

Application for Funding Development Phase



About this form

This form enables you to make an application for funding over \$100,000 from the Provincial Growth Fund for activities in the Development Phase of a project.

You will need to use the Express Form if your application is for an activity under \$100,000 or the Standard Form if your application is for an actual Project (i.e. delivery of an asset).

These forms are available on the [Provincial Growth Fund website](#)

Purpose of the Provincial Growth Fund

The Provincial Growth Fund aims to lift productivity potential in the provinces. Its priorities are to enhance economic development opportunities, create sustainable jobs, enable Māori to reach their full potential, boost social inclusion and participation, build resilient communities, and help meet New Zealand's climate change targets.

Completing this form

Please complete all sections fully and accurately. Square brackets and italics indicate guides.

Please see the PGF website, or contact your regional relationship manager, for further support.

Submitting your application

All completed forms must be emailed to PGF@mbie.govt.nz with a clear subject heading.

If you are a Trust (or applying on behalf of a Trust), then you must provide a copy of your Trust Deed.

Next Steps

Applications will be assessed for eligibility, as well as how well they will deliver on the aims of the Provincial Growth Fund. One of our team will be in contact regarding your application.

Funding Agreement

The template funding agreements can be found on the [Provincial Growth Fund website](#)

Public disclosure

The Provincial Development Unit is responsible for leading the Provincial Growth Fund's design, administration and monitoring its operation in consultation with other government agencies. In the interests of public transparency, successful applications may be published by the Provincial Development Unit (PDU). Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982. Please identify by highlighting any information in your application that you regard as commercially sensitive or as personal information for the purposes of the Privacy Act 1993.

Part A: Key Details

Please note that if the funding agreement will not be with the applicant (i.e. applying on behalf of another organisation), then please complete this application from the perspective of that organisation.

1. Proposal Title: Waiorua Lodge Development

2. Please provide a very brief description of the project/activity:

The project is to establish the business case for a significant redevelopment of the tourism infrastructure on Kapiti Island. This involves a new Lodge and associated infrastructure to enable Kapiti Island tours to offer higher value tourism experiences to more visitors and at the same time, reduce the environmental footprint on the island ecosystem. The land at the northern end of Kapiti is traditional Maori land and as such is in collective ownership.

Commercial Information

. The business case will enable the company to demonstrate robust financials and will provide increased certainty and confidence to potential funders. With this support in place construction is anticipated to begin in

3. Please provide the details of the applicant organisation/entity for which funding is being requested:

Legal Name:	Waiorua Lodge Limited
Entity Type:	Company
Registered Offices / Place of Business:	46 Dustan Street Otaki
Identifying Number:	NZBN 9429037735937
Organisation's Website:	https://www.kapitiisland.com

4. Please provide the contact details for a person as a key point of contact):

Contact Name and Role:	Privacy of natural persons		
Email Address:	Privacy of natural persons	Telephone:	Privacy of natural persons

5. Please describe the principal role or activity of the applicant organisation.

The primary role of Waiorua Lodge Limited is to provide accommodation and tourism services to support Kapiti Island Nature Tours provide a high-quality sustainable tourism experience. Kapiti Island Nature Tours is an award winning tourism business utilising the natural resources of the island.

6. This project will be based in the region of: Wellington
 Kapiti/Wairarapa

7. What type of funding is this application for: Grant

[Note: the most appropriate funding type will be determined by the PDU in consultation with the applicant]

8. What is the activity / funding start and end date?

Start Date:	Commercial Information	Completion Date:	Commercial Information
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9. Has this project / activity been previously discussed with any part of Government? Yes: No:

- If Yes, please describe which part of government, and what the outcome of the discussions were.

[The PDU will consult with other parts of Government as part of the assessment]

Kapiti Island Nature Tours has previously had preliminary discussions with Te Puni Kokiri about the concept and also the opportunity to provide comprehensive additional training for Maori in ecotourism activities and business management.

10. Have you previously received any Government funding for this Project/Activity? Yes: No:

- If Yes, please list which part of the Government, when the funding was received, and how much under Q11.

11. Please set out the proposed sources of funding for the Project:

Source of Funding: <i>[please indicate where all other funding is sourced from, noting who the funder is]</i>	\$ (excluding GST)	Status / Commentary <i>[i.e. received / confirmed / in principle]</i>
Provincial Growth Fund Funding (through this application)	\$635,000	This application
Management Support, advice and resources from Kaptiti Island Tours	\$ <small>Commercial Info</small>	In kind contribution
Total:	\$ <small>Commercial Inform</small>	

Part B: Project Description

12. This application is: “a stand-alone activity” or “in support of a wider project/programme”

13. Will additional funding likely be applied for in the future? Yes: No:

- If Yes, please describe at a high level, what this may include, and when this is likely to be applied for.

The intention of this phase of the project is to establish the business case for the development. To that end we propose that the development will comprise the lodge buildings, service infrastructure to support the lodge and other owners on the island, comprising solar power, water and waste water reticulation and treatment, and a jetty to improve transport connectivity and access.

