

**Mayor and Councillors**  
COUNCIL

31 JANUARY 2013

Meeting Status: **Public**

Purpose of Report: For Decision

## **FUNDING FOR PROPOSED KĀPITI ISLAND GATEWAY/VISITOR CENTRE AND VISITOR INFORMATION NETWORK REVIEW**

### **PURPOSE OF REPORT**

- 1 The purpose of this report is to:
  - report back on recent meetings of an informal working group reviewing the potential for the development of a proposed gateway or visitor centre for Kāpiti Island;
  - seek approval for funding to contribute to a feasibility study for a possible gateway centre for Kāpiti Island; and
  - seek approval for funding to allow for the 2013/14 Kāpiti I-site review to be brought forward and considered alongside the Gateway feasibility study.

### **SIGNIFICANCE OF DECISION**

- 2 This report does not trigger the Council's Significance Policy.

### **BACKGROUND**

#### **KĀPITI ISLAND GATEWAY CONCEPT**

- 3 The possibility of a gateway to or visitor centre for Kāpiti Island (located on the mainland) has been discussed on and off over the years. A feasibility study was carried out by Tourism Resource Consultants in 1992 for the Kapiti Coast Promotions Council which concluded that a visitor centre was a viable proposition and that the most favourable location was the Paraparaumu Beach front near the Kāpiti Boating Club.
- 4 The concept has been raised again recently in the light of the Department of Conservation's (DOC) review of the concessions for taking visitors to Kāpiti Island (the Island). DOC is working with concession applications from people wishing to develop and sustain a world-class tourism business based on and around Kāpiti Island.
- 5 Council has provided some initial support by facilitating two meetings for the concessionaires, interested councillors and community board members, iwi, the Kāpiti Boating Club, and other individuals and groups with interests in the Island who want to progress the gateway concept. The agreed outcome is a gateway and departure point for the Island that can operate as an entity independent of DOC and the Council.

### General concept

- 6 At this stage, the general concept discussed has focused on the development of a distinctive building or space to house a visitor centre on the mainland.
- 7 This would serve a number of purposes including providing:
  - a space which would promote the attractions of the Island and contribute to an increase in visitors to the district. This would include information on history and ecology;
  - a designated departure point for visitors to the Island;
  - space for visitors to meet and shelter prior to a trip to the Island;
  - a retail outlet for tickets and permits to the Island;
  - café space;
  - space for conducting biosecurity checks;
  - space for arts, educational and interpretive material;
  - associated space for parking.
- 8 The working group is of the view that the building should ideally be:
  - high quality;
  - architecturally designed;
  - distinctive;
  - evocative of the special attributes, stories and history of Kāpiti Island;
  - multi-purpose - capable of accommodating a variety of activities.

### Location

- 9 The 1992 feasibility study considered six sites and decided that the Kāpiti Boating Club site was the best. Recent discussions with some key stakeholders indicate this area is still the preferred site. However, it may be necessary to review other location options as the Boating Club site is not necessarily straightforward.
- 10 The land around the Boating Club is recreation reserve owned by DOC and vested in the Council under Section 26 of the Reserves Act 1977. Council manages it as recreation reserve – MacLean Park. Part of this area falls within existing and proposed coastal development control lines found in the District Plan. Any building would be likely to need to be relocatable.
- 11 To the north of the Boating Club, the Council owns the strip of land currently used as part of the carpark. This piece of land was purchased for road purposes but is not managed as road. It is treated as if it was an esplanade reserve within the wider recreation reserve protecting the coastal margin.

### DOC concessions

- 12 DOC is in the process of developing new concessions for tourism and visits to the Island and is seeking to expand the number of operators. It is also seeking to enhance the visitor experience on Kāpiti Island. Approximately 30,000 permits per year are available but in the 2011 year only 8500 were used so there is clearly room for more activity.
- 13 In order to be granted a concession, various requirements and standards need to be met. These depend on the size and impact of the proposed activity. In general, an applicant must demonstrate that their proposal:
- complies with the purpose for which the land is held under legislation eg historic reserve, nature reserve, national park;
  - is not inconsistent with statutory plans - conservation management strategies, conservation management plans, national park management plans;
  - includes an environmental impact assessment (EIA) identifying and describing all the actual and potential environmental effects of the proposed activity, including cumulative effects. It must also include plans to avoid or minimise any negative effects. The level of detail required depends on the size and complexity of the activity;
  - includes consultation with local iwi.
- 14 In April 2012 DOC called for Request for Proposals (copy of RFP attached in Appendix 1) and received ten proposals from tourism operators. Five of those parties were invited to proceed to the concession application stage. Over the rest of 2012 DOC has worked with those parties to assist them to finalise their concession applications. DOC is also accepting applications which have come in subsequently.
- 15 Concessions are being progressively issued as they are received, processed and approved with the first expected in January 2013.

