

Application for Funding Projects



About this form

This form enables you to make an application for funding over \$100,000 from the Provincial Growth Fund for applications relating to the delivery of projects.

You will need to use the Express Form if your application is for an activity under \$100,000 or the Development Phase Form if your application is within the Development phase of a Project (i.e. feasibility / business case).

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. If you are applying on behalf of a number of parties, you need their consent to submit this application. You can add other applicants during the application process. You will be the point of contact for this application, but you must give us all information about all applicants.

Submitting your application

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

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. 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 held with the applicant (i.e. applying on behalf of another organisation), then we require the details of that organisation.

1. Proposal Title:

Whakatāne Riverfront Revitalisation

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

The Whakatāne Riverfront and Town Centre Revitalisation project is an integral part of an overall regeneration programme developed in partnership between Whakatāne District Council and Te Rūnanga o Ngāti Awa. The Whakatāne Riverfront and Town Centre Revitalisation project seeks to establish a world-class, small town destination through the creation of a town centre heart that will anchor the CBD, and through commercial development by unlocking high-quality open space to secure pending private investment. This project will also achieve a long-held community goal of better connecting the town to the river. The project supports the visitor economy through the development of a high-value promenade linking to the Ngāti Awa Tourism Hub, and remediation of and improvements to town wharves for tourism development and better linkage to the Whakatāne River.

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

Legal Name:	Whakatāne District Council
Entity Type:	Local Authority
Registered Offices / Place of Business:	Whakatāne
Identifying Number:	NA
Organisation's Website:	www.whakatane.govt.nz

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.

Territorial authority – Whakatāne District, Bay of Plenty

6. This project will be based in the region of:

Bay of Plenty

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:**

This application is the culmination of the Development Funding Agreement between MBIE and Whakatāne District Council (Whakatāne Town Centre Revitalisation Programme – 21 January 2019) and is made by Whakatāne District Council as part of the programme developed in partnership with Te

Rūnanga o Ngāti Awa.

Prior to the current Funding Agreement a presentation on this project was provided to Ministers Phil Twyford, Grant Robertson, Willie Jackson, Under-Secretary Fletcher Tabuteau, and MP Tamati Coffey on 21 August 2018 and to Minister Nanaia Mahuta on 22 August 2018.

The presentation took place at the completion of the work by the Regional Growth Leadership Group, sponsored by Labour MP Kiri Allan and led by Eastern Bay of Plenty Mayors, the Chairman of the Bay of Plenty Regional Council, Toi EDA and Iwi Leaders, to develop an Eastern Bay of Plenty economic development picture for Government.

In addition, the PGF Independent Advisory Panel and Provincial Development Unit were provided with a presentation and visited the Whakatāne waterfront, wharf and town centre on 18 September 2018.

Further discussions and briefings have been provided through the course of the Development Phase activity with MP Kiri Allan and Provincial Development Unit officials.

10. Have you previously received Government funding for this Project?

Yes:

No:

Whakatāne District Council received \$646 000 through the Development Funding Agreement between MBIE and Whakatāne District Council (Whakatāne Town Centre Revitalisation Programme – 21 January 2019). This project included both Town Revitalisation and Boat Harbour Development components. Commercial Information

11. Are you an overseas investor for the purposes of the Overseas Investment Act? Yes:

No:

To find out if you are an overseas investor, and find support, please visit the Overseas Investment Office [website](#).

12. 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)	\$9.6m	Subject to this application
Whakatāne District Council – this application	\$ Commercial Info	In principle and as agreed by the Council at its meeting on 6 September 2019. Please refer to page 38 for a breakdown of co-investment funding sources.
Total:	\$ Commercial Info	

Part B: Project Description

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

14. Will additional funding be required 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.

N/A

15. Has a feasibility study, or equivalent, been conducted prior to this application? Yes: No:

- If Yes, please provide a copy, including an overview of the feasibility study and any outcomes.
- If No, please explain why not; and how feasibility/viability of the project has been assured.

A comprehensive programme of work was conducted between February and September 2019. This included consideration of a diverse range of options to support the revitalisation of the Whakatāne Town Centre and riverfront. This work was supported by the development of a Whakatāne Town Reference Plan, a property and investment strategy and involving a range of specialist advice from technical experts and input from key Council and Rūnanga staff (Places and Open Spaces, Property, economic development, transportation, urban design and planning).

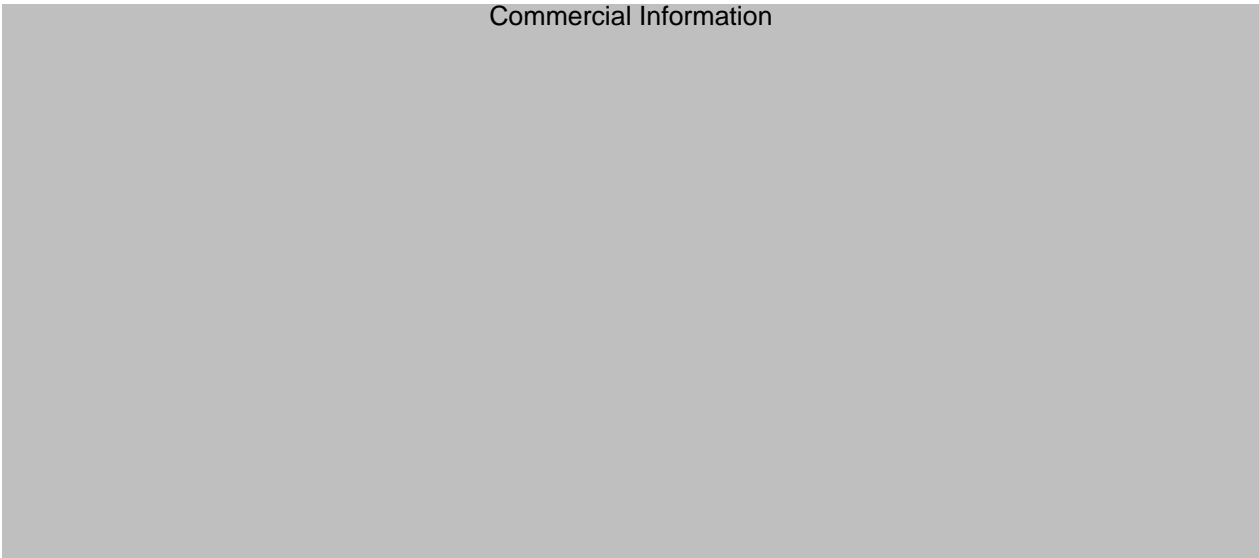
The Whakatāne Regeneration Programme Business Case process created a short list of options for Town Regeneration. These were assessed using a multi-criteria analysis approach. The outcome of this was the identification of the priority projects described in this application, collectively termed, the Whakatāne Riverfront Revitalisation package. The recommendations were “tested” in terms of development feasibility analysis and through discussions with interested private sector investors e.g. hotel developers, local business people and property investors.

The Whakatāne Riverfront Revitalisation package, along with a series of other policy and investment decisions identified through the Business Case process were endorsed by the Whakatāne District Council on September 6, 2019. The preferred, integrated package of investment will catalyse the regeneration of the Whakatāne town centre and riverfront. This is evidence based in the Business Case.

16. Please provide a detailed description of this project for which funding is being applied, including the benefits arising from the project:

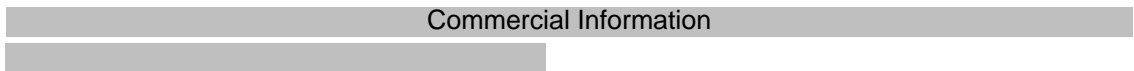
Detailed description of projects

The project applied for in this application sits under a wider Whakatāne Uplift Programme, which includes a package of separate but interlinked Provincial Growth Fund applications focussed on stimulating social, economic, cultural and environmental uplift within Whakatāne and the wider District. This package is described in the figure below.



The overall Whakatāne Regeneration Programme, which is the foundation programme for the wider Uplift Programme encompasses the following key objectives:

- Town Centre Regeneration to increase private sector investment and create a world-class small-town destination.
- Tourism development focussed on a Destination Management approach that will support increased activity and resilience in the tourism sector.
- Progressing an Investment Strategy that will unlock opportunities across the District by improving the returns from Whakatane District Council assets and setting Whakatāne District up for a financially sustainable future that can accommodate investment in economic growth.
- Boat Harbour/ Marine Investment to support direct and indirect growth in the Marine Sector.



