of the area for individual and group events such as and Intermediate Beach Challenge NZ. The Club is in partnership with Gisborne District Council together with Iwi on this wider waterfront precinct development vision including the Olympic Pool Redevelopment Project and this project will facilitate and support this district development - benefiting both the tourist industry and the wider Tairāwhiti community. Please refer to power point presentation attached which includes drone footage to that visually portrays the key partners/stakeholders involved in this wider waterfront precinct development.

C). In the rebuild we will be offering a family restaurant (upstairs) and coffee/icecream kiosk (downstairs) to service this growing precinct and waterfront development benefiting both tourists and the Tairāwhiti community. The income of these leases, including a Conference facility will assist the financial sustainability and future proofing of the entity. We have engaged 'local experts' to ensure this hospitality offering is market leading and in alignment with Tairāwhiti's vibrant vision for the city. As a result Midway SLSC Surf Rescue Community Hub will become a tourist destination including cruise ship guests and locals alike, walking/cycling along the beachfront walkway to take advantage of the hospitality offering on a prime beach front location – there is no other beach front restaurant/kiosk offering in Tairāwhiti.

D). We are currently collaborating with other stakeholders to be part of a potential new initiative; 'Gisborne's Performance and



Community Hub' which will be located in the new building. Bringing community sport-based groups together to collaborate and succeed. Their involvement, along with other community hire of the facilities, will also contribute to the building's ongoing sustainability viability. This community collaboration will also have a wider positive social effect of not only connecting community including youth but in developing leadership pathways creating leaders and champions in Surf Life Saving and the wider community. In addition, as a result of our initiatives outlined above, four new businesses/entities will be established creating Commercial In new jobs for the Tairāwhiti region.

4. This project will be located in which Territorial Authority: Gisborne District Council

5. Please confirm the project sector, category and type of infrastructure:

Project Sector	✓
Accommodation	<input type="checkbox"/>
Agriculture, Horticulture and Forestry	<input type="checkbox"/>
Alcohol Availability	<input type="checkbox"/>
Bioscience and Biotechnology	<input type="checkbox"/>
Construction	<input checked="" type="checkbox"/>
Energy	<input type="checkbox"/>
Film and Television	<input type="checkbox"/>
Imports and Exports	<input type="checkbox"/>
Information communications and technology	<input type="checkbox"/>
Manufacturing and Production	<input type="checkbox"/>
Retail Trade	<input type="checkbox"/>
Tourism	<input checked="" type="checkbox"/>
Wholesale Trade	<input type="checkbox"/>
Central Government	<input type="checkbox"/>
Local Government	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>

Project Categories	✓
Three waters	<input type="checkbox"/>
Transport	<input type="checkbox"/>
Buildings and Structures	<input checked="" type="checkbox"/>
Other infrastructure	<input type="checkbox"/>

Project Type	✓
Critical infrastructure	<input checked="" type="checkbox"/>
New infrastructure	<input checked="" type="checkbox"/>
Replacement/refurbished infrastructure	<input checked="" type="checkbox"/>
Repurposed infrastructure	<input checked="" type="checkbox"/>

6. What is the total cost of the project (NZ\$M): \$ Commercial Informatio +GST

7. Provide a high-level breakdown of this spend (e.g. construction costs, professional fees, land, other etc.):

A high-level the breakdown of the project costs is included below.

DEVELOPMENT COSTS		COST
Consenting		\$ Commercial Informatio
Design		\$ Commercial Informatio
Construction		\$ Commercial Informatio
TOTAL DEVELOPMENT COST		\$ Commercial Informatio

8. Briefly outline the value the project will deliver in terms of employment contribution.

In summary, the project is anticipated to contribute a total of [Commercial Information] jobs its lifecycle. A breakdown is provided below.