### KĀPITI VISITOR INFORMATION NETWORK

- 16 A review of the Kāpiti Visitor Information Network (including i-SITES) has been identified as being required to ensure that the investment the Council puts into this aspect of the visitor sector is the most efficient way to support visitor information needs. It is no longer clear that two physical visitor information sites are required because the way that people access information is shifting into the virtual/digital space. It may be that some investment would be better deployed elsewhere to support the visitor sector.
- 17 The scope of the review has yet to be confirmed but is likely to cover an investigation of the most appropriate style, location and type of Visitor Information Network for the Kāpiti District for the next five years based on:
- the nature of the tourism market –e.g. domestic, international;
  - the role of the network within the district and the wider Wellington region;
  - how to best showcase the district visitor sector and attractions;
  - best industry practice for the provision of visitor information;
  - the current and emerging trends in how domestic and international visitors access visitor information.

- 18 While a Kāpiti Island visitor centre may be separate from the existing Council funded visitor information network and the i-SITES, the relationship between the two will need to be considered and taken into account.

## CONSIDERATIONS

### Proposed Kāpiti Island Gateway

- 19 Kāpiti Island is generally seen as one of the District's most significant visitor attractions. It is also generally recognised that its potential as a world-class tourism destination is still largely untapped. In combination with the changes DOC is making to its concessions, a dedicated visitor centre would have the potential to capitalise on the opportunities provided by Kāpiti Island while contributing to the on-going protection of flora and fauna on the Island. Growth in visitors and tourism businesses, directly and indirectly, associated with Kāpiti Island should lead to increased local jobs and income.
- 20 This is consistent with the Council's Strategy for Supporting Economic Development which notes the importance of the tourism sector to Kāpiti and includes a goal to "build on the natural assets of Kāpiti and its recreational and sporting facilities to attract more visitors to Kāpiti".
- 21 At this stage, while there is clear stakeholder support for the project, there is not enough information to evaluate whether it is viable or not, and if so, what is the most cost effective and efficient way in which to carry out the project. The wider environment has changed considerably since the 1992 feasibility study. Stakeholders agree that the next logical step is to commission a feasibility study to establish the size, shape and viability of the proposed project. It is therefore proposed the Council, in conjunction with DOC, should commission a feasibility study to investigate this further.
- 22 A feasibility study would:
- review the rationale for a visitor centre or gateway for Kāpiti Island;
  - identify the needs and aspirations of key stakeholders including the tenants of the Kāpiti Boating Club building, concessionaires, Ngāti Toa Rangatira, Te Ati Awa ki Whakarongotai, Ngati Raukawa, DOC and the Council;
  - define the activities or purpose of a visitor centre;
  - identify the market and demand for a visitor centre;
  - identify and assess potential locations;
  - identify and assess potential build options;
  - identify design parameters;
  - provide preliminary costings for the options;
  - identify risks, opportunities, costs and benefits both for Kāpiti Island and the Kāpiti District;
  - identify potential finance and ownership models – potential sponsors and partners;
  - recommend a preferred option.
- 23 This should include consideration of a number of related factors:

- the previous 1992 feasibility study for a proposed Kāpiti Island visitor centre;
  - current DOC planning for Kāpiti Island including processes for the renewal of concessions;
  - Ngāti Toa plans for the area of land returned to them on Kāpiti Island;
  - the Council's Strategy for Supporting Economic Development;
  - proposed review of the wider visitor information network in Kāpiti;
  - other tourism activities being carried out in Kāpiti by the Kapiti Company Limited and the Council;
  - new opportunities arising from the development of the Kapiti Airport;
  - any Treaty claims which may relate to identified site options;
  - the Council's operative District Plan and Proposed District Plan;
  - iwi aspirations in relation to tourism.
- 24 It is estimated that the minimum a feasibility study is likely to cost is between \$20,000 and \$30,000. This depends on the depth to which the issues are investigated. A fuller feasibility study would cost in the order of \$50,000. DOC has agreed to provide some funding in the order of \$15,000 so Council's contribution could range from \$15,000 to \$35,000 should the Council decide to support the project.
- 25 Any subsequent involvement of the Council would need to be subject to further consideration by the Council. DOC has indicated that while it supports the proposal it is not in a position to fund it beyond the feasibility study.