The Whakatāne Riverfront Revitalisation project was developed after extensive analysis as the vehicle for delivering on town centre regeneration, catalysing private sector investment, stimulating tourism activity, uplifting of commercial property values and preparing Whakatāne for the changing future of provincial town central business districts. An overview of the three key components making up the project are outlines below.

Whakatāne Riverfront Revitalisation Project

The Whakatane Riverfront Revitalisation project will initially focus on delivering three key catalyst components collectively requiring an investment of \$^{Commercial Info}. Whakatāne District Council are seeking ^{Comm}%

of the cost of delivery from the Provincial Growth Fund. The investment ready projects are described in more detail below:

1. Creation of the Whakatāne town centre heart.

Establishing a high-quality public space on the Kakahoroa carpark site, that is edged and activated by new development and investment. The space will be green, flexible and multi-purpose to accommodate high use, events and intensive programming. The space will:

- Unlock land around the periphery of the car park for development.
- Stimulate development through a positive ripple effect to the wider town centre.
- Increase the number of people who visit the town centre, for different purposes at different times, particularly increasing activity during weekends and evenings.

Reconnecting the town centre to the riverfront is a long-held resident and Iwi aspiration. Reconnecting parts of the river through Riverfront Revitalisation to new Boat Harbour location also unlocks a mix of new opportunities.

Current Context

- The Kakahoroa Car Park dominates the landscape between the town centre activity and the Whakatāne Riverfront. This limits the connections between the natural and cultural environments and the town centre.
- There is no place of gathering in the town centre to support community, tourist or commercial events of scale.
- The dominance of the car park is also constraining potential private sector development on the periphery of the car park which is enabled through the District Plan but not supported by the present environment.
- Existing flood protection infrastructure creates a visual and physical barrier to the river, but is an essential element of the resilience of the town.

Project Intent

- Establish a town centre heart as a key destination within the town centre. To act as an anchor between existing open spaces, cultural sites and the riverfront for locals and visitors.
- Ensure the space is flexible to cater for a range of local and visitor place making events and experiences
- Promote access through town to the riverfront by integrating design elements into the stop-bank that enhance and support accessibility for a diverse community.
- Slowing of vehicles and generation of free flowing pedestrian movement to manage Kakahoroa Drive.

Landscape concept of proposed space

- The concept design and artists impression of the proposed solution is provided below.

Concept Design

Commercial Information

Artists Impression

Commercial Information

Investment Requirement

- \$^{co mer} (requesting \$^{C mer} in this application)

2. Continuous Riverfront Promenade

Creating a world class continuous Whakatāne Riverfront promenade experience along the urban riverfront of the Whakatāne town centre linking the Whakatāne Tourism Hub to the town centre and private development on the Kakahoroa site. This promenade will:

- Connect the Whakatāne town centre and community with the river.
- Connect the proposed Ngāti Awa led Whakatāne Tourism Hub (Ngāti Awa PGF application 2019 under the wider Uplift Programme) with the proposed Whakatane Town Centre Heart (as described above)
- Improve universal accessibility to and along the riverfront.

Current Context

- The existing street network confuses movements through the town centre and to the riverfront.
- Wayfinding between destination precincts along the riverfront is confusing and impacts on the ability and desire of visitors to explore the wider town centre.
- Inconsistent treatment of the public realm, streetscape and flood mitigation has left the riverfront fragmented and disjointed.
- The current infrastructure and design does not support a range of activities, events, recreational and active transport modes

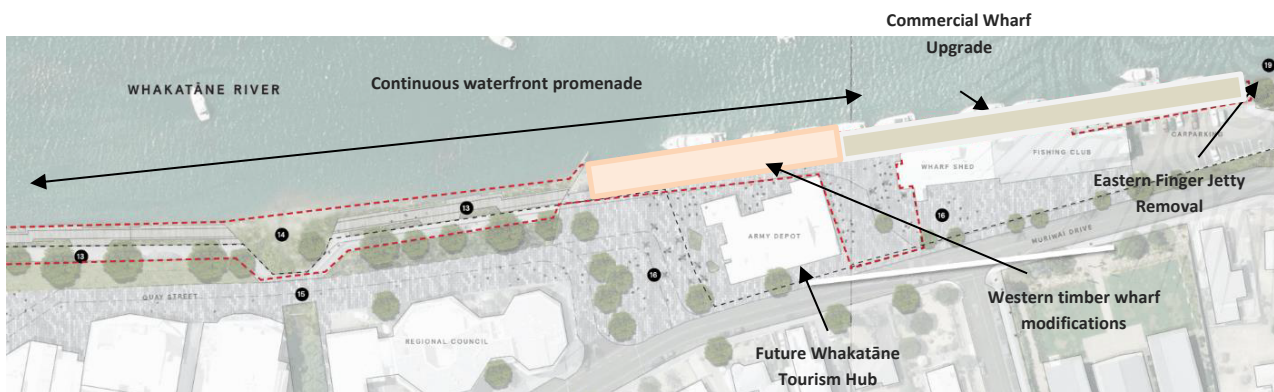
- The connectivity to culturally significant sites including Te Whare o Toroa Marae and Te Manuka Tūtahi Marae.

Project Intent

The preferred way forward is to invest in the section of riverfront promenade that connects the Sports Fishing Club and the current i-Site location. This will ensure that the modelled increase in tourism activities around the Te Rūnanga o Ngāti Awa led tourism precinct and the connection of these visitors to the town centre is maximised. This ensures that the indirect benefits of visitor activity in the town centre are realised. The extent of the project is clearly shown in the landscape concept below.

- Develop the urban riverfront edge as a continuous promenade between the existing western and eastern riverfront parks and open spaces.
- Establish the town centre riverfront as a signature landscape, open space and visitor attraction providing a catalyst for future recreation and place making events and projects
- Ensure continuity and cohesion for the riverfront through design, materiality, lighting and applying Te Aranga design principles.
- Enhance safe pedestrian access. Widen and improve access to and along the riverfront.
- Manage conflicts between activities along the riverfront including recreational and commercial access, cultural heritage and marae activities.
- Reveal place and identify to reinforce connections between the river and Whakatāne Heads, Kohi, Puketapu lookout, Haehaenga Reserve and the Te Rae o Kohi – Whakatāne Headland.

Landscape concept of proposed space



Investment Requirement

- \$Co mer (requesting \$Co mer in this application)

3. In-Town Wharf package

Creating safe and functional in-town wharves that support commercial and recreational activity. This package is critical to retaining an authentic working riverfront and maintaining the public interface with the riverfront - key project aspirations - as well as enhancing the view shafts from Te Whare o Toroa Marae and Te Manuka Tūtahi Marae. Additionally, the works proposed include modifications to the Western timber wharf to support the Whakatāne Tourism Hub development (Ngāti Awa PGF application

2019 under wider Uplift programme).

The package includes:

- Upgrading of the Western Timber Wharf to support growth in tourism activity. Ensuring the safe and efficient loading and unloading of passengers **Commercial Information**, the Charter Fishing fleet and other current and future tourism activities. This project will provide expansion capacity to support the long-term growth in tourism vessel numbers which has been identified as a key driver for Whakatāne's economic growth and prosperity. Retaining the tourism loading activity in the town centre is crucial for activation of the town centre riverfront area and the Whakatāne mainstreet, 'The Strand', through increased foot traffic and tourism spending.
- Upgrading the Commercial Wharf. Ensuring a level of activation can be retained to support sales of fresh fish and aquaculture which are 'straight off the boat' and regular weighing of game fish catches outside the Sport Fishing Club.
- Removal of the Eastern Finger Jetty. The Eastern Finger Jetty is nearing the end of its useful life and will be surplus to requirements once the new boat harbor **Commercial Information** is developed. The Eastern Finger Jetty will be demolished and the riverbank reinstated to a more natural state to meet the aspirations and values of Ngāti Awa. This will also improve the viewshaft from Te Whare o Toroa Marae to sites of cultural significance.

Current Context

- The Western Timber Wharf is the area used for tourism loading and unloading **Commercial Information**
- Approximately 100 metres of the existing Eastern Finger Jetty extends across the vista of Te Whare o Toroa marae.
- Parts of the existing main concrete wharf are over 100 years old and its condition has deteriorated significantly. The structure was previously assessed by engineering consultants as being at end of life and needing imminent replacement. A load restriction of 1,500kg has been imposed on the structure which prevents truck access for loading vessels.

