

Regional Economic Development

Weekly Report

24 June – 28 June 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabuteau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

IN-CONFIDENCE

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1. Dashboard updates

1.1 Status of applications as at 26 June 2019

New projects this week	14	
Expressions of Interest (EOI)	Applications**	Total
397	697	1,094

1.2 PGF investment to date as at 26 June 2019

Committed	Approved	Announced	Unannounced
\$2,349.15m 344 projects	\$1,293.77m 344 projects	\$1,968.37m 286 projects	Confidentiality

1.3 Job numbers (quarterly)

Number of jobs created as at 31 May 2019	831
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1.4 Progress of applications and EOI as at 26 June 2019

Stage	Count
EOI / Application received	151
Evaluation	110
(inactive)	228
Unsuccessful	337
Approved (pre-contract)	17
Contracting	54
Executed	197
Total	1,094

* Please note that the graphic has changed to reflect the number of inactive projects (projects either on hold or withdrawn) that were previously captured in the evaluation stage. Note unsupported EOI are now categorised as unsuccessful, resulting in increased numbers. Approved projects also include out of process projects managed by other PGF agencies.

**Application numbers and project numbers may differ, as an application may result in multiple projects.

2. Upcoming announcements

Date	Location	Projects being announced	Additional information
1 Jul	Wellington	<ul style="list-style-type: none"> Waste 	
2 Jul	Otaki	<ul style="list-style-type: none"> Omeo Technologies Waiorua Bay Lodge 	
3 Jul	Wairarapa	<ul style="list-style-type: none"> YETE (HPR) Dark Skies 	Kiwirail event – Waingawa log wagons
3 Jul	Manawatu-Whanganui (USEC only)	<ul style="list-style-type: none"> Transforming Te Apiti into a major tourism Destination Te Apiti Te Whenua o nga Atua Industry for the future 	Site visit to Manfeild
8 Jul	Bay of Plenty (Rotorua + Reporoa)	<ul style="list-style-type: none"> <small>Commercial Information - ap</small> Reporoa Biogas (TBC) Ohaaki Geothermal Field (TBC) 	
9 Jul	Hawke's Bay		Breakfast with stakeholders (tbc)+ meeting with Ngati Kahungunu
10 Jul	Gisborne	<ul style="list-style-type: none"> Matai Labs Aotearoa Social Enterprise Trust Wood Cluster –Centre of Excellence 	
11 Jul	Ruatoria	<ul style="list-style-type: none"> Waiapu Package – TUR led 	
12 Jul	Whangarei	<ul style="list-style-type: none"> Northland Soft Berries 	
16 Jul	Greymouth		Site visits - tbc
18 Jul	Invercargill	<ul style="list-style-type: none"> Stewart Island/ Rakiura Future Opportunities Project Managed Aquifer Recharge Pilot Testing - Oreti River Catchment COIN – Business and Community Led Co-Investment Network 	

3. Delivery of projects update

3.1 Top priority projects of interest

Project name	Description/ update
Various projects-Hokianga	The Hokianga Oversight Committee is being established to provide support, advice and oversight for all of the infrastructure projects funded by the PGF in the Hokianga region. Members will comprise Privacy of natural persons [redacted]; John Carter, Mayor of the Far North and Haami Piripi, Chair of Te Runanga o te Rarawa; as well as three other candidates yet to be confirmed pending their availability.
Ngāti Rehia Kauri Sanctuary	A Direct Landowner Grant for Ngāti Rehia has been approved and planting is planned for this year's planting season in Winter and Autumn 2019. The final paper outlining the costing of the Sanctuary is due at the end of June.
Northland Water Storage	We expect to sign this contract next week once we confirm details for the Steering Group. We have made contact with our preferred steering group members and are initiating the procurement process. We have advised Northland Regional Council that the appointed personnel will have Commercial [redacted]
Kaipara Package	Both the Kai and Wharves contracts have been executed. The final version of the roading contract will go to the Council on 28 June for consideration and approval at its July meeting.
Negotiations [redacted]	Negotiations [redacted]
Development and restoration of Oparara Basin	The MOU with the Department of Conservation (DOC) for the Oparara Basin has been executed for \$5.7 million. Planning for the Basin upgrade can now commence.
Tairāwhiti Roothing Package	<ul style="list-style-type: none"> Physical work to rebuild Tairāwhiti roads has commenced. The Tairāwhiti Roothing Package Contract Board's first meeting will occur on 2 July 2019. Work is underway to ensure that the Government's broader outcomes procurement objectives are delivered on, including the objective for local workers having priority for employment and training. Contractors, Gisborne District Council (GDC), and support agencies will meet on 28 June to set expectations and objectives that will maximise the use of the local labour force.
Hundertwasser Arts Centre	Commercial Information [redacted]

