

# Application for Funding Projects



## **About this form**

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

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

These forms are available on the [Provincial Growth Fund website](#)

## **Purpose of the Provincial Growth Fund**

The Provincial Growth Fund aims to lift productivity potential in the provinces. Its priorities are to enhance economic development opportunities, create sustainable jobs, enable Māori to reach their full potential, boost social inclusion and participation, build resilient communities, and help meet New Zealand's climate change targets.

## **Completing this form**

Please complete all sections fully and accurately. Square brackets and italics indicate guides.

Please see the PGF website, or contact your regional relationship manager, for further support. If you are applying on behalf of a number of parties, you need their consent to submit this application. You can add other applicants during the application process. You will be the point of contact for this application, but you must give us all information about all applicants.

## **Submitting your application**

All completed forms must be emailed to [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz) with a clear subject included.

If you are a Trust (or applying on behalf of a Trust), then you must provide a copy of your Trust Deed.

## **Next Steps**

Applications will be assessed for eligibility, as well as how well they will deliver on the aims of the Provincial Growth Fund. One of our team will be in contact regarding your application.

## **Funding Agreement**

The template funding agreements can be found on the [Provincial Growth Fund website](#)

## **Public disclosure**

The Provincial Development Unit is responsible for leading the Provincial Growth Fund's design, administration and monitoring its operation in consultation with other government agencies. In the interests of public transparency, successful applications may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982. Please identify by highlighting any information in your application that you regard as commercially sensitive or as personal information for the purposes of the Privacy Act 1993.

## Part A: Key Details

Please note that if the funding agreement will not be held with the applicant (i.e. applying on behalf of another organisation), then we require the details of that organisation.

1. Proposal Title:

Kāpiti Gateway

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

The proposal is to build a “Gateway” facility on the Kāpiti Coast beachfront, which can address a number of identified needs and issues relating to visitation to Kāpiti Island and encourage opportunities to enhance the visitor experience to the whole Kāpiti Coast district. It will create a social and cultural focus, enabling story-telling of our local history, whilst also delivering environmental and economic benefits.

**The project responds to the new COVID-19 environment of offering domestic tourism product, direct and indirect job creation and a construction project that can take place within the next six months if funding is secured for it.**

The facility is designed to be sympathetic to the landscape in which it stands and will be a visible link between the Kāpiti Coast mainland and the Island, which is a highly recognisable New Zealand landmark. Kāpiti Island gives a strong sense of identity to the people of the Kāpiti Coast. Its presence is a constant for residents and influences everyday elements such as the weather and the sea. Its distinctive shape forms the view from many people’s homes. It is a social focal point that provides community identity, creating pride in the district’s uniqueness and its rich and diverse natural and cultural heritage.

The Kāpiti Coast and Kāpiti Island have historical and cultural importance in the development of our country. It was these places that witnessed beach battles led by the great Māori rangatira (chieftain), Te Rauparaha, war leader of Ngāti Toa, and a leading protagonist in the Musket Wars of 1807 - 1837. The Gateway site is recognised as a site of great historical significance to the people of Te Ātiawa and Ngāti Toa Rangatira. The wider area was originally occupied by the settlement known as Te Uruhi Pā, which was located in the vicinity of Te Uruhi Lake and the Tikotu Stream which flowed from the lake out to sea.

The facility will provide a “Biosecurity Pod”, which will play a vital role in strengthening biosecurity measures against current and future animal and plant pest threats such as Kauri die-back, myrtle-rust, and Argentinian ants plus virus and pathogen threats to one of New Zealand’s most treasured nature reserves. It will also be a place of welcome for visitors, providing education and information on the Island. However, it will be more than just a departure point for Kāpiti Island.

The Gateway Centre will provide a valuable community focal point for the Kāpiti Coast and Paraparaumu Beach in particular. The “Visitor Centre” part of the facility will provide a multi-purpose space and an excellent opportunity for the untold stories of the rich culture and history of the Kāpiti Coast and Kāpiti Island (particularly Māori history and conservation history) to be told. Alongside this, the environmental significance of the Island and the current conservation work undertaken in the nature reserve and marine reserve will be brought to life.

The Gateway is expected to be a catalyst for new business opportunities in tourism and recreation, creating new jobs, and encourage economic activity through providing information and directing customers to other activities and attractions throughout the district. The district has considerable tourism growth potential (projections indicate visitor numbers to Kāpiti Island alone could increase by 12 percent per annum with the right amenities and tourism offerings), and is particularly suited to welcoming domestic tourism, which is expected to be the immediate focus of the tourism industry during the post COVID-19 recovery period.

An Economic Impact Assessment has found that with the current level of annual visitation to Kāpiti Island along with the first year of operation of the new Kāpiti Gateway facility, the combined total district

economic impacts are:

- Revenue \$5.91 million
- Net Household Income \$1.13 million
- Employment 27 persons
- Value Added/GRP \$2.24 million

Current and forecast Kāpiti Coast Visitor Spending economic impact scenarios show by 2030 (with 45,000 visitors or a 12.5 percent per annum increase in visitor numbers to Kāpiti Island only, let alone the rest of the district), total annual revenue could be up to \$16.26 million and employment up to 72 persons.

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

<b>Legal Name:</b>	Kāpiti Coast District Council
<b>Entity Type:</b>	Local Authority
<b>Registered Offices / Place of Business:</b>	175 Rimu Road, Paraparaumu
<b>Identifying Number:</b>	N/A
<b>Organisation's Website:</b>	<a href="https://www.kapiticoast.govt.nz/">https://www.kapiticoast.govt.nz/</a>

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

<b>Contact Name and Role:</b>	Janice Hill, Principal Advisor Growth & Development, Kāpiti District Coast Council		
<b>Email Address:</b>	<a href="mailto:Janice.Hill@Kapiticoast.govt.nz">Janice.Hill@Kapiticoast.govt.nz</a>	<b>Telephone:</b>	027 555 3505

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

Kāpiti Coast District Council is a local territorial authority which enables democratic local decision making to promote the social, economic, environmental and cultural wellbeing of the Kāpiti Coast. In meeting its purpose, the Kāpiti Coast District Council has a variety of roles:

- facilitating solutions to local needs
- advocacy on behalf of the local community with central government, other local authorities and other agencies
- development of local resources
- management of local infrastructure including network infrastructure (e.g. roads, sewage disposal, water, stormwater) and community infrastructure (libraries, parks and recreational facilities)
- environmental management
- planning for the future needs of the District
- partnering with central Government and local businesses to enhance the quality of life for its residents and visitors

In fulfilling its purpose, the Kāpiti Coast District Council exercises powers and fulfils responsibilities conferred on it by legislation.

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

Wellington

7. What type of funding is this application for:

Grant

[Note: the most appropriate funding type will be determined by the PDU in consultation with the applicant]

8. What is the activity / funding start and end date?

<b>Start Date:</b>	1/10/2020	<b>Completion Date:</b>	30/09/2021
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9. Has this project / activity been previously discussed with any part of Government? Yes:  No:

- If Yes, please describe which part of government, and what the outcome of the discussions were.

*[The PDU will consult with other parts of Government as part of the assessment]*

The project has been discussed in full with PDU, which has encouraged an application to be made to the PGF. The project has also been fully discussed with the Department of Conservation's regional operations manager, and DOC is fully supportive of the proposal but unable to provide funding towards it.

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

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

11. Are you an overseas investor for the purposes of the Overseas Investment Act? Yes:  No:

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

12. Please set out the proposed sources of funding for the Project:

<b>Source of Funding:</b> <i>[please indicate where all other funding is sourced from, noting who the funder is]</i>	<b>\$ (excluding GST)</b>	<b>Status / Commentary</b> <i>[i.e. received / confirmed / in principle]</i>
Provincial Growth Fund Funding (through this application)	\$2,230,264	
Kāpiti Coast District Council	\$2,230,264	Confirmed
<b>Total need to be raised</b>	<b>\$4,460,527</b>	

A funding partnership model has been proposed, which relies on the Provincial Growth Fund as the principal funder (other than KCDC). This investment from PGF will allow the project to get underway and can be used to leverage other external funding opportunities. We are not, however, dependent on these other funds to proceed with the project, as KCDC has committed to fund 50 percent of the project cost. We do, however, need PGF funding for the project to proceed.