Project Intent

- To provide fit for purpose berthage and tourist boarding facilities in order to provide a high quality asset, including tourist loading infrastructure to enable safer access onto vessels.
- Te Rūnanga o Ngāti Awa supports plans to remove the Eastern Finger Jetty to return this part of the riverfront to its natural state and improve significant viewshafts to and from the Te Whare o Toroa and the Whakatāne River.
- To activate the main commercial wharf by providing curated experiences for visitors during busy times of the year such as sales of fresh fish and aquaculture which are 'straight off the boat' and regular weighing of game fish catches outside the Sport Fishing Club.
- To reinstate the 100 year old wharf structure to original wharf loadings, maintaining an important connection to the history of Whakatāne as a commercial port.

Landscape concept of proposed space

These proposed projects are notes in the Landscape concept in **2. Continuous Riverfront Promenade** above.

Investment Requirement

- \$Commercial (requesting \$Commercial in this application)

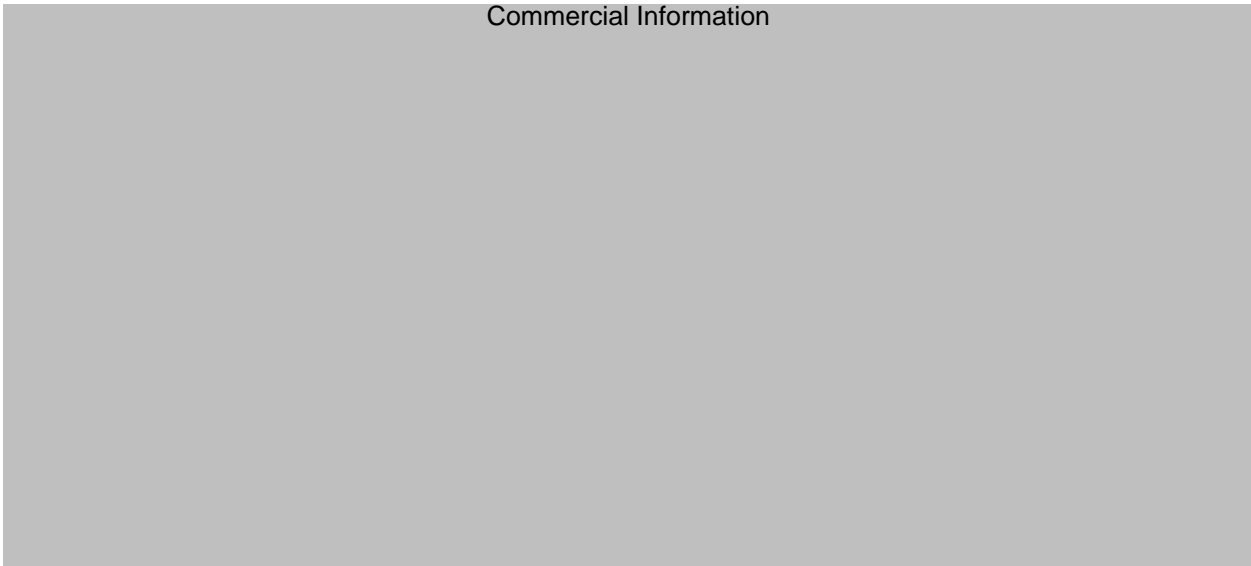
Riverfront Revitalisation Project Benefits

This application relates to the Whakatāne Riverfront and Town Centre Revitalisation projects, which are a component of the Whakatane Regeneration Programme. The table below indicates the benefits from the revitalisation projects, and in combination with the boat harbour project, the overall benefits and synergies.

Outcome	Source	Assumptions
Whakatāne Riverfront and Town Centre Regeneration projects		
\$Commercial on private investment in property development in town	Creation of development sites on Kakahoroa carpark site, improved viability of developments across town	Commercial Information
Commercial new attributable tourism jobs	10% of growth identified in Tourism Destination Management Plan	DMP assumes tourism job growth increases from 0% to 7% until 2023, and then 9% to 2025, before slowing to 4% ongoing. Riverfront contributes 10% of this.
Commercial construction jobs	Commercial Information	Kakahoroa developments take place, Commercial Information productivity in construction sector remains flat
~\$Commercial uplift in Whakatane District Council investment property assets	Increased economic activity driven by public realm investment in riverfront	Commercial% uplift in immediately neighbouring properties, Commercial% uplift on other nearby properties
\$Commercial uplift in Kakahoroa carpark value	\$Commercial invested in the site, \$Commercial increase from change in land use, \$Commercial original value	Site is converted from a carpark to an attractive development site
Boat Harbour and synergistic benefits		
Commercial% reduction in current gap between local and national unemployment rate by Commercial	Delivering Commercial new jobs reduces unemployment rate from ~8% to Commercial%, halving gap to national rate of Commercial%	Boat building, on-water marine, tourism and construction jobs are delivered. Assumes

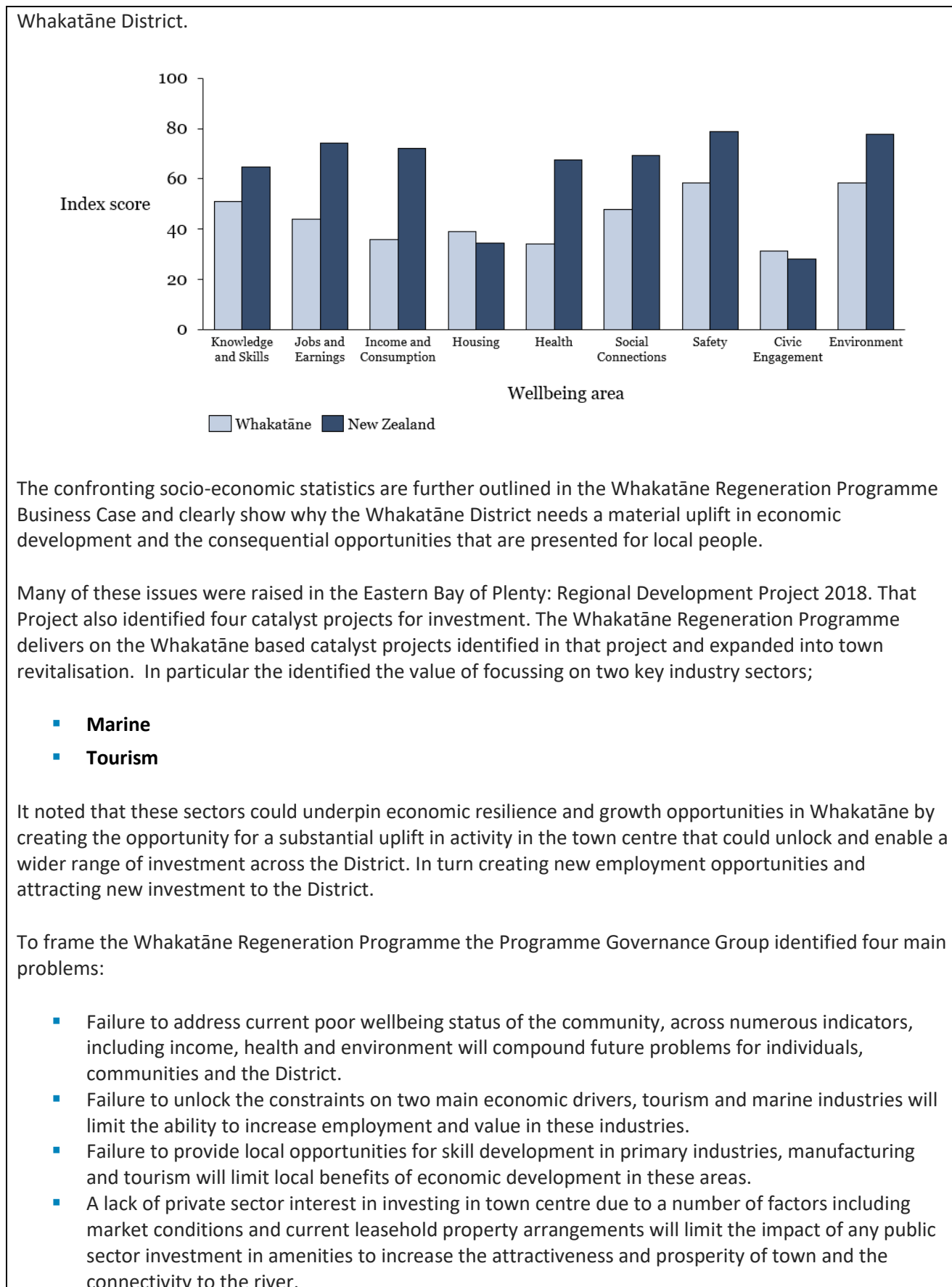
		unemployment rate remains static to <small>Commercial Inf</small>
\$80m incremental GDP per annum by 2050, in nominal terms	Economic growth relating to the jobs identified in marine, tourism, construction industries	Jobs identified in boat harbour and riverfront revitalisation projects are delivered
<small>Commercial</small> direct jobs on-water	New berths	Berths filled by predicted industries, <small>Commercial Information</small>
<small>Commercial</small> boat building jobs	Growth in marine industry due to access to berths and skills	<small>Commercial Information</small>
<small>Commercial Information</small>	<small>Commercial Information</small>	<small>Commercial Information</small>
		<small>Commercial Information</small>

