



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: Waiariki Film Studios

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

The Waiariki Film Studios project is building a new industry in Rotorua and the wider Bay of Plenty Region. It will capitalise on the over-demand for New Zealand soundstage facilities (large scale indoor filming studios) as well as the success of the Māori screen and cultural sectors in the Bay of Plenty.

We aim to repurpose a Rotorua warehouse into a successful, high-quality film studio sound stage that is culturally inclusive and environmentally sustainable.

This soundstage is designed to meet the needs of domestic films and television productions as well as small to medium scale international productions. There will also be provision for the facility to play a direct role in the accelerated development of the Bay of Plenty screen industry.

Initially Waiariki Studios will create ^{Comm} jobs for the region both directly as employees of the facility and indirectly as workforce employed on client productions, aiding in the Post Covid19 recovery for local industry. As larger productions are attracted to use the facility the number of jobs created will grow with the potential of ^{Commercial} being employed on larger scale productions.

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

| | |
|--|---|
| Legal Name: | Application completed by "Bay of Plenty Film Trust" (trading as Film bay of Plenty) and "Steambox Trust" on behalf of "Waiariki Film Studios Limited". Waiariki Film Studios Limited, the general partner of a limited partnership "Waiariki Film Studios Management" is currently being created by ^{Commercial} and ^{Commercial Information} . Further details about company structure in application below. |
| Entity Type: | Company |
| Registered Offices / Place of Business: | Bay of Plenty Film Trust – trading as Film Bay of Plenty – C/O Priority One, 29 Grey St, Tauranga Central, 3110 |
| Identifying Number: | [e.g. Company Number, NZBN, Trust / society number, etc. if applicable] |
| Organisation's Website: | Filmbayofplenty.com |

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

| | | | |
|-------------------------------|---------------------------------------|-------------------|---------------------------------------|
| Contact Name and Role: | Anton Steel | | |
| Email Address: | ^{Privacy of natural persons} | Telephone: | ^{Privacy of natural persons} |

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

Waiariki Film Studios Ltd is a new company, being formed specifically for this project. The company is made up of members of Film Bay of Plenty and Steambox Collective Charitable Trust. ^{Commercial} is currently forming the Limited Liability Company - Waiariki Film Studios, which will be the General Partner for Limited Partnership Waiariki Film Studios Management for which ^{Commercial Information} are drafting the paperwork and contracts for.

- Film BOP is the Regional Film Office representing and funded by the councils of Tauranga, Western Bay, Rotorua, Whakatane, Taupo, Kawerau, & Opotiki. Film Bay of Plenty is a sector based Economic Development Agency with a focus on growing the local screen media industry through attracting large scale projects, helping develop local BOP based content, and growing the infrastructure and skill base of the region.
- Steambox Collective Charitable Trust is a collective of Māori film and television makers based in Rotorua who are committed to indigenous storytelling and the production of high quality screen content for domestic and international markets.

A link to the individual organisation trust deeds, and the (latter stage of the project) larger scale hub project drop-sheet and investor pitch deck is attached here:

Dropbox link withheld - commercial information

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

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

[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?

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.

- Early development plans have been discussed with Commercial Information and Commercial Information. They are excited about the prospect of the economic boost to the region through the screen industry and recognise the opportunities that arise for ancillary businesses.
- The project has been discussed with Cecilia Warren (Senior Policy Adviser at MBIE). She was supportive of a Maori-led Film Studio production hub in the region.
- The team from the New Zealand Trade & Enterprise Auckland office have been supportive in this application
- Discussions have been ongoing with former PDU Regional Advisor Privacy of natural persons at the Provincial Development Unit since the commissioning of the initial feasibility study in 2019 and with Portia Mckenzie the newly appointed PDU Advisor
- Commercial Information

This application Commercial Information that kick starts the industry and will catalyse the larger new build project off the back of this success

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

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

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: [please indicate where all other funding is sourced from, noting who the funder is] | \$ (excluding GST) | Status / Commentary [i.e. received / confirmed / in principle] |
|---|---------------------------|---|
| Commercial Information | \$ Commercial Info | Received |
| Commercial Information | \$ Commercial Info | Confirmed |
| Provincial Growth Fund (this application) | \$ Commercial Inform | For consideration |
| Commercial Informat | \$ Commercial Inform | In principle |
| Commercial Information | \$ Commercial Inform | In principle |
| Rotorua Lakes Council Commercial Information | \$ Commercial Info | In principle |
| Total: | \$ Commercial Information | |

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.

We envision this as the first step / proof of concept toward establishing a new industry for Rotorua and from its success, a larger scale production hub in the region.

Through the establishment of this original sound stage we will continue working towards the larger vision of creating a world-renowned indigenous film hub that offers an authentic cultural experience, supports local filmmakers, engages the community and grows the New Zealand Film industry. The original studio establishment in Riri St would become a satellite facility to this larger scale offering.

We will be continuing the discussions we have been having with stakeholders, iwi investment, iwi land owners, impact investors, and international productions looking to invest in expanding the infrastructure offerings already established, and would like to apply in the future for more support through the Provincial Growth Fund to grow this high value industry in the region.

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 feasibility study into the potential for a new studio facility in the Region has been undertaken by London based creative industries consultancy firm Olsberg•SPI.

The project was commissioned by Steambox Collective Charitable Trust, a collective of Māori screen professionals from Rotorua in partnership with regional film office, Bay of Plenty Film.

Osberg SPI concluded that - a mid-size studio is the most relevant option identified for the Region at this stage. Such a Facility could be based on purpose-built sound stages or a converted industrial building. It should be structured around an initial investment followed by further phased expansion, allowing growth of the business in line with expanded production capabilities in the Region and an increased market offer.

The Facility should initially include at least two stages – or possibly one large stage in the case of a conversion. – Pg 20 of the Study

One of the key findings of the feasibility study was a strong alignment of the proposed project with the Provincial Growth Fund due to its emphasis on regional development, increased employment in a skilled workforce, higher productivity, environmentally sustainable practices and the leadership and inclusion of Māori at all levels of the project.

In terms of location for the sound stage SPI identified that - Rotorua is considered to be the strongest location in terms of offer for the market and potential funders.

Despite Rotorua’s relatively small size it has a very developed tourism offer, with good provision of hotel rooms and other amenities that would be suitable for crews. It also offers clear logistical benefits for a Facility, including access to Auckland and Wellington. While the crew base is not currently as developed as Tauranga this would develop in relation to the creation of a Studio Facility.

There are also close strategic links to the Māori screen industry, Māori performing and visual arts talent, and Māori labour. A facility in Rotorua would also be strategically placed to leverage the town’s tourism market for a future screen tourism attraction. – Pg 25 of the study

A link to feasibility study attached is here:

Dropbox link withheld - commercial information

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

[Note: please describe what the funding is for, why it is required, what the project will do, how it links to other projects or activities and the benefits which will be attributed to it – for more information on benefits management, see this [guide](#).]