There may be opportunities for Kāpiti Coast District Council to pursue further project funding in the medium term via Lottery Grants and government tourism funds. Because of the time pressure to submit an application to PGF as "shovel ready", these other potential funding sources have not yet been explored. Should Kāpiti Coast District Council be successful in obtaining any other funding (nothing is guaranteed), this would provide an opportunity to significantly reduce the cost to ratepayers, which would be a very good outcome in the current economic environment caused by COVID-19.

## Part B: Project Description

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

14. Will additional funding be required in the future? Yes:  No:

If Yes, please describe at a high level, what this may include, and when this is likely to be applied for.

No additional funding for this project will be required in the future.

The proposed model of operation (which is still currently under development) will involve paid employees and volunteers. This is a model successfully used elsewhere to undertake similar services. Kāpiti Coast District Council will financially support the operations of the Centre in the initial years; however, the ultimate objective is for the Centre to be largely self-sufficient. Opportunities have been identified for how this could be achieved through commercial activities, corporate partnerships, community giving initiatives, and specific grants to support educational, cultural and environmental programmes/events on a case-by-case basis. An operating budget (attached) with projections out to 2027/28 is attached.

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

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

A Business Case (attached) has been prepared for this project. Key findings are:

- Strategically there is a strong case for the Gateway project. The proposed Gateway project aligns with and supports local, regional and national strategy and planning documents in the areas of economic development, tourism, conservation, biodiversity and iwi’s aspirations to share their culture and history. The project offers many social, cultural and environmental benefits to the district and regional community, not least of which is protection of Kāpiti Island, one of New Zealand’s most treasured nature reserves, from unwanted, potentially disastrous plant and animal pests and pathogens through the provision of robust biosecurity arrangements.
- Economically the project will have a positive impact for Kāpiti Coast District. An Economic Impact Assessment finds that there will be economic returns to Kāpiti from the proposed project both through direct economic impacts and flow-on impacts in production and consumption. This is particularly so in the longer term as visitor numbers to Kāpiti Coast and Kāpiti Island increase. The project is firmly focused on domestic tourism, which is exactly what is required in New Zealand at the present time. A Gateway to Kāpiti Island is long overdue. It has been talked about for three decades and has been a high priority in the community feedback received on the development of Maclean Park, the public reserve area, which stretches along the beachfront at Paraparaumu Beach, opposite Kāpiti Island. The community feedback called for the Gateway to be sited in this location. The Gateway will also serve the purpose of providing visitor information for the whole Kāpiti Coast District and community space for a variety of activities and functions.
- Kāpiti Coast District Council has the capability and processes in place to deliver on the project in both a management sense and as a commercial transaction. The Council will ensure a robust tender process will be used for the construction works through the Government’s Electronic Tender Service (GETS). Appropriate management disciplines have been put in place to manage the project and experienced people appointed to project management roles. A project plan and timeline has been confirmed with clear project deliverables.
- Financially the Council has committed to fund 50 percent of the total cost of the project. There is an opportunity to gain external funding support to reduce the financial burden on the district’s

ratepayers, which would be wise in the current COVID-19 environment, when many people are experiencing financial hardship. Should external funding applications not be successful, the Council will still commit to 50 percent of the project cost.

The Business Case found the project to satisfactorily address all five cases of the Better Business Case model – Strategic, Economic, Commercial, Financial and Management. Recommendations were made regarding funding applications, ongoing communication and engagement with key stakeholders, potential funders, potential operational partners and the wider Kāpiti Coast community.

A Feasibility Report (attached) has also been prepared for this project. The Feasibility Report describes extensive stakeholder engagement and undertook an options analysis following feedback on the best site for the Gateway Centre. A preferred site was recommended south of the Tikotu Stream. The report also identified a list of requirements for the facility – requirements specific to the physical site, requirements of the function of the facility itself and the biosecurity role it can play.

It found this project is a platform for growth for the community economically, socially, culturally and environmentally and examined case studies of similar concepts both in New Zealand and overseas.

The feasibility report recommended a series of “next steps” to progress the project. These included establishing a governance structure and project working group, develop designs and a business case, identify funding sources and make applications, review traffic management for the area, collaborate with WellingtonNZ to drive visitation to Kāpiti Coast and ensure alignment to other existing projects and strategies.

Many of these recommendations have already been or are in the process of being actioned.

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

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

## **Purpose and Need**

Funding is being applied for to construct a new building on the Kāpiti Coast beachfront at Paraparaumu Beach, which will serve as a visitor information centre and community space for Kāpiti Coast and provide a biosecurity facility for visitors to Kāpiti Island. The facility will address a number of identified needs and issues relating to visitation to Kāpiti Island and encourage opportunities relating to the enhancement of the visitor experience to the Kāpiti Coast district.

Specific issues and needs to be addressed are:

- **Biosecurity for the Island:** The current arrangements mean biosecurity checks are conducted in a local café or on a table in the boat club carpark. Neither place is appropriate for effective biosecurity to ensure Kāpiti Island remains free of plant and animal pests.
- **Establishment of a physical link between the mainland and Kāpiti Island:** The importance of the interactions and events, which have taken place between the two locations, is not evident anywhere on the Kāpiti Coast. Currently there is no education/interpretation for visitors, or indeed locals, of the culture and history of the place, or the environmental significance of the Island and the conservation work undertaken in the nature reserve or marine reserve.
- **Visitor information:** Kāpiti Coast does not currently have an i-Site or similar information centre, where visitors to the district can go to find out what they can see and do within the district. There are many activities which can be promoted at the Gateway Centre, so that visitation is spread around the whole district and not only geared towards Kāpiti Island itself. The Island is however the drawcard to bring people to Kāpiti Coast and the Gateway Centre will improve the provision of information and hence enhance the visitor experience of Kāpiti Coast.
- **Community focal point:** A central, sheltered, multi-purpose space will be available for community use including powhiri and gatherings of significance to iwi. Iwi are keen to share their stories and history of Kāpiti Island and Kāpiti Coast. The Gateway will tie in with the nearby Maclean Park development making the facility a valuable community asset and focus for the beachfront area.

In response to the above needs, the objectives of this project have been defined as:

1. To provide interpretation and education about Kāpiti Island.
2. To protect the Island through improved biosecurity measures.
3. To encourage more people to visit Kāpiti Island.
4. To celebrate the rich history of the Te Urihi area and to tell the stories.
5. To increase the economic benefit of tourism to Kāpiti.
6. To provide the community with a dynamic, multi-purpose facility as part of the Maclean Park experience.

## **Background**

The idea of a visitor centre for Kāpiti Island was first proposed in 1992 with the objective of leveraging the attraction of Kāpiti Island as a tourist destination to drive further economic benefit to the broader Kāpiti Coast community. This, along with cultural, social and environmental benefits, is still the intention of the proposed project.

In 2016/17, a public consultation process conducted on the Maclean Park Management Plan received many submissions calling for a Kāpiti Island Visitor Centre on the south side of the Tikotu Stream. As a

result, the Maclean Park Development Plan was changed to reflect this.

A thorough consultation process has been conducted with the public and key stakeholders including iwi and intended users of the facility, and the design brief was compiled in response to the views expressed through these processes.

Athfield Architects of Wellington have been selected to work on developed designs for the Gateway following a design competition to present concept designs. The proposed design incorporates the principles of the Maclean Park Development Plan: He Tauranga - destination; Takaro - Play; Whakatā - Relax; Te Mauri o Wai - Water; Pae te haere - Movement; and Te Ao Tūroa – Ecology.

The structure itself will consist of two “pods” – a Biosecurity Pod and an Information/Ticketing/Retail Pod, which is referred to as a Visitor Centre and which will promote local tourism activities. A feature of the design is a large (9m high) carved Pouwhenua, which can be seen out at sea and possibly the Island. Building spaces are integrated with existing and remediated landscaping providing an extended “Gateway” amenity, connection and identity into Maclean Park and along the river back towards Te Uruhi Pā site. The Design Statement is attached to this application, as are the Concept Designs.