The figure below shows the estimated incremental direct and indirect jobs from investing in riverfront revitalisation specifically. The approach to establishing these is outlined in the Economic Case of the Whakatane Regeneration Programme Business Case.



Programme Context

The Provincial Growth Fund recognised the Bay of Plenty region as a Surge Region, therefore prioritising it for early investment. The eastern Bay of Plenty in particular is lagging behind New Zealand on a number of wellbeing indicators. The figure below presents an overview of the current state of wellbeing across the



They also identified the following six investment objectives or benefits:

- Strengthened partnership and collaborative approaches between Ngāti Awa and Whakatāne District Council.
- Increased economic activity in marine and tourism (and associated) sectors.
- Increased private sector investment and activity in town centre.
- Better return on investment for Ngāti Awa and Whakatāne District Council and other partners.
- Improved experience for visitors to Whakatāne and locals.
- Improved social, cultural, economic and environmental wellbeing outcomes for locals.

The subsequent Multi-Criteria Analysis for the programme shortlisted 2 key interventions to address the identified problems and deliver on the benefits:

- Boat Harbour Redevelopment.
- Whakatāne Riverfront Revitalisation. This application focuses on the Whakatāne Riverfront Revitalisation intervention.

The diagram below outlines the relationship between the key elements of the wider Whakatāne Uplift Programme.



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

Why the project is not underway

The Council and the community have had long held aspirations to achieve the key components, and the resulting benefits of the Whakatāne Riverfront Revitalisation outlined in this application.

Whakatāne District Council, working with Te Rūnanga o Ngāti Awa and the wider community (including 538 formal submission points on the proposal) developed the Whakatāne Town Vision Plan 2008.

The Town Vision plan provided a long-term strategic view of the future of the town. This view formed the starting point for the Reference Plan developed in 2019.

The plan below shows the final concepts developed through the Town Vision Plan process.



Since the approval of the Town Vision plan in 2008, Whakatāne District Council has steadily invested in aspects of the Town Vision such as the development of the new Library and Gallery – Te Koputu a Te Whanga a Toi.

However, this investment has always been limited by the fiscal constraints that Council operates in, and recognising the affordability limits of the community. During this wider period Whakatāne has also experienced a number of events like the Awataraki Debris Flow (2005) and the Edgecumbe flood (2017) which have necessarily focused Council's expenditure elsewhere in the District.

The aspiration to invest in accelerating the development of a high quality town centre that is linked to the Whakatāne River that assists in unlocking commercial development has therefore not occurred at the pace of scale required. An example of the pace and scale of change manageable within the Council's constraints is the \$75,000 per annum allocated in Council's Long Term Plan under the greenway concept to improve the linkages along the riverfront.

Without the support of the PGF and the uplift package enabled by the Town Regeneration Programme, the aspirations remain unaffordable for the community at the pace required to influence community wellbeing.

Therefore the town remains, largely, disconnected from the River. Council will be unable, alone, to align its town investment closely with its Destination Management Plan aspirations or the tourism aspirations of Te Rūnanga o Ngāti Awa and the longer stays required to support uplift in the tourism economy will not be achieved.

As part of the work on these Town Regeneration Programme, Veros undertook an in-depth study into the current development feasibility and concluded that as a package, and with PGF support, the proposed project will, alongside the Investment Strategy:

- Improve property values
- Improve development feasibility
- Increase the level of private sector interest in investing in Whakatāne

Taking an integrated approach will also ensure that Council can apply a long term financial funding strategy to contribute to rates offset.

The opportunity, through PGF, to access a grant to catalyse town centre revitalisation is a once in a generation opportunity to shift the trajectory for wellbeing and economic resilience in the town and wider District.

New Projects

The description above demonstrates that the proposed projects are new assets. The Town Centre Heart will create a new open space, the Riverfront Promenade and In-Town Wharf projects will establish new levels of service that will meet current and future needs.

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

Strategic Partnership – Whakatāne District Council and Te Rūnanga o Ngāti Awa

Te Rūnanga o Ngāti Awa and Whakatāne District Council formed an historic strategic partnership to apply for PGF funding across the wider Whakatāne Regeneration Programme.

The Partners share aspirations for town regeneration and the uplift of our people

The programme brand and vision tells the story of how the project has assisted in the mending of past issues and the intent to continue to work in partnership in the future.

Ka Pō, Ka Ao, Ka Awatea!

Pō - darkness, night, place of departed spirits, underworld - the abode of the dead.

Ao - dawn, world, globe, global.

Awatea - middle of the day, broad daylight.

Bringing forth the new day, transformative and empowering.

Regional Support: Regional Growth Leadership Group

Upon the announcement of the Provincial Growth Fund, an Eastern Bay of Plenty Regional Growth Leadership Group (RGLG) was established under the sponsorship of Labour list MP Kiri Allan. It brought together the Chief Executives and Chairs/Mayors of all Eastern Bay of Plenty Councils and Iwi, the Regional Council and Toi EDA representatives. The aim of this group was to establish regional economic growth priorities and create a united front by supporting individual applications to PGF.

The RGLG released the Eastern Bay of Plenty Regional Development Report in 2018. The Report detailed 65 potential economic development projects across the Eastern Bay. Four key catalytic projects were identified as pivotal to unlocking other projects and future growth potential. One of these four catalytic projects was the Whakatāne Commercial Wharf Redevelopment and Tourism Cluster development, this was the founding project for the Whakatāne Regeneration Programme.

Regional Leadership Support

Recognising that Whakatāne is the residential and economic hub of the Eastern Bay of Plenty, local leaders support the development and uplift of our town, knowing that the benefits will flow across the Region.

The following statements demonstrate the wide support for our funding application:

“As one of the significant towns in the Eastern Bay of Plenty, investment in opportunities in Whakatāne, we believe, will benefit the region more broadly. The Eastern Bay economies are integrated and it is apparent to us that our communities are interchangeable. Any development that is focused on lifting the wellbeing of the people in the Eastern Bay is well supported by our Council.”
– **John Forbes, Mayor Ōpōtiki District**

“Revitalising Whakatāne will provide wider social and economic benefits including collaborative partnerships, and new skills development in construction, primary industries and the marine sector. We want to ensure our young people have access to sustainable employment — both here

in Kawerau and in the wider Bay. We fully endorse this application and very much want to be part of this regional success story.

– **Malcolm Campbell, Mayor Kawerau District**

“The Provincial Growth Fund provides a game-changer for all Eastern Bay communities. Facilitating the capability of the Māori economy will have sustainable and meaningful benefits for employment, training and skills development in marine, hospitality and supporting industries. The Bay of Plenty Regional Council's interest is in achieving a vibrant region, and even though the benefits of the Whakatāne Regeneration Programme may seem localised, there are significant wider economic, social, cultural and environmental benefits that will be realised across the Eastern Bay. – **Doug Leeder, Chair of Plenty Regional Council**

Annual Plan Support

The 2019/20 Whakatāne District Council Annual Plan consultation process sought comment from the community on progressing the Whakatāne Regeneration Programme as an integrated work programme with the view to submit a funding application to Central Government.

As a result of the feedback received on the Whakatāne Regeneration Programme, Council decided to progress the Programme in partnership with Te Rūnanga o Ngāti Awa to submit a central government funding application to support acceleration of the Programme and consideration of District affordability.