Waiariki Film Studios is seeking total investment of up to \$^{Commercial Information} (\$^{Commercial Informa} from the PGF) to repurpose a Rotorua warehouse to establish a film studio soundstage facility and associated operational/management company as stage 1 of the larger proposed Hub to be realised in the region.

Not just a studio soundstage but also a catalyst for attracting productions to the region, Waiariki Film Studios will be capable of servicing domestic TV series and Feature Films, small to medium international TV series and Feature Films or to act as weather cover for a “location based shoot” for a large scale production that has its base at one of the larger facilities in New Zealand. It will be a medium scale facility able to be augmented for larger jobs by nearby office space, mill/workshop space, crew parking and an already established post-production facility^{Commercial}.

Commercial Information. Such facilities already exist in other parts of New Zealand and reflect our connectedness to highly-developed production markets with strong international and domestic throughput, as well as New Zealand’s highly regarded crew base.

It is expected that project funding will come from a combination of non-bank debt funding, and equity capital.

These funds will be used for an initial^{Commercial In} lease, construction refurbishment, acoustics, power supply upgrade and cabling, also to complete initial equipment purchases, and initial working capital.

The facility will be made up by the following;

- a. Soundstages – **Commercial Information**
- b. Production office space^{Commercial Inform}
- c. Parking – ^{Commercial Information}

Potential outcomes and benefits:

- **Contribution to regional and national GDP** – with the global demand boom showing no signs of abating, additional stage capacity would provide opportunities to attract offshore projects to NZ. The Facility will generate commercial revenues from renting/leasing these facilities to film/television projects.
- **Job creation** – expansion of film industry creates substantial new employment, with median earnings higher than the national average and growing at a faster rate. The principal benefit of the project will be the additional employment generated by the new facility, both directly and indirect
- **Skills creation** – the majority of production roles are either educated and/or highly-skilled.
- **Training and development** – establishment of this project would also provide a unique opportunity for a vocational skills & development training concept, leveraging opportunities for youth employment as well as continuing professional development. It could also serve to connect Māori in particular who are already working in the performing arts arena. Waiariki Film Studios aims to create a workforce development training unit that produces ‘set ready’ workers.
- **Cultural resources** – existing Māori culture and talent base around Rotorua provides a unique selling point for a local facility, via existing high skill levels in performance and craft, in both traditional and contemporary styles.
- **Flexibility & mobility** – film & TV industry labour pool is characterised by a high level of mobility and flexibility, providing transferrable skills.
- **Tourism** – seeing a nation’s stories and locations through entertainment experiences has a proven tourism impact. Hobbiton in Matamata is a strong local example.
- **Brand awareness** – film content is known as a major contributor to regional and national brand building
- **Indigenous Screen Media Content Creation** – With the project’s high level of Maori level of Maori leadership and engagement, a key aim of the project is to build on the success of the Māori film and television industry and help accelerate its growth nationally and internationally

This application is concurrent with an application to Te Ara Mahi to create a modular training programme to generate 'set-ready' workers for the industry. Upskilling and generating a local workforce is just as important as the studio space when it comes to encouraging productions to bring their projects to the region. Having more skilled and experienced crew based in Rotorua and the wider Bay of Plenty will make the region highly attractive to clients. Creating this local workforce will also help solve a national problem, with New Zealand currently facing a severe shortage of film crew (and soundstage facilities) to meet the current surfeit of international demand for production space.

Covid19

Has obviously stalled the international and national screen media industry which is tragic for everyone from crew working on the large scale shows down to the 1 person shooter / editors who saw their small to medium business content creation contracts literally dry up overnight. In the long term there is a sense of optimism from some quarters because if New Zealand can control the virus and can re-open our borders at some stage in the not too distant future, then there are already productions looking to relocate here in 2021 out of places like London, Eastern Europe and the USA. We see a real opportunity in the medium term to provide jobs not only for out of work screen media professionals, but also for those disenfranchised from traditional tourism employment in Rotorua and the wider Bay of Plenty region by the impact of Covid19. 23% of employment in Rotorua is connected to Tourism. With hotel occupancy reduced in Rotorua in the foreseeable future there is also an opportunity for "package deals" for out of town productions coming to shoot in the region providing a win/win for both parties.

The screen sector will have an important role to play in kick-starting the New Zealand economy when COVID-19 restrictions are lifted. The Film/TV/Media sector are a large employer and as more people are made redundant under COVID-19 we are looking to retain and grow jobs in the sector. With the positive global feedback to NZ's successful strategy in coping with Covid-19, NZ can lead the way forward globally on best practices in returning to work and staying safe and healthy at work.

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

Please cover: Why the project is not already underway, How the project provides a new asset and is not seeking maintenance funding, The benefit of Central Government funding (i.e. over alternative sources), Why this project will unlock the potential within the region.

Waiariki Film Studios wishes to capitalise on the shortage of studio space in New Zealand (and internationally). There is compelling data that constructing a studio facility here will not only bring projects to the region but also generate formidable ancillary opportunities for the regional economy and local businesses.

Upskilling, Employment & Workforce Development

Waiariki Film Studios will generate a range of education, training, and employment opportunities, particularly for youth development and Māori employment, through internships and apprenticeships, which are common in the industry, and through more formal educational opportunities aligned with local tertiary providers. Recently, Commercial Information (an Auckland Television Production Company) have agreed to partner with the Steambox Collective Charitable Trust to co-produce a high-end television drama series in Rotorua. They will also commit to internships and attachments for less experienced Māori contractors to learn on the job. The model sets a template for future productions based in Waiariki Film Studios to engage with the region and have meaningful partnerships with local Māori entities. (support letter from Commercial Information attached). It should be noted that the TV series produced by Commercial Information will be funded by NZ on Air and TVNZ. As per the standard industry operating model for most production in NZ, companies are funded for content provision and not capital investment, so this does not provide an alternate avenue for large scale investment in Waiariki Film Studios. Support letter withheld - commercial information

For decades, the New Zealand television industry has focussed its lenses in Auckland, occasionally dashing into the regions, accompanied by an Auckland crew, to shoot pickups to convince its audience of a regional flavour. A production hub and studio based in the Bay of Plenty would encourage film companies to base their projects in the Bay, not only taking advantage of the beautiful scenery, but providing jobs in the region and contributing to the local economy. – Privacy of natural persons, Commercial Information

Waiariki Film Studios will:

- increase economic yield through initially creating ^{Comm} + jobs and ancillary opportunities from the studio activity;
- increase productivity and growth through training and development programmes by creating on-the-job and modular learning programmes;
- increase Māori engagement in a skilled, technology-based, creative industry that is undergoing a boom nationally and internationally.

Projects like this are pivotal to the well-being and empowerment of the regions. To create such a dynamic and exciting venture not only brings great economic success to the area but also a sense of pride through social and cultural outcomes. The impact of working with iwi to develop a long-term workforce plan is one of the primary goals of this project.

