



## BRIEFING

### Regional Growth Initiatives – Hihiaua Cultural Centre

<b>Date:</b>	12 January 2018	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	1545 17-18

Action sought		Action sought	Deadline
Hon Kelvin Davis <b>Minister of Tourism</b>	<b>Agree</b> to invest \$1.075 million in the Hihiaua Cultural Centre from the Regional Growth Initiatives Multi-Year Appropriation.		28 January 2018
Hon Grant Robertson <b>Minister of Finance</b>			
Hon Phil Twyford <b>Minister of Transport</b>			
Hon David Parker <b>Minister for Economic Development</b>			
Hon Shane Jones <b>Minister for Regional Economic Development</b>			

#### Contact for telephone discussion (if required)

Name	Position	Telephone		1st contact
Stephanie Weller	Regional Economic Development Implementation Manager	04 901 3898	9(2)(a)	✓
Mark Patterson	Senior Advisor	9(2)(a)		

Minister's office to complete:

- |   |  |
|---|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Declined            |
| <input type="checkbox"/> Noted                | <input type="checkbox"/> Needs change        |
| <input type="checkbox"/> Seen                 | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn           |

**Comments**



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#### Purpose

The Ministry of Business, Innovation and Employment (MBIE) received an application to the Regional Growth Initiatives Multi-Year Appropriation to fund Stage one of three for the Hihiaua Cultural Centre in Whangarei.

As a delegated Minister for Regional Growth Initiatives Multi-Year Appropriation funding requests over \$1 million, MBIE seeks your approval to invest up to \$1,075,000 in Stage one of the Hihiaua Cultural Centre.

The applicant requires funding confirmation to allow it to begin construction on Stage one of the Hihiaua Cultural Centre to ensure it is ready for the *Tuia Encounters 250*<sup>1</sup> in 2019.

#### Recommended action

The Ministry of Business, Innovation and Employment recommends that the Minister of Tourism, Minister of Finance, Minister of Transport, Minister for Economic Development, and Minister for Regional Economic Development:

- a **Note** as this proposal is over \$1 million, approval is sought from the Minister of Tourism, Minister of Finance, Minister of Transport, Minister for Economic Development, and Minister for Regional Economic Development [CAB-17-MIN-0554 refers].
- Noted*
- b **Note** Senior Regional Officials have reviewed the proposal and recommend investment from the Regional Growth Initiatives Multi-Year Appropriation to the Hihiaua Cultural Centre – Stage one.
- Noted*
- c **Approve** as one of the delegated Ministers the proposal of \$1,075,000 for the Hihiaua Cultural Centre – Stage one from Vote Business, Science and Innovation Regional Growth Initiatives Multi-Year Appropriation.

*Approve / Decline*

Stephanie Weller  
**RED Implementation Manager,**  
Labour, Science and Enterprise, MBIE  
..... / ..... / .....

Hon Kelvin Davis  
**Minister of Tourism**  
..... / ..... / .....

<sup>1</sup> *Tuia-Encounters 250* will acknowledge the early meetings of Māori and Europeans when James Cook and Tahitian chief and navigator Tupaia arrived in 1769 as part of the nationwide sescentennial commemorations.

Hon Grant Robertson  
**Minister of Finance**

..... / ..... / .....

Hon Phil Twyford  
**Minister of Transport**

..... / ..... / .....

Hon David Parker  
**Minister for Economic Development**

..... / ..... / .....

Hon Shane Jones  
**Minister for Regional Economic  
Development**

..... / ..... / .....

## **Key Points**

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### *The Project*

1. Through the Tai Tokerau Northland Economic Action Plan, the Hihiaua Cultural Centre (the Centre) has been identified as a key tourism priority for the region.
2. MBIE received an application from the Hihiaua Cultural Centre Trust (the applicant) seeking Regional Growth Initiatives Multi-Year Appropriation support for Stage one of the Centre in Whangarei. A pictorial outlining Stage one is attached in **Annex One**, as well as a 2017 Feasibility Report completed by Griffiths & Associates Ltd attached at **Annex Two**.
3. Stage one includes retaining and refurbishing the existing boat/carving shed, as well as constructing a new launch pad from the existing Waka Store to the Waiarohia stream.
4. The Centre is a three stage project, with the total forecast cost of the Centre being approximately 9(2)(b)(ii)
5. The total cost for Stage one of the Centre is approximately 9(2)(b)(ii)

### *Key outcomes for Stage one of the Centre*

6. Co-funding: the applicant has sought parity of funding between central and local/private funding for Stage one of the Centre.
7. Employment support: the Centre will provide an additional venue for local carvers, weavers, painters to create, display and sell their work to the market.
8. Education: the Centre currently provides its space to local institutions/programmes as a training site. The Centre will increase its offerings and will aim to expand on the external providers that currently use the site as a means to increase revenues to the applicant.
9. Tuia-Encounters 250: the Centre has been identified by the Ministry for Culture and Heritage as a potential legacy project within Northland. The Centre could provide a focal point for activities in Whangarei during this commemoration.

*Who is contributing to the Centre*

10. The table below provides a breakdown of contributors to Stage one of the Centre.

<b>Contributor</b>	<b>Amount</b>	<b>Funding status</b>
Foundation North	9(2)(b)(ii)	Confirmed
Whangarei District Council	500,000	Confirmed
Central Government	1,075,000	To be confirmed
<b>TOTAL</b>	9(2)(b)(ii)	

### **Central government agency consultation**

11. MBIE has consulted with the Ministry for Primary Industries, Te Puni Kōkiri (TPK), Ministry for Culture and Heritage (MCH), Ministry for Social Development, and the Treasury. Government agencies generally support the Centre.
12. The project has direct links with Arts, Culture and Heritage, and Māori Economic Development portfolios. Agency support is summarised below:
- MCH states that the Centre aligns with its strategic priorities such as:
    - investing in culture for the wellbeing and prosperity of New Zealanders;
    - creating opportunities for New Zealanders to engage with Māori culture – creating an inclusive New Zealand whakapapa;
    - valuing diversity in the cultures of Aotearoa; and
    - caring for the nation's taonga and identity.
  - TPK has a strong focus on developing Māori tourism products and service initiatives in order to strengthen the economic viability of Māori tourism in Northland. Te Puni Kōkiri supports the application as it forms part of the Te Tai Tokerau Māori Tourism Narrative Project.

### **Risks**

13. There are key areas that need to be addressed by the applicant in order to mitigate against potential future issues. These include:

- Assessing the on-going sustainability of the project, this includes understanding how stages two and three of the Centre will be funded, and where private funding will be sought given stages two and three involve the greatest cost (approximately 9(2)(b)(ii))

Stage one is stand-alone and success is not reliant on progress to stage two or three. Future stages will need to be assessed if government is approached for support.

- Management of potential overrun in expenditure during Stage one of the Centre rebuild.

MBIE believe that this can be mitigated via the investment agreement process. For example, ensuring fixed price contracting is considered.

## **Next steps**

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14. If you approve investment for the Centre, MBIE will work with your offices and the applicant to create a communications plan and any announcements Ministers may wish to make.
15. MBIE will work with the applicant to draft an investment agreement which will include the conditions of investment around:
  - a. The applicant seeking an underwriter for Stage one of the Centre; and
  - b. Ensuring that the applicant will work with Creative New Zealand to provide guidance in the development of Stage one of the Centre.

## **Annexes**

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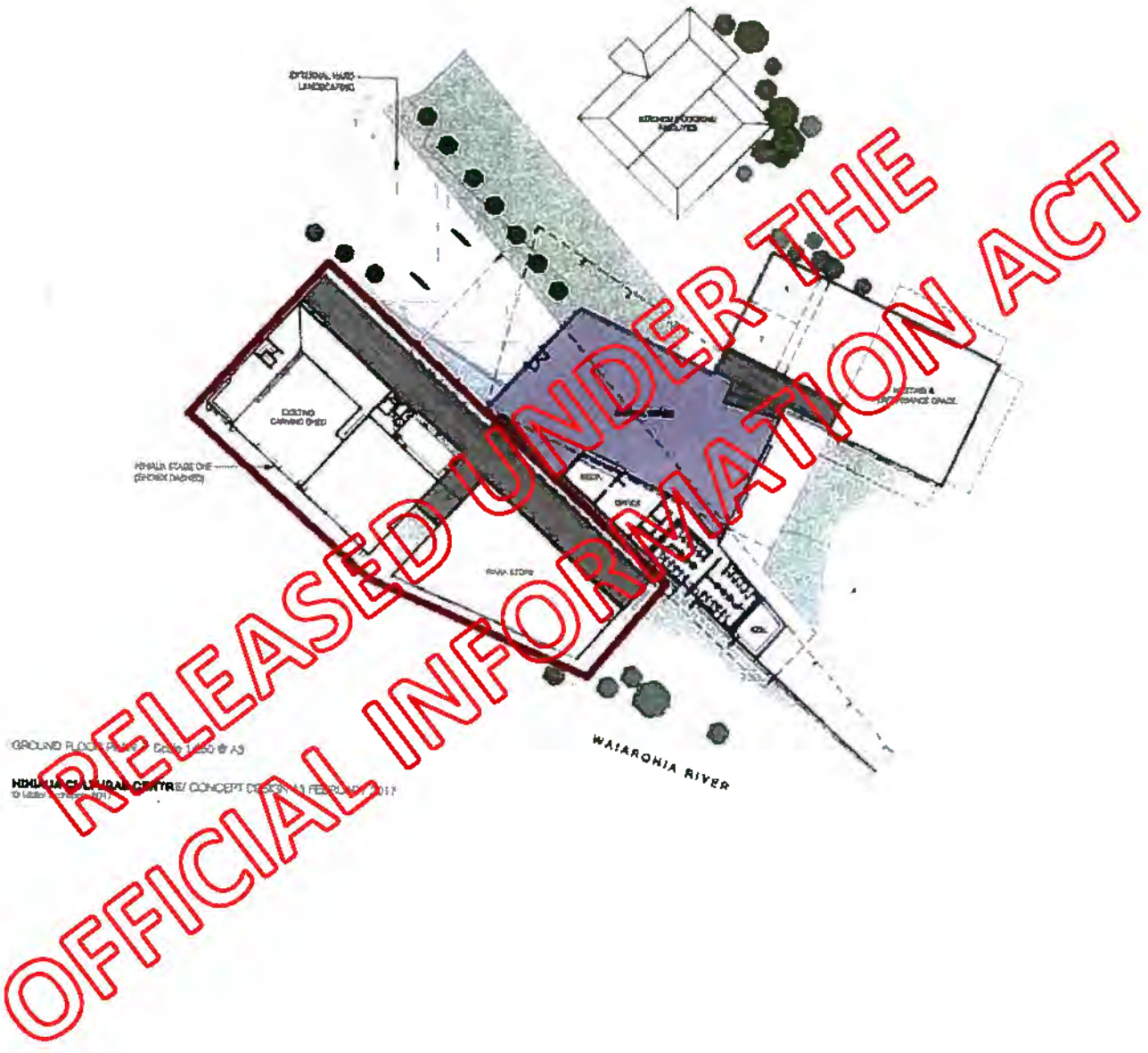
Annex One: Hihiaua Cultural Centre – Stage one pictorial