Industry Support

Tourism is the fastest growing industry in Whakatāne and accounts for 11% of employment. Tourism operators see private investment in our town, and the delivery of high quality public amenity as a key to:

- Unlocking vibrancy.
- Increasing visitation and foot traffic.
- Catalysing the development of the needed supporting services – food, beverage and accommodation.

Support from Tourism Operators and Investors for the Whakatāne Riverfront Revitalisation project are outlined below.

Free and frank opinions

[Redacted]

Free and frank opinions

[Redacted]

Free and frank opinions

[Redacted]

Free and frank opinions

Strategic Context – Town Centre

The strategic context is founded by a series of strategies developed in partnership with Iwi and stakeholders to define a measured way forward for the District and Town Centre. These strategies establish a consistency in approach across the scope of the programme and reinforce the significant role that the town centre and tourism opportunities have for the future prosperity of Whakatāne.

Most significantly these include:

- Commercial Information
- The town centre is focused on the retail strip based around The Strand. It is internally focused and does not relate well to the key locational assets of the Whakatāne River and the escarpment.
- Gap in market viability.
- Commercial Information

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

PGF Outcome	✓	How will the project positively or negatively impact this outcome in the region(s) identified?
1. Increase economic output	✓	<p>The level of economic output from tourism and the wider Town Centre revitalisation will provide:</p> <ul style="list-style-type: none"> - Commercial new attributable tourism jobs supported - Commercial construction jobs created - \$80m GDP increase - Support \$100m in private investment on property development within the town - \$^Cer lift in Whakatane District Council property assets, and - \$^Cmer uplift in Kakahora Drive capital value. <p>Specific examples include:</p>

		<ul style="list-style-type: none"> - Commercial Information - Creating development ready sites will support private sector investment in activities like hospitality, entertainment and accommodation.
<p>2. Enhance utilisation of and/or returns for Māori assets</p>	<p>✓</p>	<p>There are substantial opportunities to unlock and realise the potential of the Māori economy and asset base, particularly in relation to tourism in Whakatāne – this project is a catalyst for this. Most of the district’s seven Iwi have identified tourism as a key opportunity for creating employment and social and cultural uplift for their communities. Growth in tourism also enables Iwi to share their stories with the world, meeting the demand for authentic cultural tourism.</p> <p>Commercial Information</p> <p>The Riverfront and town centre revitalisation is a catalyst project for Iwi economic development in this area. Commercial Information</p> <p>As well as additional direct income through job creation, new economic activity will help to create community spirit and mana.</p> <p>Job creation will attract people back to Whakatane, as well as encouraging others to stay.</p>
<p>3. Increase productivity and growth</p>	<p>✓</p>	<p>The Eastern Bay of Plenty Regional Economic Development report identified transport links and infrastructure as key to unlocking potential economic growth across the region. By designing a waterfront area with fit-for-purpose, resilient riverfront infrastructure, increased commercial and public accessibility to our key assets - the river and sea - an improved investment environment is created for current and emerging commercial operations. Commercial In</p>

		<p>Commercial Information</p> <p>Increasing the overall attractiveness of the Whakatāne waterfront and CBD and widening the range of public amenities available will not only serve to make Whakatāne more liveable for current residents, but together with the increased tourism offerings, is expected to contribute to a growth in visitor numbers. This forecast increase in tourist numbers improves the viability of pipeline tourism concepts, Commercial Information. Spill-over effects into our neighbouring Eastern Bay districts are also expected - Whakatāne is the commercial and residential hub of the Eastern Bay of Plenty and benefits implemented here have a ripple effect across the wider region.</p>
<p>4. Increase local employment and wages (in general and for Maori)</p>	<p>✓</p>	<p>Unlocking the suite of tourism projects will create substantial employment opportunities:</p> <ul style="list-style-type: none"> - Commercial new attributable tourism jobs supported - Commercial construction jobs created
<p>5. Increase local employment, education and/or training opportunities for youth (in general and for Māori)</p>	<p>✓</p>	<p>Many of the employment opportunities generated by this project will be in the tourism industry, Commercial Information</p> <p>Further, many of the jobs created provide suitable entry level jobs for youth and unemployed. High value job pathways are also available in current and emerging industries - specifically tourism - whose growth is directly enabled by this investment. These opportunities will be attractive to skilled workers who otherwise may not have considered Whakatāne as a place to live and work. Additionally, as demand increases, Whakatāne residents who have left the district because suitable employment was not available, may return and reconnect with their whenua and whanau. This investment also stimulates alternative employment options to the key primary industry employers - pulp and paper and horticulture – both of which are projected to experience negative job growth and GDP growth between 0- and -4% between 2017-2022.</p>
<p>6. Improve digital communications, within and/or between regions</p>		<p>No direct impact</p>

7. Improve resilience and sustainability of transport infrastructure, within and/or between regions		No direct impact
8. Contribute to mitigating or adapting to climate change	✓	<p>An improved stop-bank and expanded wharf offers much greater resiliency to extreme weather events which are expected to increase with climate change. Work in this area will be undertaken in partnership with BAY OF PLENTY REGIONAL COUNCIL to ensure aligned objectives with flood resilience and urban design outcomes.</p> <p>Additionally, the Whakatāne Town Centre Reference Plan has been developed in line with the Te Aranga principles, with special focus on Mauri Tu component to ensure environmental health is protected, maintained and / or enhanced.</p>
9. Increase the sustainable use of and benefit from natural assets	✓	<p>Revitalisation of the Whakatāne town centre and riverfront will increase the sustainable use of the river environment. Currently, the town centre has limited connection with the river and therefore the benefits of a waterfront economy are largely lost to the town. Revitalisation and place-making will significantly capitalise on the natural asset of the river and land in the town centre. Commercial Information</p> <p>In addition, any proposed waterfront development will recognise the cultural significance for iwi and hapū of Ngāti Awa historical sites, events and practices relating to the Whakatāne River; and align with the Statutory Acknowledgements set out in Section 10 of the Ngāti Awa Treaty of Waitangi settlement, ensuring the protection and enhancement of cultural values.</p>
10. Enhance wellbeing, within and/or between regions	✓	<p>The impact of job creation for individuals, whānau and the community will be significant, in terms of creating an engaged and active community. There will be more job and training opportunities for young people. Wellbeing will also increase through improved aesthetics and vibrancy of the town.</p> <p>Currently, many people who work in other parts of the Eastern Bay (e.g. Ōpōtiki and Kawerau) choose to live in Whakatāne. Improved amenity in the town centre will become increasingly important to support other economic development initiatives that are imminent within the wider district and the region. In the same way, this will also help with tourism flows to some of the wider tourism initiatives that are developing, for example, in the Whirinaki Forest and Te Urewera.</p>

Total number of outcomes project	8/10	
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20. Has public consultation been conducted?

Yes:

No:

- If yes, what were the results?
- If no, is there a plan to do so?

Whakatāne developed a Town Vision Plan in 2008 which was reviewed again in 2015. The town visioning process provided the direction and mandate to achieve several developments within the town centre –

- Wharaurangi – (an urban connection point and entertainment space) the first step in a wider attempt to reconnect the town centre with the riverfront
- Te Koputu a te Whanga a Toi -Museum and Arts Centre - placed in the current nexus of the CBD and river connection.
- Te Whare Taonga o Taketake – Museum Research Centre

A summary of the engagement received from this process is attached to the Business Case as Appendix 19. This report summarises the engagement recently undertaken, as well as engagement with the community and key stakeholders during the last decade, as it pertains to the Whakatāne Town Regeneration Programme. This engagement includes; Whakatāne Town Vision, Whakatāne Town Vision Review, Whakatāne Ki Mua, Whakatāne District Council’s Long Term Plan and Annual Plan processes, as well as meetings and discussions with stakeholders directly involved in the tourism and marine industries.

Most recently whilst developing the Whakatāne Town Regeneration Programme application, the engagement has focused upon:

- Actively further developing the partnership with Te Rūnanga o Ngāti Awa
- Solidifying the support for emerging workstreams internally and with governance bodies
- Stakeholder mapping (see mapping document attached) with nominated relationship managers responsible for capturing and reporting feedback and gaining letters of support
- Engagement with key stakeholders and interest groups which have included: hui, group workshops, breakfast meetings etc.
- Awareness raising activities for the broader community, such as: radio interviews, media releases, social media posts, videos etc. Also showcasing Whakatane Town Regeneration Programme at community events such as: Business and Leisure Show, August 2019; and
- Gaining feedback from key stakeholders for the Town Reference Plan.