Discipline	Total Jobs	Range Applied
Construction	[Commercial Information]	[Commercial Information]
Professional Services	[Commercial Information]	[Commercial Information]
Other	[Commercial Information]	[Commercial Information]
Total	[Commercial Information]	[Commercial Information]

- Continued employment of post Covid-19 employees of the vertical construction sector.
- Project will employ multiple numbers of vertical construction employees across various construction industries e.g. plumbers, electricians, builders, glaziers, brick layers, carpet layers, concrete over a [Commercial Information] construction phase.
- Ongoing post construction there will be 4 new businesses - Restaurant, Kiosk, and Professional Management of the Building - and delivery of Aquatic Performance programmes. Estimated new FTEs of [Commercial Information].

9. Briefly describe how the project is currently / intended to be funded:

Club contribution (from savings), community grants, community trusts, local business community, pro-bono from engaged volunteers, community, local government, governing surf life saving body (pro-bono and referrals).

Please note these tentative figures may not be realistic since the COVID-19 crisis, it will only depend if the above funding is still available, despite initial meetings with some funding parties no applications have been submitted

Please refer to Funding Breakdown in Spreadsheet attached.

FUNDING		COST
Secured		
Midway Surf Life Saving Club		\$ [Commercial Information]
[Commercial Information]		\$ [Commercial Information]
Yet To Be Secured		
Grants Applied For [Commercial Information]		\$ [Commercial Information]
TOTAL		\$ [Commercial Information]

10. Has this project previously applied for funding with any part of Government? Yes: No:

Surf life Saving New Zealand (as part of a wider Water Safety group led by Water Safety New Zealand) currently has a budget bid under consideration for the May 2020 budget which includes an element of funding for club facilities. \$ [Commercial Information] per annum has currently been requested in perpetuity, contributing to multiple refurbishment/ rebuilding projects over the long term. This funding is intended to predominately top up traditional funding sources and “get them over the line”.

This is requested support is considered to be different to the CIP opportunity, acting as a ‘one-off’ stimulus package that has a very short term focus of the next [Commercial Information]

If SLSNZ is successful in getting funding through both sources, it will ensure that there is no overlap between the projects i.e. the funding in perpetuity will focus on projects with a construction time outside of the ^{Commercial Information} window of CIP.

Section 2: Construction Readiness [Criteria 1]

11. Please briefly explain the status of the project including confirmation that the project will fall into one of the three categories of readiness (see 12 below).

Key roles established and appointed/being appointed; Funding and Communication, Chairperson, Industry & Technical, Accountancy, Legal, Planning

Feasibility Study completed, consultation with stakeholders completed, funding structure and operating budget completed, formation of governance trust in progress, architect engaged for concept and design.

Key stakeholder update and action meetings are ongoing i.e. Gisborne District Council, Iwi, Community Trusts, Commercial entities, community user groups, regional sport collectives.

12. Confirm which of the following categories the project best falls into.

Status	✓	Further commentary (briefly set out barriers to commencement)
A. Projects which currently are (or were) in the construction phase but have been put on hold due to COVID 19 and are likely not to progress, or to progress at a much slower rate or scale/scope, if not supported post COVID 19	<input type="checkbox"/>	<i>Not applicable</i>
B. Projects which have a high expectation of commencing the construction phase within the next six months (by 31 October 2020), but are unlikely to do so due to COVID 19	<input type="checkbox"/>	Not applicable
C. Projects which could have been expected to commence the construction phase within the next 12 months (by 30 May 2021), but are unlikely to do so due to COVID 19.	<input checked="" type="checkbox"/>	<i>Projected start date of ^{Commercial Information} has been impacted due to funding disruption. With funding, project will be reignited to start on ^{Commercial Information}</i>

13. Confirm the status of key milestones

Status		✓	Expected Date	
Procurement	<i>Suitable tender complete</i>	Commercial Information		
	<i>Tender evaluation in progress</i>			
	<i>Request for Tender in the Market</i>			
	<i>About to put out a Request for Tender to the market</i>		Commercial Information	
Detailed Design	<i>Detailed Design Complete</i>			
	<i>Detailed Design Underway</i>		Commercial Information	
	<i>Detailed Design to commence</i>			
Designations/Consents	<i>Approved</i>			
	<i>Lodged</i>			
	<i>In preparation</i>		Commercial Information	
Land Acquired	<i>Yes</i>			Continuation of Council Lease
	<i>Being negotiated under PWA (please indicate stage below)</i>			
	<i>Has not commenced</i>			
Business Case or Investment Case	<i>Approved</i>		Commercial Information	
	<i>Draft</i>			
	<i>Underway</i>			
	<i>None</i>			