An application for funding to begin the works would be made in Commercial Information with the completion of the interim business case. **Commercial Information**

Commercial Information. Completion of some further details would be carried out that were not material to the business case would result in the final project report being presented to PGF in Commercial Information

14. What type of activity is this application for?

- Feasibility study
- Business case
- Report
- Creation of an action plan
- Research or surveys
- Workshops or consultation
- Capability building (Education / training)
- Other (please specify)

We expect that consultation with all stakeholders will be an integral component of developing the infrastructure capacity and final design for the project.

15. Please provide a detailed description of this activity for which funding is being applied:

Kapiti Island is an iconic attraction based on its reserve status and its flora and fauna. In particular it is one of the few locations in New Zealand where Kiwi can be seen in their natural habitat.

This proposal seeks to maximise the benefit of tourism from this nature-based activity by transforming the accommodation and the experience offered to visitors. This may also include the transport experience as well depending upon costs and support from stakeholders.

A high-quality lodge (3-4 star but also with a design that will also enable a whanau style experience) will improve the visitor experience for both overnight and day visitors. Allied to this development would be reticulated electricity, water and waste water improvements that would significantly reduce the environmental footprint of visitors and other landowners on the island.

The proposed lodge is located on the land parcel Waiorua Kapiti Block 6, sub block (informal partition c). This land is administered by the Waiorua Bay Trust which is administered by four trustees; **Privacy of natural persons**
[REDACTED] The Trustees have been consulted and are supportive of the proposed development detailed in this application.

An enhanced offer to visitors offers the potential to significantly increase the price point of the experience and move the overnight visitation to a semi luxury tourism product, targeted largely at international visitors. This approach would improve the economics of the existing business and offer increased opportunities to develop Maori skills in ecotourism and management.

Developing the experience as well as reducing the environmental footprint of visitors and residents is strongly aligned with the kaupapa of the applicants and their role as kaitiaki of the island

Funding is sought to develop the concept plans for the lodge on Kapiti Island to a contract ready detailed design with documentation; a quantity surveyed assessment the costs of the development; an assessment of the market demand and product pricing; determination of staffing and other resource inputs to the lodge and associated tourism product offers. These components would then be integrated into a business case for the business expansion.

The business case will refine what is feasible and cost effective in this demanding physical and regulatory environment and as such is beyond the resources of the existing business. In addition, there are benefits that accrue to other land owners, the Department of Conservation and the Kapiti environment which are not captured by the tourism business.

The proposal will provide additional support to development of the **Commercial Information** [REDACTED] as well as generating additional visitor demand for services in the vicinity

Kapiti as a region has a low profile in tourism terms. Its visitor makeup is largely domestic and it lacks iconic tourism experiences. More broadly Wellington region has limited tourism product that encourages visitors to explore the wider region beyond the city. This proposal presents an opportunity to transform an existing Maori owned business into an internationally recognised "must do" experience in the region. The business has successfully operated for over 20 years and has received awards for its ecotourism and Maori Tourism offers. This Business case will establish the opportunity to take the business and visitor experience to the next level of benefit for all.

16. How does this project demonstrate additionality within the region?

The Waiorua Bay proposal is intended to be self-sustaining, both financially and environmentally. It proposes to be a low footprint lodge that will have a low operating cost, even though it is in a demanding physical environment. The structures are to be designed to cover the needs of a high value visitor while requiring low inputs once established. Improved business performance from a higher value visitor will readily fund ongoing maintenance.

The proposal has been under discussion for the last 18 months but the free cashflow required to develop the proposal has been a constraint. Discussion with iwi have also been carried out at a concept level and therefore there is awareness and understanding of the concept. But there is significant uncertainty about build costs and consent requirements at present. This business case will develop the proposal to a stage that project risks are identified and the options and costs to mitigate or resolve risks will be clear. Completion of the business case will enable full consultation to be carried out with a clear understanding of the costs and opportunities that the proposal will present.

The land at the northern end of Kapiti is traditional Maori land and as such is in collective ownership. Commercial Information

The business case will enable the company to demonstrate robust financials and will provide increased certainty and confidence to potential funders.

Government funding at the early stage is instrumental in achieving proof of concept and providing evidence of a sound business case. In addition, it will enable substantial consultation with stakeholders, thus providing an opportunity to test the proposal and build support for the required consent processes. Government funding provides a catalyst for other stakeholders to contribute to the project in a more substantive way. This accelerates the project beyond a concept to a full feasibility.

There are no other tourism projects of substance beyond Wellington city in the wider Kapiti region that we are aware of. Specifically, there are few activities and attractions being considered that will attract visitors beyond the city and contribute to the wider region's economy. Thus, this proposal if viable, would achieve multiple objectives for tourism and iwi in the region. The proposal has the potential to significantly increase the economic benefit from an existing nature-based asset, while also reducing its environmental impact on that asset.

The Waiorua Bay Lodge has the potential to be iconic with an integration of nature based and cultural experiences. With this opportunity it would increase visitation to the region and act as a magnet for longer stays and wider experiences by international visitors. Day visitors would largely be domestic visitors and a higher profile experience on island would reinvigorate this tourism experience within the DOC limits on visitation. In addition, higher quality accommodation has the potential to extend the season and therefore improve seasonality as well as revenue by being a destination itself beyond the ornithological and environmental opportunity.