Project name	Description/ update
Kaipara Rooding Project	The drafting of the rooding contract is almost complete following co-design by the PDU, Kaipara District Council and NZTA. The final version will go to Council on 28 June for consideration and approval at its July meeting. Both the Head of the PDU and Head of MBIE Procurement have now agreed to appoint Privacy of [REDACTED] to the position of Oversight Advisor. Council officials and Privacy of [REDACTED] have agreed his scope of work to oversee the rooding project. Co [REDACTED] mm [REDACTED] erci [REDACTED] al [REDACTED] Infor [REDACTED] ti
Kaipara Kickstart programme	The programme steering group has been appointed: <ul style="list-style-type: none"> • Louise Miller, CE Kaipara District Council as Chair • Kelvin Thomas , GM National Transport Alliance, Kaipara District Council • Jim Sefton, GM Infrastructure, Kaipara District Council • Sue Davidson, GM IT Audit Risk and Finance, Kaipara District Council • Snow Tane, GM for Te Roroa Development Group • Georgina Connelly, Chair Te Uri O Hau • Grant Berghan, Principal Advisor Northland, PDU

3.2 Other projects

Project name	Update
Kupe Waka Centre	This project has recommenced following a hiatus Commercial Information [REDACTED]. Andrew Howie, Manager of MBIE's Commercial Pool, is being appointed as an Oversight Advisor due to the complex and large nature of the project. Mr. Howie will meet with the project team on his next visit to Northland in July.
Dunedin Waterfront Project	PDU officials met with Dunedin City Council (DCC) last week to discuss a revised Waterfront proposal to the PGF. DCC officials have provided options for PGF investment. Ministers will receive advice on this in due course.
Invercargill Airport redevelopment	The contract for this project was executed last week. Work is underway with the 25 August 2019 inaugural jet flight date still on track.
Maruawai Hokonui Museum & Distillery	The contract has been accepted by the museum trustees and will be executed this week.
Rakiura Future opportunities Project	The contract has been signed by Southland District Council. The contact will be executed by PDU this week.

4. Policy update

4.1 HoldCo

HoldCo	
<p>Following Appointments and Honours, the PDU will continue to work through the operational aspects of the company before appointed directors commence their term. This includes confirming the company's constitution and the management agreement between the PDU and the company board.</p>	
Contact:	Isabel Poulson, Manager Strategy & Policy, Privacy of

4.2 Position papers

Position papers	
<p>Both the 'Waste' and 'Feasibility Studies and Business Cases' position papers were agreed, with minor amendments, at the Regional Economic Development (RED) Ministers meeting last Thursday 27 June. The amended papers will be recirculated to RED Ministers for noting and made available on the Provincial Growth Fund website.</p>	
Contact:	Isabel Poulson, Manager Strategy & Policy, Privacy of

Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date sent
3900 18-19	Enabling Continued Delivery of the PGF	RED Mins	David van der Zouwe	25 Jun
3981 18-19	Geo40 Ltd Funding Terms Approval	RED Mins	David van der Zouwe	25 Jun
3261 18-19	The Limery loan approval	RED Mins	David van der Zouwe	25 Jun
3814 18-19	Opuke Thermal Pools and spa project loan agreement execution	RED Mins	David van der Zouwe	25 Jun
3807 18-19	Northland Soft Berry Loan approval	RED Mins	David van der Zouwe	25 Jun
3911 18-19	Evaluation of the PGF	RED Mins	David van der Zouwe	25 Jun
3985 18-19	Centre of Digital Excellence	RED Mins	David van der Zouwe	25 Jun
4014 18-19	Te Pu o te Wheke the heart of Ngapuhi Stage 2	RED Mins	David van der Zouwe	25 Jun
3387 18-19	Remediation and upgrade of the Rotorua Museum	RED Mins	David van der Zouwe	25 Jun
3961 18-19	Hawke's Bay Water Storage funding arrangements	RED Mins	David van der Zouwe	25 Jun
3907 18-19	Te Ara Mahi / He Poutama Rangatahi Proposals for Review	RED Mins	David van der Zouwe	25 Jun
3893 18-19	PGF Proposals for Review	RED Mins	David van der Zouwe	25 Jun
B19-0333	International Trade Obligations framework for assessing PGF applications	RED Mins	David van der Zouwe	25 Jun
N/A	Position Paper: Feasibility Studies	RED Mins	David van der Zouwe	25 Jun
N/A	Amended Position Paper: Waste	RED Mins	David van der Zouwe	25 Jun
3942 18-19	PGF Sector investments priority projects	RED Mins	David van der Zouwe	25 Jun
N/A	MPI Briefing - Manuka Honey Appellation Society	RED Mins	David van der Zouwe	25 Jun
4026 18-19	Request to extend expiry date of tagged contingency	RED Mins	David van der Zouwe	25 Jun
3993 18-19	Reporoa loan approval	Minister Jones	David van der Zouwe	26 Jun
3987 18-19	Update on Provincial Development Unit communications and external reporting	RED Mins	Aaron Hape	26 Jun
3974 18-19	PGF waste allocation at Flight Plastics	Minister Jones	Isabel Poulson	28 Jun
4017 18-19	PGF announcements and visits 2-5 July 2019	Minister	Ben Dalton	28 Jun