Annex Two: Hihiaua Cultural Centre – Feasibility Report

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# Annex One: Hihiaua Cultural Centre – Stage one pictorial

## Appendix 1: Stage 1 of Development



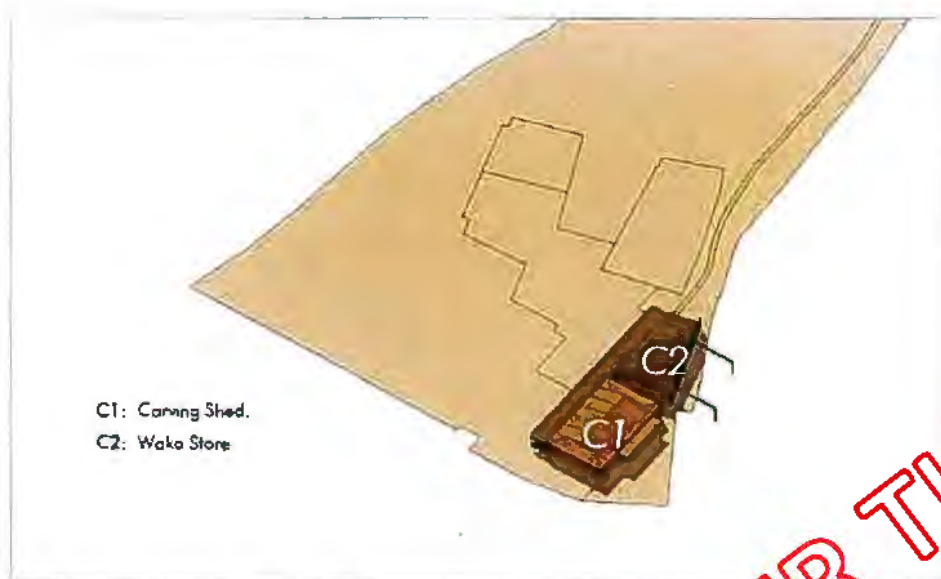


Fig 6. Stage 1 of the Hihiaua Cultural Centre Project.

Moller Architects 2016



Fig 7. Aerial Perspective of Stage 1 showing relationship with later Stages.

Moller Architects, 2016

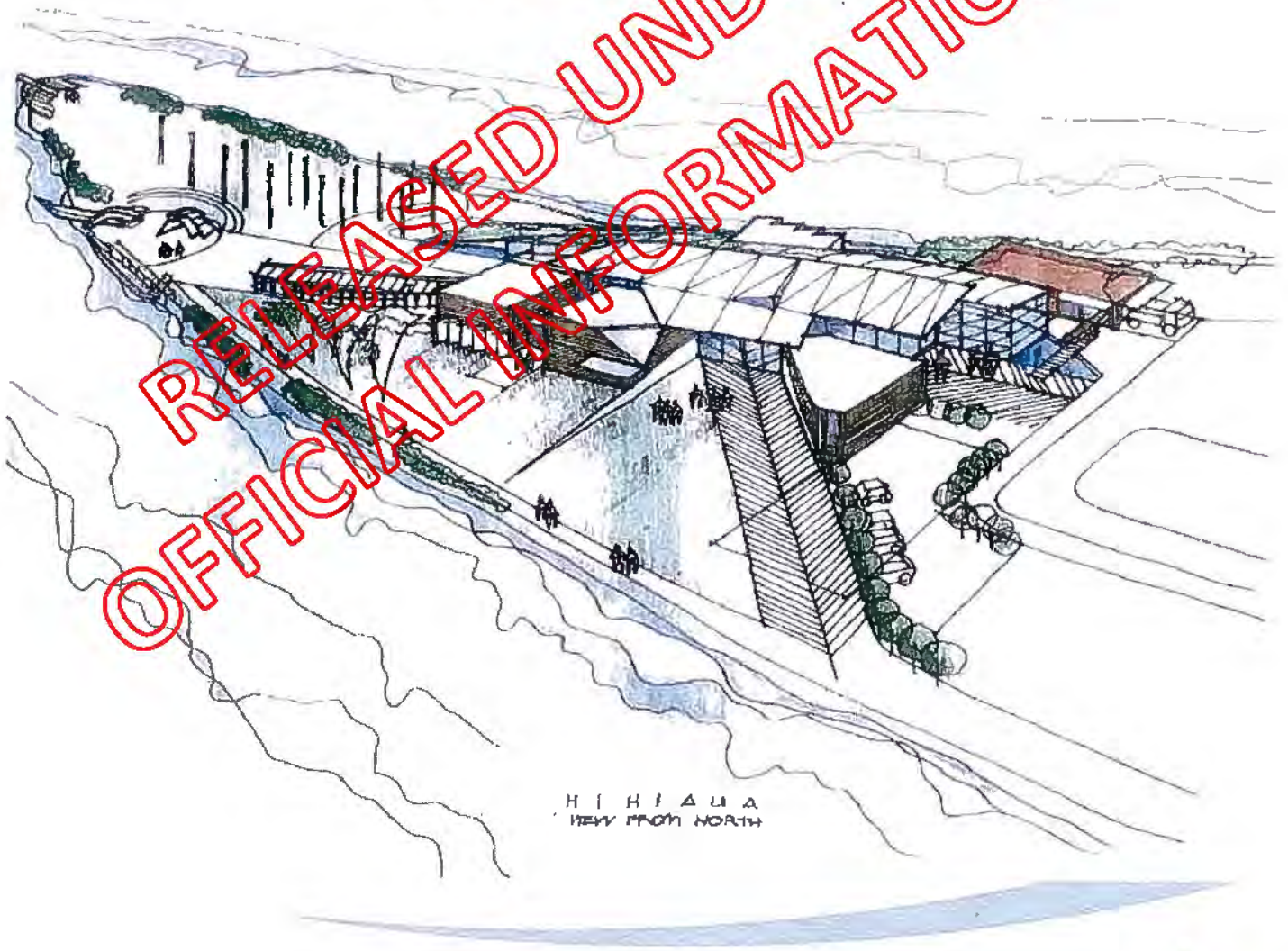
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# HIHIAUA CULTURAL CENTRE

## FEASIBILITY REPORT



# TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	3
GENERAL INFORMATION .....	6
PURPOSE .....	6
BACKGROUND .....	6
SCOPE .....	7
LOCATION.....	8
PROPRIETORS.....	11
PROJECT ADDRESS.....	11
TITLE PLAN AND PROPERTY DATA .....	2
ORGANISATION INFORMATION.....	12
CHARITABLE TRUST STATUS .....	13
GOVERNANCE .....	13
ANNUAL REPORTS AND ACCOUNTS.....	13
GST REGISTRATION .....	13
PARTNERSHIP STAKEHOLDERS.....	14
WHANGAREI DISTRICT COUNCIL (WDC) .....	14
TE PUNI KŌKIRI (TPK) .....	15
HE PUNA MARAKA TRUST .....	15
PROSPER HIGHLAND/ WHANGAREI ARTS MUSEUM TRUST .....	15
THE PROJECT.....	17
THE BOAT SHED – Stage 1 .....	17
WAKA STORE AND LAUNCH AREA – Stage 1 .....	17
ENVIRONMENTALLY SUSTAINABLE .....	18
PROVISION OF PARKING SPACES / PARKING AND LOADING .....	18
OPERATING HOURS.....	18
THIRD PARTY USE OF THE BUILDING .....	19
PROJECT PLAN.....	20
FUNDING SECURED .....	20
PROPOSED TIMELINE .....	21
TENDERS FOR SCHEME.....	22
COST PLANNING FOR PROPOSED NEW FACILITIES .....	23
PROJECT STAGES FOR THE COMPLETE CENTRE.....	23

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STAGED PHASES AND CROSS SUBSIDY .....	24
AFFECT OF THE PROJECT ON NEIGHBOURS AND COMMUNITY ACCESS.....	25
AMENITY, RECREATION AND CULTURAL VALUES OF THE PENINSULA AND TOWN BASIN	26
THE MANAGEMENT MODEL.....	27
PROPOSAL FOR PROJECT STEERING GROUP – HE TAPA TORU .....	27
BUSINESS PLAN.....	28
Governance Structure .....	28
FUNDING AND FUTURE MARKETING.....	30
AUTHOR INFORMATION - GRIFFITHS & ASSOCIATES LTD .....	32
APPENDICES.....	33

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## EXECUTIVE SUMMARY

This report provides details of the proposed development methodology in securing the initial phase development, which forms part of an iconic mixed use scheme, which will form the Hihiaua Cultural Centre. Whilst it illustrates the benefits of and briefly outlines the costs for the further stages of the proposed development, the funding requirement is limited to this initial stage.