A link to letter of support attached is here:

Dropbox link withheld - commercial information

18. 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]

In developing and growing this new industry in the region Waiariki Film Studios is a unique opportunity to further develop and deepen the regional brand of the Bay of Plenty (already known for its strong tourism and primary sector performance) into the creative and screen sectors. The creative industry in which Waiariki Film Studios will be embedded is an ideal venue to further enhance the economic, cultural and social brand of the region, showcasing local talent, capability and heritage alongside sustainable economic development.

From the beginning of this initiative Film Bay of Plenty has partnered with the Rotorua based Māori screen industry companies represented by the Steambox Collective Charitable Trust.

Film Bay of Plenty works with and is funded by all of the Bay of Plenty region's councils. With the Olsberg SPI Feasibility Study recommending Rotorua as the best location for the studios, we have also partnered directly with Rotorua Lakes Council and Rotorua Economic Development from whom we have received logistical and financial support specific to this project (a letter of support from Rotorua Mayor Steve Chadwick is attached). Letter of support withheld - commercial

Having the Waiariki Studios based in Rotorua could be a game changer our community – Rotorua Mayor Steve Chadwick

Rotorua Lakes Council is considering underwriting the lease on Waiariki Film Studios and we expect confirmation by the 30th of April. There is also strong alignment with local authority direction on strategic and community outcomes in areas such as employment opportunities, vocational and on-the-job training options, and investment attraction.

Commercial Information

Bay of Plenty Film are also supported financially by **Commercial Information**

There is support for this initiative from Bay of Connections (the BOP Regional Council economic development initiative), and the studio project was recently used as a case study for their leadership group. Film Bay of Plenty also works alongside and is supported by economic development agencies Priority One and Enterprise Great Lake Taupo.

In addition, Film Bay of Plenty works alongside the international attraction arm of the New Zealand Film Commission to help market New Zealand as a filming location internationally and to service international enquiries. Film Bay of Plenty are a key contributor and driver of the Regional Film Offices of New Zealand (RFONZ), and also have working relationships and regular collaborations with key industry organisations like Commercial Information

Steambox Collective Charitable Trust has extensive networks within Te Arawa and works closely with iwi on projects produced through its own trustees. All of the Steambox trustees are of Te Arawa and Mataatua descent. Steambox Trustees currently produce content for all of the major NZ networks – TVNZ, TV3, Māori TV, Sky, Choice TV. Also creating content for an online audience that reaches across the world. Steambox has produced a number of short films that have featured at many significant film festivals around the world and have great relationships within the New Zealand Film Commission and across many Indigenous film Festivals like Imaginative in Toronto, WINDA in Sydney and Tampere in Finland. They also have feature films and television dramas in development.

We envision Waiariki Film Studios in Commercial Information to be stage one of the larger scale Waiariki Film Studios Hub (to which it would end up being a satellite entity). With future direction we are already formulating the following relationships:

- Commercial Information have expressed their interest in investing and we will be presenting to their investment committee in June for this project. Talks have also been ongoing with **Commercial Information** who are also very interested in investing.
- **Commercial Information** to partner in the delivery of the tertiary and training aspect that will be a crucial part of upskilling and providing a skilled workforce for productions that will use the facility.

- **Commercial Information** are in principle providing the land for lease for the larger scale initiative. We have **Commercial Information**
- Meetings have also been held with local Iwi investors who support the vision of Waiariki Film Studios and are **Commercial Information**

A link to letters of support is here:

Dropbox link withheld - commercial information

Commercial Information fully supports the development of a Bay of Plenty Sound Stage and looks forward to the opportunity to contribute to the establishment of the facility as well as the prospect to co-design courses for a vocational skills development unit, a planned element of the facility. — Privacy of natural personsCommercial Information

Film & studio has not been a historical focus for Maori groups such as ourselves but we believe that the opportunity and employment driven from this potential investment would be substantial... If PGF is able to support the project, Commercial Informal have discussed our desire to support Waiariki Studios with pulling together a consortium of Maori groups so that we can create a platform for Maori fund investment into the project. — Privacy of nat
Privacy of natural persons **Commercial Information**

19. 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>Attracting drama productions will offer significant economic benefits to the region and New Zealand. A US TV series can average \$40 - \$60 Million per season in production. Amazon’s Auckland based Lord of the Rings production is reported to be \$300-400 Million per season. In addition to economic and job creation impacts, a facility in the Bay of Plenty would also have a range of other positive outcomes for the Region. A study on the economic effects of the TV show Riverdale in Canada showed that approximately 75% of the spend in a region is on Crew and Labour and 25% on goods and services - link to study here: Dropbox link withheld - commercial information</p> |
| 2. Enhance utilisation of and/or returns for Māori assets | ✓ | <p>In the long term Waiariki Film Studios proposes to build the 2nd stage “Studio Hub” on underutilised rural land in Rotorua owned by Commercial Information. Commercial Information have endorsed the project and will act as commercial landlords to the studio. We will pitch to Commercial Information and tbc other Commercial Information for investment – land and financial. Plans to use local land blocks as filming locations are also underway.</p> |
| 3. Increase productivity and growth | ✓ | <p>Waiariki Film Studio will attract new revenue to the region (and country) through attracting International and domestic projects that would otherwise not be able to be made in New Zealand due to the lack of available stage space. The economic benefits will not only positively affect cast and crew, but also service providers and stakeholders like location owners, accommodation providers, and rental companies. Further to this, ATEED has identified an economic multiplier of 2.8x on the spend from productions in Auckland.</p> |
| 4. Increase local employment and wages (in general and for Māori) | ✓ | <p>Waiariki Film Studios will initially create Commercial Information + jobs through the construction of the studio, and thereafter through ongoing operations. Creating a workforce of skilled industry practitioners is a must for the success of the studio facility as a strong and skilled workforce is vital to attract international projects to the studio. A large-scale project like Netflix Original ‘Cowboy Beebop’ in Auckland created 400 jobs with a wage range of between \$Commercial Information + per week depending on the level of skill, experience and training. Please see a link to the attachments of <i>NZ Industry Crew Rates</i> and also the <i>Jobs on Set</i>: Dropbox link withheldm - commercial information</p> <p>It is also worth noting in Rotorua:</p> <ul style="list-style-type: none"> • Prior to COVID 19 23% of employment was linked to Tourism • Mean household income \$98k vs \$104k national mean • 49% of households have total household income <\$70k • Deprivation index – 6.7 in Rotorua vs 5.4 nationally <p>Labour force participation rate, employment rate, NEET rate, and GDP per capita are all inferior to national average levels</p> |
| 5. Increase local employment, education and/or training opportunities for youth (in general and for Māori) | ✓ | <p>Employment and Training is an important part of the studio facilities business strategy. Providing a skilled workforce and employment pathways is integral to the success of the project and a vocational skills development unit would be a crucial element of the facility. This would focus on building the Region’s workforce and skills, as well as leveraging opportunities for youth employment, including the Māori community. Such a unit would provide training for newcomers as well as continuing professional development support for experienced crew. The education unit would also supply further non-production revenue to the business. Working with Te Ara Mahi will support our vision for the studio by providing workforce development training. There is a universally recognised shortage of crew in NZ (and worldwide - www.theguardian.com/film/2019/may/18/serious-shortage-of-skilled-film-workers-reported-at-cannes) with upskilling and workforce development being investigated and instigated by ATEED, The New</p> |