Expansion of accommodation may also provide some retreat and corporate opportunities and these would be explored further in the business case.

Spillover benefits of this project include increased visitor flows to Kapiti. This has the potential to create increased demand in the district for additional accommodation, transport and food and beverage options. At Paraparaumu, increased traffic would improve the viability of any Gateway/I-Site development. Having an iconic tourism attraction in the region will also elevate its general attractiveness as a visitor destination and with the support of Tourism New Zealand, its international reach and identity could be significantly enhanced.

17. How is the project connected to regional (and sector) stakeholders and frameworks?

[Please provide an overview, including any evidence where appropriate of any relevant local and regional support, either via existing regional development mechanisms (i.e. regional plans), or through any other relevant body (i.e. council, iwi, hapū, or other representative group). If you do not have support, please explain why not and how you intend to get it]

The Waiorua Lodge development links to a range of existing local and regional plans, priorities and initiatives:

Local Perspective: Kapiti Coast District Council

Kapiti Coast District Council has a visitor attraction plan that sets out actions to grow the visitor economy in Kāpiti, enabling it to accelerate the vision for a thriving, vibrant and diverse district. This plan comprises a number of focus areas for 2017/2018. These include:

- Improve destination and product development
- Develop market –ready products showcasing key areas of visitor attractions in Kāpiti, including;
 - Heritage
 - Ornithology
- Continue to facilitate discussions amongst key stakeholders to advance the proposed Kāpiti Island Gateway Centre
- Work with tāngata whenua to include local Māori art, design and stories in the Kāpiti i-Site
- Support a feasibility study and business case for facilities that will benefit visitor attraction

This project therefore aligns strongly with the Kapiti Visitor strategy. Improved performance of the tourism experience on Kapiti Island will generate additional demand for services at the proposed Gateway Centre and also provide additional cultural product for the i-SITE. At this time there has not been a revision of the visitor strategy for the District but we would expect that the focus areas outlined for 2017/2018 would endure.

Regional Perspective: Wellington Regional Economic Development Agency

The WREDA Statement of Intent 2018-2021 has a number of objectives that align and support the proposed Waiorua Bay Lodge proposal. In particular the Statement of Intent has two relevant goals: To grow the visitor economy, and also to be a partner in the Maori Economy. Specifically, WREDA is seeking to create commercial opportunity through the development of Māori tourism opportunity, work with tangata whenua to support their telling of the stories of the Taranaki, Whanganui, Kapiti & Wellington regions through both established and nascent tourism ventures, and provide support for Māori tourism businesses from market intelligence and start-up advice. At present there is no specific Economic Strategy for the region.

National Perspective: Tourism New Zealand

TNZ is focussing its marketing effort on improving regional dispersal as a priority over the next few years. This is outlined in the current TNZ strategic plan (2017 – 2021). Evidence shows that gateway cities where international visitors arrive are capturing most of the benefit of international visitor growth and regions have achieved limited increases in visitor spend. TNZ is also placing significantly greater emphasis on Maori culture as a unique point of difference in attracting international visitors. As part of evolving the *100% Pure New Zealand* campaign and its *Everything close* proposition there is an intensive use of the core differentiating Maori value of Manaakitanga. Also, TNZ is emphasising value of visitors over volume and therefore moving up the value chain by developing higher quality higher priced experiences is being encouraged. TNZ is continuing to place priority on marketing to high value visitors. The Waiorua Bay Lodge aligns strongly with the priorities of TNZ's international marketing effort and positioning of New Zealand as a visitor destination. It will therefore benefit from these current priorities and has the potential to be an iconic attractor for Tourism New Zealand.

National Perspective: Department of Conservation

Kapiti Island is one of New Zealand's most accessible nature reserves. Development of the Waiorua Bay Project would expand the opportunities to experience this location. The proposal aligns with many of the priorities and goals set out by DOC in its Statement of Intent 2016-2020. For example:

- 90% of New Zealanders' lives are enriched through connection to our nature.
- Whānau, hapū and iwi are able to practise their responsibilities as kaitiaki of natural and cultural resources on public conservation lands and waters.
- 50% of international holiday visitors come to New Zealand to connect with our natural places

As a key stakeholder, DOC is an important partner in this proposal and would benefit from the increased exposure and access by visitors to Kapiti as well as supporting iwi kaitiaki of this resource.

National Perspective: Te Puni Kokiri

TPK has as one of its five outcomes over the 2014-2018 period "Strengthening Maori Economic Wealth". To achieve this outcome TPK is focused as a priority stimulating Māori innovation to realise asset utilisation and enterprise growth. This proposal which is Maori owned and operated will contribute to fulfilling this outcome by strengthening the economic performance and improving the sustainability of this business.

Iwi/Hapu Perspective

The overall concept has been discussed at a high level with the relevant iwi. This business case will provide additional detailed factual information to enable further discussion to be held with iwi. In addition, other hapu with ownership of land on the island will be able to be engaged with when clear plans and costs of the project and the infrastructure has been developed. This consultation is part of the feasibility proposal.