14. Briefly outline any other comments on the key project timetable or key milestones

Task Name	Duration	Start	Finish
Midway (Gisborne)	Commercial Information days	Commercial Information	Commercial Information
Design	Comme days	Commercial Information	Commercial Information
Consenting	Comme days	Commercial Information	Commercial Information
Procurement	Comme days	Commercial Information	Commercial Information
Construction	Commerc days	Commercial Information	Commercial Information

Please briefly cover:

- *Key barriers / risks to the project being 'shovel ready'*
 - Funding

Expected timeframes and processes for acquiring necessary resource consents

- Risk mitigation through employing resource management consultants.
- Engagement with key council decision makers to the extent that they too own the outcome.

Any other additional information as required above

- Project timing is beneficial as contractors will be available in the near/medium term as they re-establish their businesses.

Expected construction completion date.

- Commercial Information

Section 3: Overall Benefits and Risks [Criteria 4]

Please advise at a high level whether a project brings real value (in an economic, social and/or environmental sense) to New Zealand as a whole or the region in which it is located in line with Treasury's Living Standards Framework¹ and Sustainable Development Goals². Please take into account, where relevant, the draft 2021 Government Policy Statement on land transport, available at <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/gpsonlandtransportfunding/gps-2021/>, and the priorities that it establishes.

15. Briefly outline the social, environmental and economic benefits of the project to the local region and New Zealand and overall value for money.

¹ <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework>

² <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/>

TREASURY LIVING STANDARDS FRAMEWORK

The New Zealand Treasury focuses on increasing living standards for New Zealanders and recognises that this requires growing natural, social, human and financial / physical capitals.

Financial and Physical Capital

- The construction involved in the upgrade of the infrastructure will generate much needed jobs in a area that is dependent on income from tourists/holidaymakers, both domestic and international, and which has a predominantly retired population.

Human and Social Capital

- The project will provide fit for purpose surf life saving infrastructure to the community, ensuring it is capable of providing surf life saving and other saving support services to the local community.
- Surf Life Saving Community Infrastructure is a critical piece of public infrastructure that positively contributes to social wellbeing of the local community that they service, including both domestic and international visitors.
- Without an upgrade of the building, the Club will in time be unable to continue to provide its services to the community.
- The club will provide life guard services and surf sport activities for a safer Tairāwhiti community through strong membership and community engagement. It also provide leadership programmes to develop leaders and champions in Surf Life Saving and the wider community
- Functional and multipurpose space for the whole community:
 - Market leading ^{Commercial} Kiosk (downstairs) and Family Restaurant (upstairs)
 - Conference and Meeting facilities
 - **Commercial Information**
 - Public toilet facilities and changing areas
 - Lifeguard First Aid Service
 - Link in with Coast Guard, Police, St John and SAR
 - Beach Education Programmes
 - Destination for local sporting and culture eve
- The new building will form the 'Gisborne Aquatic Performance and Community Hub' bringing coastal sport based community groups together to collaborate and succeed
 - E.g. ^{Commercial Information}, Gisborne Board Riders, Gisborne Swimming Clubs
 - Membership access to Club amenities, guest speakers, workshops e opportunities for more community-based activities that are essential in this area.

Natural Capital

- Midway Surf Life Saving Club is committed to protecting the environment and improving the quality of life for our community beyond just ensuring we meet the regulatory and operational requirements.

UNITED NATION SUSTAINABLE DEVELOPMENT GOALS

Similar to the Treasury Living Standards Four Capitals, this project supports many of the 17 United Nations Sustainable Development Goals.

The purpose of the project directly relates to the protecting the **Health and Well-Being** of the community in and around water, including the provision of **Quality Education** to that end.

Furthermore, the project will generate jobs and grow the local economy which directly relates to addressing the goals of **No Poverty, Zero Hunger, Decent Work and Economic Growth, Industry, and Innovation and Infrastructure**.