| | | |
|---|--------------------------|--|
| | | <p>Zealand Film Commission, Regional Film offices, Industry Guilds and individual productions.</p> <p>The project has a high level of Māori buy-in and leadership. Economic and social outcomes for Māori communities are at the forefront of the project’s vision. The Māori identity of the studio is also seen by interested investors and potential clients as an important and attractive point of difference.</p> <p>Careers in film and television are highly appealing and engaging to a younger demographic. There are also multiple entry levels to these careers – many of which do not require advanced qualifications despite leading to well-paid specialist work.</p> |
| 6. Improve digital communications, within and/or between regions | ✓ | <p>The film and television industry is well-advanced technologically and operates at the forefront of important areas of innovation. As an example, Weta Digital has had a powerful impact and influence on improvements and innovation in digital communications within Wellington and from Wellington to the world.</p> <p>Waiariki Film Studios will have a positive effect on our region’s digital communications as client productions access and establish infrastructure to communicate with and deliver media to overseas offices. This becomes particularly important for film shoots in the delivery of ‘rushes’ (daily filming) in large digital files for viewing by overseas-based production executives.</p> |
| 7. Improve resilience and sustainability of transport infrastructure, within and/or between regions | <input type="checkbox"/> | |
| 8. Enhance wellbeing, within and/or between regions | ✓ | <p>The importance of a community seeing itself represented on screen cannot be overstated. Even more so if that community is in control of the narratives being told, has a high level of decision-making power as well as ownership in infrastructure. This is especially important for disempowered minorities such as Te Ao Māori. Waiariki Film Studios is seen as a critical infrastructure resource in the development of locally generated screen content.</p> <p>Success in a high profile industry like the screen sector also has a major effect on regional and national pride and morale often disproportionate to the hard numbers involved. Bay of Plenty Māori draw great pride from being the home of so many of our most successful film practitioners including: Merata Mita; Cliff Curtis; Ainsley Gardiner; Temuera Morrison; Taika Waititi; Chelsea Winstanley; Michael Bennett; Hamish Bennett; etc.</p> <p>The success of Waiariki Film Studios will also in and of itself improve wellbeing in the region through the provision of skilled, well-paid employment and increased economic activity in the region.</p> <p>Our diverse and inclusive investment model also presents the opportunity for enhanced connectivity and collaboration between different parts of our community especially between Māori and non-Māori groupings who have mutual aspirations but have struggled to engage meaningfully.</p> |
| 9. Contribute to mitigating or adapting to climate change | ✓ | <p>With its minimal environmental impact and its digital distribution model, the film industry represents major sustainable environmental advantages over some of New Zealand’s primary industries. Waiariki Film Studios is also committed to strict environmentally friendly protocols including: becoming a leader in film production waste minimisation; employing renewable energy sources; and pursuing a regenerative approach to the environment</p> |

| | | |
|--|-------------|--|
| <p>10. Increase the sustainable use of and benefit from natural assets</p> | <p>✓</p> | <p>Waiariki Film Studios will act as a launch pad to productions looking to film amongst the unique and beautiful geography of the region. Benefits from filming will come back to DOC, Iwi and private landowners both monetarily (through location fees) and via improved infrastructure (productions often build roading to open up access to locations).</p> <p>An environmentally conscious strategy will be crucial in developing and running the Facility. This will ensure that the latest developments in environmental construction are included in development of the Studio and sustainable practices in day- to-day operations are developed and instigated, such as facilitating low waste on set, and assisting in the recycling or donation of materials used in film-making. This would be a significant value-add for clients.</p> |
| <p>Total number of outcomes project contributes to</p> | <p>9/10</p> | |

20. Has public consultation been conducted?

Yes: No:

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

Olsberg SPI conducted a number of interviews with key Bay of Plenty businesses, government agencies, tertiary institutions, politicians, iwi leaders and the screen industry when compiling research for the feasibility study.

All indications are positive in supporting the creation of a film studio in Rotorua. Please find the feasibility study attached. **Study withheld - Commercial Information**

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.

Film production has seen unprecedented growth in recent years and is currently booming on a global basis with more than 8,000 feature films produced in 2018. Even more pronounced is the growth in the television drama sector, with the number of scripted original drama series aimed at US audiences rising by 86% since 2011. Online streaming of content has jumped 12% due to COVID 19 lockdowns, which will further the demand for content creation to meet demand when large scale screen media production can start again - with stalled productions restarting shooting and also productions that were slated to go into production in 2020 jockeying for the limited stage space available. According to the Hollywood Reporter "many in the industry are bracing for a post-COVID-19 traffic jam".

How long the pandemic will last is unclear, but I believe the long term effects on the sector's overall development will be limited. When markets resume, there will be a bottleneck of productions waiting to start or resume. Ultimately, the constraints on capacity remain unchanged because consumer demand for content, which underpins investment in film and television, is likely to remain very strong. – Privacy of natural persons, Commercial Inform

In New Zealand, the screen industry generated revenues of \$3.3b last year (direct and indirect). Data from the New Zealand Film Commission shows that international production expenditure in the country, has risen by 136% from 2017 - 2019. Contracted revenues (including soundstage and studio services) contributed \$1b of the total and increased 17% from 2018. Production contributed a further \$750m to total industry revenues in 2018.

Regional industry revenues continue to grow strongly – e.g. South Island activity was up by 75% over the last year alone – and regional North Island (i.e. excluding Auckland and Wellington) already generates revenues of around \$100m per year.

Growth in the market has been driven by traditional film and television formats, but also by the exponential growth of subscription video-on-demand (SVOD) platforms such as Netflix, which will spend an estimated NZ\$23 billion (US\$15 billion) on content in 2019.

Other platforms, including Amazon, Hulu, and new entrants such as Apple and Disney, are undertaking similarly significant levels of new investment in content. Amazon will reportedly spend \$1.5 billion on the Lord of the Rings television drama series. Compared to Netflix (\$127 billion) the other competitors in the content creation war have the following to invest; Apple – \$928 billion, Amazon – \$872 billion, Google – \$812 billion, Facebook – \$518 billion, Disney - \$245 billion. The demand is real. There are real opportunities for New Zealand and indeed, the Bay of Plenty to access this market.