The Hihiaua Cultural centre proposal is to showcase the best of Maori culture, arts and technology in an environment and culture of learning. The project is totally unique and as well as supporting the wider district in potential regional social and economic development benefits it seeks to secure a significant identity in Northland which will become a focal point for learning, tourism and community involvement in all forms of Maori culture arts and learning. The aim of the project is to provide a sustainable facility which is unique within New Zealand and provides the opportunity to educate and showcase the Maori story in all its complexity. The project is designed to offer universal appeal to a local, national and international audience.

It is designed to be a place of learning, understanding and development of this unique culture and to further greater links and understanding with other cultures. The diverse nature of the range of activities proposed will establish a strong identity and a project that will encourage repeat visits and become a significant icon within Northland.

This initial stage of the Hihiaua Cultural Centre is to be located on the Hihiaua Peninsula at the Town Basin in Whangarei on land owned by Whangarei District Council. The proposal will involve the redevelopment of an existing building for traditional cultural activities and for educational laboratories/offices, training/ visitor areas and resource development. The construction of a new building will provide a store for traditional waka. A waka launching ramp constructed into the Waiarohia Stream will allow easy access to the river for the vessel so that its location is in context with the purpose of the centre. The design of the building will encourage a vibrant interactive learning experience to those that use and visit the centre.

The key tenants'/outcomes for the project which is at the heart of the vision of the Trust are to provide opportunities for:

- Education – Matauranga Maori. By way of a partnership with established education providers and skilled craftsman to develop and grow traditional skills and knowledge of Maori craftsmanship and art.
- Culture – Tikanga Maori including Te Reo. A strong identity which encourages understanding and embraces the language, traditions and protocol of the Maori people. Linkages have been established between the Hihiaua Trust and other organisations including Te Puia at Rotorua and Te Papa Tongarewa in Wellington.
- Health – Hauora. An outcome from better education and cultural identity across the whole community by giving direct access to a traditional way of living which embraces a culture based on strong spiritual and community identity.
- Economic Development – Creating a greater awareness of how cultural identity and the associated traditions and values can add value to job opportunities and contribute to the economic development of the Northland Region. The Trust recognised early on that The Hihiaua Cultural Centre, will only be achieved

through a spirit of partnership and to this end the Trust has been working with a variety of partners who have given help, advice and direct funding contributions to progress the initial stage of the scheme.

These parties include:

- Te Papa Tongarewa
- Whangarei District Council
- Te Puni Kōkiri (TPK)
- He Puna Marama Trust
- Foundation North
- DIA Lotteries

In particular, a significant collaboration has been established with the **He Puna Marama Trust** and their Kura **Te Kapehu Whetu** located adjacent to the Hihiaua Cultural Centre in Lower Dent Street, Whangarei. The Mission of He Puna Marama Trust is to provide outstanding education to students and whanau seeking a bilingual education. Te Kapehu Whetu has 'launched' a new format for Maori education covering early childhood through to young adults.

Both Trusts recognise the benefits of a strong working relationship to achieve all of the outcomes indicated above and to enable a sustainable facility to be secured. To this end they have entered into a Memorandum of Understanding to support each other in achieving their objectives which will on completion of the whole development result in a Maori Cultural and Educational and Tourism Hub. It is intended that He Puna Marama Trust occupy space in the centre to grow their core activities which are fully aligned with the aspirations of the Hihiaua Trust. A copy of the Memorandum of Understanding is attached at [Appendix 3](#).

The land upon which the centre will occupy is in the ownership of Whangarei District Council who have leased the existing building to the Hihiaua Trust free of rent and rates. The land for the new build initial phase extension will be leased on identical terms and includes a further reserved area of land for the subsequent phases of the development.

The first stage development has achieved resource consent and building consent and comprises some 1,540 m<sup>2</sup> of multi-use buildings and external and public realm space. The project has been costed and tendered and the budget cost for the scheme is \$2.0 million. To date the Trust has secured a variety of funding in terms of feasibility funding, subsidised rent on WDC land and property, and a direct cash grant of \$500,000 from Whangarei District Council subject to securing additional funding from other sources to allow the first stage of development.

The Hihiaua Cultural Centre will offer the opportunity for a unique visitor experience and interactive resource to Maori culture. The benefits that it will bring to both Whangarei and Northland are substantial. It offers a great community resource that will help enrich lives and enable better understanding of past traditions and how in a working environment these can be applied to our modern way of living. It will be a significant stopping point for both national and international visitors coming to New Zealand and will further strengthen the other tourism initiatives that are being developed in the area.

This report has been produced by Griffiths and Associates Ltd who have considerable experience in the assessment and project management of projects and the preparation of feasibility studies.

This report takes into account the considerable work that has been undertaken by the Hihiaua Trust, since its formation in 2008, in bringing this project forward from the proposal first agreed over 25 years ago, to a point where subject to suitable funding the initial phase of the project can become a reality.

---

**Signed:**

**Trevor Griffiths**

Chartered Building Professional, Registered Construction Manager, Fellow NZIOB, HNC, ONC, City & Guilds Civil Eng.

**Date:**

April 2017

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# GENERAL INFORMATION

## PURPOSE

The purpose of this report is to explain the concept of the Hihiaua Cultural Centre and its significance at a local, national and international level within New Zealand. It will also explain how it seeks to educate the wider community on the cultural diversity found in New Zealand and foster better understanding and education within all communities. The project will show how a unique facility will add economic development benefits to the area and become a significant stopping post for visitors seeking the unique Maori experience in New Zealand's developing tourism industry.

The report will outline the journey that has been undertaken by the Hihiaua Trust from initial concept stages of development through to a planned and phased approach for the phases within the whole project.

Cost analysis, design input and financial information that has been compiled in the recent past will be provided to enable potential funding partners to be certain that any funding contributions made will become part of a sustainable project which offers a range of diverse benefits to the Northland communities.

## BACKGROUND

The proposal for a Maori cultural centre at Hihiaua is a long standing initiative that started approximately 25 years ago, but only started to gain significant momentum in 2007 when Te Papa Tongarewa through its National Services division, Te Paerangi, funded a scoping study for a project. A copy of this study is attached at [Appendix 1](#).

The Whangarei District Council participated in the scoping study and subsequently helped to fund the next stage when more detailed plans and feasibility studies were prepared. The concept design prepared by Moller Architects and Boffa Miskell Landscape Architects was costed in 2009 by quantity surveyors RBL at \$19.5 million. In addition to the preparation of these documents, the Whangarei District Council, also, as part of its commitment and support for the scheme included references to the Cultural Centre in its strategic planning documents, as well as the District Plan. The proposal is discussed in depth in the 30 | 50 Growth Strategy as well as the Arts Culture and Heritage Policy document. Relevant sections of the 20/20 Momentum Plan and 30 | 50 Plan are attached at [Appendix 2](#).

Some initial feasibility work on the project considered the whole funding amount based on conceptual plan proposals without having achieved resource consent, building consent, tender prices or any form of significant funding. Given the size total projected cost and hence the amount of funding required, along with the tightening economic conditions following the 2008 Global Financial Crisis, the trust decided to consider a staged project.

The Trust resolved to work on a strategy of proposing a staged project, securing match funding, securing lease interests on land, obtaining resource and building consents, reviewing design and construction costs for each stage of the overall project and then developing a funding and marketing plans which would see the business model build upon its achievements over time.

This rethink to delivery was taken to break the project down into manageable and fundable parts. It was developed on the basis that the full scheme would be eventually delivered but that each phase would stand alone to create individual sustainable projects of value. The application of this strategy and approach has given rise to this initial stage 1 \$2.2 million proposal.

## SCOPE

As part of the scope the feasibility and funding case for the first phase funding is to be in sufficient detail to secure external funding for this part of the project. In addition the report is to clearly set out the steps that are going to be put in place to secure funding for future phases of the project.

The working partnership that has developed between the Trust and the District Council and the sums committed by both has created the opportunity whereby securing external match funding will enable the first stage of the facility to be built. It is recognised that due to the unique nature of the project and the range of outcomes sought from the proposal that the Centre will become a very important asset for Northland and put Maori culture, traditions and values at the forefront of the community and enable it to develop a significant resource that will be used by many within the district of Whangarei and the region of Northland.

Refer letter of support from the WDC Office of the Mayor and other supporters – [Appendix 13](#).