### **Benefits**

The following community benefits have been identified for this project:

- A greater connection to the Island by Kāpiti Coast residents and New Zealanders – this place is a New Zealand treasure;
- Recognition for a culturally significant site, to share the stories of tangata whenua, and create a place to welcome people to our region;
- Opportunities for employment for local residents;
- Protection of a significant conservation asset for New Zealand;
- An appreciation of the wildlife that live on the Island in their natural habitat;
- An understanding of the conservation story and what DOC is hoping to achieve with nature reserves such as Kāpiti Island;
- New infrastructure to support visitor requirements;
- Engagement with the community on a project that benefits all;
- Building contributes to the identity of the area reflecting the uniqueness of its culture and heritage;
- Low impact of building – self-sustaining in terms of water, waste;
- Catalyst for business opportunities in tourism and recreation.

Economic benefits identified are:

- New job creation and business opportunities;
- Improved overall quality of the visitor experience;
- Strengthening of the “iconic” tourism status of the area from both a local district and wider Wellington region perspective;
- Strengthening of tourism “product” for the district and region;
- Opportunity to promote and showcase Kāpiti Coast’s tourism profile;
- Increased business opportunity for existing Kāpiti Island related commercial tourism operators and new operators over the longer term as visitor numbers increase;
- Potential development of new tourism operations in the district, taking advantage of increased visitor numbers to the area;
- Increased visitation to the district and associated spending in sectors such as accommodation, retail, food and beverages;
- Encouragement of further skill development within the Kāpiti Coast visitor sector, including



opportunities for youth to be involved through volunteering, carving, and other educational programmes.

Additional opportunities identified through this project are:

- Volunteering opportunities in biosecurity and conservation work;
- Collaboration between organisations towards a common goal;
- Links with the national cycleway and walkway;
- Potentially, the establishment of more endangered species, e.g. tuatara, on Kāpiti Island once the biosecurity processes are improved.

#### **Links to other projects**

As mentioned, the Gateway project aligns to the wider development of the Maclean Park reserve and also will link to the main retail area of Paraparaumu Beach. It is intended to direct visitors to this area for food and shopping. There will not be a café at the Gateway Centre as we want to encourage visitors to use existing businesses.

On Kāpiti Island, John Barrett, one of the concessionaires, who owns a lodge at the northern end and runs a tourism business from there, applied to the PGF for funding for a business case to upgrade the lodge and build a jetty. Although the PGF application was declined, this project may come to fruition in other ways over the coming years. If successful, it would enable improved ease of access to the Island if the jetty is built as sometimes trips are cancelled due to the weather making it too difficult and dangerous to land on the Island. John is very supportive of the Gateway project and has indicated his intention to lease space in the information/ticketing pod and place a staff member on site.

KCDC is supportive of John's efforts to improve the visitor facilities on the Island and the jetty would be to everyone's advantage if it was to be built.

The project could also link with Nga Manu Nature Reserve at Waikanae and other visitor attractions on the Kāpiti Coast.

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

*[Please cover:*

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

Kāpiti Coast economy has been modestly growing over the last decade and tourism has been a contributor to this. The local tourism industry has attracted primarily domestic visitation and Kāpiti Island is a key part of this. It is considered this is a strength for Kāpiti Coast in the future with the altered tourism landscape created by COVID-19. There is scope to significantly develop the domestic tourism market and Kāpiti Island itself has the capacity to attract many more visitors if the appropriate infrastructure is put in place. Wellington and Manawatū-Whanganui are the largest domestic markets for Kāpiti Coast, and it is believed there is considerably more potential for attracting visitors from these regions and beyond with an increase in local travel. The total annual visitor limit to the Island is 58,000 and currently only 15,000 people are visiting, which means visitation is only at 25 percent. This leaves a great deal of opportunity for growth without needing to increase the overall envelope.

The Kāpiti Coast District Council recognises the significance of the Gateway Centre as a catalyst for the growth of economic development within the community and its importance as a core element of Kāpiti Coast identity in its relationship to Kāpiti Island.

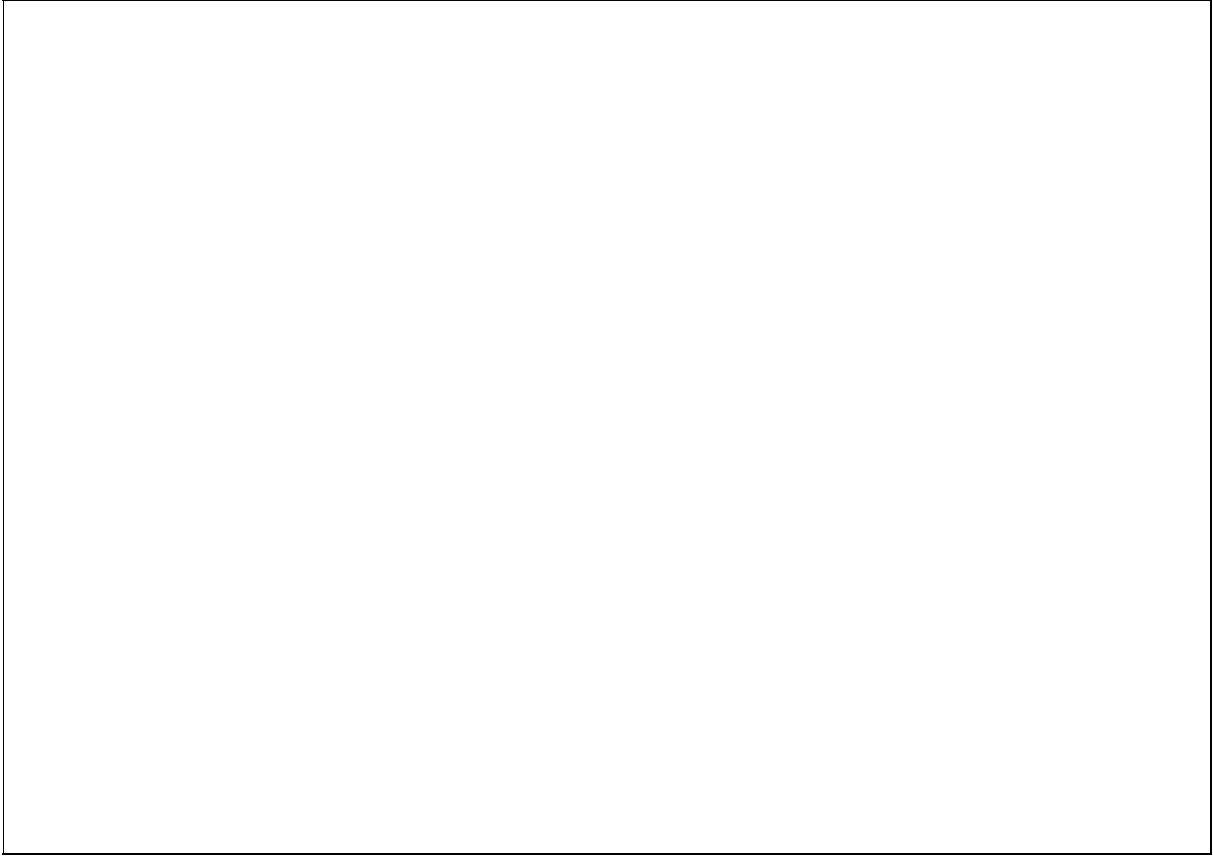
An Economic Impact Assessment undertaken as part of the Business Case has determined the Kāpiti Gateway Centre will contribute to the economy of Kāpiti Coast by driving increased employment and overall economic activity as well as strengthening the “iconic” tourism status of the area from both a local district and wider Wellington region perspective. This is important for attracting further domestic tourism to the area (particularly in the short to medium term given the adverse impact of COVID-19 on international tourism to New Zealand). However, in the longer-term, the proposed development will be important for attracting increased international tourism to the district and region.

The Gateway will also increase business opportunities for existing Kāpiti Island commercial tourism operators and for new operators over the longer-term as visitor numbers to the area increase. It is also expected that development of other new tourism operations in the district will potentially occur, taking advantage of the increased numbers of visitors coming into the area.