Approach to obtaining support

At this stage of the project proposal, formal support has not been sought from key agencies at a local, regional or national level. As part of the business case, the more developed proposal that is sustainable will be able to be discussed with stakeholders. This proposal and its associated business case will form the basis of consultation with stakeholders and through this process support will be sought.

Initial discussions indicate that this product development will be strongly supported by the tourism industry, local Government – Kapiti Coast District Council, Department of Conservation, TPK, Iwi, and other agencies with an interest in economic development. [REDACTED] Commercial Information [REDACTED]

[REDACTED]. Waiorua Bay Trust (comprising the landowners with an interest in the island) are also supportive.

18. How will your project lift productivity potential in the regions?

[We want to understand how your project will meet the primary objective of the fund: “to lift productivity potential in the regions”. Please provide a description of this and where relevant, please cover how your project contributes to the following outcomes:

PGF Outcome	✓	How will the project positively or negatively impact this outcome in the region(s) identified?
1. Increase economic output	✓	<p>Waiorua Bay Lodge has the potential to transform Kapiti Island Tours from a small business with a T/O of \$^{Commercial Informa} to a leading tourism business on the Kapiti Coast. It's current mix of international visitors is expected to increase from 30% to 45%, thus bringing new revenue into the region. This increase in international visitation as well as the enhanced experience and therefore price structure has the potential to significantly increase revenue. The business case will be focussing on the increase in visitation as well as increased revenue per visitor. Development and operation of the lodge will enhance the productivity of the significant intangible assets of the business including transport services, website and marketing collateral and international marketing. Additional growth activity will also impact on the supply and services sectors associated with the Lodge and Island business.</p>
2. Enhance utilisation of and/or returns for Māori assets	✓	<p>The northern part of Kapiti Island is privately owned by Maori whanau-with a strong whakapapa responsibility to hapu and Iwi of the region. The Island business is seen as important assets for this hapu and iwi of the Raukawa confederation (Ngatitōa-Te Atiawa and Ngati Raukawa). Development of the Waiorua Lodge would significantly improve the utilisation of the asset that is the land owned by Maori whanau of Kapiti Island. All the direct commercial returns are captured by Kapiti Island Tours and hence the benefits will flow to Maori. In addition the training elements provides a positive contribution to the upskilling of the Maori tourism workforce.</p>
3. Increase productivity and growth	✓	<p>Productivity increases will occur as a result of improved utilisation of existing assets and also efficiency of larger scale accommodation. The guiding component of the experience however, does depend on a bespoke personal experience and this component will require additional staff.</p>
4. Increase local employment and wages (in general and for Maori)	✓	<p>Kapiti Island tours currently provides employment for ^{Com} full time staff and ^{Comm} part time staff. The development of Waiorua Bay Lodge is estimated to increase employment by ^{Com} full time staff and ^{Co} part time Staff. In addition, the build will employ ^{Comm} local staff for a period of ^{Commercial Informatio}. Again, there will be increased training opportunities for Maori with the expanded tourism offer. Technical advice will be sourced from local experts and will comprise over ^{Com} FTE's of expertise and advice as part of the development process.</p>
5. Increase local employment, education and/or training opportunities for youth (in general and for Māori)	✓	<p>Kapiti Island Tours already offers internships and training for Maori students. An increased and higher standard of accommodation will enable more staff to be trained as well as training for a higher level of service and hospitality. The business currently provides work experience “Gateway” Maori tourism camps (2 per year) for secondary students considering tourism as a possible career, and, also work with local Polytechnic in support of a locally based adventure tourism program (Whitireia) The</p>

		business sees further potential for growth, given a more fit for purpose facility.
6. Improve digital communications, within and/or between regions	<input type="checkbox"/>	N/A
7. Improve resilience and sustainability of transport infrastructure, within and/or between regions	✓	<p>The business case and ultimate development of Waiorua Bay Lodge has the potential to provide a more economic transport service between Paraparaumu and Kapiti Island. Improving demand for transport will increase the sustainability of the current boat service and therefore enable investment in maintaining the quality of service and the opportunity to improve the infrastructure. Improving the access for visitors through development of a jetty will also widen the scope of potential visitors willing to undertake the trip.</p> <p>Increased demand for day visits will also increase demand for transport services between Wellington City and the Kapiti Coast further enhancing its viability and sustainability.</p>
8. Contribute to mitigating or adapting to climate change	✓	Moving to more sustainable energy sources of wind and solar will make a minor contribution to reducing NZ's carbon emissions and will also make Kaptiti more resilient into the future
9. Increase the sustainable use of and benefit from natural assets	✓	<p>Components of the Waiorua Bay Lodge have the potential to significantly reduce the environmental footprint of the residences on Northern Kapiti Island. The business case will assess the economic viability of providing reticulated electricity and water to the 5 other residences on the island. Should a reticulated infrastructure be viable this will reduce the number of generators, the quantity of fuels used and improve environmental outcomes on the island. Reticulated water and waste water have the potential to improve the standard of service while also reducing the environmental risk and footprint.</p> <p>A more formalised waste management and recycling programme that is enabled by better access and improved lodge facilities will and reduce the environmental footprint of activity on the island.</p> <p>Increased visitation and revenue which draws on the existing natural assets of the island will also deliver a benefit back to the Department of Conservation through increased concession fees and other support services.</p>
10. Enhance wellbeing, within and/or between regions	✓	The Waiorua Bay Lodge proposal will build the financial performance of tourism in the region. It has the potential to offer improved training to Maori; increased revenue; establish an iconic tourism experience that can be used for marketing and also draw additional international and domestic visitation and spend. The opportunity and potential for inter Te Tai Hau a uru cross development amongst the regions Iwi and Maori tourism operations is strong. These benefits all contribute to increasing the vibrancy and wellbeing of the regions.
Total number of outcomes project contributes to	/10	

Part C: Project Delivery

[Please note – this section refers to the actual activity associated with this application.]