Whakatāne developed a Town Vision Plan in 2008 which was reviewed again in 2015. The town visioning process provided the direction and mandate to achieve several developments within the town centre –

- Wharaurangi – the first step in a wider attempt to reconnect the town centre with the riverfront
- Te Kōputu a te Whanga a Toi - Museum and Arts Centre
- Te Whare Taonga o Taketake – Museum Research Centre

Upon the announcement of the Provincial Growth Fund, this Vision was refreshed in focused consultation in 2019 This refresh also drew on engagement undertaken by Whakatāne District Council in its Ki Mua community visioning project that sourced an extraordinary 18,000 pieces of feedback from 3,000 people. Upon the establishment of the Whakatāne Regeneration Programme, further iterations were developed

in partnership with Te Rūnanga o Ngāti Awa, also drawing on input from key stakeholders. Council's Long Term Plan and Annual Plans during the past few years have included a number of proposals in relation to economic development, tourism/events development, and harbour development.

Ongoing consultation with the community on the detail of the proposed works will continue to occur during the subsequent stages of this project.

21. Please provide your customer demand / market analysis for this project, covering the following where possible:

- What is the current market for this project's outcome, and what is your current involvement in the market?
- What opportunities are there to *expand* market activity (i.e. what is the customer demand)?
- What customer market relationships do you have to leverage success of the outcomes of this project?
- Is the project primarily aimed at enhancing the share of a single market? If so, please detail the proposed markets with this intention.

The Project is an enabling work that, alongside wider action, will encourage activity in the tourism and private property development sectors and subsequent regeneration of the town centre of Whakatāne.

The Council is in a unique position as it is the owner of a substantial portfolio of land in the main commercial and riverfront area of the Whakatāne town centre. The Investment Strategy developed as part of this project will ensure that the Council is well prepared to contribute to the region's economic development opportunities and initiatives.

Leveraging Private Investment

As part of this programme, a series of property case studies were undertaken to provide data to support decision-making. **Commercial Information**

[Redacted]

[Redacted] was commissioned to:

- Test the feasibility and commercial viability of development in the Whakatāne town centre;
- Better understand the challenges faced by development that supports town centre regeneration;
- Identify barriers, and the potential enablers or incentives to remove these;
- Identify what public investment can stimulate change and investment in the town centre; and
- Inform Council's role and level of participation in the development market, and the viability, risks and potential returns.

Commercial Information

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Commercial Information

Commercial Information

Commercial Information

Investment Strategy/ Property Strategy

The Council's Investment Strategy (Whakatāne Regeneration Programme Business Case - Whakatane Investment Strategy - Appendix 8) focuses on investing for regeneration. This requires Council to make important decisions on what should be done with its strategic assets, predominately the leasehold land it owns in the Whakatāne town centre.

The purpose of the investment strategy process was to:

- Identify the strategy for managing Council's investment portfolio, including but not limited to property investments
- Identify structures and other mechanisms to manage and govern investment and development activities
- Develop a property strategy to support town regeneration and to protect investment value
- Identify co-investment opportunities and how the Whakatāne Regeneration programme would be funded
- Estimate the implications of the proposed structure on the Council's long term financial position

A summary of how the Investment Strategy relates to the town revitalisation projects and to regeneration outcomes is shown below.

Commercial Information

Council and Ngāti Awa are significant investors in the Whakatāne Town Centre, and their strategic partnership and investments will have a significant impact on the market.

Tourism and Town Centre Regeneration

A Riverfront Revitalisation package that leverages the unique location and history of Whakatāne will catalyse the following benefits that will stimulate sector growth and align with resident’s aspirations for the town, as outlined in Business Case *Appendix 5 Whakatāne Destination Management Plan 2019*, and *Appendix 19 Engagement Summary*:

- A vibrant and prosperous centre across the seasons that stimulates an evening and weekend economy with more opportunity to connect to visitor value and spend
- Supports world-class attractions and offers an improved experience for visitors to Whakatāne
- More investment from the commercial sector into the supporting offerings desired by both tourists and residents
- Increased visitor satisfaction with Whakatāne that will consequently create more visitation as digital and word-of-mouth sharing takes place
- More spaces and places for gathering, events and activation by locals and visitors, along with a feeling of safety and security
- A strong gateway experience to encourage people to stay and explore beyond the town.
- Commercial Information

Achieving the benefits above will lead to the development of a more holistic and vibrant Whakatāne experience for residents and visitors alike, with the added benefit that stimulation in the tourism sector has proven positive flow on effects to local employment.

22. Where the project utilises land, does the land have any other interests associated with it? (i.e. Treaty claims, or

iwi/hapū ownership)

Yes: No:

There are no other interests on this land.

The Kakahoroa car park is zoned business zone which supports a range of commercial, retail and residential activities. There is a designation on the car park that Council owns. The Height limit is 10m permitted 15m as a discretionary activity.

23. Is the land is owned by others, i.e. not solely by the applicant?

- If yes, then please describe the other interests and how will this be managed?

The land and infrastructure that the subject of this application is owned by Whakatāne District Council with the exception being those areas of the flood protection infrastructure that belong to Bay of Plenty Regional Council.

Whakatāne District Council and Bay of Plenty Regional Council have agreed to coordinate activity in the area that is the subject of this application through ongoing liaison at multiple levels within the respective organisations and coordinated planning activity in relation to any future proposed works

24. Does the land have appropriate Resource Management Act consents?

Yes: No:

- If no, how and when will this be addressed?

A full consenting strategy will be developed by the project manager for each project. The consenting strategy will be documented and managed by the project manager.

It is currently envisaged the following consenting issues will need to be resolved as part of the delivery of the project:

- Resource Consent – Public Realm Enhancements.
- Building Consents – Public Realm Works (staged consenting process).

A consenting strategy will be developed by Whakatane District Council, in consultation with Ngāti Awa, for the Public Realm works. Input from and alignment with the Bay of Plenty Regional Council will be critical across any work near or on the stopbank. A key consideration will be completion of cultural impact assessments and ensuring the appropriate consultation with the correct groups is undertaken in a timely manner.

The car park site adjacent to Kakahoroa Drive is zoned as 'Business' in the District Plan. This zone supports a range of commercial, retail and residential activities. The carparks are provided for through a designation which the Whakatāne District Council holds and therefore any future changes to the use of this site can be made at the Councils discretion.

There are a range of height limit is in the town centre even though there is a uniform zone over this area. Permitted height is 10 meters and up to 15 meters as a discretionary activity. Anything higher would be a non-complying activity or alternatively a plan change.

Note that the northern and western boundaries of the car park site has a strip that requires lower limits, in this way it provides a height limit setback.

Part C: Project Delivery

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

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

A draft approach to programme and project management has been prepared. The Whakatāne Regeneration Programme approach aims to ensure that the programme is delivered in a coordinated and integrated way, so that the overall objectives of the programme and the specific outputs of each project are achieved.

The Management Case outlines proposed terms for key aspects of the delivery of the project including, but not limited to:

- Project Planning
- Governance Structures
- Programme Management
- Financial Management
- Procurement Methodologies
- Risk Management
- Communications
- Reporting & Benefits Management

Project Planning

Following the project being fully approved, a final project plan will be developed that provides further specific detail and rigour for the completion of the project.

It is anticipated that the project will be considered and delivered as distinct, but related pieces of works.

What involvement is required by the Provincial Development Unit?

The PDU will maintain an oversight role for the approved project to ensure agreed contract deliverables are met and reported against. The PDU will also be the first escalation point for the project if there are any forecast variations to contract.

What other partners are required for successful delivery?

Te Rūnanga o Ngāti Awa and Ngāti Awa Group Holdings Limited (NAGHL), are key participants in the town's tourism activity, and more specifically a key marine tourism operator and as the operator of the Whakatāne Tourism Hub and will be key partners in the planning and operationalisation of this project.

Whakatāne District Council will liaise closely with Bay of Plenty Regional Council to ensure a coordinated approach to activity in the shared realm of the river edge. This will be particularly important in relation to the achievement of both authorities' objectives in relation to town revitalisation and flood protection respectively.

What project management practices will be in place?

Following the project being fully approved, a final project plan will be developed that provides further specific detail and rigour for the completion of the project.