An expansion of existing business operations and creation of new businesses will lead to job creation and increased employment opportunities for Kāpiti Coast.

Building of the Gateway Centre is not yet underway as Council has prudently decided that the money for the project must be raised before construction commences and Council cannot afford to fund it alone. That is why PGF funding is required – to move the project into the construction phase. It will also increase the probability of success for other funding, as it will help to leverage funding from other sources, which have been identified in the Financial Case of the attached Business Case.

The Gateway Centre will be a new asset for the Kāpiti Coast community, who have had input into the design of the building through public consultation and stakeholder engagement processes which were drawn together to form a design brief. Kāpiti Coast District Council plans for the Gateway Centre to become self-sustaining within six years of operation. Until that time, the Council will support any funding deficit in the operations of the Centre.



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

*[Please provide an overview, including any evidence where appropriate of any relevant local and regional support, either via existing regional development mechanisms (i.e. regional plans), or through any other relevant body (i.e. council, iwi, hapū, or other representative group). If you do not have support, please explain why not and how you intend to get it]*

The proposed Gateway project aligns with and supports local and national strategy and planning documents in the areas of economic development, tourism, conservation, biodiversity and iwi's aspirations to share their culture and history.

It sits within the framework of Kāpiti Coast District Council's key planning document, the Long-Term Plan and supports the objectives of its draft Economic Development Strategy.

Kāpiti Island is also an asset vested under Treaty Settlement to Ngāti Toa Rangatira but given back to the Crown to manage in partnership with iwi. A joint Kāpiti Island Strategic Advisory Committee guides the management of the Island. The Gateway project fits with the vision iwi and DOC have for the Island to protect its native populations and to allow more people to engage with conservation and value its benefits.

Regionally the project aligns to the objectives of WellingtonNZ, the Regional Economic Development Agency in shaping and amplifying the regional destination story, being an advocate and catalyst for major economic development in the region and supporting businesses to grow and upskill.

Nationally the project aligns to the national tourism strategies for both Aotearoa New Zealand tourism and Māori tourism, DOC's Conservation Strategy, Heritage and Visitor Strategy and Biodiversity Strategy and Action Plan.

All of the above-mentioned groups and organisations have written letters in support of the Gateway project.

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

[We want to understand how your project will meet the primary objective of the fund: “to lift productivity potential in the regions”. Please provide a description of this and where relevant, please cover how your project contributes to the following outcomes:

PGF Outcome	✓	How will the project positively or negatively impact this outcome in the region(s) identified?
1. Increase economic output	✓	<p>The development of the Gateway Centre will have a significant impact on tourism. Kāpiti Island is a drawcard to the Kāpiti Coast, providing year-round (but primarily summer) tourism opportunities, a boost to the economy and the chance for visitors to connect to nature, and culture and heritage through experiences of both. The Gateway Centre will play a key role in growing tourism in a way that benefits Kāpiti Coast district, the wider Wellington region and New Zealand.</p> <p>An Economic Impact Assessment has found that the Gateway development will create 14 jobs in the short-term (construction period) but forecasts approximately 75 jobs by 2030 and the development could result in additional spending by visitors of \$16.26 million per year by that time, with increased visitor numbers to Kāpiti Island. The new facility will be a catalyst for marketing the district to tourists. It is widely seen as the platform for long-term economic transformation of the district and will contribute to regional economic growth.</p>
2. Enhance utilisation of and/or returns for Māori assets	✓	<p>The relationship with Kāpiti Coast iwi on this project is the key to its success. Iwi have been involved from the start, and Māori artists will be involved in the creation of the pou, showcasing their art and culture. Because of the significance of the site, local iwi sees the Gateway site as a place to hold pōwhiri and tell the stories of their history in that place. It could be a catalyst for Māori tourism, such as storytelling walks along the shore and on the Island. It will be a focal point for the whole Kāpiti Coast community and a physical link to the Island, which gives the district its name and identity. It will also support and help grow existing Māori tourism businesses such as Kāpiti Island Nature Tours.</p>
3. Increase productivity and growth	✓	<p>The Kāpiti Gateway development brings opportunities for increased and sustainable growth in tourism products and operations to be developed around Māori arts and culture and coastal recreation. The arts and culture component could also link into a “Coastal Art Trail” involving galleries in New Plymouth and Whanganui, Mahara Gallery in Kāpiti (Waikanae) and Wellington arts facilities to draw visitors to the West Coast destinations.</p> <p>An Economic Impact Assessment has found the Gateway development could result in combined total district economic impacts of \$5.91M in revenue per year.</p>
4. Increase local employment and wages (in general and for Māori)	✓	<p>An Economic Impact Assessment has found that the Gateway development will create 14 jobs in the short-term (construction period), 27 jobs in the initial annual operation</p>

		<p>of the Gateway Centre and potentially up to 93 jobs in the long term, as visitation increases.</p> <p>There is also a focus on developing skills among young Māori so they can continue to practice the crafts of their ancestors. In this regard, the Pouwhenua which will stand outside the Gateway building will be carved on site by a local master carver, who at the same time will be training young people in the traditional art of carving.</p>
5. Increase local employment, education and/or training opportunities for youth (in general and for Māori)	✓	<p>As noted in the previous point, it is expected that a sizable number of jobs will be created through the development, which will be the catalyst for other business activities and products.</p> <p>There will be improved training and job opportunities. This in turn will provide effective pathways to work for youth.</p> <p>There will also be the opportunity for volunteers to be trained by DOC in biosecurity processes and also nature walks and talks. Volunteering is often a precursor to finding employment, teaching skills and offering a sense of self-confidence, achievement and fulfilment.</p> <p>It is also anticipated that the project will support the growth of the tourism businesses of the two current concessionaires to the Island.</p>
6. Improve digital communications, within and/or between regions	<input type="checkbox"/>	<i>[Insert your relevant commentary here]</i>
7. Improve resilience and sustainability of transport infrastructure, within and/or between regions	<input type="checkbox"/>	<i>[Insert your relevant commentary here]</i>
8. Contribute to mitigating or adapting to climate change	✓	<p>The building will showcase best practice eco-building. It is fully relocatable, will treat its own stormwater, capture its own rainwater and generate power from solar panels. It will be of wooden construction, a sustainable resource with a low carbon footprint. Significant landscape integration will improve the ecology of the area and adjacent stream. It will enable education about responding to climate change, including using its spaces for workshops and as 'outdoor classrooms', and as an accessible source of enquiry for local schools.</p>
9. Increase the sustainable use of and benefit from natural assets	✓	<p>Kāpiti Island, established as a nature reserve for over 100 years, and is one of New Zealand's most important Nature Reserves. NZ's Biodiversity Strategy and Action Plan, administered by DOC, focuses on ecological restoration and restoration of our (human) connection with nature.</p> <p>Encouraging visits to Kāpiti Island by greater numbers of the NZ public is a means of achieving this connection, a deeper understanding of and appreciation for the natural environment and education around the stewardship or kaitiaki role we are all called to play in protecting our natural environment.</p>



<p>10. Enhance wellbeing, within and/or between regions</p>	<p>✓</p>	<p>Cultural, social, environmental and economic benefits have been identified for this project:</p> <ul style="list-style-type: none"> <li>• Development of a sense of identity and place for the people of Kāpiti Coast, and a focal point for cultural and social activities.</li> <li>• There will be opportunities for training and work, which will provide pathways to employment for youth.</li> <li>• This project will not only directly contribute to the economy, it will be a catalyst for economic growth in the district and region.</li> <li>• It will contribute to the greater Wellington tourism offering as part of the Regional Economic Development Plan.</li> </ul>
<p>Total number of outcomes project contributes to</p>	<p>8/10</p>	

20. Has public consultation been conducted?

Yes:

No:

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

Extensive public consultation has been undertaken on the proposal to build a Kāpiti Gateway. This has taken place in four phases:

1) As part of the Maclean Park Management Plan refresh in 2017, many submissions called for a Kāpiti Island Visitor Centre to be established on the south side of the Tikotu Stream. This proposed location for the Gateway is at the edge of Maclean Park, which is a public reserve. As a result, the Maclean Park Plan was changed to reflect the community's feedback on the gateway site and the project itself has been developed according to the principles that came out of the public consultation process – Whakapapa, Wairua, Mana, Māramantanga, Te Ao Tūroa, Mauri.