19. Please provide an overview of the project management approach / plan for this activity.

[We would like you to demonstrate:

- How the activity will be managed from your organisation?
- What involvement is required by the Provincial Development Unit?
- What other partners are required for successful delivery?
- What project management practices will be in place?
- Who are the key personnel within the organisation relating to this project?
- Please include bio's and provide an organisational/project structure where possible.
- Please attach a copy of your health and safety policy that will apply for this project.]

An independent project manager will oversee the business case developments and the costings and design of the individual components that are necessary to complete to business case. The project management and the overall programme will be overseen by the Kapiti Island Tours Advisory Board. Continuous contribution will be provided by the whanau management team over the period of the business case development.

The project is unlikely to require any direct input from the Provincial Development Unit into the development of the business case. However, we would welcome their involvement in how the business case shapes up and its potential connection with other PGF activities. In addition, consultation with other government agencies through the business case development could be supported by PGF.

We consider that the suite of experts that we have identified and any other expert resources that we will engage will be capable of delivering the business case and completing this project. The critical partner is the Architect and their associated specialists. There are existing relationships with some contractors to the project and this will assist in progressing the business case efficiently.

As part of the project management we will develop a more detailed project plan that sets out an agreed timetable with the contractors that is capable of delivering on time and to budget. Supervision by the Advisory Board will be ongoing. Once the plan is finalised we would propose consultation with PGF staff as mutually agreed to ensure that the plan is met.

Key Personnel:

Project Management: Privacy of natural persons

Advisory Board: Privacy of natural persons

Crown: Maori Liaison Advisor: Privacy of natural persons

Whanau Management Team: John Barrett, Privacy of natural persons

Architect: Privacy of natural persons

Resource Management Act consultant: Privacy of natural persons

Financial Advisor: Privacy of natural persons

Jetty Designer: To be advised

Health and Safety Policy:

As this business case development is largely a desktop project there is limited health and safety risks. However, all contracted parties will be required to comply with the individual company Health and Safety plans and also comply with the Kapiti Island Nature Tours Health and Safety requirements of visitors and contractors. A copy of this Health and Safety Policy is attached separately.

20. Please provide us with a project plan, where possible please attach a schedule (i.e. Gantt chart):

Please refer to the separate schedule of activities.

#	Project Activity	Responsible:	Date / Period:
1	<i>[e.g. delivery of a detailed plan]</i>		Click here to enter a date.
2	<i>[e.g. engage a contractor]</i>		Click here to enter a date.
3	<i>[e.g. consultation]</i>		Click here to enter a date.
4	<i>[e.g. delivery of final report to the Ministry]</i>		Click here to enter a date.
5	<i>Other</i>		

21. Please provide a complete breakdown of the costs of the project:

[Note that figures in this table must align with other figures provided in Q11. Please use as many lines as it takes to provide us with the appropriate detail. If more suitable, please attach a budget spreadsheet to this application]

Cost Description:	\$ (excluding GST)
Architectural design services from concept to detailed design	\$ Commercial Inform
Quantity surveyor services for rough order costs and final design costing	\$ Commercial Info
Specialist engineering advice and design services, Geotech, structural, fire and specific specialist advice	\$ Commercial Inform
Specialist site Assessment for design and consent; Archaeologist/ecologist/Landscape/Heritage NZ Authority	\$ Commercial Info
Jetty concept development and detailed design	\$ Commercial I fo
Jetty specialist assessment marine biologist/geomorph	\$ Commercial I fo
Visitor market demand and pricing assessment	\$ Commercial Info
Business case development, modelling and financial review	\$ Commercial Info
Stakeholder, iwi and government consultation	\$ Commercial Info
Assessment of effects and RMA planning consent advice, consultation and application costs	\$ Commercial Info
Report preparation and consultation	\$ Commercial I
Legal advice on contracting and infrastructure agreements. Contract administration and management	\$ Commercial I fo
Travel and general disbursements	\$ Commercial I
Project management and administration	\$ Commercial I fo
Whanau management contribution of services and support to business case (in kind)	\$ Commercial Info
Total	\$ Commercial Inform

22. Please provide a description of why Government funding is required to deliver this project?

Commercial Information

Kapiti Island Tours, while a successful business that has been operating for 20 years, does not have the resources in one phase to effect this transformation to a higher value and scale business. At this stage, the business case is unproven and therefore Government funding of the business case will enable Kapiti Island Tours to have a sound proposition to put before potential funders and investors. It is the development of a viable proposition that is soundly based, fully costed and with a clear pathway of revenue that will enable this project to proceed. Commercial Informa