Comprehensive Project Management Plans (PMP) will be developed for each workstream to outline 'how the project will be delivered'. In line with the specific project scope and expectations, the PMP will identify:

- Project's goals and objectives.
- Scope definition.
- Key personnel with roles and responsibilities.
- Change management controls.
- Delivery programme.
- Procurement of services.
- Cost estimating and budget.
- Risk management including identifying and 'treating' risks.
- RMA processes / procedures / compliance.
- Quality management / assurance.
- Communications plan including project partners and all key stakeholders.
- Project closure.

26. Have you have independent verification of the project approach /plan? Yes: No:

If yes, who verified the project and when?

Project approach verification will be undertaken following confirmation of design.

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

The Riverfront Revitalisation project delivery plan is attached to this application as **Appendix 1**

28. Please provide a complete breakdown of the costs of the project to assist us in understanding where the funds will be utilised:

Cost Description:	\$ (excluding GST)
<i>Delivery of Riverfront Promenade</i>	\$ <small>omme</small>
<i>Delivery of Town Centre Heart</i>	\$ <small>omme</small>
<i>Remediation of commercial Wharf</i>	\$ <small>mmercial</small>
<i>Modification of Western Timber Wharf</i>	\$ <small>ommercial</small>
<i>Removal of Eastern Finger jetty</i>	\$ <small>ommercial</small>
Total	\$ <small>mmercial Inf</small>

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

Deliverables will be determined as the project is progressed through the application process, but at a high level the expected milestones will be:

#	Description	Payment criteria:	Invoice Value \$ (Exc. GST)	%	Invoice Date:
1	<i>Funding Contract Signed and Project Plan Finalisation</i>	<i>Signature of the funding agreement Delivery of finalised project plan start-up report</i>	\$ Commercial Informat	Comm %	Commercial Information
2	<i>Detailed Design Complete</i>	<i>Completion of design phase, demonstrated by:</i> <ul style="list-style-type: none"> <i>Delivery of detailed designs</i> <i>Completion of public consultation</i> 	\$ Commercial Information	Comm %	Commercial Information
3	<i>Resource Consent Approval</i>	<i>Approved Resource consent for build works</i>	\$ Commercial Informat	1 Comm %	Commercial Information
4	<i>Building Consent Approval</i>	Approved Building consent	\$ Commercial Informat	Comm %	Commercial Information
5	<i>Award Contract for Build</i>	Completion of procurement demonstrated by: <ul style="list-style-type: none"> Award of contract for build works 	\$ Commercial Information	Comm %	Commercial Information
5a	<ul style="list-style-type: none"> <i>Build Progress payment 1</i> 	As agreed with build contractor	Commercial Information		
5b	<ul style="list-style-type: none"> <i>Build progress payment 2</i> 	As agreed with build contractor			
5c	<ul style="list-style-type: none"> <i>Build progress payment 3</i> 	As agreed with build contractor			
5d	<ul style="list-style-type: none"> <i>Build progress payment 4</i> 	As agreed with build contractor			
6	<i>Build Complete</i>	<i>The completion of the building phase, demonstrated by:</i> <ul style="list-style-type: none"> <i>Completion of the building</i> 			

		<p><i>work</i></p> <ul style="list-style-type: none"> • <i>Delivery of the contractor’s final report</i> • <i>Delivery of the council and Te Rūnanga o Ngāti Awa approval and sign off</i> 			
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30. Please provide a description of why Government funding is required to deliver this project?

Since the approval of the Town Vision plan in 2008, the Council has steadily invested in aspects of the Town Vision such as the development of the new Library and Gallery – Te Koputu a Te Whanga a Toi. However the Council has needed to invest in the actions from the Town Vision Plan in the context of its fiscal constraints, and recognizing the affordability limits of the community. Therefore progress has been slow.

The aspiration to unlock commercial development linking to the Whakatāne River had not proven affordable to the Council or commercially viable in a timely manner, without a wider uplift “town regeneration” package of interventions. As a result the town that largely remains unconnected to the River, and does not align closely with its Destination Management Plan aspirations or the tourism aspirations of Ngāti Awa.

To support its contribution towards the town revitalization project, the Council has also developed an investment and property strategy, to use its financial strength to support the town, improving property values and providing a long term financial funding strategy to contribute to rates offset. However, by itself, this will not achieve the outcomes desired by the community or unlock private investment.

31. Please provide an overview of the applicant’s relevant skills and experience for delivering a projects of this nature

The Council clearly has a significant history of successful investment in public realm projects, and property investments and has key staff that with will support the implementation of this funding application. However, the scale of the projects identified, the impact on current business as usual activities, and the timing for delivery were also considered in selecting an approach for delivery.

At the time the Council agreed to approve the funding application, it agreed that specialist resource and a dedicated team would need to be established to progress these works, subject to a successful outcome on the application. It is proposed that a specialist Project Manager be appointed to oversee the delivery of the Riverfront Revitalisation suite of work.

This Project Manager will be part of a Project Steering Group that includes key partner staff.

The Council was also fully aware that a number of consequential changes to the organisation workplan would be required to support the successful implementation of the Riverfront Revitalisation project including but not limited to:

- Parking and transport strategy review
- District plan changes
- Investment strategy implementation
- Ongoing community engagement

32. Please outline the project team and explain the Governance arrangements for this project

The management structure will ensure the timely and controlled delivery of the various tranches of work. The management structure will be set-up to enable appropriate levels of communication and authority at various levels of the project.

Indicative Governance and Management Structure



33. What procurement process has been undertaken (i.e. selection of a provider), or will be undertaken, and how will that be managed? In addition, please provide a description of how greater public value will be achieved through the procurement process, for example by considering one or more of the following:

- How regional businesses (inc. Māori / Pacifica enterprises) will be provided with opportunities
- How skills will be developed in the market (i.e. via construction apprenticeships)
- How worker conditions in the supply chain will be improved / managed
- How waste / emissions are being reduced in this procurement.

For more information, please visit: <https://www.procurement.govt.nz/broader-outcomes/>

Whakatane District Council will manage procurement in line with the Whakatāne District Council Procurement Manual 2014. Comprehensive procurement strategy plans will be developed by Whakatane District Council. Procurements plans and methodology shall be in accordance with typical governance rules of sourcing wherever possible.

It is anticipated that specific procurement plans will be developed and approved for the following key procurements.

- Consultant Procurement Plan: A procurement plan will be developed that allows the ongoing engagement of key project consultants. The procurement plan will be developed by the programme or project manager, with all further engagements completed in accordance with this plan.
- Main Contractor Procurement Plans: Procurement plans will be developed by the project manager and approved as required for at least the Public Realm works.

Procurement plans will focus on ensuring that the professionals and contractor delivering the works provide:

- Appropriate levels of experience and knowledge
- Appropriate resource to complete the works
- Quality of delivery
- Value for money
- Complete services in accordance with health & safety legislation.

A key consideration within all procurements and delivery of the works will be engaging local resource where possible, to maximise benefits to the region and local community.

Benefits measures deriving from this application shall be identified at the outset of the project, to allow quantification of the true benefits from the project. The most effective way of encouraging benefits realisation will be to encourage and procure resources from Whakatāne and the surrounding areas.

Benefits Management will be encouraged and monitored via the following avenues:

- Procurement weightings to encourage locally-located suppliers
- Design processes shall encourage wider community participation and involvement
- Employment of locally-based companies shall be verified and reported on during the works
- Contractor shall be encouraged to employ and train local staff
- Local schools and community groups shall be engaged as project “sponsor schools”, to observe the project at times

Survey and reporting on impact and influence of the works on local businesses.

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

A detailed risk register will be developed to address current and future risks, as the Programme progresses through the detailed planning and delivery stages. The risk register will require continuous updating and review throughout the course of the project.

Initial risk workshops for the various streams of works shall be undertaken and findings and mitigation

strategies shall form the basis of the Risk Management Plan for the project.

An initial risk register was developed for the project and key project risks already identified are summarised in the below table.