The Maclean Park Management Plan was prepared in partnership with Te Āti Awa as mana whenua and the site is also recognised as a site of significance by Ngāti Toa. Through a series of information sessions, hui and onsite workshops a plan was developed that expresses the values of both iwi partners as well as the wider community.

Maclean Park is located in an area of great historical significance to the people of Te Ātiawa and Ngāti Toa Rangatira. The wider area was originally occupied by the settlement know as Te Uruhi Pā, which was located in the vicinity of Te Uruhi Lake and the Tikotu Stream which flowed from the lake out to sea.

Feedback on the project through this process revealed the community wanted the Kāpiti Gateway Centre to be for the whole of Kāpiti Coast, not just Kāpiti Island; it should be a standalone building with its own identity, but something functional and small, not showy and expensive, which would showcase the Kāpiti Coast and bring a strong focus to the beach area.

2) Engagement with project partners and identified key stakeholders was undertaken as part of the Feasibility Report prepared by TRC.

Partners: Te Atiawa ki Kāpiti, Ngāti Toa Rangatira, DoC /Te Papa Atawhai

Stakeholders: Kāpiti Boating Club, Kāpiti Island Eco Tours, Kāpiti Island Nature Tours, Kāpiti Coast Chamber of Commerce, Guardians of the Kāpiti Marine Reserve, WellingtonNZ, Kāpiti Economic Development Agency (KEDA), Paraparaumu Beach Business Association, Victoria University of Wellington.

TRC presented the report findings to the partners and stakeholders and received positive feedback on the Gateway proposal. The report also confirmed the south side of the Tikotu Stream as the preferred site for building the Gateway Centre.

3) The Gateway has been signalled as part of Kāpiti Coast District Council's Long Term Plan over the past six years. Through the development and consultation of both the 2015-35 and 2018-38 Long Term Plans, the Kāpiti Gateway has been consulted on with the whole community. The Gateway was to take place within the first three years of the 18-35 Plan and the current proposal is a direct result of that investigation and community consultation.

4) A customer survey was recently conducted through Survey Monkey of people who had visited Kāpiti Island in the past 18 months. The feedback proved not only useful to KCDC in developing the Gateway project, but also to the Kāpiti Island concessionaires.

It is 28 years since a Gateway facility was first proposed and the community has always been involved in discussions on the proposal.

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

*[insert your commentary here]*

Visitor numbers to Kāpiti Island show a steady increase over the past six years from 6,284 in 2013 to 15,969 in 2019. Visitation to the Island is currently at 25 percent of annual capacity and with an improved visitor experience there is significant opportunity to grow this. A dedicated Gateway Centre would allow for more locals and tourists to connect to the Island.

Tourism growth for the Kāpiti Coast has averaged 6.5 percent annually over the last decade compared to 8.1 percent across the whole of New Zealand. The tourism industry employed an average of 1,199 people, or 6.8 percent of the Kāpiti Coast’s total employment in 2019. Employment growth in the tourism sector has averaged 2.1 percent per annum since 2000.

Currently Kāpiti Coast attracts the majority of its visitors from nearby Wellington. It’s an easy day trip and offers many attractions to those who wish to get out of the city into a more rural and relaxed environment. Wellington City has a population of 414,818 (2020) and the Hutt Valley a population of 149,680 (2019). Both are very built-up urban areas, and both are very close to Kāpiti Coast. With a focus on domestic travel in the foreseeable future, there is significant potential to attract greater numbers of tourists/visitors from these areas alone to visit Kāpiti. The soon to be completed Transmission Gully road will make travelling to Kāpiti Coast even easier.

A recent Customer Survey sent to people who had visited Kāpiti Island in the last 18 months (sent to around 6,500 with over 2,000 completed surveys) showed a strong interest for a variety of new and interesting tours to be developed on the Island itself. A high proportion (86 percent) said they were likely to visit the Island again and 91.68 percent of respondents had loved their trip to the Island and were likely or highly likely (83 percent) to recommend it to others as a destination.

There is evidence that the markets, which Kāpiti Island would appeal to, have barely been touched. Kāpiti Island Nature Tours, one of the two tourism operators on the Island notes on its website that while “the predator-free nature reserve is well known as a sanctuary for rare native birds like the nocturnal kiwi, even many locals don't realize that it's possible to **stay** overnight on the **island** at a family-run lodge”.

KCDC, the Kāpiti Island tour operators, Kāpiti Coast iwi and DOC are all confident that the visitor market within New Zealand is still largely untapped, let alone international tourism at a time in the future when international travel resumes to pre-Covid-19 levels.

22. Where the project utilises land, does the land have any other interests associated with it? (i.e. Treaty claims, or iwi/hapū ownership) Yes:  No:

*[insert your commentary here]*

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

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

*[Insert your commentary here]*

Not applicable.

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

Yes:

No:

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

Resource Consent application (for building and decks) has been lodged with KCDC and has been accepted. We are confident it will be approved by the time this application has been considered. Resource Consent application (for streamworks and bridge) has been lodged with Greater Wellington Regional Council. We are confident that it will be approved within the statutory timeframe. Cultural Impact Assessments have been commissioned from both Iwi involved as part of the resource consent applications.

**Part C: Project Delivery**

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

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

[We would like you to demonstrate:

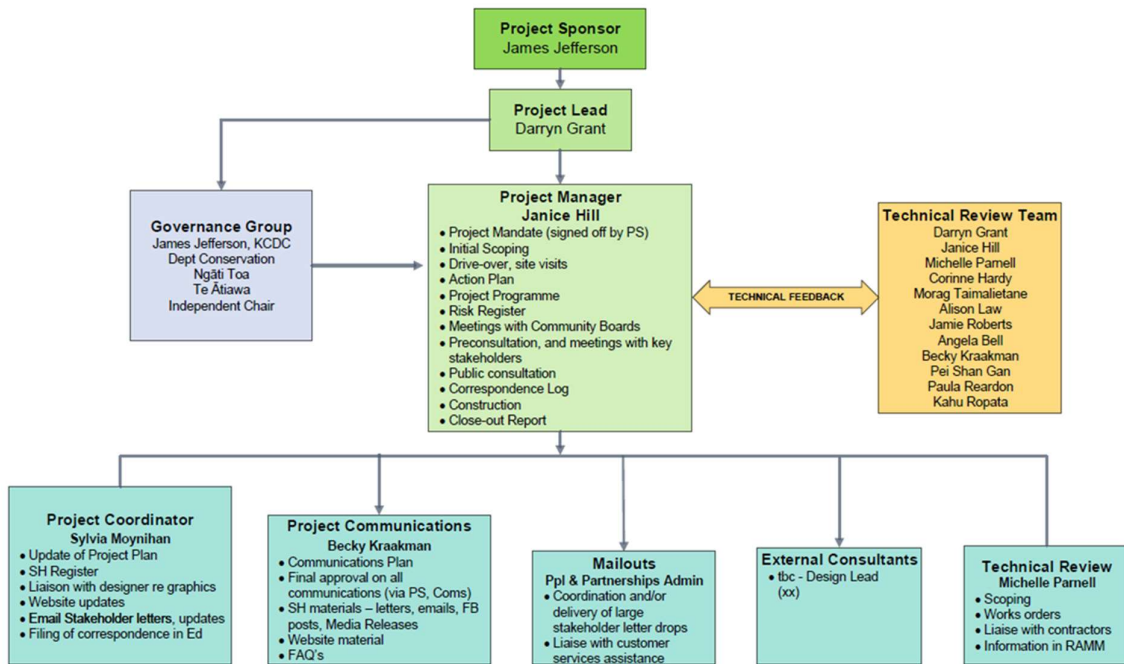
- How the activity will be managed from your organisation?
- What involvement is required by the Provincial Development Unit?
- What other partners are required for successful delivery? (demonstrating this with diagrams where possible)
- What project management practices will be in place?
- Who are the key personnel within the organisation relating to this project?
- Please include bio's and provide an organisational/project structure where possible
- Please attach a copy of your health and safety policy that will apply for this project].