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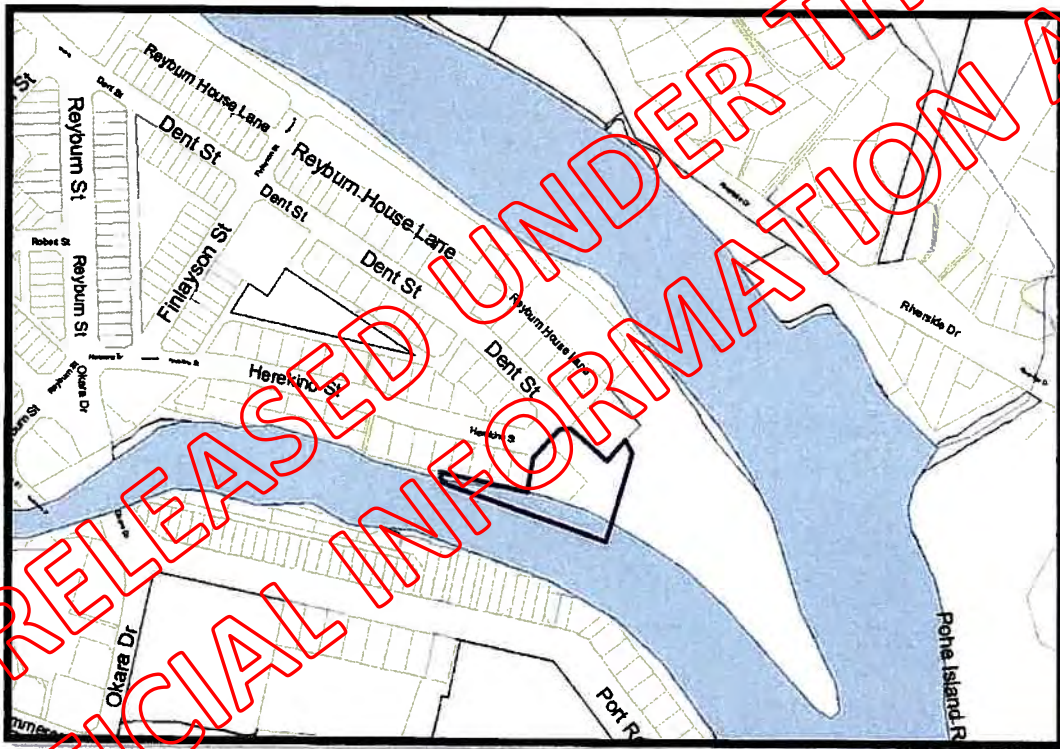


## LOCATION

The industrial building and site is located at the western end of the Hihiaua Peninsula on the corner of Herekino and Dent Street on the side of the Waiarohia Stream. The land is in the sole ownership of Whangarei District Council. The existing building currently occupied by the Trust is a large single storey portal framed industrial unit of some 660m<sup>2</sup>.

The land comprises of two titles. The first title has an area of approximately 1,751m<sup>2</sup>, while the second title has an area of approximately 5,751m<sup>2</sup>. Both title plans are attached at [Appendix 4](#).

The location plan below shows the extent of the site which will comprise the first phase. Subsequent phases will be developed across the wider area and contained within the two titles stated. This land has been secured by the Trust and WDC are prepared to lease further tranches of land to them on the successful funding of each subsequent phase.



Location Map Initial Phase

The topography of the land is generally flat and is predominantly reclaimed land from reclamation activities in the Town Basin carried out between the years of 1920 - 1960. There is an existing building on the site which is also owned by the WDC. There is a small car parking area that is located to the south of the building. The remainder of the site is in grass, and a few single specimen trees.

The existing building is presently used as a carving facility and is in occupation by the Trust. This property is occupied under a peppercorn lease agreement with WDC. The quality of the accommodation is a basic industrial warehouse style of accommodation. A copy of the most recent lease is contained in [Appendix 5](#).



*Site Plan of the lease area showing the existing building  
– 58 Herekino Street, Lot 162 DP 102848*

The wider Hihiaua Peninsula contains a paved walkway along the Hatea River that is part of the Heritage Trail connecting the commercial area of the Town Basin with the Art Park, and along to the Waka and Wave Sculpture, and then across the Waiarohia Stream and over the new Kotutui Whitinga footbridge. The area has quickly become recognised as a focal point for leisure pursuits and the local community as well as the wider District community. They are intensifying their use of the area now that it has been significantly opened up by the implementation of key infrastructure projects by the local Council.

This has happened over the last three years and this considerable investment by the WDC into developing the Peninsula for additional recreation, leisure and community use has had a significant regeneration effect to be experienced at the Peninsula. The development of a landscaped walkway and track linking the river to the CBD and beyond, a sculpture trail and building of a foot bridge across the river to give a circular event/tourist walk has all played its part.

The development proposed by the Hihiaua Trust will add to this investment by WDC who by their continued financial support of the Trust remain a key stakeholder in the project. This partnership arrangement with the local Authority will mark out the area as a significant destination location and draw card for the local community and all visitors both national and international, to Whangarei. It will further strengthen the facilities already provided by the district council and it will bring considerable benefits to Northland adding to commercial, business and tourism activity by way of a heightened international tourist presence.

The Arts, Culture and Heritage Policy adopted by Council in April 2009 identify the Town Basin as a "Heritage and Cultural Precinct", which includes the Hihiaua Peninsula. It is considered that the provision of each stage of the Hihiaua Cultural centre will have a significant impact on the success of the policy and contribute to the overall tourism offer.

See below a CBD plan with coloured pins showing the Art Trail, Hatea Loop Walkway, proposed Hundertwasser Arts Museum, Reyburn House and other significant features.



**IMAGE: CBD, HIHIAUA and TOWN BASIN PRECINCT**

**KEY:**

26. Hundertwasser Wairau Maori Art Centre (HWMAC) (proposed)

27. Hihiaua Cultural Centre (existing buildings)

28. Riverbank Theatre

29. Claphams National Clock Museum

30. Whangarei Art Museum

31. Reyburn House

32. Heritage Art Walk

White Line – Hatea Loop Walkway

## PROPRIETORS

The land is owned freehold by Whangarei District Council

### **Whangarei District Council – District Plan Environment**

It is comprised of two certificates of title and is legally described as Lot 162 DP 102848 and Pt L Blk IX Sec 3 Whangarei SD. Lot 162 DP 102848 is held in NA56D/945 and has an area of approximately 1,751m<sup>2</sup>, while Pt L Blk IX Sec 3 Whangarei SD is part of a residue title being NA980/101 and having an area of approximately 5,751m<sup>2</sup>.

**Situation Address:** Land and Buildings at 56-58 Herekino Street, Whangarei

**Former use** – Vacant land, industrial building and boat building yards

The District Council has control over the land and administers the use of the building and associated land.

The Council has granted The Hihiaua Cultural Centre Trust the right to use the building and associated land. The terms of the lease are contained in the attached lease document found in Appendix 5.

A summary and the principles of the agreement between HCCT and WDC are as follows:

- (a) WDC will lease the main development area on the Peninsula to HCCT on a long term renewable lease free of rent or rates.
- (b) The lease will continue as long as the objectives of the HCCT, as defined in its Trust Deed, are being met.
- (c) The remainder of the peninsula and in particular the water edge land will remain in WDC ownership and be available for public access.

### PROJECT ADDRESS

Hihiaua Peninsula – 56-58 Herekino Street, Town Basin, Whangarei

## TITLE PLAN AND PROPERTY DATA

The title plan identification numbers are NA980/101 and NA56D/945.

The land comprises two certificates of title and is legally described as Lot 162 DP 102848 and Pt L Blk IX Sec 3 Whangarei SD. Lot 162 DP 102848 is held in NA56D/945 and has an area of approximately 1,751m<sup>2</sup>, while Pt L Blk IX Sec 3 Whangarei SD is part of a residue title being NA980/101 and having an area of approximately 5,751m<sup>2</sup>.

The WDC Land and Property Data Report comprises a series of plans showing the location of the site. The plan overlays which show services and other topographical information is contained in [Appendix 6](#).

## ORGANISATION INFORMATION

The Hihiaua Cultural Centre Trust is a registered Charity set up with the vision to enhance the teaching of Tikanga Maori (Maori Culture), by way of developing traditional arts and craft skills, sharing cultural values and traditions through education and for Whangarei and Northland.

The key outcomes for this initial project which are at the heart of the Vision of the Trust are to provide opportunities for:

- Education – Matauranga Maori. By way of a partnership with an established education provider and skilled craftsman to develop and grow traditional skills and knowledge of established Maori craftsmanship and art.
- Culture – Tikanga Maori including Te Reo. A strong identity which encourages understanding and embraces the language, traditions and shares the values and protocols of the Maori people.
- Health – Hauora. An outcome from better education and cultural identity across the whole community by giving direct access to a traditional way of living which embraces a culture based on strong spiritual and community identity.
- Economic Development – Creating a greater awareness of how cultural identity and the associated traditions and values can add value to job opportunities and in particular help develop an active part in the development of Maori Tourism initiatives.

Further detail of the role and function of the Trust is contained within the Trust Deed contained in [Appendix 7](#).

# CHARITABLE TRUST STATUS

Trust Number: 2183736

Address: The Hihiaua Cultural Centre Trust  
29 Whau Valley Road  
Whangarei  
0112

Charities Number: CC42125

GST Number: 101045439

Chairman: Richard Drake

Secretary: Janet Hetaraka

Group email: [hihiaua@drakenz.com](mailto:hihiaua@drakenz.com)

A copy of the Trusts exemption certificate for tax is contained in Appendix 8.

The HCCT became a registered charity on the 8<sup>th</sup> September 2009. This certificate and the Certificate of Incorporation are both contained in Appendix 8.

The affairs and business of the Trust is controlled and managed voluntarily by the seven Trustees. These Trustees together have a range of skills and experience which have provided governance and guidance throughout the various stages of the project that have been developed to date.

A full list of Board members and a brief outline of their skills is contained in Appendix 9.