Government funding will enable a robust business case to be developed that will strengthen the viability of funding from a variety of sources, Commercial Information

23. What are the proposed deliverables if funding is approved?

[Please use the following table, consider what deliverables there will be, when, and whether there are any payments associated with them and against what criteria payment should be made. If it is a single deliverable with single

payment, please just use one line]

#	Description	Payment criteria:	Invoice Value \$ (Exc. GST)	%	Invoice Date:
1	Establishment payment <i>On Signing of the contract</i>	On signature of the funding agreement and provision of the detailed execution plan for the business case	\$ [Commercial Inform]	[Comm] %	Commercial Information
2	Progress Payment 1 Concept design for land structure and infrastructure submitted and agreed [Commercial Inform]	On delivery of an agreed concept design for land structures and infrastructure	\$ [Commercial Info]	[Comm] %	Commercial Information
3	Progress Payment 2 [Commercial Inform]	On delivery of an approved Preliminary design Document On delivery of the Market Demand Assessment	\$ [Commercial Inform]	[Comm] %	[Commercial Information]
4	Progress Payment 3 [Commercial Inform]	On delivery of the Final Jetty design On delivery of the Interim Business case report	\$ [Commercial Inform]	[Comm] %	[Commercial Information]
5	Progress Payment 4 [Commercial Inform]	On delivery of the Developed design of structures and infrastructure On delivery of the Final Financial Business case draft	\$ [Commercial Inform]	[Comm] %	Commercial Information
5	Final payment [Commercial Inform]	On delivery of the Final Business Case incorporating all components	\$ [Commercial I to]	[Comm] %	Commercial Information

24. Please provide an overview of the applicant's relevant skills and experience for delivering a projects of this nature:

[We would like to understand your relevant experience to assist in delivering this project. In addition, any track record you may have delivering projects of a similar size, scope, or complexity, and how these projects will contribute to the future success of your business. Please use examples. If you do not have the experience, then please indicate how you will manage this risk.]

The project team collectively has skills in all areas of this business case development.

Privacy of natural persons

[Redacted text block]

Privacy of natural persons

[Redacted text block]

Privacy of natural persons

[Redacted text block]

Privacy of natural persons

[Redacted text block]

Privacy of natural persons

Kapiti Island Nature Tours Advisory Board is also experienced in project management and development, with members having been involved in numerous projects either in advisory or direct project management roles

25. Please explain the Governance arrangements for this project:

[We would like to know about how your organisation will govern the project/activity, as well as how other organisations may be involved (i.e. the Provincial Development Unit, local council, or iwi/hapū) in the governance procedures. Specifically please name who is on the governance board / leadership team]

The governance arrangements are through the Kapiti Island Nature Tours Advisory Board overseeing the project and acting as a reference and advisor on all aspects of the business case development.

The Advisory Board is independent and comprises 3 specialists with a diverse range of skills and backgrounds in tourism, finance and management. These are: Privacy of natural persons. In addition, the project will retain and utilise advice from Privacy of natural persons.

There are existing relationships with all the stakeholders that are relevant to the project. It is through those relationships that there will be consultation on the specific components of the project, their implications and any issues that arise will be addressed and incorporated into the business case that is the product of this proposal.

Existing stakeholders that are expected to have an interest in the project and for whom relationships already exist include, Kapiti Coast District Council, Ministry of Business Innovation and Employment, Te Puni Kokiri, Department of Conservation, Tourism New Zealand, Wellington Regional Economic Development Agency and iwi organisations with an interest in the training and development component of the project.

26. What procurement process has been undertaken (i.e. selection of a provider), or will be undertaken, and how will

that be managed?

[We wish to understand how you will approach the market effectively and ensure value for money is delivered, noting that public money is being utilised. If you have already been to market, then please describe who the supplier(s) are, how/why they were selected, and what the contractual arrangements are]

This project has been under consideration prior to this application to develop the business case. As a result, there are existing arrangements whereby consultants already have a knowledge of the proposal and the business. We would propose to draw on that existing knowledge base for the development of most of the business case. The principal consultant involved in the business case development has extensive experience in building structure in remote locations off the grid. It has worked extensively for the Department of Conservation and therefore is well qualified to develop the design and specification for the business case for this project. It has a number of specialist engineering advisors that it has worked with on many projects. We will therefore rely on those services as an integrated package of advice and design.

No consultant has been contracted yet, but we have received a number of proposals and costings that have contributed to the development of this application. We propose to refine the roles, define the tasks and set the timetable as part of the set-up phase. There are some components such as the jetty design where we have yet to select a provider from a short list of candidates who have submitted proposals. Cost will be a major determinant as will ability and experience in carrying out the task.

With a set of potential contractors we consider that the existing knowledge and the previous performance which has been cost effective means that there is confidence in value for money as well as the advantage of these contractor already having an understanding of the physical context of the project as well as the business operating environment and commercial constraints.

Future physical works would go to tender. Depending on the work required this would be an open tender or a selected tender basis. For example, there are only a limited number of companies that would be cost competitive that have the specialist skills to build the jetty.