16. What is the expected contribution to local/national employment?

CONSTRUCTION

As discussed in Section 1 and in response to Question 8, we expect that the construction of the building will generate [REDACTED] jobs which includes design professionals, consultants, contractors and sub-contractors. Through construction there is estimated man-hours of [REDACTED] Commercial Information

CORE OPERATIONAL ACTIVITY

Ongoing post construction there will be 4 new businesses - Restaurant, Kiosk, and Professional Management of the Building - and delivery of Aquatic Performance programmes. Estimated new FTEs of [REDACTED] Comme

17. What are the risks associated with the project? Each risk should be ranked as high, medium or low and include a short explanation as to why it was given that risk rating.

Risk	Low/ Med/ High	Further commentary on risk
A. The risk of the project not commencing within the advised timescale	Med	<i>Funding constraint</i>
B. The risk the project will not be completed on time, to cost or to specification	Low	<i>Considerable due diligence has and is being done</i>
C. Risk the project will not realise the benefits outlined above	Low	Considerable and ongoing consultation has confirmed the purpose and deliverables will support stakeholders and partners own visions.

18. Are there any other key project risks or any other information which would be useful background or context at this stage?

Section 4: Impact of COVID-19

19. Please briefly comment on the likelihood and timing of the project recommencing once the COVID 19 Response Level is suitable for construction to proceed

The Covid-19 lockdown has provided time for the project team to complete planning and implementation phases ahead of (previous) schedule.

With confirmation of funding the project will continue to meet time milestones and commence on [REDACTED] Commercial Inform

20. What is the best estimate of the impact (financial/social/environmental) COVID 19 has had on the project and on local industry associated with the project?

[Please provide the best estimate in \$ amount (or ranges) and unemployment numbers, and describe the nature of those impacts]

Diversion of Local body and community funding into restorative Covid-19 spend – impact is:

Lost /delayed funding of \$ ^{Commercial Information}

Delayed commencement of project and employment - minimum of ^{Commercial Information}.

Cost creep from ^{Commercial Information} delay - \$ ^{Commercial Inform}

Cost to Midway Surf Life Saving Club in maintaining existing dilapidated building ^{Commercial Information}) - \$ ^{Commercial Info}

Suppression of community donations, ^{Comm} % erosion - \$ ^{Commercial Inform}

Suppression of business donations, ^{Comm} % erosion - \$ ^{Commercial Inform}

Environmental aesthetic impact on tourism and community wellbeing.

Midway Surf Life Saving Club project as first to be completed will catalyse the start and completion of the wider Council precinct water front development vision.

21. Has this project already, or is likely to benefit from already announced Government led financial support for businesses (e.g. wage subsidy scheme/business finance guarantee scheme) Yes: No:

- If Yes, please describe the scheme and extent of the support you have received/expect to receive.

Has given the vertical construction sector confidence that the government will invest in their business and for those businesses to therefore maintain their staffing levels.

Local businesses have confidence to refinance/restructure/reorganise their businesses rather than contracting/scaling-back.

Local businesses have used the finance guarantee scheme and the wage subsidy scheme to maintain staff levels and shore up balance sheets, so they are business ready for when country comes out of lock down.

22. Briefly outline the top 2-3 things that the Government can do to help progress this project. Please consider both financial and non- financial levers such as lowering regulatory barriers, adjusting Government procurement practices, fast-tracking resource consent processes.

Financial Assistance

A financial contribution of ^{Commercial Information} representing the funding that ^{Commercial Information}

Government recognition of community infrastructure as being a priority for the current coalition Government

Recognition and support from government that Surf Life Saving Community Infrastructure is a critical piece of public infrastructure that positively contributes to safety and social wellbeing of the local community that they service, including both domestic and international visitors.

Please indicate clearly whether you consider any information you have provided in this form to be confidential. Confidential information will not be publicly released, other than in anonymised form, except to the extent that any release is required by law.

CONFIDENTIALITY: It is requested that the contents of this application remain confidential. If the contents are required to be released for any reason please contact the applicant to discuss.