## GOVERNANCE

Since its first registration the Trust has maintained a robust governance structure which has reported on its current planned and future activities.

## ANNUAL REPORTS AND ACCOUNTS

The Trust has filed annual reports and audited accounts with the Department of Internal Affairs Charities Services. These reports are publicly available and explain the activities of the Trust, their aspirations for the delivery of the Hihiaua Cultural Centre and their financial standing. The most recent annual report and accounts is contained in Appendix 10.

## GST REGISTRATION

The Trust is registered with the GST Number 101 045 439

## PARTNERSHIP STAKEHOLDERS

Partnership stakeholders have been critical to achieve the progress of the scheme to this point. Stakeholders have all contributed either with direct capital grant funding or by offering guidance and consultancy advice either paid or unpaid. From its early beginnings the Trust has worked hard to foster these relationships and engage with a cross section of stakeholders who will benefit from the delivery of the scheme and the outcomes it produces.

Since its inception HCCT have gained the in-principle support of a number of organisations and specific high profile individuals who see the merits of this unique scheme.

The support letters are from a number of sources who see the benefits of the scheme in offering considerable community benefits to a wide cross section of people in Whangarei and Northland. They also see the benefits that such a facility can bring to the region in furthering greater tourism links with other initiatives already completed, underway or proposed by WDC in their on-going urban regeneration of the Whangarei waterside activities.

Individual letters of support from relevant stakeholders is contained within Appendix 11.

The following list of stakeholders and their actual or potential role in the project is outlined below:

### WHANGAREI DISTRICT COUNCIL (WDC)

- WDC have supported the project from its inception as far back as 1992.
- The WDC DP has had the Hihiaua Peninsula as an earmarked initiative and key output of its 20/20 vision document, put together in 2006.
- The Council have continued to support the Trust through the grant of rent and rate free leases on the land and building upon which the centre is to be built.
- WDC have fully funded this report, the content of which will help the Trust make applications to the various funding bodies.
- WDC remain committed to see the comprehensive development of the peninsula and Town basin area of which it is a substantial owner of land and property assets.
- There are specific opportunities that will be provided in the Centre that could enable WDC to achieve its longer term objectives in the provision of additional theatre and conference facilities.
- They have identified the Hihiaua Centre in their long term plan and it has been identified in a number of strategic vision documents that show the WDC is committed to help achieve its delivery.

## TE PUNI KŌKIRI (TPK)

- Te Puni Kōkiri works for Māori to be secure, confident and expert in their own language and culture. The objectives of the Hihiaua Cultural Centre Trust align with TPK's support for Māori to protect, sustain and grow their reo, taonga, mātauranga and tikanga.
- TPK have so far granted \$180,000 to the Trust to assist it to progress the Cultural Centre and promote understanding of Māori culture.

## HE PUNA MARAMA TRUST

- He Puna Marama Trust has signed an MOU with the Trust to align itself with the activities of the Trust to support it and utilise the resource as a valuable addition to their existing Educational space in Lower Dent Street.
- They are seen to be a major contributor to the educational content of the project and will bring vitality to the project by the application of its student learning throughout the development.
- He Puna Marama Trust is already providing innovative educational opportunities and achieving noticeable success through Te Kura Hourua o Whangarei Terenga Paraoa which it opened in February 2014.
- Te Kura Hourua, with its Te Putake and its Te Raeranga programmes, is focussed on three major Pou (Columns), Kia Maori, Kia Matau, and Kia Tu Rangatira ai.
- While working in an environment based on Tikanga Maori (Maori Culture), Te Kura Hourua is delivering (sometimes in partnership with other providers) a full curriculum to empower their akonga (students) to achieve any goal that they set for themselves throughout their lifetime.
- Kia Matau focuses on providing personalised learning plans that prepare akonga (students) for the competitive, technology driven 21<sup>st</sup> century, seeking a high level of competence in science, technology, English, arts and mathematics leading to NCEA, scholarships and further tertiary education.

## PROSPER NORTHLAND/ WHANGAREI ARTS MUSEUM TRUST

- Prosper Northland is a dedicated non for profit organisation committed to bring economic development benefits to Whangarei.
- They have been instrumental in securing public support for the development of the Hundertwasser art gallery and museum.
- They have a site for the scheme which has been made available to them by WDC.
- They are now engaged in raising funding for this high profile scheme to be managed by the Whangarei Arts Museum Trust (WAMT) and see the development of the Hihiaua centre as complimentary to their scheme.



- They have shown their direct support both to WDC and the Trust in relation to close collaborative working to develop the tourism and education initiatives that both schemes will be targeting.
- Whilst this project is designed to house the works of Frederick Hundertwasser and contemporary Maori art works the Hihiaua Cultural Centre is considered a valuable comparative attraction which concentrates on more traditional Maori art crafts and most importantly education in Maturanga Maori. Refer to Appendix 11.
- The Hihiaua Cultural Centre Trust has provided support to Prosper Northland Trust (PNT) and have had meetings with PNT and WAMT from time to time to exchange information.
- It is already recognised that the significant regional impact both schemes will have in Northland will ensure their sustainable future.

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## THE PROJECT

The project is to provide a new development comprising of a refurbished existing building and new storage and visitor facility that will become a living and working environment where the vision of the Trust can be promoted. The building will enhance the riverside frontage and provide valuable public access and improvement to the peninsular area.

The total area of the buildings (including the walkways and landscaping) is 1,540m<sup>2</sup>

### THE BOAT SHED – STAGE 1

The redevelopment of the existing boat shed is to greatly improve the environment of the carving activities that already take place in this building. The renovations to the building will enable the separation of the carving and cutting areas and will also provide for a new north eastern façade for the building, opening up this side of the building and creating a raised floor area, which will be used for public access and viewing of the carvers. This is designed so the public can come into the workshop to view the process. It is considered to be a valuable resource for the public and students attending the Centre to engage with the carvers to fully understand the development of their skills. This is separated from the carving area by a balustrade for safety reasons.

A new laboratory is proposed to be located at the north east corner of the facility. The final layout is to be self-contained and enable dedicated training and resource facilities to be established.

A weaving area will be provided in the south west corner of the building which is open to the carving area but separated by a secure balustrade which will also have public access.

A display and retail area will showcase the products of the carving workshop and activities undertaken within the centre and is located in the northwest corner of the building. The area will include display windows which enable viewing of the products when the facility is closed. This is essential to attract and encourage the casual visitor to return to the centre and to create commercial value from the craft activities.

A new toilet and shower block is located in the same location as the existing. This is for the workshop staff but will be available in the short term to the public visiting the facility.

The building renovation is designed to be multi-purpose and provide flexible use of all components to meet new or changing demands

### WAKA STORE AND LAUNCH AREA – STAGE 1

This new building was included in the first stage of the Cultural Centre following the WDC's advice that they want to secure a waka for Whangarei. Its purpose is to store waka and is large enough to accommodate multiple waka ranging in length of up to 20 metres. The design of the building is such that the walls are essentially a series of screens and louvres that will allow for the public to view the waka and also to provide the necessary security. A feature of the project is the innovative engineering solution for moving waka.

The incorporation of a gantry will enable the launching of waka directly into the Waiarohia Stream. The engineered designed gantry will extend over the stream and allow for the moving gantry beam to pick up a waka safely and move it from water to storage with ease.

## ENVIRONMENTALLY SUSTAINABLE

At the core of the Trust's focus is education and this includes the principal of Kaitiakitanga, which leads into sustainable management of land and resources (guardianship).

They emphasis traditional values of sustainability not only in management but also in harvesting, use and adding value for example.

Much of the timber used in the carving operation is carefully selected and often windblown or what would have otherwise been discarded timber.

It is the intention that the operation of the centre will be aligned to the principal of Kaitiakitanga and best practices in relation to environmental sustainability.

## PROVISION OF PARKING SPACES / PARKING AND LOADING

It is proposed to provide car parks in the area to the south west of the boat shed. This will also incorporate sufficient space for loading and unloading resource materials used in the centre.

Existing on street car parking is available on all of the adjoining streets sufficient for users and visitors to the development. The close connection to the waterside activities and the amount of visitors that currently walk around the peninsular suggests that many people will be visiting on foot or cycling.

There are also carparks included in the proposal as part of the building consent documents.

The plans prepared by Moller Architects and attached at [Appendix 12](#) show the proposed internal alterations and layout of the building.

## OPERATING HOURS

It is planned that the operating hours of the initial phase will not be restricted in terms of when carvers and others, including students, utilise the facility. It is planned that hours of operation be established for public access and viewing as follows. This will vary in terms of other third party users that will be encouraged to use the facility for corporate events/meetings etc. A comment on this is contained below:

Planned General Opening Times:

Monday to Friday: 8.30am – 5.30pm  
Saturday & Sunday: 9.00am – 4.00pm  
Public holidays: 9.00am – 4.00pm

## THIRD PARTY USE OF THE BUILDING

It is recognised that the centre will be a centre of excellence for Maori culture and showcase its history and development which will promote better learning and education of the culture to the wider community. The centre will be a vibrant meeting place for learning and ultimately a nationally recognised visitor experience, and become a focal point for community engagement across personal leisure and business levels.

The facility is seen to offer great opportunity to a wide cross section of the community and within all ages and ethnic backgrounds. From local school visits to local historic interest groups and clubs and societies, national and international tourism. The unique nature of the project will become part of the fabric and identity of Whangarei.

In addition and as part of the ongoing and developing marketing strategy the above opening hours will be extended when required, to enable the centre to capture the valuable corporate event opportunities that exist. This will also apply to a dedicated event marketing strategy to attract people looking for that different function experience. By targeting this market sector the quality of the building will be well maintained and in this way a regular and sustained promotional calendar will add revenue and ensure sustainability of the facility.