With a stable incentive, attractive locations and world-class production infrastructure and crew, New Zealand is a global production hub for major Film projects. Prime Minister Arden has spoken about her long standing support for the tax incentive New Zealand offers to attract overseas productions like the Amazon Lord of the Rings TV series, that in turn generates jobs and income. At the same time, New Zealand's domestic production sector has built a strong international reputation for the high standard of its output, as well as the quality of talent – both in front of and behind the camera. This means that New Zealand has been well-placed to benefit from the global production boom.

But the success of the industry has resulted in excess demand for soundstage, studio, and production facilities in New Zealand. With projects like The Lord of the Rings TV series, Netflix's Cowboy Beebop, The Avatar Sequels, and ABC's The Wilds, the film studios in Auckland are at capacity and will be for many years. The NZ Film Commission have turned away 3 major film productions in the past year (estimated at \$300 million+) due to the lack of sound stage space in New Zealand.

The Bay of Plenty is uniquely positioned to take advantage of the explosive growth in the sector and create new capacity and capability located in the region. As indicated in the support letter from the [redacted] Privacy of natural persons [redacted] Commercial Information [redacted]

There is a world-wide shortage of studio stage space due to the content creation boom currently happening. Productions and studios are constantly scouting around the world for infrastructure to house their projects. – Privacy of natural persons [redacted], Commercial Information [redacted]

The warehouse re-purpose to sound stage space in Rotorua will allow Waiariki Film Studios to pitch for small to medium scale international projects and be considered as a legitimate overflow option for projects that can't find a home in the main centres. There are also multiple domestic drama productions that have been displaced because of the lack of available facilities in Auckland, offering further tenant opportunities for Waiariki Film Studios.

Waiariki Film Studios will help to spread the growth and economic impact of this lucrative and high paying industry away from the main centres and into the regions. With only 3% of total industry revenue in New Zealand coming from outside Auckland and Wellington, the opportunity exists for Rotorua to leverage the capacity shortage to bring a production facility to the Bay of Plenty. Rotorua already boasts strong representation in the cultural film-making sector and the wider film industry, as well as hosting several major international feature films and TV series. The wide variety of exotic exterior locations further reinforce the region's attractiveness as a filming location.

The industry is hungry for unexplored locations and more studio space. The shortage of stage space is not unique to New Zealand. Available, affordable modern stage space is frequently a draw for studios, especially when accompanied by visually compelling regional locations, which Bay of Plenty has in spades. – Privacy of natural persons [redacted]

Commercial Information [redacted]

The Project Manager engaged brings a wealth of industry connections and a potential pipeline of projects due to the Auckland Studios being booked out for years in advance and the stream of ongoing enquiries that are unable to be serviced due to the lack of available stage space in New Zealand.

Internationally Film Bay of Plenty already has connections with production entities like Commercial Information [redacted]

Nationally they are connected with Commercial Information [redacted].

Individuals like Cliff Curtis from the Steambox Collective Charitable Trust bring international producer contacts and relationships with industry powerhouses like Privacy of natural persons [redacted] and Privacy of natural persons [redacted] (who brought Commercial Information [redacted])

When the Waiariki Film Studios project is greenlit and moving forward this will enable Film Bay of Plenty, The Waiariki Film Studios Management and Marketing Entity, and the New Zealand Film Commission to approach their individual connections and the wider international market that is hungry for facilities to house their productions.

Having a studio and production hub like Waiariki Studios in the Bay of Plenty Region would allow us to consider for the right fitting show, to locate in the region. – Privacy of natural persons [redacted], Commercial Information [redacted]

A link to letters of support from various International Producers, Production Companies, Industry Professionals, and New Zealand Film Commission is here:

Dropbox link withheld - commercial information [redacted]

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:

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?

A draft ^{Privacy of natural} lease agreement is attached with a right of renewal after this initial period. A link to a draft copy of the lease is below. ^{Attachment withheld - commercial information}

Rotorua Lakes Council is currently assessing **Commercial Information** contingent on PGF support for the project, to provide stability and surety over the initial establishment of this new industry opportunity. We are expecting an answer after Council deliberations on the 30th of April. Initial discussions of support have been very positive and a link to the paper of recommendation from Rotorua Economic Development to Rotorua Council is also attached below:

Dropbox link withheld - commercial information

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

Yes:

No:

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

The site is within an industrial zone where this activity is permitted within the district plan. No resource consents are required.

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.

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? (demonstrating this with diagrams where possible) 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.

Film Bay of Plenty and Steambox Collective Charitable Trust are currently setting up a limited liability company with a 50/50 interest (Waiariki Film Studios Limited) and this entity will be the General Partner to a Limited Partnership to fund the operations of the Studio (Waiariki Film Studio Management LP). Representatives from both these entities are engaged as directors for the Waiariki Film Studios operating entity, and an external director with project management/development experience is currently being sought. As previously mentioned **Commercial Information** **Commercial Information** are currently forming these entities and a link to draft Constitution and Shareholders agreement and a chart of the organizational structure is below.

Waiariki Film Studios proposed stakeholders are the BOP Economic Development Units, BOP District Councils, and Regional Council, Private equity companies like **Commercial Information**. For stage 2 of the project (the larger scale green field construction) other proposed stakeholders would be **Commercial Information**, a **Commercial Information** and **Commercial Information**. The company is working closely with all the stakeholders to ensure there is a genuine relationship and all parties have a voice.

The Project Manager engaged to start managing the project brings **Privacy of natural persons**

The upgrade schedule would be as follows

Stage 1:

- Clean and tidy Facilities
- LED Health and Safety Lighting
- Initial Power Distribution

Stage 2:

- Power Distribution Completion
- Roof Insulation
- Soundproofing
- Building Warrant of Fitness Occupancy Level 3 Fire Alarm
- Lighting and Gantries
- Air conditioning

It is also worth noting that the project is receiving support, mentorship and guidance from industry heavy weights like **Privacy of natural persons** (letter of support attached) and Producer **Privacy of natural persons** **Attachment withheld - commercial information**

The film industry in West Auckland in the 1990's in terms of capability and experience was not too dissimilar to the current industry in the Bay of Plenty Region. From that strong base we have built up the well-established and lucrative industry in Auckland, and with quick action and the solid guidance they are already receiving

Waiariki Studios can do the same to capitalise on this opportunity. The economic and social impact of Waiariki Studios on the population of Rotorua, the wider Screen Media industry of the Bay of Plenty and also New Zealand will be immense. – Privacy of natural persons

While we recognise the importance of investment into this project, we also value the mentorship and guidance that the Provincial Development Unit will be able to offer the core management through the journey of establishing this entity. Developing the region’s workforce over the next few years and beyond will also offer a further opportunity for PDU partnership through Te Ara Mahi, as this is an integral part of the regional offering and also in maximising the impact that Waiariki Film Studios can have on the wider community. And with the long term view of establishing a large scale soundstage is designed to meet the needs of international and domestic large-scale films we would be looking to the provincial growth fund to partner with us in this future development after the proven success of this initial proof of concept.