KCDC is facilitating the project. A Governance Group has been established with representatives from the principal partners in the project and a project team has been formed to work with a significant number of stakeholders and partners, some of whom have very limited capacity to assist.

An Advisory Group has been formed consisting of stakeholders engaged through the Feasibility Report process.

Please see question 32 for details on the Governance Group and Project Team members.

**2020/C335 KĀPITI GATEWAY**



26. Have you have independent verification of the project approach / plan?

Yes:

No:

If yes, who verified the project and when?

[insert your commentary here]

Project support has come from KCDC’s Project Management Office.

There has been extensive use of consultants as appropriate to ensure that the project has been professionally developed and to ensure the information being used is correct. The QS report (attached) gives verification of the costs and different Council teams have lent their support and expertise to the

project as required.

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

**Gantt Chart attached**

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

#	Project Activity	Responsible:	Date / Period:
1	Delivery of detailed design	Architect	31/09/2020
2	Delivery of Business case	Consultant	5/06/2020
3	Resource Consents and Building Consent	Project Manager	07/12/2020
4	Procurement – for design	Governance Group	1/05/2020
5	Fundraising	Project Manager	30/12/2020
6	Procurement for construction (through GETS)	KCDC	16/10/2020
7	Site Works commence (tree and stream works)	Contractors	10/08/2020
7	Construction (8 Dec 2020 – 1 October 2021)	Contractor	30/09/2021
8	Final Report to Ministry	KCDC	30/10/2021
9	Opening of Gateway Centre	KCDC	1/10/2021

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

*[Note that figures in this table must align with other figures provided in Q11. Please use as many lines as it takes to provide us with the appropriate detail. If more suitable, please attach a budget spreadsheet to this application]*

**Budget Spreadsheet Attached**

Cost Description:	\$ (excluding GST)
<i>[e.g. project manager]</i>	\$
<i>[e.g. architect services, covering xyz]</i>	\$
<i>[e.g. construction phase 1, covering ground works]</i>	\$
<i>[e.g. commissioning]</i>	\$
<b>Total</b>	\$

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

*[Please use the following table, consider what deliverables there will be, when, and whether there are any payments associated with them and against what criteria payment should be made. If it is a single deliverable with single payment, please just use one line]*

#	Description	Payment criteria:	Invoice Value \$ (Exc. GST)	%	Invoice Date:
1	Initiation Payment	On signature of the funding agreement and the delivery of start-up report.	\$223,026	[10%]	31/07/2020
2	Award of Construction Tender	Delivery of detailed designs Delivery of construction contract	\$446,053	[20%]	31/08/2020
3	Construction commencement	Completion of groundworks/foundations Delivery of the compliance report	\$892,106	[40%]	1/10/2020
4	Construction Completion	Completion of the building phase, demonstrated by: - completion of the building work - delivery of the contractor's final report - delivery of the council approval and sign off	\$669,079	[30%]	30/06/2021

	- Code of Compliance			
<b>TOTAL</b>		\$2,230,264		

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

*[Specifically, please set out why the funding cannot be sourced from other sources (e.g. banks, investors)]*

Central government funding through the PGF is the only real option remaining to us for the Gateway project to achieve the economic, environmental, social and cultural benefits identified through the feasibility report, business case and the economic impact report. It should be noted that DOC is not contributing any funding to this project and yet preserving and protecting the nature reserve (i.e. biosecurity of Kāpiti Island) is a function of the Department of Conservation.

In the last few years, KCDC has had huge depreciation costs to ensure our infrastructure is fully funded (as previously it was underfunded). This has meant higher than average rate increases for our residents, which have caused concern within our rating base.

Kāpiti Coast District Council has a rating base of 25,053 rateable units. In 2018, (according to the Taxpayer's Union) Kāpiti Coast District Council had the fourth highest residential rates (average \$2,712 per annum) and the highest rate of debt per household (\$9,836) in the Wellington region. With almost 16,000 visitors specifically passing through Paraparaumu and Maclean Park on their way to Kāpiti Island, this is over two thirds of our total rating numbers, which is unsustainable for our small district to provide good quality infrastructure to support these visitors. Note: this is only the number of visitors going to Kāpiti Island, many more visit the district but do not go to the Island.

In view of the Council's financial commitments, the district's urgent infrastructure needs and our commitment to our constituents to keep rates rises as low as possible, (Council has just approved a 2.6 percent rates increase when prior to COVID-19, a 5.7 percent increase was proposed), we are unable to commit any more funding to this project.

This is a "shovel ready" project, which will stimulate the local economy, not only through construction but longer-term as a catalyst for growth and development in the Kāpiti Coast economy. The Government has called for such projects to be brought forward for funding in the post-COVID-19 environment as we rebuild the country's economy.

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

*[We would like to understand your relevant experience to assist in delivering this project. In addition, any track record you may have delivering projects of a similar size, scope, or complexity, and how these projects will enable the future success of your business. If you do not have the experience, then please indicate how you will manage this risk.]*

Kāpiti Coast District Council is very experienced in managing capital projects and has a track record of successful delivery of large-scale projects on time, within scope and on budget. Council's significant projects are reported direct to the Council. Council has appointed a highly experienced Project Manager who has brought on experts as required to support the project.

Council projects similar to the Kāpiti Gateway development in terms of size, scope and complexity include:

- Otaki Pool Upgrade - \$5.5M
- Coastlands Aquatic Centre - \$23M
- Council Rimu Road Office - \$8M

Other projects that Council has managed recently include:

- Mahara Place Upgrade
- Kāpiti Road widening and shared path
- Maclean Park Upgrade
- Ratanui/Mazengarb Intersection

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

*[We would like to know about the members of your project team (the key personnel/leadership team involved in your application), how your organisation will govern the project/activity, as well as how other organisations may be involved (i.e. the Provincial Development Unit, local council, or iwi/hapū) in the governance procedures. Specifically, please name who is on the governance board / leadership team (the **Project Team**)]*

### 1. ROLES

#### Governance Group:

KCDC – James Jefferson (Senior Leadership Team (SLT) Sponsor) (Due to COVID-19, James was seconded to head the Emergency Operations Committee (EOC) and Alison Law was Acting GM during this time)

Ngāti Toa – Naomi Solomon and Pania Solomon  
Te Ati Awa – Chris Gerretzen and Russell Spratt  
DOC – Jack Mace  
Independent Chair – George Hickton

#### Advisory Group:

Kāpiti Boat Club, Coastguard, Dive Kāpiti, 2x KI Concessionaires, PB Bus. Assn, Wellington NZ, Visitors (users), DOC, Guardians of the Marine Reserve, and Iwi (if they wish)

#### Project Team: (names list, or their delegates)

KCDC – Janice Hill (Project Manager)  
KCDC – Morag Taimalietane  
KCDC – Alison Law/Jamie Roberts (Maclean Park)  
KCDC – Darryn Grant – Project Owner  
KCDC – Angela Bell (Regulatory)  
KCDC – Becky Kraakman (Comms)  
KCDC – Pei Shan Gan and Paula Reardon (Finance)  
KCDC – Kahu Ropata (Iwi Partnerships Manager)  
KCDC – Michelle Parnell (PMO)  
DOC – Rob Stone  
Wellington NZ - David Perks, Janet Tang

### 2. AUTHORITY and RESPONSIBILITIES

#### Governance Group:

Able to make project decisions based on recommendations made by the Project Team, within approved project budget, e.g. issuing contracts, appointing consultants, approving design requirements. Design assessment was performed by a panel formed of Gateway Governance Group (GGG) members plus two design experts.

#### Advisory Group:

Able to recommend options and give advice and feedback to the project team.



Project Team:

Do the work required on the project, including giving recommendations to Governance Group.

Ultimately, Council's elected members will need to make the decision on KCDC's investment (estimated to be 50 percent). The Project Manager will keep them briefed throughout the process. PGF also must be briefed throughout the process.

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

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

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

*[We wish to understand how you will approach the market effectively and ensure value for money / public value is delivered, noting that public money is being utilised. If you have already been to market, then please describe who the supplier(s) are, how/why they were selected, and what the contractual arrangements are]*

The procurement process for the concept design was approved by the Governance Group. Procurement of design has occurred with the Athfield Architects' concept selected and to undertake Developed Designs for the Kāpiti Gateway.