27. What risks are associated with the delivery of this activity?

#	Risk	Mitigation approach	Rating
1	Timing of the individual components	- There is some time built into the proposed schedule, but a negotiated approach to the final schedule should mitigate any internal timing issues	L
2	External timing delays	- Availability of external stakeholders in the consultation and or consent processes create the risk. The main mitigation mechanism will be to contact early with a programme and schedule the desired contact times.	M
3	Cost escalation of specific components	- We will lock consultants into as much fixed price service delivery as possible during the set up phase to ensure the budget is met. Other cost escalations will have to be met from the Kapiti Island Nature Tours resources.	L
x		-	

28. What is the future intent (at this stage) relating to the project? Has there been any assessment of future viability of the project undertaken?

[We would like to understand what will happen after the funding has been used, and the activity is complete. Specifically in relation to the viability of the project going forward (if applicable to this application), and what the end objectives are. Please describe/attach any former development phase outcomes that you may have completed prior to this application (i.e. business cases, feasibility assessments, workshop result, consultation etc.)]

After this project has been undertaken Waiora Lodge will be in a position to seek finance to execute the overall development project. The business case will provide the underpinning economic case for the project and all the elements of the project will be designed and costed. Waiora Lodge will then be in a position to seek funding from a

Commercial Information

The next stage would be to proceed to tender on the various components and plan the timetable for development. Subsequent to this stage, additional marketing and promotion would be undertaken in accordance with the marketing plan. Recruitment of additional staff to operate the scaled up business would be carried out in the last stages of the build programme.

Part D: Declarations

Commercial Information

- 29. Has this activity ever been declined Crown Funding in the past?
- 30. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings?
- 31. The contracting entity is compliant and will continue to comply with all applicable laws, regulations, rules and professional codes of conduct or practice including but not limited to health and safety and employment practices
- 32. Is any individual involved in the application, the proposed contracting entity or the project, an undischarged bankrupt?
- 33. Is any individual under investigation for, or has any individual been convicted of, any offence that has a bearing on the operation of the project?
- 34. Are there any actual, potential or perceived conflicts of interest that the applicant or any of the key personnel have in relation to this project.
 "In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully..."
<https://www.oag.govt.nz/2007/conflicts-public-entities>

If you answered "Yes" to any of the above, please provide a description below:

By completing the details below, the applicant makes the following declaration about its application for Provincial Growth Fund funding for the project ("application"):

- I have read, understand and agree to the Terms and Conditions of applying for Provincial Growth Fund funding which are attached as Appendix 1;
- The statements in the application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;
- I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
- I consent to this application being publicly released if funding is approved. I have identified the commercially sensitive and personal information.
- The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the Provincial Development Unit by emailing PGF@mbie.govt.nz; and
- I understand that the falsification of information, supplying misleading information, or the suppression of material information in this application, may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

Full name:

Title / position:

Signature:

Date:

.....

Appendix 1 – Terms and Conditions of this Application

General

The terms and conditions are non-negotiable and do not require a response. Each applicant that submits a request for Provincial Growth Fund (“PGF”) funding (each an “application”) has confirmed by their signature on the application that these terms and conditions are accepted without reservation or variation.

The Provincial Growth Fund is a government initiative which is administered by the Provincial Development Unit, a unit within the Ministry of Business, Innovation and Employment. Any reference to the Provincial Development Unit in these terms and conditions, is a reference to MBIE on behalf of the Crown.

Reliance by Provincial Development Unit

The Provincial Development Unit may rely upon all statements made by any applicant in an application and in correspondence or negotiations with the Provincial Development Unit or its representatives. If an application is approved for funding, any such statements may be included in the contract.

Each applicant must ensure all information provided to the Provincial Development Unit is complete and accurate. The Provincial Development Unit is under no obligation to check any application for errors, omissions, or inaccuracies. Each applicant will notify the Provincial Development Unit promptly upon becoming aware of any errors, omissions, or inaccuracies in its application or in any additional information provided by the applicant.

Ownership and intellectual property

Ownership of the intellectual property rights in an application does not pass to the Provincial Development Unit. However, in submitting an application, each applicant grants the Provincial Development Unit a non-exclusive, transferable, perpetual licence to use and disclose its application for the purpose of assessing and decision making related to the PGF application process. Any hard copy application or documentation supplied by you to the Provincial Development Unit may not be returned to you.

By submitting an application, each applicant warrants that the provision of that information to the Provincial Development Unit, and the use of it by the Provincial Development Unit for the evaluation of the application and for any resulting negotiation, will not breach any third-party intellectual property rights.

Confidentiality

The Provincial Development Unit is bound by the Official Information Act 1982 (“OIA”), the Privacy Act 1993, parliamentary and constitutional convention and any other obligations imposed by law. While the Provincial Development Unit intends to treat information in applications as confidential to ensure fairness for applicants during the assessment and decision making process, the information can be requested by third parties and the Provincial Development Unit must provide that information if required by law. If the Provincial Development Unit receives an OIA request that relates to information in this application, where possible, the Provincial Development Unit will consult with you and may ask you to confirm whether the information is considered by you to be confidential or still commercially sensitive, and if so, to explain why.