Appendix 2 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
3988 18-19	Briefing: Approval of Negotiations Project	Minister Jones	David van der Zouwe	26 June
TBC	Event Briefing: July Recess Week Two	Minister Jones	TBC	4 July
TBC	Event Briefing: July Recess Week Three	Minister Jones	TBC	11 July
TBC	Event Briefing: Sky Waka Gondola Opening	Minister Jones	Kate Styles	13 July

PROACTIVELY RELEASED

Appendix 3 – Official Information Act requests

Ministerial OIA						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA294	Privacy of natural persons	18 Jun	2 Jul	9 Jul	Review	<ol style="list-style-type: none"> 1. All Hawke's Bay Based projects which have applied for funding from the Provincial Growth Fund. 2. The pitches which were sent to the Minister for Regional Economic Development regarding the above projects 3. All Hawke's Bay based projects which have applied for funding from the PGF which have been denied funding. 4. All Hawke's Bay based projects which have applied for funding from the PGF which are still being considered for funding.
OIA023		25 Jun	16 Jul	25 Jul	Scoping	Any briefings or communications you as Undersecretary or your office has received in regarding to the 11 Marae Connectivity projects announced as part of the Wairoa/ Hawkes Bay PGF Press Release on 10 June 2019

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1691	Privacy of natural persons	22 May	13 June	5 July	Drafting	All information relating to the feasibility study undertaken by the Ministry for Business, Innovation and Employment for KiwiRail on freighting logs by rail from Te Wera and Stratford to New Plymouth, and Port Taranaki.
1819-1779		10 June	1 July	8 July	Drafting	There is an extensive list of approved projects on the PGF website. Could you please tell me which of those involved grants or low interest loans on private land – and whether in each case the land is Māori owned? Treat this as a request under the Official Information Act if need be.
1819-1790		30 May	21 June	28 June	Consultation	I have now re-read the Cabinet papers publicly released about the Provincial Growth Fund. I can find no reference to the exclusion of Porirua City or more generally, metropolitan Wellington. I would therefore request the Cabinet reference and associated minute. I would also like advice provided by officials that support this Government position - specifically the policy rationale. I do this under the Official Information Act. It may be that I simply haven't accessed the right Cabinet papers but I would appreciate a link to the appropriate records.

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1799	Privacy of natural persons	13 Jun	4 Jul	11 Jul	Consultation	I am requesting under the Official Information Act for the PDU to provide the following information: -Contracts for approved projects under the provincial growth fund and the amount of money that has been allocated to them. - Contract terms of each approved project including milestones, time-frames and payment schedules, and/or loan terms.
1819-1800		13 Jun	4 Jul	11 Jul	Drafting	I am requesting under the Official Information Act the PDU provides the following information: -How many jobs have been created to date through the Provincial Growth Fund? (include date from when this figure was recorded) -How many of these are made up of permanent full-time workers? -How many workers are permanent full-time workers? -How many of these workers are on contracts? - How many workers are migrants on a working visa? I would also like a breakdown of the jobs created by region.
1819-1838		19 Jun	10 Jul	17 Jul	Scoping	Can you advise me what applications were made to the Provincial Growth Fund and what were approved/accepted, for all applications relating to the Kāpiti Coast District?