A link to the draft Constitution, Shareholders agreement, Organizational Structure, support letter from Privacy of natural persons and a Health and Safety Policy is here:

Dropbox link withheld - commercial information

**The Health & Safety Policy attached is from Privacy of natural persons company Commercial Information. Once Waiariki Film Studio’s Limited Liability is established a similar Health and Safety Policy and Procedures will be formulated.



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

If yes, who verified the project and when?

We have met with Privacy of natural persons and Privacy of natural persons from **Commercial Information** and they have provided a draft project delivery plan for the larger scale Waiariki Film Studios Hub. They are invested in the vision and delivery of this new industry opportunity for the region and are looking to partner on the journey to its establishment.

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

[Please use the following table to describe the milestones of the project, if preferred, a schedule can be provided]

| # | Project Activity | Responsible: | Date / Period: |
|---|--|---------------------------|---------------------------------------|
| 1 | Business Case for <small>Commercial Informa</small> Investment Completed | Waiariki Film Studios Ltd | <small>Commercial Information</small> |
| 2 | CEO contracted and begins work (dependant on COVID 19 restrictions) | Waiariki Film Studios Ltd | <small>Commercial Information</small> |
| 3 | Lease on site secured | Project Manager | <small>Commercial Information</small> |
| 4 | Present to <small>Commercial Informa</small> Investment Committee | Waiariki Film Studios | <small>Commercial Information</small> |

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| | | Ltd/ Project Manager | |
|----|--|----------------------|------------------------|
| 5 | Lease & Stage 1 Upgrade Commences | Project Manager | Commercial Information |
| 6 | 1 st Customer Tenancy Commences | Project Manager | Commercial Information |
| 7 | Commercial Information Investment Confirmed | Project Manager | Commercial Information |
| 8 | 2 nd Customer Tenancy Confirmed | Project Manager | Commercial Information |
| 9 | Stage 2 Upgrade Commences | Project Manager | Commercial Information |
| 10 | 2 nd Customer Tenancy Commences TBC | Project Manager | Commercial Information |

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

[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) |
|-------------------|---------------------------|
| Stage 1 | \$ Commercial Informa |
| Stage 2 | \$ Commercial Information |
| Contingency | \$ Commercial Informa |
| Total | \$ Commercial Information |

29. 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 | Stage 1 Commencement | - Lease on Commercial Information Commences | \$ Commercial Inform | [Comm] % | Commercial Information |
| 2 | Stage 2 Commencement | - 1 st Production Completed and major upgrade work commencing to increase value of offer | \$ Commercial Inform | [Comm] % | C Information |
| 4 | Upgrade Completion | - Facility ready for 2 nd Production to utilise services | \$ Commercial Info | [Comm] % | Commercial Information |

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

Waiariki Film Studios is not fundable as a traditional commercial property investment. Banks treat film studios as commercial property. Given that film studios generally rely on the regularity of projects not any particular tenant, cashflows are generally more lumpy in nature. It is difficult for film studio projects to obtain bank funding due to a lack of long term tenants with stable cashflows.

While essentially, we are creating a “building for rent” there is stigma around the variable nature of the Film Industry that discourages traditional investment. The shorter-term stage leases provide exceptional income; however, the uncertain nature of the occupancy tends to make lenders view these facilities as more speculative.

We are applying to the PGF fund for [Comm] % of the total investment.

31. 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 enable the future success of your business. If you do not have the experience, then please indicate how you will manage this risk.]

The drivers of Waiariki Film Studios are directors of the company and have followed the project through from the beginning. The directors are made up of screen producers, directors, business owners and local government. As previously mentioned, the company will initially comprise of five directors – two from Film Bay of Plenty, two from Steambox and one independent with property development and/or construction experience (yet to be recruited)

Project Manager

The Project Manager Privacy of natural persons

A link to Privacy of natural person CV is here Dropbox link withheld - privacy of natural persons

Film Bay of Plenty

Film Bay of Plenty is a sector-based economic development agency with a goal of growing the local screen media industry through attracting large scale productions, developing local projects, facilitating shoots, connecting crew with work and building up the skill-base and infrastructure of the region. Its trustees are Paula Jones, Glenn Dougall, Piripi Curtis, Kim Webby, Sarah Thorner-Crossley, and Anton Steel. They represent the regions in the BOP and bring legal, tertiary education, business, governance and film production experience.

Steambox Background

Steambox Collective Charitable Trust is a collective of Maori screen industry professionals based in Rotorua who have collaborated on the development & production of a number of successful screen related projects for close to ten years. Together they have written, directed & produced a number of short films, factual TV series, television documentaries, televisions drama series, commercials and online content.

Additional to Steambox Collective Charitable Trust screen projects they have also managed local events, local festivals & been involved in a number of other Maori development and Maori business initiatives locally, nationally and internationally.

Their members are highly experienced & successful screen contributors such including: Producer & Actor Cliff Curtis; Writer, Director & Producer Piripi Curtis; Writer/Director's Tihini Grant, Tim Worrall & Mike Jonathan; Director & Cinematographer Richard Curtis; and Producer Lara Northcroft. Steambox is partnered with Commercial Information to produce a major drama series in Rotorua. This production will provide training grounds for our first intake of students/trainees in our workforce development training initiative which is the focus of an accompanying Te Ara Mahi application.

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

[We would like to know about the members of your project team (the key personnel/leadership team involved in your application), 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 Project Team)]

Waiariki Film Studios Ltd is currently made up of the following Directors; Anton Steel and Glenn Dougal from Film Bay of Plenty, Lara Northcroft and Piripi Curtis from Steambox Charitable Trust and as previously mentioned they will be recruiting a further independent person experienced in large scale property development and/or construction to provide guidance in the infrastructure build aspect of this project.

Anton Steel – Producer, Director, Film Bay of Plenty CEO

Anton has worked in the Screen Media Industry for over 23 years and his experience includes Feature Films, Commercials, Short Films, Documentaries and TV shows. He has been a Producer, Director or Assistant Director on 35+ drama productions including large international projects like “The Lion, the Witch and the Wardrobe” (Budget \$180,000,000), “Crouching Hidden Dragon 2” (Budget \$60,000,000), and “Yogi Bear” (Budget \$80,000,000). “The Z-Nail Gang” the feature film that he wrote, directed and shot in the Bay of Plenty in 2014, was nominated for best Independent Feature of the year, and won the Trustpower Supreme Community Award for Western Bay of Plenty for its asset based community development approach to production.

Glenn Dougal – Entrepreneur, Film Bay of Plenty Trustee

Glenn Dougal is the Managing Director of WAVE Creative Communications Agency and has over 25 years international marketing, branding, TV production and communications experience. Based in London and Tokyo for seven years, Glenn has worked for the BBC and Medialink (a specialist Nasdaq listed broadcasting consulting agency) advising large and small companies on marketing and communications campaigns. This ranged from launching Sony’s PlayStation 2, Jennifer Lopez’s perfume ‘Glow by J.Lo’, to advising the British Tourist Authority post the foot-in-mouth crisis. WAVE is an award-winning full-service brand communications agency based in the Bay of Plenty whose client list includes many of new Zealand’s most innovative companies, like Certified Builders, Port of Tauranga, Gallagher, Tasti Foods and Zespri.