Risk Register for Riverfront Revitalisation project			
Category	Description	Mitigation	Risk Factor
Inaction / doing nothing	The risk for the town and local economy is significant when considering the seismic infrastructure risk, environmental risk, economic risk, cultural risk, and political risk.	Accelerate the project to ensure that investment from central and local government brings confidence for private investors to invest in the town.	High
	The asset value on the Council books will deteriorate if no investment is made		
Consent	The revitalization project is not granted resource consent due to opposition from stakeholders. The main risk is environmental given the proximity to cultural areas and biodiversity.	Project Partners identified key parties of interest at the outset of the project and proactively engaged with them to understand their requirements. Given Ngāti Awa and Whakatane District Council are project partners significant reduces risk. To date positive feedback received from all parties.	Medium
		Early Regional Council strategic engagement has been positive.	
Financial	The project has cost over runs that make the project unviable	There is alignment of objectives and a formal partnership and heads of agreement with Ngāti Awa. The project has used leading subject matter experts who have done significant financial modelling, due diligence and peer reviews. There are contingencies in the finances to allow for unforeseen circumstances. The Whakatane District Council tendering process will ensure robust evaluation of construction firms to prevent cost over runs.	Medium
Seismic	The location of the project is in an active seismic zone which results in earthquake damage to the land structures.	Most of the Whakatāne district is also exposed to seismic risk. The new assets can be insured and repaired in the rare event of a major earthquake. Assets would be constructed to meet modern seismic standards and the investment in the town would encourage the investment by building owners to upgrade their structures to the new legal standards.	Medium
Commercial Inform	Commercial Information	Commercial Information	Low

Political	The newly elected Council for Whakatane District Council no longer support the project	Given the 15 years of public and council discussions on the need for improved infrastructure, the agreed nature of the risk of the current situation, the strong iwi support for this boat harbor option, and strong Council support for this option, form a strong history for the new Council to inherit. The new Council will be taken through workshops to understand the full project scope and opportunity. The project provides significant uplift economically, socially, environmentally and culturally, which means that any incoming council is highly likely to support the continued investment in this project.	Low
Relationship	Council and Ngāti Awa do not reach agreement on the Whakatāne Regeneration projects	Regular meetings at governance and management levels to stay aligned and updated will continue. Positive cultural and social outcomes will continue to be at the forefront of the project. There is a very strong alignment at all levels. There is a strong desire to continue the relationship and set the scene for ongoing trust.	Low
Community	There is adverse reaction from a few community stakeholders against the project due to lack of understanding.	There is a significant level of support from the community for the project. Consultation will continue to promote the economic, social and cultural benefits of the project. By having a united voice with the land owners, Ngāti Awa and Whakatane District Council there are multiple mechanisms to address any concerns.	Low
	Sufficient funding support is not received on terms that make the project financially sustainable.	The benefits of the project are well aligned with the PGF's social, environment and economic criteria and the project has requested sufficient funds to unlock the regional economic uplift. Project has been designed to meet the needs but uses conservative costing from the domain experts, so funding requested is commensurate with level of investment and return.	
Project Application/ Funding	There are three risk areas: <ul style="list-style-type: none"> - Fundability of business case - CAPEX and OPEX during establishment - Commercial viability once operational, including the burden of depreciation 	While minimal impact, depreciation has been considered in all financial modelling. The project does not create a future burden on taxpayers. Current cost estimate has been prepared on a conservative basis, with contingencies included. Whakatane District Council will use robust procurement procedures. Operational management costs will be absorbed into the annual planning cycle, without significant increases in costs.	Low

35. Will the applicant own the asset on delivery? Yes: No:
- If no, please describe who will own the asset.

The focus of the riverfront revitalisation workstream is the public realm work. Whakatane District Council will be the owner and developer of the public realm.

36. When the project is delivered, what is the plan to operationalise the asset (if an asset), and maintain it through life?

The majority of the assets do not require operationalising as they are largely landscaping, access ways and public realm works. Those assets to be operationalized will become so, once the surrounding works have been completed. All new infrastructure will be captured alongside Council's existing asset portfolio and managed through robust asset management plans. Asset renewals will be planned through councils planning cycles and operational maintenance captured within Council's existing programme of works.

37. What will the impact be on the applicant's financial accounts?

Recognising the socio-economic statistics, Whakatāne ratepayers have little capacity to pay more rates than what they currently pay. As part of the Riverfront Revitalisation project, options and funding sources have been assessed to ensure that the project is affordable. In addition to funding considerations alongside ratepayer capacity, Whakatāne District Council (Council) has developed a targeted Investment Strategy. This accounts for co-funding for the two Whakatāne Regeneration Programme key projects (boat harbour and town revitalisation), and to protect and grow the value of Council's investment portfolio. **Commercial Information**

Commercial Information As a package, with the inclusion of Provincial Growth Funding, the financial case demonstrates that this project can be achieved in an affordable and sustainable way for our ratepayers.

Commercial Information

Riverfront Revitalisation Project Funding Source Breakdown

Commercial Information

This is addressed in detail in Sections 4.15 and 4.16 of the attached Business Case.

Part D: Declarations

38. 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
39. Has this activity ever been declined Crown Funding in the past?
40. Has the applicant or the contracting entity ever been insolvent or subject to an insolvency action, administration or other legal proceedings?
41. Has any individual in the Project Team (including the Applicant's Leadership Team, directors, partners, or trustees, or any key members of the project) ever been insolvent or subject to an insolvency action, administration or other legal proceedings, or actively involved in any organisation which has?
42. Has any individual in the Project Team (including the Applicant's Leadership Team, directors, partners, or trustees, or any key members of the project) ever been adjudged bankrupt or is an undischarged bankrupt?
43. Has any individual in the Project Team (including the Applicant's Leadership Team, directors, partners, or trustees, or any key members of the project) ever been under investigation for, or been convicted of, any criminal offence?
44. 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 question from 39 to 44, please provide a description below: N/A

By completing the details below, the applicant makes the following declarations 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 have obtained the permission of each member of the Project Team to provide the information contained in this application and those individuals are aware of, and agree to, the Terms and Conditions of applying for Provincial Growth Fund funding which are attached as Appendix 1;

- I consent to this application being publically 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.

- The applicant consents to the Provincial Growth Fund undertaking due diligence including any third party checks as may be required to fully assess the application.

Full name: Julie Ann Gardyne	
Title / position: General Manager, Strategy and Economic Development, Whakatāne District Council	
Signature / eSignature: <div style="border: 1px solid black; background-color: #cccccc; width: 100%; height: 60px; margin-top: 10px;"></div>	Date: 10 September 2019

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 (or e-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.

Use and disclosure of information

The Provincial Development Unit will require you to provide certain information, including personal information, on application forms if you wish to apply for funding. If you do not provide all of the information that is required on an application form, the Provincial Development Unit may be unable to process or otherwise progress your application.

MBIE will generally only use personal information provided in the application process for the purpose of administering the PGF which includes assessing an application you have submitted, contracting, monitoring compliance and reporting.

We may use personal information provided to us through the application for other reasons permitted under the Privacy Act (e.g. with your consent, for a directly related purpose, or where the law permits or requires it).

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, including assessment and ongoing monitoring, which will include carrying out due diligence. Due diligence may involve MBIE disclosing information to another MBIE business unit or relevant agency in order to assess the application and verify the information contained in the application and accompanying documents.

MBIE will generally not otherwise disclose personal information provided or collected through this application unless required or otherwise permitted by law. For example, we may seek your consent to undertake additional due diligence checks and request information from other relevant third parties. 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.

Electronic signature

You can only file documents and information with us using an electronic signature if you're the signatory, or have authority to act on behalf of the signatory, and are using software that complies with our standards, in particular keeping records of transactions where an electronic signature has been used. Once a document with your electronic signature has been filed with us, we consider the information:

- has been provided with your full knowledge and agreement
- is authentic and accurate
- wasn't amended after your electronic signature was added to the document, unless a change has been clearly marked on the document.

You're responsible for:

- safeguarding how and when your electronic signature and credentials are used on documents and information
- managing who has authority to use your electronic signature on your behalf, for example, a chartered

accountant.

If your electronic signature on a document or information is filed with us, you won't be able to dispute having signed and approved the document or information. If we question the authenticity of an electronic signature or online transaction, you must be able to demonstrate on request the validity of the software used to apply your electronic signature to the document.

You must use electronic signature software that captures authentication, time and source details for any online transaction where a document with your electronic signature has been filed. These details must be held within the software itself, in the form of a file that:

- is maintained in its original form with no amendments, and
- can be provided to us, if requested, within a specified time.

The file must be treated as a record, as defined by the Companies Act 1993, and a business record as defined by the Evidence Act 2006.

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)