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## PROJECT PLAN

The proposal for a Maori cultural centre at Hihiaua is a long standing initiative that started approximately 30 years ago, but only started to gain significant momentum when in 2007 funds were secured for a scoping study. The Whangarei District Council participated in the scoping study and subsequently helped to fund the next stage when more detailed plans and a feasibility studies were prepared.

The full extent of the proposal involved development across a greater area of the Hihiaua Peninsula creating a Cultural Centre that would be a showcase of Maori excellence in arts, science and technology, based on waka building and sailing, the marine environment and the traditions of Tai Tokerau.

It is envisaged that the facilities of the fully completed cultural centre will have the capacity to host major exhibitions, festivals and conferences and be a tourist attraction that would complement the other museums and cultural centres in Northland.

The project plan initially was to secure funding for the whole scheme to be developed in one operation. The extent of the funding for the complete project was such that the Trustees decided to progress the centre in planned stages.

This strategy has been worked on over the last couple of years and now all of the necessary consents detailed design considerations and costings have been achieved for Stage 1 Waka Store and Boat Shed Refurbishment in order to put forward a robust case for funding. The project is now much reduced in size, due to this staged approach, but has sufficient critical mass and range of uses to provide a sustainable resource.

The cost of Stage 1 Waka Store and Stage 2 Boat Shed the project stands at \$2.2 million excluding GST. This amount covers all new construction work, refurbishment work, fit out design, landscaping, fees and open space works.

### FUNDING SECURED

Funding secured by HCCTUs as follows:

- A substantial sum of funding has been secured, by the Trust, from WDC, which totals \$500,000.
- In addition a contribution from WDC of land and buildings for the Trust to occupy amounts to \$42,000 per annum and is perpetually renewable providing the Trust maintains its activities relating to the centre.
- The lease to the Trust provides for a total rent concession and freedom from local and territorial authority rates and levies and other outgoings. All of the upfront development costs which include initial design, resource consent applications, and building consent applications have already been paid for by the Trust. Project costs paid for by the Trust total 9(2)(b)(ii) to date.

The total cost of stage 1 Waka Store and stage 2 Boat Shed the project including upfront costs and lease commitments based on perpetuity is 9(2)(b)(ii). Based on the required contribution from additional funders of 9(2)(b)(ii) the sums raised by the Trust equate to a 34 % contribution to total costs.

A secure foundation on which to begin the project, the overall vision of the Trust and principles of the scheme has now been established. This will create an environment where sustainable solutions can be achieved on each individual stage to enable delivery of the entire project.

With the detailed designs in place and with resource and building consents achieved, building could be started almost immediately subject to satisfactory match funding being achieved.

The building has been designed to be functional to reflect the nature of uses to be carried out within the building. The layout of the space caters for its range of multi-use occupants including staff, craft workers, carvers, teachers and students and public visitors and provides all facilities in robust and easily maintained materials. The design meets all accessible code issues and will receive a Code of Compliance Certificate or Public Use Certificate prior to completion and or occupation.

Moller Architects and Richardson Stevens have been involved in advising the Trust on issues regarding the design and cost profile for the building and the funding feasibility application.

## PROPOSED TIMELINE

The initial stage 1 of the project involves the following components:

- The redevelopment of the existing industrial building will be designed to accommodate the carving activities, training rooms, laboratories, offices/reception areas and public access and interactive viewing areas.
- The construction of a new waka store will also include a launching facility for waka into the Waiahoia Stream.
- This will comprise a total of 663 m<sup>2</sup> of new and refurbished space.
- Development of the associated public space around the building creates a total area of the buildings (including the walkways) of 1,540m<sup>2</sup>

The indicative development timeline stage 1 Waka Store and Boat Shed is as follows:

April 2017	Submit funding applications for the initial stage of the project. Funding approaches to match funding organisations continue.
June 2017	Full Funding achieved for the project
July 2017	Appointment of preferred contractor
August 2017	Construction and refurbishment begins. Trust vacates existing building. Stripping out internal finishes and offices in preparation for refurbishment.

	Site works and concrete works for new building.
	Or
	Build new unit and decant from existing when finished
October 2017	New wall and roof finishes for the existing building. Superstructure, roof and cladding of new building
November 2017	Joinery, internal framing to both units
December 2017	Plumbing and Electrical 1st fix
February 2018	Gib stopping, painting, floor covering
March 2018	Plumbing and Electrical 2nd fix
April 2018	Completion of external works
May 2018	Target completion date (+/-)
June 2018	Project complete, open and operational

## TENDERS FOR SCHEME

Four Whangarei based contractor's tendered prices for the first stage work comprising alterations and improvements to the existing Boat Shed and construction of the Waka Store (Whare Waka) and a connecting covered walkway in accordance with the approved Building consent issued by the Whangarei District Council.

(All necessary Resource consents have been granted)

The prices tendered are very close and will require further analysis and clarification once funding for the project is available and before a preferred contractor is selected.

Prices submitted range from 9(2)(b)(ii) with some clarification still required. One was received at 9(2)(b)(ii) but it is believed that this tender is non-conforming and likely laden with variation risk.

The architect and engineer advise to budget for 9(2)(b)(ii)

Tenderers will be given the opportunity to reaffirm their prices once funding for this stage is secured. (Refer to Appendix 13 for tender analysis).

## COST PLANNING FOR PROPOSED NEW FACILITIES

The tender budget sum of 9(2)(b)(ii) for stage 1 Waka Store and stage 2 Boat Shed has been prepared by Moller Architects in a design and manage role.

A breakdown of the indicative costs are included below. A company profile of Moller Architects together with information on previous projects is contained in Appendix 12.

Whilst the Hihiaua Project is a challenging one, unlike some other projects in the Whangarei District, there has been no opposition whatsoever to the Cultural Centre proposal. Many people within both the local and business community have offered unsolicited support but this has not extended to any significant funding from these quarters. The Trust is now in a position to successfully develop the stage one Waka Store & Carving Shed proposal subject to securing the necessary funding.

Due to the various closing dates for funding, applications will be made to Lotteries, Foundation North, Northland Inc. and TPK and any other previous funds applied to.

If any form of funding or contribution is received during the funding review process each funder will be notified of any change in circumstances of the shortfall sum.

- Total currently sought 9(2)(b)(ii)

## PROJECT STAGES FOR THE COMPLETE CENTRE

A staging plan has been developed which clearly defines separate parts of the overall concept which will be subject to further and ongoing funding work. This contemplates three further stages after the delivery of this project. Each part of the project is discreet and does not rely on the future phases to create a workable and sustainable solution per phase.

Stage 1. Carving area and Waka Store.

Future stages to complete the project include:

- |          |  |
|----------|--|
| Stage 2a | Gathering Space, Admin, Offices, Toilets |
| Stage 2b | Performing space                         |
| Stage 3  | Display Area                             |

Refer to Appendix 14 for depiction



## STAGED PHASES AND CROSS SUBSIDY

Since the original conceptual scheme was conceived considerable time has been spent on reviewing the stages of the comprehensive development. Changes have been proposed to the delivery of certain parts to reflect a phased delivery of projects which are self-sustaining and have considerable linkage with other major projects planned by WDC. In this way considerable cross subsidy and cost savings will be able to be achieved.

It is envisaged/ hoped that Stage Two can be delivered soon after on the back of this Initial stage. The reason for this is that once momentum has been gained by the initial phase then confidence will be had with funders by the linkage/partnership with other WDC key projects.

One of the key parts of the scheme and a future phase is the conference space/theatre facility. The delivery of this type of space within Whangarei has always been high on the WDC agenda. The council has already invested in a feasibility on land they own elsewhere within the CBD for the specific purpose of providing a hotel and conference space. The results of the report showed that the site is unlikely to provide an opportunity for a hotel and or conference space and that other planned private sector initiatives on Riverside are unlikely to proceed. There is as a result an opportunity to work in partnership with the Council to cross subsidise or add value to the provision of this space.

WDC have sufficient land ownership in Lower Dent Street to create a site for a hotel which could link in with the Hihiaua conference/theatre space. This will certainly be more cost effective than developing a new theatre or conference space on valuable land within the CBD. It will further strengthen the Town Basin area as the arts and entertainment quarter and enable a truly well integrated project to be delivered.

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## CONSTRUCTION COST

The estimated total construction cost for stage one only is 9(2)(b)(ii) this figure is now supported by Market Tenders.

This excludes land cost (nil), escalation, compliance costs and other listed exclusions but includes estimates for professional fees, and construction (inc. project contingency).

Using the independent assessment of the scheme prepared by Rider Levett Bucknall and applying 15% escalation (since it was undertaken) the total project cost for stage 1-3 has been summarised below by Moller and calculated at say 9(2)(b)(ii) as follows: (refer to Appendix 14.)