Glenn also is a director of the charity Legacy Funerals, chairs Marketing Professionals Bay of Plenty, and is the former Chair of the Tauranga Arts Festival Trust and Escape Readers & Writers Festival.

Lara Northcroft – Producer, Entrepreneur Te Arawa, Waikato

Lara Northcroft is a producer, and owner of Velvet Stone Media. She has produced a variety of content including television series, commercials, short films and International projects. She is passionate about Maori culture and always looks to build capacity and develop local talent. With over 20 years’ experience in the industry, Lara is committed to the development of Rotorua and the wider region. Well-connected, Lara is an active member in the community with fresh innovative ideas with access to a dynamic group of like-minded people. She has a strong record of achievement, combining skills in budgeting, organisational development, programme management, building partnerships and community relations. Lara Northcroft also has some experience in large scale development with another business she is associated with who are building a **Commercial Information**

Piripi Curtis – Producer, Te Arawa

Piripi Curtis (Te Arawa) is currently the Managing Director and co-owner of Hikoi NZ based in Rotorua and has been producing television for over 13 years with his flagship show “Hunting Aotearoa”. He comes from a background in teaching, with 23 years’ experience primarily in kura Māori, including management roles such as Deputy Principal. The holder of a Bachelor’s Degree in Māori Development with a Business major, Piripi has also managed Te Arawa-based tourism companies including Waka Hikoi Ltd and Rotoiti Tours Ltd. Alongside his board role for Steambox Collective Charitable Trust he also sits on the boards for Nga Aho Whakaari – the national representative body for Māori working in screen production and Film Bay of Plenty.

Other Organisations / Entities / People Involved

We are also working closely with the Economic Development Agencies from Rotorua and Tauranga and they have been very supportive with this project and application, providing feedback and clarity around the many studies and documents we have acquired throughout the course of this venture.

Privacy of natural persons and Privacy of natural persons from Commercial Information have been particularly encouraging and proactive with Waiariki Film Studios. They see the value that the social impact of Waiariki Film Studios can have to the Rotorua and wider

Bay of Plenty Community. We value their opinion and advice and will be continuing this relationship as the journey progresses.

As we did for the original larger Waiariki film studio proposal **Commercial Information** *supports this revised proposal. The requirement for quality employment and training opportunities particularly for young Maori in the Rotorua area has never been greater given the impact Covid 19 is and will have on Rotorua tourism. –* **Privacy of natural persons**, **Commercial Information**

For the latter stage green fields build of the larger Waiariki Film Studio Hub we have pitched the project to the CEO and board at **Commercial Information** and they are supportive of the studio build on their land.

Commercial Information and **Commercial Information** have signalled interest in partnering with Waiariki Studios in providing a **Commercial Information**. There are existing media training facilities but with little practical experience at graduation. We wish to train on the job so that the students fully understand the practicalities and mechanics of the industry. This type of workforce development will be extremely appealing to productions coming to the studio. As previously mentioned, a Te Ara Mahi application is concurrent with this application. The workforce training aspect will be overseen by Paula Jones the Film Bay of Plenty Chair. Paula brings an extensive professional background in film and television production and in education, industry accreditation and training. Her background in education will be an integral part of the region's workforce development. She produced the multi-award winning documentary Hip Hop-eration (NZFC, 2014) and was previously Course Director & Head of Curriculum at South Seas Film and Television School, and Curriculum and Standards Consultant and National Moderator, Secondary and Tertiary Media and Film Studies (NZQA). She has worked in production and PR for TVNZ and served on the boards of the NZ Writer's Guild, the National Association of Media Educators and the Green Ribbon Trust.

A link to 1 page bios of key team members here:

Dropbox link withheld - privacy of natural persons

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/>

[We wish to understand how you will approach the market effectively and ensure value for money / public value 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]

No procurement process has been undertaken, however our construction process will be by open tender and guided by our project manager in partnership with investors.

By having funding surety this will allow us to be able to approach contractors while New Zealand is under Level 3 Lockdown and lock in contracts and quotes. The studio upgrade will create numerous jobs for local trades needing income in the post Covid19 rebuild.

At its core, Waiariki Studios is a commercial soundstage-for-hire venture. However, the potential impact of the organisation is far-reaching. A significant public benefit that would flow from the creation of a Studio Facility would be the creation of jobs, both in terms of the construction phase of the Facility and its ongoing operation. This would include enhanced opportunities and pathways for young people, including Māori, into a skilled industry that appeals to their demographic. This is a key benefit and would provide employment opportunities, as well as traineeships and internships, for youth not in employment, education, or training.

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

| # | Risk | Mitigation approach | Rating |
|---|-----------------------|---|--------|
| 1 | Funding | We have 2 different phases of the build/repurpose and will scale down if need be | Medium |
| 2 | Customer Demand | Driven largely by international production, demand for stage space in New Zealand is now outstripping supply and there is a significant shortage of dedicated space. We have the first customer for the facility with a returning multi-year TV series. | Low |
| 3 | Build Risk / Delivery | A staged approach managed by the Project Manager will mitigate this. | Low |
| 4 | Training Workforce | Partner with tertiary institutes to provide training qualifications. Work with MBIE, Te Ara Mahi to provide employment pathways in general and for Māori. | Medium |
| 5 | Competition | With a shortage of studio space in NZ, Waiariki Film Studios is in a prime position to take the overflow from the Auckland studios. We have great | Low |

| | | | |
|----|--|---|--------|
| | | relationships with existing studios, a project manager who can bring in a pipeline of projects and will collaborate and partner on deals to bring the project to NZ. | |
| 6 | Leasehold site | We have a ^{Commercial In} commitment from Rotorua Lakes Council to ^{Commercial Information} | Medium |
| 7 | Uncertain industry | Focusing on a project by project basis has left a huge gap for long term thinking for building studio space. Research suggests a shortage for space worldwide and good financial incentive grants for International productions will drive projects to New Zealand. New Zealand also has the potential, once Covid19 travel restrictions are lifted, to become the go-to place for international productions seeking a safe haven while the virus is still not under control in other screen hubs like Los Angeles, New York, London and Eastern Europe. | Medium |
| 8 | Customer Demand due to uncertain nature of production scheduling | Mitigate risk by early engagement with Studios, Production Companies, Producers and Directors in order to have the first ear to the ground. Also have a pipeline of potential projects and work side by side with the New Zealand Film Commission to maintain incoming flow of productions. | High |
| 9 | Revenue | Waiariki Studios has a pledge with ^{Commercial Information} Productions to lease the studio space for ^{Commercial Informatio} beginning in ^{Commercial Information} . At a reduced rate of \$ ^{Comm} m ² /week (to ^{Comm} incentivize occupancy in the short term) Waiariki Studios would need to lease the property for another ^C of the remaining ^{Comm} to cover rental costs for the initial ^{Comm} period | Medium |
| 10 | COVID 19 | <p>Level 3 Maintain the pipeline of Film/TV/Media projects through encouraging existing projects to continue</p> <p>Level 2 Ensure when restrictions are lifted the industry is in a good position to restart works while at the same time keeping the workforce safe</p> <p>No Level Refocus on high performance while remaining safe both at the film studios and on location.</p> <p>Actions across the phases are focused on:</p> <ol style="list-style-type: none"> 1. Maintaining and accelerating the pipeline of work and removing barriers to restarting works 2. Keeping cash flowing in the | High |

| | | | |
|--|--|---|--|
| | | sector 3. Ensuring a fair and consistent approach to how safety is maintained during the shutdown 4. Additional Health and Safety guidelines, processes and Apps and other support that could be available for employees and business owners 5. New health and safety guidelines to ensure the safe return to work | |
|--|--|---|--|