Guiding Principles of Procurement:

- Local (Wellington or Kāpiti based);
- Proven work in coastal environment, visitor centres, or are familiar with the site;
- Have capacity to complete the work in all phases, in time involved, including being able to produce detailed designs for Building Consent purposes once funding is secured;
- Detailed design brief and pre-design work supplied.

The process to be used for construction procurement will be to tender the project through the government Electronic Tender Service (GETS). This is the usual practice used by KCDC for construction projects to ensure a fair and open tender process.

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

#	Risk	Mitigation approach	Rating
1	Construction industry demands – i.e. industry booming may be difficult to find a contractor for the job then the deliverable will not be provided	Look to local providers in the first instance. Encourage involvement in a community project to get the local economy back on track. A COVID-19 specific contingency of 15% has been included in the budget.	M
2	Quality of finish	Careful management of building contractor. Ensure specifications are detailed and correct in contract.	M
3	Potential issues with groundworks at the site being a beachfront site.	Geotechnical report (attached) has been completed and showed a site suitable for construction. It is part of the resource consent application.	M
4	Failure to obtain resource consent - Commercial operation in a reserve, land coverage of building, height of pou, parking. Also Greater Wellington Regional Council consent for earthworks in stream corridor and bridge.	Ensure through planning with appropriate reports and documents to address potential “issues” in the resource consent process. Employ experts to undertake appropriate investigations.	H
5	Potential to uncover archaeological artefacts in earthworks due to historical site. This would delay construction works.	Work alongside iwi to ensure anything discovered is properly handled and managed to ensure cultural integrity and that customs are maintained.	H
6	Failure to raise the required funding due to funding sources being affected by the COVID-19 lockdown.	KCDC has undertaken to fund 50 percent of the project, whether that is partly from external sources or not.	L
7	Facility does not meet stakeholders’ expectations. Operators decide not to use it, etc.	Keep stakeholders informed throughout the project and allow input from them where appropriate.	L

35. Will the applicant own the asset on delivery?

Yes:

No:

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

*[insert your commentary here]*

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

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

The operational model is fully covered in the Management Case of the Business Case attached.

The operational model for managing and operating the Gateway Centre is proposed to be a mix of paid employees and volunteers, the latter assisting with the biosecurity processes.

An operational budget is included in the Financial Case of the Business Case. Kāpiti Coast District Council plans for the operations of the Gateway Centre to become self-sustaining in the medium term. This will

require external funding support to balance the books and suggestions are made in the funding appendix of the Business Case as to how this might be achieved.

Income is expected to be received from venue hire, commercial tenancies/license to occupy, advertising space, concession fees, sponsorship and grants.

There are two functional parts to the Gateway Centre – the Visitor Centre (gallery/information/ function space) and the Biosecurity Pod.

#### **Visitor Centre**

One of the current concessionaires, John Barrett, has expressed an interest in basing a staff member at the Visitor Centre to take bookings for trips to Kāpiti Island and answer visitor queries. He would lease 10-15m<sup>2</sup> space in this part of the facility and have a staff member there between 8am and 3pm each day. Mr Barrett owns the lodge at the northern end of Kāpiti Island and has applied to the PGF for funding to upgrade the lodge and build a jetty, which would greatly improve landing ability at the Island.

At this point in time the other concessionaire has not shown interest in leasing space in the facility. KCDC is open to other commercial tenancies being located in the Discovery Centre.

The Centre would also be available as a location for small functions and meetings.

#### **Biosecurity Pod**

The biosecurity process will be managed by the operators/concessionaires (as is currently the case). They could be assisted by volunteers, who have been trained by DOC. This model has worked successfully for other island nature reserves such as Matiu Somes Island and Mana Island and DOC is keen to see it work at Kāpiti Island too. Both these islands have a supporters or “friends” groups, which are dedicated to supporting the conservation work of the islands and “educating” the public on their biodiversity through leading guided walks and talks.

Other island reserves around the country, e.g. in the Hauraki Gulf, also operate along these lines.

KCDC plans to charge visitors a small biosecurity fee to contribute to the costs of the biosecurity unit. It is proposed to charge \$10 for adults and \$5 for children.

37. What will the impact be on the applicant’s financial accounts? - Info requested from KCDC

*[Please describe what impact the funding will have on the applicant’s financial accounts over the time of the project.*

*Where possible, please provide us with the following:*

- *Growth forecasts / projections post project completion.*
- *2 years of financial accounts.*
- *Current banking arrangements.*
- *Details of any borrowings (including lender, loan values and loan maturity dates).*
- *Current level of debt and equity and financial Ratios (i.e. Debt to Equity, Debt to Revenue, and Current Ratio).*
- *Insurance provider.]*

#### **Financial Impact:**

A funding impact statement for the project is attached out to 2027/28.

**Financial Accounts:** The KCDC Annual Reports for 2017/18 and 2018/19 accompany this application. Also the Statement of Financial Position as at 31 March 2020, presented to Council on 25 May 2020 is attached.

Kāpiti Coast District Council had total revenue of \$82,335,000 for the 2018/2019 year. Total operating expenditure for that year was \$71,809,000, plus interest costs resulted in a net operating surplus of \$2.6m. After the addition of other comprehensive revenue and expense, the total comprehensive revenue and expense for that year was \$20,315,000. KCDC has total assets of \$1,746,886,000, total liabilities of \$257,937,000, with total equity of \$1,488,949,000. Full financial statements can be seen in the 2018/2019 Annual Report.

Ernst & Young on behalf of the Auditor General of New Zealand has provided an audit opinion stating the following:

*In our opinion:*

- *the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and*
- *the summary statements comply with PBE FRS-43: Summary Financial Statements.*

**Current Banking Arrangements:** Westpac Banking Corporation is Council's bankers under the All of Government agreement. KCDC holds the following facilities with Westpac:

- NZ dollar transactional account
- 1x Westpac Credit card
- \$20 million credit line facility

**Council Borrowings:** As at 31 May 2020, Council had borrowings totalling \$225,000,000 from the NZ Local Government Funding Agency (LGFA).

**Current level of Debt and Financial Ratios:**

Debt to Equity: 0.18

Debt to Revenue: 328% (Gross borrowings as at 31 March 2020 were used)

Current Ratio: 1.0339 (Based on latest update at 31 May 2020)

**Insurance provider:** Aon

**Part D: Declarations**

- 38. The contracting entity is compliant and will continue to comply with all applicable laws, regulations, rules and professional codes of conduct or practice including but not limited to health and safety and employment practices Yes:  No:
  
- 39. Has this activity ever been declined Crown Funding in the past? Yes:  No:
  
- 40. Has the applicant or the contracting entity ever been insolvent or subject to an insolvency action, administration or other legal proceedings? Yes:  No:
  
- 41. Has any individual in the Project Team (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been insolvent or subject to an insolvency action, administration or other legal proceedings, or actively involved in any organisation which has? Yes:  No:
  
- 42. Has any individual in the Project Team (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been adjudged bankrupt or is an undischarged bankrupt? Yes:  No:
  
- 43. Has any individual in the Project Team (including the Applicant’s Leadership Team, directors, partners, or trustees, or any key members of the project) ever been under investigation for, or been convicted of, any criminal offence? Yes:  No:
  
- 44. Are there any actual, potential or perceived conflicts of interest that the applicant or any of the key personnel have in relation to this project. Yes:  No:   

“In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully...”  
<https://www.oag.govt.nz/2007/conflicts-public-entities>

If you answered “Yes” to any question from 39 to 44, please provide a description below:

Yes, the applicant is compliant.

By completing the details below, the applicant makes the following declarations about its application for Provincial Growth Fund funding for the project (“application”):

I have read, understand and agree to the Terms and Conditions of applying for Provincial Growth Fund funding which are attached as Appendix 1;

The statements in the application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;

I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;

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

I consent to this application being publically released if funding is approved. I have identified the commercially sensitive and personal information.