HIHIAUA CULTURAL CENTRE  
BUDGET ESTIMATE FROM RLB ESTIMATE  
DEMOLITION  
C1 + C2 BOATSHED & WAKA STORE STAGE 1  
B2 ARRIVAL FOYER STAGE 2  
B3 DISPLAY SPACES STAGE 3  
B4 CONFERENCE STAGE 2  
**SUB TOTAL**

9(2)(b)(ii)

D LANDSCAPE  
E1 SCULPTURE & ARTWORK

CONTINGENCY  
**GRAND TOTAL**

REFER TO RLB ESTIMATE FOR MORE DETAILED BREAKDOWN  
2016 FIGURES BASED ON RLB ESTIMATE 2009 WITH 15% ESCALATION ADDED

EXCLUSIONS FROM ESTIMATE  
COST OF LAND  
LEGAL & FINANCE COSTS  
DESIGN AND MANAGEMENT FEES  
EXHIBITS  
DISPLAY CASEWORK  
KITCHEN AND RETAIL FITOUTS  
LOOSE F&E ITEMS  
COMPLIANCE COSTS  
GST

## AFFECT OF THE PROJECT ON NEIGHBOURS AND COMMUNITY ACCESS

The purpose of the proposed building is to develop a centre showcasing the best of Maori culture, arts and technology through knowledge sharing, displaying waka and other taonga (property), as well as offering a space to train and develop young people in the arts of carving, weaving and other traditional Maori activities. It is envisaged that the Cultural Centre will be a cultural destination not only for visitors to Whangarei but also for local groups and families.

The proposed location on the Hihiaua Peninsula complements the other existing community facilities in and around the Town Basin area, and will add another element of interest that is consistent with the goal to establish the Town Basin as a heritage and cultural experience precinct.

The proposal involves the enhancement of and redevelopment of an existing building within the open space environment and the addition of the waka store. The proposed

waka store has been designed to ensure that the building is visually interesting enabling people to view the waka through the open slatted and louvered walls. The proposal which also involves connectivity between the two buildings will encourage people to engage with the activities taking place inside them.

The two buildings will be linked with covered walkways and being situated near Herekino Street and A'Fare it will consolidate the range of public access buildings in and around the peninsular area.

While the buildings are large, both in terms of the gross floor area and height, it is considered that it is in keeping with the scale of the peninsular area and will not dominate the open space and recreational nature of it. The proposed renovations to the boat shed will open the northern side of the building to the public, making it more inviting for people to visit.

The proposal to establish the Cultural Centre is anticipated to have a positive effect on the use of the open space at Hihiaua Peninsula.

The continuation of pedestrian and cycle linkages along the edge of the city waterways will be maintained and in an effort to continue these walkways immediately adjacent to the water's edge, the proposed waka store will be located at least 3 metres from the pathway and the existing seawall.

The proposed waka launching facility is an overhead gantry that will extend from the roof of the waka store, over any future walkway and out into the Waiarohia Stream. It will enable the waka stored in the shed to be easily manoeuvred into the waterway for recreational use. To this end, the facility will have a positive effect on the ability of people to access and enjoy the waterways of the upper Whangarei Harbour. Furthermore, the launching facility will not create an obstruction on land for any public access along the water front.

The proposed Cultural Centre will add another element to the range of public and community based activities and attractions already established in and around the Town Basin area. It will add to the variety of experiences already on offer and provide a cultural link with the waka and wave structure already established on the peninsula.

## AMENITY, RECREATION AND CULTURAL VALUES OF THE PENINSULA AND TOWN BASIN

The linkage of the peninsular to the Whangarei Town Basin is distinctly different from other parts of the city and provides special amenity and has a strong sense of place. The amenity values of this area are based on the relationships between people using the area and a combination of the natural and built elements at the city centre. The activities established in this area seek to create an economically, socially and culturally vibrant community that is well used by both locals and visitors.

The proposed Cultural Centre is entirely consistent with the vision and values for this area and this has been formally recognised in the Arts, Culture and Heritage Policy that establishes a precinct concept that identifies the Town Basin as a 'heritage and cultural experience precinct', specifically making provision for the Hihiaua Cultural Centre.

Overall the proposed development of the first stage of the Hihiaua Cultural Centre is consistent with the objectives and policies of the Whangarei District Plan.

# THE MANAGEMENT MODEL

## PROPOSAL FOR PROJECT STEERING GROUP – HE TAPA TORU

*Ma tou rourou ma taku rourou - ka ora e te iwi e.*

This proposal will progress the realisation of an education and culture precinct for the Hihiaua Peninsula at the eastern edge of the Whangarei Town Basin. A collaborative approach, bringing together the aspirations, inspiration and resources of the three key stakeholders, will enable the realisation of the shared vision of The Hihiaua Culture Centre Trust, He Puna Marama Trust and the Whangarei District Council.

This tri-partite partnership has the advantage already of sound and trusted governance structures, empowered management and historical engagement with, and joint responsibility for, the focus demographic - our community.

The formation of a project steering group, made up of representatives of the three organisations, will enable the group to be sustainable over the short, medium and long term.

### **Short term:**

Doors have opened now for HCCT and HPMT who both have a pressing imperative to turn plans into action. Both need to move now if they are to take advantage of the funding opportunities which are available now. A joint application to funders such as Foundation North and/or the Ministry of Education will highlight the strength of the partnerships, an ongoing commitment to the overall vision and present a united front which they have called for from Whangarei. If there is strength in numbers then three parties together must be more powerful than three individuals alone.

### **Medium Term:**

Each entity has staged development plans which can be managed more efficiently by the sharing of spaces and resources.

### **Long Term:**

The Hihiaua Education and Cultural Precinct vision will be realised and developed through true collaboration of these stakeholders. The global networks developed over many years of the three organisations will enhance the activity and future planning for the precinct. While the education needs of our community are immediate and to the forefront at the moment, the community values of the site remain immense and largely untapped. The benefits of development, such as the Hatea Loop, the new bridges and the clearing of riverbanks have already impacted hugely on the community. This group is ideally placed to be not only the drivers of any future development but the guardians and protectors of the Hihiaua environment as a whole.

## BUSINESS PLAN

A new business plan will be developed by the steering group based on the assumption that each entity will carry out its own business without interference from any of the others, but will also share the expertise and resources it has so none of the others are disadvantaged by this relationship.

1. Land and spaces may be shared resources. **For example:**

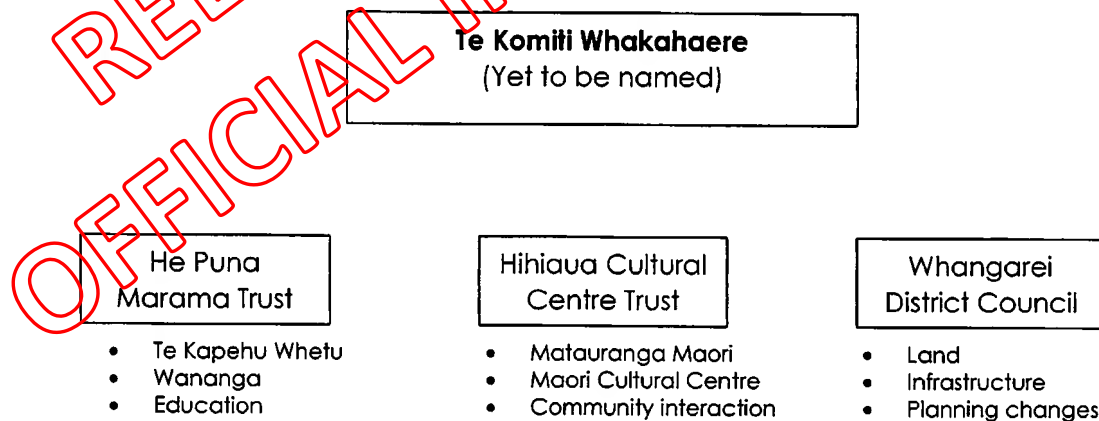
- HCCT will provide laboratory space for Te Kapehu Whetu, Te Kapehu Whetu will provide meeting space and staff resources for HCCT.
- WDC will rezone the precinct to allow appropriate development such as a pedestrian only zone and continue to landscape and enhance access to the area.

2. Each entity has its own operating budgets and will expect to continue to meet their operating expenses and may also eliminate some charges which would otherwise be expected.

**For example:**

- WDC continues to facilitate the planned Hihiaua Cultural Centre
- HPMT gives administrative resources
- HCCT supports HPMT's educational programmes

## GOVERNANCE STRUCTURE



## TE KOMITI KAIWAKAHAERE

This steering committee, made up of three representatives of each of the trusts, HCCT and HPMT and one staff member of WDC, will steer the project. It is envisaged this group will be seen as a fully engaged, committed and passionate indigenous powerhouse driving this project. It will be supported by the three organisations to achieve the agreed goals and empowered to make it fly from the outset.

## HE PUNA MARAMA TRUST (HPMT)

- Has established Te Kapehu Whetu
- Has immediate requirements for more buildings and space
- Leases and owns buildings in the precinct
- Has access to Ministry of Education funding
- Has plans for expansion into wananga/tertiary education
- Has sound governance, highly skilled management and staff

## THE HIHIAUA CULTURE CENTRE TRUST (HCCT)

- Is developing a culture centre on the peninsula to provide multi-functional spaces and facilities for Maori cultural and educational experiences
- Has a long term lease of land and a building from WDC
- Has \$500k promised from WDC this financial year for the first stage construction subject to securing the remaining funds
- Needs relationships with others to engage funders
- Has sound governance, no staff

## WHANGAREI DISTRICT COUNCIL (WDC)

- Owns the land and infrastructure
- Is committed to continuing development of the area
- Has sound governance, skilled management and staff
- Has access to some funding of its own and capability to seek more e.g. from central government
- Has elected governance liable to change every three years, new management informed by more experienced management, a wide range of human resources

## HCCT EXPECTATIONS:

The trust expects to require \$25,000-\$30,000 pa to operate this first stage of the culture centre. This income can be met by charging commercial rates for rental of space and facilities which will be negotiated with each prospective user. See [Appendix 15](#).