35. Will the applicant own the asset on delivery? Yes: No:

- If no, please describe who will own the asset.

The asset will be leased in a multi-year deal with rights of renewal from the owners of the warehouse space

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

[We would like to understand what will happen after the funding has been used, and the project is delivered. Please cover how sustainable the resulting asset will be in terms of funding, skills required, and consumer demands etc.]

Waiariki Film Studio’s business model is as a landlord offering unique purpose-built facilities for lease for production purposes. Income will come from:

- Short(er) term lease of studio soundstages, pre-and post-production office space. These are tenants who require the special purpose-adapted facilities and are willing to pay for them. The shorter term/on demand nature of these leases also commands higher prices.

Part of the project managers role will be to secure a pipeline of customers for the project. The Waiariki Film Studio’s customers will include filmmakers and production companies, both from New Zealand and offshore. In addition, the Waiariki Film Studios will maintain strong connections with the NZ Film Commission and local industry organisations (e.g. Film Bay of Plenty) seeking to attract screen projects to NZ.

We will pursue advertising/promotional arrangements alongside the likes of the NZ Film Commission and others to market and promote our facilities into international markets.

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

Please describe what impact the funding will have on the applicant’s financial accounts over the time of the project. Where possible, please provide us with the following: Growth forecasts / projections post project completion, 2 years of financial accounts. Current banking arrangements. Details of any borrowings (including lender, loan values and loan maturity dates). Insurance provider

We will require funding for two key purposes:

1. To fund the two stages of the warehouse upgrade into a sound studio (primarily capital cost), and
2. To fund the initial establishment of an operating business (primarily working capital).

We are in advanced talks with Commercial Informa and Commercial Information to provide \$ Commercial Inform of the funding required. A letter of support from Commercial Information is attached and we will be submitting a business case for funding to Commercial Informa before the end of April for consideration by their investment committee in May. Letter of support withheld - Commercial Information

Alongside the pledged funding from Commercial Informa and Commercial Information we are seeking a loan from the PGF as initial

investment in the infrastructure for this project, as this will be critical to establishing the project overall. The proposed PGF funding will reduce the overall equity investment needed from private investors, ensuring that a compelling case for their investment, with adequate investment returns, can be made.

In the future we will also be seeking additional non-dilutive funding via grants from a number of other sources, to further enhance the overall business case for initial investment, as well as throughout the life of the project.

The property consists of **Commercial Information**

The property has been assessed as suitable by both Waiariki Film Studios and by **Commercial Information** who are a local production company that are looking to lease the studio for **Commercial Information** for a NZ drama television series.

The key broad financial metrics for the project is as follows:

- Property rental - \$ **Commercial Inform** p.a. + GST + outgoings
- Film production square metre (m2) lease rates – \$ **Comme** to \$ **Comm** per m2 per week
- Total potential revenue at \$ **Commerci** /m2/week = \$ **Commercial Inform**
- Total potential revenue at \$ **Commerci** /m2/week = \$ **Commercial Inform**
- Occupancy required to cover rental costs at \$ **Comme** /m2/month = **Comm** % or approx. **Commercial Informatio**

The \$ **Comme** - \$ **Comme** lease range is **Commercial Information**

Commercial Information Waiariki Film Studios target market in the short term would initially be smaller local productions, with larger productions targeted once the studio has proven itself the more specialized fit-out of stage 2 has been realized.

Waiariki Film Studios is in discussion with **Commercial Information** to lease the studio space for **Commercial Information** beginning in **Commercial Information**. This has been proposed at a cost of \$ **Commercial Info** - **Commercial Information** **Commercial Information**

With an initial pre-lease for \$ **Commercial Info** in place this would leave Waiariki Film Studios looking to lease studio space for the remaining **Commercial Informatio**. At a reduced rate of \$ **Com** /m2/week (to incentivise occupancy in the short term) Waiariki Film Studios would need to lease the property for another **Commercial Informatio** of the remaining **Comm** to cover rental costs for the initial **Commercial Information** period.

We have included our current 10-year financial forecast model (a 10-year discounted cash flow model), which combines both the infrastructure and operational costs. A link to a copy of this model is below.

| | Year 1 2020/21 | Year 2 2021/22 | Year 3 2022/23 | Year 4 2023/24 | Year 5 2024/25 | Year 6 2025/26 | Year 7 2026/27 | Year 8 2027/28 | Year 9 2028/29 | Year 10 2029/30 |
|---------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Revenue | Commercial Information | | | | | | | | | |
| Operating Expenses | Commercial Information | | | | | | | | | |
| EBITDA | Commercial Information | | | | | | | | | |
| Capital Expenditure | | | | | | | | | | |

Our financial projections currently assume that the proposed PGF loan funding is the only loan funding in the project, and all other investment needed will come from private investors, who will be seeking market returns for their investment in line with general market expectations for an impact investment of this nature.

We attach the financial accounts of our two entities (Steambox and Film BOP) before we formed the current company. **Attachments withheld - Commercial Information**

We have an existing banking relationship with ^{Commercial Information} [REDACTED] in Rotorua. We currently have no borrowing or credit / liabilities outstanding.

The insurance needed for the project is still to be finalised. However, we have made allowance for this in the financial projections and we are committed to ensuring that we have all the appropriate insurances throughout each stage of construction as well as ongoing insurances once the studios are built.

A link to attached Financial Accounts and Financial Projections is here:

Dropbox link withheld - commercial information [REDACTED]

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 Yes: No:
39. Has this activity ever been declined Crown Funding in the past? Yes: No:
40. Has the applicant or the contracting entity ever been insolvent or subject to an insolvency action, administration or other legal proceedings? Yes: No:
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? Yes: No:
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? Yes: No:
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? Yes: No:
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. Yes: No:
- “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:

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: Anton Steel

Title / position: CEO Film Bay of Plenty

| | |
|---|-----------------------|
| Signature / eSignature: | Date: 24/04/20 |
|---|-----------------------|

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)