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1863	Privacy of natural persons	21 Jun	12 Jul	19 Jul	Scoping	<p>I am interested in loans (not grants) to private businesses that have been announced as part of the Provincial Growth Fund.</p> <p>Please provide, for each loan:</p> <ul style="list-style-type: none"> - The recipient of the loan. - The size of each loan. - A brief explanation of the purpose of each loan (i.e. expanding a warehouse etc). - The interest rate for each loan. - Whether the cost of capital for each business receiving a loan has been calculated, and whether this a factor in determining the interest rate of the loan. <p>Finally, in more general terms, how is the rate of interest for each loan determined? This question can be answered generally, rather than with specific explanations for each loan.</p>

PROACTIVELY RELEASED

Appendix 4 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2438	Privacy of natural persons	17 Jun	3 Jul	To draft formal apology letter to invitation to lead a China Trade Mission
SJ2486		20 Jun	4 Jul	Letter to Mayor of Gisborne District Council about rail connection and PGF
SJ2447		17 Jun	8 Jul	Could PGF be used to create a Hydrogen fuel factory/plant
SJ2445		17 Jun	8 Jul	Support for unsuccessful PGF application for at-risk youth hostel/programme
SJ2481		19 Jun	10 Jul	Response to their scientific research proposal being rejected by PGF
SJ2475		19 Jun	10 Jul	Update on the Taranaki Cathedral Project funded by PGF
SJ2480		19 Jun	10 Jul	Could the improvement on the East coast be replicated in Northland?
SJ2453		17 Jun	10 Jul	PGF work will result in "ghost towns" - new forestry will drive out farmers
SJ2456		17 Jun	10 Jul	Opposition to the Te Rau Aroha PGF proposal to take water from the Hāparapa
SJ2466		19 Jun	16 Jul	Pop-up business training course - could it be brought to Northland?
SJ2465		19 Jun	16 Jul	Desire to develop a Māori-led solar energy enterprise
SJ2461		19 Jun	16 Jul	Reject the application from Dunedin City Council for Harbour Basin project

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2458	Privacy of natural persons	18 Jun	16 Jul	Waste reduction - single use coffee cups - research and feasibility
SJ2522	Privacy of natural persons	24 Jun	22 Jul	Kawakawa Rail River Foreshore / Ashby's Boat Yard
SJ2510	Privacy of natural persons	24 Jun	22 Jul	STHW 38 Sealing
SJ2490	Privacy of natural persons	24 Jun	22 Jul	Housing Crisis
SJ2528	Anonymous	24 Jun	22 Jul	Maternity Services for Lumsden
SJ2535	Privacy of natural persons	25 Jun	25 Jul	Christian Science Monitor article
SJ2539	Privacy of natural persons	25 Jun	25 Jul	Westland dairy company

PROACTIVELY RELEASED

Appendix 5 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 22910 (2019)	Melissa Lee	21 Jun	26 Jun (sent)	What consultation with Ministerial and Parliamentary colleagues, if any, by name and date, did the Minister undertake regarding his decision to fund \$95,000 towards scoping the establishment of a Centre of Digital Excellence as part of the Otago Provincial Growth Fund announcements on 24 May 2019?
PQ 22908 (2019)	Melissa Lee	21 Jun	26 Jun (sent)	What briefings or other papers, if any, did the Minister request or receive, by title and date, regarding the Centre of Digital Excellence (CODE) proposal as funded \$95,000 on 24 May 2019 as part of the Otago Provincial Growth Fund announcements?
PQ 22909 (2019)	Melissa Lee	21 Jun	26 Jun (sent)	Who requested the funding for the Centre of Digital Excellence (CODE) announced as part of the Otago Provincial Growth Fund announcement on 24 May 2019?

Appendix 6 – Proactive Release

Documents for Proactive Release			
Name / Document Type	Quantity	Due for release	Status
Applications	257	From 28 June	Preparing
Funding Agreements	257	From 28 June	Preparing
Independent Advisory Panel Meeting Papers	2 document set	From 1 July	Preparing
Regional Economic Development Ministers Meeting Papers	3 document sets	From 1 July	Preparing
Regional Economic Development Weekly Reports	4	From 28 June	Preparing
Provincial Growth Fund Position Paper - Airports	1	From 28 June	At Minister's Office
Amended Provincial Growth Fund Position Paper – Waste and the PGF	1	From 28 June	At Minister's Office
Provincial Growth Fund Position Paper – Feasibility Studies	1	From 28 June	At Minister's Office
Unlocking Tairāwhiti's Economic Potential: Tairāwhiti Roading Package (DEV-18-SU-0171)	1	From 28 June	At Minister's Office

Documents Released This Week	
Tracking Number	Request
N/A	Cover Sheet – Sheep and Goat NZ Dairy Processing Business Case – Senior Regional Officials – September 2018
N/A	PGF Position Paper: Waste