By providing attractive, multi-functional spaces that can be used to practise and teach arts, science and technology HCCT can further develop relationships with a wide variety of education and cultural agencies across the primary, secondary, tertiary sectors who will all contribute to meet the operating expenditure requirements. There is also potential for HCCT to support other entrepreneurial businesses.

1. The relationship between HPMT and specifically Te Kapehu Whetu, will continue to grow with the annually increasing number of students and functional requirements of the kura.
2. Te Wananga o Aotearoa currently rents a small section of the workshop for its whakairo certificate programme and has plans to extend this to a diploma course which will require more space on more days.
3. The University of Auckland, both the Business Faculty and the Faculty of Education already have an informal relationship with key experts, (Te Warihi Hetaraka and Hohepa Hemara) and often bring groups of students to Hihiaua. This relationship could be further formalised with HCCT to provide regular space for teaching arts and technology aspects of their courses.
4. Primary schools also utilise the facilities for class visits and for teachers' Professional Development.
5. NorthTech Maori Arts Faculty has a similar on-going relationship with the key experts at Hihiaua which could be formalised into a MoU.
6. Cornerstone Education, a private provider of the Ika Dive Programme seeks a MoU with HCCT to provide teaching space for its students.
7. Artists who have already used the facilities and emerging other artists have expressed keen interest in using the centre not only as studio space but also to participate in networking and learning.
8. There is also interest from the Maori business sector to participate in education and training as well as small scale production.

Further income for HCCT will be generated by events and activities outside of these regular users such as hui, exhibitions, festivals, seminars, symposiums, training. As more and more users enjoy the spaces and facilities the more attractive it will become for holding such events which have the potential to become weekly, monthly and annual events. HCCT will need to then employ staff to programme and administer such events and ensure the upkeep of the centre.

Refer to forecast income and expenditure table [Appendix 15](#).

## FUNDING AND FUTURE MARKETING

### Funding:

The Trustees, drawing on past experience and their observation of other similar facilities and operations, recognised from the inception of the project that the Cultural Centre could not be sustainable unless the capital works were completed free of debt.

The objective has been, and remains, to seek the required capital funding from Local Government, Regional Government and Central Government sources, supplemented by other funders of charities.

Operation of the Trust's cultural activities are carried out mainly from the existing leased shed on Herekino St. This building is inadequate for the purpose and urgently requires upgrading to be a safe and suitable building that provides for both the cultural activities of the Trust and a place that can welcome students, visitors and members of the public.

Once this First Stage is operational, the Trust will be able to present an attractive public face which will assist in attracting future funding from the public, sponsors and other sources.

### **Future Marketing:**

The entire business of the Trust is founded in Tikanga and Mātauranga Māori. It is based upon honesty and unblemished ethical behaviour.

The Trustees are not relying on consultants' forecasts of assumed future achievements, but on actual results already achieved.

The Trustees have identified two principal targets for marketing and promotional activity; firstly, possible funders and partners, and secondly, potential users or customers.

1. The objective of the Trustees, as established in the Deed of Trust, is always to deliver an awareness, understanding, and practice of traditional Māori culture. It has been accepted that to do this effectively, improvements must be made to the existing leased shed and that additional buildings are necessary to cater for an ongoing need. Marketing the concept and the planned buildings to potential funders continues to be by face to face contact, building sound relationships, establishing the credibility of the project and the Trustees, understanding the potential funding agencies criteria, and lodging applications at appropriate times on their advice.

The main drive at present is to secure funding for the first stage, which when completed, will highlight the presence of the Cultural Centre and provide a tangible base from which to promote support for the remaining stages.

2. The Trustees have refrained from active marketing to potential users because the facilities presently available are inadequate to ensure the safe delivery of a quality service or experience. Numerous visitors from schools and others come to the carving shed at present to look and learn. They are accommodated with some difficulty, and any promotion that led to greater numbers at this stage would create problems to the Trust and the visitors.

Advice of the Trustees is also sought by an increasing number of parties who are searching to grow their understanding of Te Ao Māori.

This will be remedied in part, when the planned first stage is completed and public interaction can be achieved safely without interfering with the activities of the cultural artists.

While continuing to seek the first stage funding, the Trustees are preparing to undertake a marketing and/or promotional activity to take place when the newly renovated building is opened, hopefully in early 2018.

This work will build on the relationships with, Creative Northland, other cultural centres, museums, and art centres around Northland to promote a Taitokerau Cultural Experience while at the same time highlighting the unique characteristics of Hihiaua.

Because of its location in Whangarei City, Hihiaua will be promoted as a Cultural and Educational Hub for the wider region.



## AUTHOR INFORMATION - GRIFFITHS & ASSOCIATES LTD

Griffiths & Associates Ltd was founded in 2003 on the back of a successful working relationship set up in 2000 by the directors Heather Tomason and Trevor Griffiths.

The company was set up to fill a gap in the market that had client's needs in the built environment to the fore.

We have typically worked as Project Manager, Project Director, Stakeholder Manager, Project Custodian and have become client's eyes and ears on projects.

We have completed over 500 projects valued at some \$300m over this 14 year period throughout New Zealand.

Other relevant experience includes:

- Feasibility work for Arataki Ministries Ltd (affordable housing project)
- Feasibility work and project delivery for Ruakaka Community Hub/Library
- Feasibility work for Whangarei District Council - Central City Carpark
- Feasibility work for Northland Craft Trust and delivery of the project (new art gallery).
- Feasibility work for St James Community Centre Onerahi
- Feasibility work for Onerahi Soccer Club
- Feasibility work for Tai Tokerau Emergency Housing Trust
- Feasibility work for Whangaruru Coastal Community Group
- Feasibility work for Alzheimer's Society Northland

Griffiths & Associates have the team in place to manage the administration of the pre project delivery stage through to completion and maintenance planning and roll out.

For the Hihiaua Cultural Centre Feasibility Study, the dedicated team included:

- Trevor Griffiths
- Ben Tomason
- Owen Davies
- Nerida Hawkins

These personnel have vast experience in this type of work, CV's are available for more information.

We confirm that personnel of Griffiths have no conflicts of interest, links or connections with any part of The Hihiaua Cultural Centre Trust.

Please see Griffiths' company profile in [Appendix 16](#).

**Disclaimer:** While every effort has been made to ensure the accuracy of the information in this report, no liability is accepted for errors of fact or opinion, or for any loss or damage resulting from reliance on, or the use of, the information it contains.

## APPENDICES

1. Concept Definition and Project Scoping Report
2. Exerts from Sustainable Futures 30 | 50 Whangarei District Council and Whangarei 20 | 20 Momentum documents
3. Memorandum of Understanding
4. Title Plans
5. Lease Agreement
6. Topographical Services Plans
7. Trust Deed
8. Trust Certificates
9. Trust Board Members
10. Trust Annual Report 2016
11. Letters of Support
12. Moller Architects Building Consent Plans –Stage 1
13. Tender Analysis
14. Project Staging and Budget Plan
15. Operations Cashflow Forecast
16. Griffiths & Associates Company Profile

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## ONE PAGE ASSESSMENT OF PROJECTS

### Project

Hihiaua Cultural Centre (Stage One), Hihiaua Cultural Centre Trust

Contact: Janet Heteraka – 9(2)(a)

### ***Project description – what is the project, how will it be carried out and who will benefit?***

The Hihiaua Cultural Centre (the Centre) was identified as a key tourism priority in the Tai Tokerau Northland Economic Action Plan. Stage One includes retaining and refurbishing the existing boat/carving shed, as well as constructing a new launch pad from the existing Waka Store to the Waiarohia. The Centre is a three stage project with a forecasted cost of \$17 million, although this application only is only for stage one, which has a total cost of \$2.2 million.

The Centre will provide an additional venue for local carvers, weavers, and painters to create, display and sell their work to the market. It will also increase its educational offerings and expand on external providers that currently use the site as a means to increase revenues. The Centre could also provide a focal point for Tuia First Encounters 250 commemoration activities in Whangarei.

### Budgets

- The total cost for this project is 9(2)(b)(ii)
- Foundation North is contributing 9(2)(b)(ii) and Whangarei District Council is contributing \$500,000.
- Crown funding of \$1.075 million is being sought for this project.

### Assessment

A feasibility study has been developed, which outlines detailed costings, shows the sustainability of the project, and outlines governance of the Centre. A business plan is being developed by the project's steering group.

There is strong buy in for this project from across the community, including Foundation North, Whangarei District Council, and He Puna Marama Trust. Additionally there is strong support from across central government agencies. The Ministry for Culture and Heritage has stated that the Centre aligns with its key strategic priorities, including investing in culture for the wellbeing and prosperity of New Zealanders, creating opportunities for engagement with Māori culture, valuing diversity, and caring for the nation's taonga and identity.

Parity of funding between central government and other funders has been sought in this project.

### Risks

- There is uncertainty over funding for stages two and three of this project. The Ministry is aware that there will be further requests for funding for the next two stages from central government.

- MBIE has identified a need to manage the potential overrun in expenditure of stage one. It is believed this can be mitigated via the investment agreement process (for example, ensuring fixed price contracting is considered).

#### Probity

- Who will manage the project: The Hihiaua Trust
- Costs and benefits: The total cost is 9(2)(b)(ii) of which \$1.075 million is sought from the Crown. The benefits include creating an venue for local carvers, weavers and painters to create, display and sell their work.
- Non-financial benefits: Increased educational space, increasing the number of providers the centre accommodates.

#### **Recommendation**

**Agree to fund up to \$1.075 million in the project.**

Rationale: Feasibility study, strong local support and confluence with PGF aims, and strong central government support. Ministers are currently reviewing the project.

#### **Appendix - supporting documents**

As requested.

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