### **Review of the Kāpiti Visitor Information Network**

- 26 The core roles of the i-SITES and the visitor information network are currently to:
- provide visitors with free and impartial information and advice on tourism opportunities;
  - book tourism operators product (accommodation, activities and attractions, rental cars, motor homes, tours and transportation); and
  - provide advertising opportunities for the tourism industry.
- 27 I-SITES provide visitors with face to face and digital interaction and play a role in encouraging visitors to expand their understanding of a destination, what it has to offer, purchase tourism experiences, and can act as a key contact point that encourages visitors to stay the location longer and become advocates for the destination once they arrive back home.
- 28 Over recent years there has been a decline in the use of i-SITES and changing user patterns. This was summarised in the Tourism New Zealand Visitor Experience Monitor 2011 which noted:
- reduced use of i-SITES was in part driven by lower levels of awareness of i-SITES. During 2011 visitors participated in fewer activities and there was an increase of information available to travellers through other mediums, particularly the internet and smart phone technology.
  - for those using i-SITES there was an increase in the number just collecting information and a decrease in the use of sites to make bookings.

- there was an increase in the number of people looking for specific information on paid attractions and activities shifting away from general information about the area.
  - the decline in usage patterns occurred across all markets.
  - the changes in user behaviour imply the need for staff to be more flexible when handling different information request and more customer centric.
- 29 The Council currently operates 2 i-SITE Visitor Information Centres - one in Ōtaki and the other in Coastlands fronting Rimu Road, Paraparaumu. The lease on the Paraparaumu site is due for review in May 2014 thus providing the opportunity to terminate the lease if need be.
- 30 Since July 2012, the Kapiti Company Limited (KCL) has managed and run both sites directly for Council. Their initial contract term to manage and run the Kapiti visitor information network runs to June 2015 but allows for any changes which may come out of a review. Running the i-SITES consumes over 50% of Council's budget for work in the tourism sector.
- 31 In order to carry out a through and credible review of the visitor information network, expert advice is required. Council does not have internal expertise in this area. Given that this review was planned for the next financial year, no money has been budgeted in this financial year. This review needs to be brought forward so it can run in parallel with the feasibility study for the Kapiti Island gateway thus ensuring that the links between the two are fully explored.

### **Financial Considerations**

- 32 No funding has been included in 2012/13 Annual Plan for the proposed Kāpiti Island gateway project because it was not under discussion at that stage. As a result, additional funding of \$35,000 is required if Council is to support the feasibility study proposed for the project.
- 33 No funding has been included in the 2012/13 Annual Plan for the review of the visitor information network because it was planned for the 2013/14 financial year. However, it needs to be brought forward so it can run in parallel with the feasibility study for the Kapiti Island gateway thus ensuring that the links between the two are fully explored. As a result, additional funding of \$15,000 is required for the Council to purchase expert advice on the District's visitor information requirements.
- 34 It is proposed that this additional funding be allocated from the projected rates surplus. A formal update on Council's financial position for the first half of the financial year will be reported to the next Corporate Business Committee in February.

### **Legal Considerations**

- 35 There are no legal considerations at this stage.

### **Delegation**

- 36 The Council has the authority to approve the proposed expenditure.

## Consultation

- 37 Two initial meetings of stakeholders have been held which have established clear support for continuing to explore a possible Kāpiti Island gateway project. However, should the proposal progress further more extensive consultation will be required given the wide-ranging interest in Kāpiti Island.
- 38 The review of the visitor information network will include consultation with stakeholders.

## Policy Implications

- 39 Providing support for the proposed project is consistent with the Strategy for Supporting Economic Development which notes the importance of the tourism sector to Kāpiti and includes a goal to “build on the natural assets of Kāpiti and its recreational and sporting facilities to attract more visitors to Kāpiti”.

## Tāngata Whenua Considerations

- 40 Local iwi, Te Ati Awa ki Whakarongotai and Ngāti Toa Rangatira in particular, have a number of significant interests in Kāpiti Island. This includes Treaty claims. They have been involved in discussions to date and will need to be further involved in any future work on this project. Other Treaty claims may have an impact on the potential mainland site. All iwi also have aspirations around tourism business development. They would be involved as key stakeholders in the discussion and would be consulted with directly on any proposal. There is potential for partnership arrangements to emerge from discussions over time.

## Publicity Considerations

- 41 There will be media interest in both these projects. Press releases will be prepared after the Council’s decision is made.

## RECOMMENDATIONS

- 42 That the Council supports further exploration of the concept of a gateway or visitor centre for Kāpiti Island as detailed in Report SP-13-783;
- 43 That the Council approves additional funds of \$35,000 to fund a feasibility study for the proposed gateway or visitor centre for Kāpiti Island;
- 44 That the Council notes that The Department of Conservation is committed to contributing funding to the feasibility study; and
- 45 That the Council approves additional funds of \$15,000 to fund a review of the visitor information network in Kāpiti.

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**ATTACHMENTS:**

**Appendix 1:** The Department of Conservation's Request for Proposals for concessions for tourism activities on Kāpiti Island