The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the Provincial Development Unit by emailing [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz); and

I understand that the falsification of information, supplying misleading information, or the suppression of material information in this application, may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

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

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**Full name:**

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**Title / position:**

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**Signature / eSignature:**

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**Date:**

.....

## **Appendix 1 – Terms and Conditions of this Application**

### **General**

The terms and conditions are non-negotiable and do not require a response. Each applicant that submits a request for Provincial Growth Fund (“PGF”) funding (each an “application”) has confirmed by their signature (or e-signature) on the application that these terms and conditions are accepted without reservation or variation.

The Provincial Growth Fund is a government initiative which is administered by the Provincial Development Unit, a unit within the Ministry of Business, Innovation and Employment. Any reference to the Provincial Development Unit in these terms and conditions, is a reference to MBIE on behalf of the Crown.

### **Reliance by Provincial Development Unit**

The Provincial Development Unit may rely upon all statements made by any applicant in an application and in correspondence or negotiations with the Provincial Development Unit or its representatives. If an application is approved for funding, any such statements may be included in the contract.

Each applicant must ensure all information provided to the Provincial Development Unit is complete and accurate. The Provincial Development Unit is under no obligation to check any application for errors, omissions, or inaccuracies. Each applicant will notify the Provincial Development Unit promptly upon becoming aware of any errors, omissions, or inaccuracies in its application or in any additional information provided by the applicant.

### **Ownership and intellectual property**

Ownership of the intellectual property rights in an application does not pass to the Provincial Development Unit. However, in submitting an application, each applicant grants the Provincial Development Unit a non-exclusive, transferable, perpetual licence to use and disclose its application for the purpose of assessing and decision making related to the PGF application process. Any hard copy application or documentation supplied by you to the Provincial Development Unit may not be returned to you.

By submitting an application, each applicant warrants that the provision of that information to the Provincial Development Unit, and the use of it by the Provincial Development Unit for the evaluation of the application and for any resulting negotiation, will not breach any third-party intellectual property rights.

### **Confidentiality**

The Provincial Development Unit is bound by the Official Information Act 1982 (“OIA”), the Privacy Act 1993, parliamentary and constitutional convention and any other obligations imposed by law. While the Provincial Development Unit intends to treat information in applications as confidential to ensure fairness for applicants during the assessment and decision making process, the information can be requested by third parties and the Provincial Development Unit must provide that information if required by law. If the Provincial Development Unit receives an OIA request that relates to information in this application, where possible, the Provincial Development Unit will consult with you and may ask you to confirm whether the information is considered by you to be confidential or still commercially sensitive, and if so, to explain why.

### **Use and disclosure of information**

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

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

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

The Provincial Development Unit may disclose any application and any related documents or information provided by the applicant, to any person who is directly involved in the PGF application and assessment process on its behalf including the Independent Advisory Panel (“IAP”), officers, employees, consultants, contractors and professional advisors of the Provincial Development Unit or of any government agency. The disclosed information will only be used for the purpose of participating in the PGF application and assessment process, including assessment and ongoing monitoring, which will include carrying out due diligence. Due diligence may involve MBIE disclosing information to another MBIE business unit or relevant agency in order to assess the application and verify the information contained in the application and accompanying documents.

MBIE will generally not otherwise disclose personal information provided or collected through this application unless required or otherwise permitted by law. For example, we may seek your consent to undertake additional due diligence checks and request information from other relevant third parties. If an application is approved for funding, information provided in the application and any related documents may be used for the purpose of contracting.

In the interests of public transparency, if an application is approved for funding, the application (and any related documents) may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982.

#### **Limitation of Advice**

Any advice given by the Provincial Development Unit, any other government agency, their officers, employees, advisers, other representatives, or the IAP about the content of your application does not commit the decision maker (it may be Senior Regional Officials, Ministers or Cabinet depending on the level of funding requested and the nature of the project) to make a decision about your application.

This limitation includes individual members of the IAP. The IAP's recommendations and advice are made by the IAP in its formal sessions and any views expressed by individual members of the IAP outside of these do not commit the IAP to make any recommendation.

#### **No contractual obligations created**

No contract or other legal obligations arise between the Provincial Development Unit and any applicant out of, or in relation to, the application and assessment process, until a formal written contract (if any) is signed by both the Provincial Development Unit and a successful applicant.

#### **No process contract**

The PGF application and assessment process does not legally oblige or otherwise commit the Provincial Development Unit to proceed with that process or to assess any particular applicant's application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

#### **Costs and expenses**

The Provincial Development Unit is not responsible for any costs or expenses incurred by you in the preparation of an application.

#### **Exclusion of liability**

Neither the Provincial Development Unit or any other government agency, nor their officers, employees, advisers or other representatives, nor the IAP or its members will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:

- a) the assessment process
- b) the preparation of any application
- c) any investigations of or by any applicant
- d) concluding any contract
- e) the acceptance or rejection of any application, or
- f) any information given or not given to any applicant(s).

By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against the Provincial Development Unit. To the extent that legal relations between the Provincial Development Unit and any applicant cannot be excluded as a matter of law, the liability of the Provincial Development Unit is limited to \$1.

Nothing contained or implied in or arising out of the PGF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

#### **Inducements**

You must not directly or indirectly provide any form of inducement or reward to any IAP member, officer, employee, advisor, or other representative of the Provincial Development Unit or any other government agency in connection with this application and assessment process.



**Governing law and jurisdiction**

The PGF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.

**Public statements**

The Provincial Development Unit and any other government agency, or any relevant Minister, may make public in whole or in part this application form including the following information:

- the name of the applicant(s)
- the application title
- a high-level description of the proposed project/activity
- the total amount of funding and the period of time for which funding has been approved
- the region and/or sector to which the project relates

The Provincial Development Unit asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior agreement of the Provincial Development Unit.

**Electronic signature**

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

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

You're responsible for:

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

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

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

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

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

## Appendix 2 - Operational criteria for all tiers of the Fund

### Link to Fund and government outcomes

- Demonstrate the ways in which the project will contribute to lifting the productivity potential of the region
- Demonstrate how the project contributes to the Fund's objectives of:
  - more permanent jobs
  - benefits to the community and different groups in the community
  - increased utilisation and returns for Māori from their asset base (where applicable)
  - sustainability of natural assets (e.g. water, soil integrity, the health and ecological functioning of natural habitats)
  - mitigating or adapting to climate change effects, including transitioning to a low emissions economy
- Clear evidence of public benefits (i.e. benefits other than increased profitability for the applicant)
- Are in a Government priority region or sector

### Additionality

- Project is not already underway, does not involve maintenance of core infrastructure or assets (except for rail and transport resilience initiatives), and does not cover activities the applicant is already funded for (funding could be considered to increase the scale of existing projects or re-start stalled projects)
- Demonstrated benefit of central Government investment or support
- Detail of any supporting third party funding (and any funding sought unsuccessfully)
- Acts as a catalyst to unlock a region's productivity potential
- Demonstrated links to other tiers of the Fund and related projects, to maximise value of Government investment

### Connected to regional stakeholders and frameworks

- Evidence of relevant regional and local support, either through existing regional development mechanisms, or through another relevant body such as a council, iwi or other representative group (or reasons for any lack of local support)
- Has been raised and discussed with the region's economic development governance group
- Alignment with, or support for the outcomes of, any relevant regional development plan, Māori development strategy or similar document (whether regional or national)
- Demonstrated improvement in regional connectedness (within and between regions)
- Leverage credible local and community input, funding, commercial and non-commercial partners
- Utilise existing local, regional or iwi/Māori governance mechanisms

### Governance, risk management and project execution

- Evidence of robust project governance, risk identification/management and decision-making systems and an implementation plan appropriate to the size, scale and nature of the project
- Future ownership options for capital projects, including responsibility for maintenance, further development, and other relevant matters
- Benefits and risks clearly identified and quantified, depending on the scale of the initiative
- Evidence of potential exit gates and stop/go points, and a clear exit strategy
- Clearly identifies whole of life costs (capital and operating)
- Dependencies with other related projects are identified
- Evidence of sustainability after conclusion of PGF funding
- Adequacy of asset management capability (for capital projects)
- Compliance with international obligations (where relevant)