The Provincial Development Unit may disclose any application and any related documents or information provided by the applicant, to any person who is directly involved in the PGF application and assessment process on its behalf including the Independent Advisory Panel (“IAP”), officers, employees, consultants, contractors and professional advisors of the Provincial Development Unit or of any government agency. The disclosed information will only be used for the purpose of participating in the PGF application and assessment process, which will include carrying out due diligence. If an application is approved for funding, information provided in the application and any related documents may be used for the purpose of contracting.

In the interests of public transparency, if an application is approved for funding, the application (and any related documents) may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982.

Limitation of Advice

Any advice given by the Provincial Development Unit, any other government agency, their officers, employees, advisers, other representatives, or the IAP about the content of your application does not commit the decision maker (it may be Senior Regional Officials, Ministers or Cabinet depending on the level of funding requested and the nature of the project) to make a decision about your application.

This limitation includes individual members of the IAP. The IAP’s recommendations and advice are made by the IAP in its formal sessions and any views expressed by individual members of the IAP outside of these do not commit the IAP to make any

recommendation.

No contractual obligations created

No contract or other legal obligations arise between the Provincial Development Unit and any applicant out of, or in relation to, the application and assessment process, until a formal written contract (if any) is signed by both the Provincial Development Unit and a successful applicant.

No process contract

The PGF application and assessment process does not legally oblige or otherwise commit the Provincial Development Unit to proceed with that process or to assess any particular applicant's application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

Costs and expenses

The Provincial Development Unit is not responsible for any costs or expenses incurred by you in the preparation of an application.

Exclusion of liability

Neither the Provincial Development Unit or any other government agency, nor their officers, employees, advisers or other representatives, nor the IAP or its members will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:

- a) the assessment process
- b) the preparation of any application
- c) any investigations of or by any applicant
- d) concluding any contract
- e) the acceptance or rejection of any application, or
- f) any information given or not given to any applicant(s).

By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against the Provincial Development Unit. To the extent that legal relations between the Provincial Development Unit and any applicant cannot be excluded as a matter of law, the liability of the Provincial Development Unit is limited to \$1.

Nothing contained or implied in or arising out of the PGF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

Inducements

You must not directly or indirectly provide any form of inducement or reward to any IAP member, officer, employee, advisor, or other representative of the Provincial Development Unit or any other government agency in connection with this application and assessment process.

Governing law and jurisdiction

The PGF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.

Public statements

The Provincial Development Unit and any other government agency, or any relevant Minister, may make public in whole or in part this application form including the following information:

- the name of the applicant(s)
- the application title
- a high-level description of the proposed project/activity
- the total amount of funding and the period of time for which funding has been approved
- the region and/or sector to which the project relates

The Provincial Development Unit asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior agreement of the Provincial Development Unit.

Appendix 2 - Operational criteria for all tiers of the Fund

Link to Fund and government outcomes

- Demonstrate the ways in which the project will contribute to lifting the productivity potential of the region
- Demonstrate how the project contributes to the Fund's objectives of:
 - more permanent jobs
 - benefits to the community and different groups in the community
 - increased utilisation and returns for Māori from their asset base (where applicable)
 - sustainability of natural assets (e.g. water, soil integrity, the health and ecological functioning of natural habitats)
 - mitigating or adapting to climate change effects, including transitioning to a low emissions economy
- Clear evidence of public benefits (i.e. benefits other than increased profitability for the applicant)
- Are in a Government priority region or sector

Additionality

- Project is not already underway, does not involve maintenance of core infrastructure or assets (except for rail and transport resilience initiatives), and does not cover activities the applicant is already funded for (funding could be considered to increase the scale of existing projects or re-start stalled projects)
- Demonstrated benefit of central Government investment or support
- Detail of any supporting third party funding (and any funding sought unsuccessfully)
- Acts as a catalyst to unlock a region's productivity potential
- Demonstrated links to other tiers of the Fund and related projects, to maximise value of Government investment

Connected to regional stakeholders and frameworks

- Evidence of relevant regional and local support, either through existing regional development mechanisms, or through another relevant body such as a council, iwi or other representative group (or reasons for any lack of local support)
- Has been raised and discussed with the region's economic development governance group
- Alignment with, or support for the outcomes of, any relevant regional development plan, Māori development strategy or similar document (whether regional or national)
- Demonstrated improvement in regional connectedness (within and between regions)
- Leverage credible local and community input, funding, commercial and non-commercial partners
- Utilise existing local, regional or iwi/Māori governance mechanisms

Governance, risk management and project execution

- Evidence of robust project governance, risk identification/management and decision-making systems and an implementation plan appropriate to the size, scale and nature of the project
- Future ownership options for capital projects, including responsibility for maintenance, further development, and other relevant matters
- Benefits and risks clearly identified and quantified, depending on the scale of the initiative
- Evidence of potential exit gates and stop/go points, and a clear exit strategy
- Clearly identifies whole of life costs (capital and operating)
- Dependencies with other related projects are identified
- Evidence of sustainability after conclusion of PGF funding
- Adequacy of asset management capability (for capital projects)
- Compliance with international obligations (where relevant)