

Application for Funding

About this form

This form enables you to make an application for funding under any of the three investment tiers for the Provincial Growth Fund:

- Regional Projects and Capability;
- Sector Investments; and
- Enabling infrastructure projects.

The information you provide will help us to assess and evaluate eligible projects and investment opportunities.

Next steps

We will review your application to further test suitability and risk and to make a decision on suitability for funding. We will be in contact where further information is required and we may provide you advice and support (i.e. from regional advisors) where necessary throughout this next stage of the process.

Instructions

Please complete the 'Application Form' section below, which is compulsory. In addition, please complete the parts of this application form that are relevant to your proposal. If the answer box is not big enough, please attach a document that provides the answer/s when you submit the form.

Please provide as much detail as you are able to, as appropriate to the size and complexity of your proposal.

If compulsory or relevant information is missing, this may slow down the application process as we will need to contact you.

You can find the terms and conditions of applying for Provincial Growth Fund investment in Appendix 1. You must agree to those terms and conditions as part of submitting this application.

We also attach a copy of the Eligibility and Assessment criteria in Appendix 2 to provide further context.

Submitting your application

Please email your completed form to PGF@mbie.govt.nz.

Public Disclosure

In the interests of public transparency, successful applications may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted in line with the provisions of the Official Information Act 1982. Please identify any information that you regard as commercially sensitive.

A. Application Form (*Compulsory section*)

1. Proposal Name:

Kaikoura District Council- Marine Centre of Excellence, Airport and Marina Project Development

2. Please provide the name of applicant organisation/entity:

Kaikōura District Council

3. What is the physical address of the applicant's organisation?

96 West End, Kaikoura, 7300

4. Please provide the contact details for the applicant's organisation (including a specific person as a point of contact):

9(2)(a)

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

Kaikōura District Council provides civic services to our community for the purposes of social, economic, cultural and environmental wellbeing of our community. It provides a range of services from infrastructure provision and maintenance to a library through to economic development.
Kaikōura District Council mission is to make Kaikōura district a great place to live – has a strong, well-connected community, is ecologically exemplary and economically prosperous.
Kaikōura District Council is focused on driving the district forward to reach its full potential for the benefit of the greater region Canterbury and Marlborough region.

6. Please provide a brief summary description of the project, including its location, purpose and history.

Kaikōura District Council requires the services of a consultant who can work with the project teams to assist in compiling business cases and feasibility studies. Kaikōura District Council have three key projects that are currently in conceptual stages: Marine Centre of Excellence, Airport and Marina. Please refer to Appendix 1 for further information on the projects including associated maps. These projects require further analysis and development in order to fast track their implementation for long term regional growth and sustainability. Kaikōura currently does not have suitable capability in-house and requires support to capitalise on the regional growth potential that these will add to the region. Kaikōura is involved on the development of the Picton to Kaikōura cycleway. This is a joint collaboration with the Marlborough Kaikōura Trails trust is leading the project. As such, this project is not part of the project scope for the consultant, however support for Kaikōura portion of the cycleway will sort from the Canterbury Mayoral Forum.

7. Please describe (or re-affirm) which industry or sector/s the proposal is relevant to.

These projects are directly relevant to the following industries in the region: Tourism; Education; Commercial and Recreational Fishing; Research and Aviation. These are all underpinned by environmental sustainability.
Indirect industries will also include construction, industry, professional services and essential services.

8. In what location/region/s is the proposal to be based? What is the name of the relevant District as detailed on the Local Government New Zealand website: <http://www.lgnz.co.nz/nzs-local-government/new-zealands-councils/>

These projects are based in Kaikōura district with wider regional impacts across Canterbury and Marlborough. The Marine Centre of Excellence is aiming to provide an extension of the University of Canterbury.

9. Please provide full names of the project's leadership team, including your chief executive, directors and trustees (as appropriate).

At present a collective project management team is being established. This team includes:

9(2)(a)

10. If different from the applicant, who would be the 'contracting party' with the Crown under any successful contract?
Please provide the full name.

Same as Applicant

11. Are there any other Partners within this project? (i.e construction, design or other significant partners).
If so, please provide their names.

Te Rūnanga o Kaikōura, Ngāi Tahu, Ministries of Primary Industries, Fisheries NZ, Te Korowai, University of Canterbury, Plant and Food Nelson, Marlborough Hatcheries, NIWA

12. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings?

No

13. Is any individual involved in the application, the proposed contracting entity or the project an undischarged bankrupt?

No

14. Is any individual under investigation for, or has any individual been convicted of, any offence that has a bearing on the operation of the project?

Comments

No

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15. Conflicts of Interest: Please detail any actual, potential or perceived conflict of interest that the applicant(s) or any of the key personnel have in relation to this project.

"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>

Comments

At present no conflicts of interest exist

B. Strategic Case and Regional Alignment

1. How does the project propose to act as a catalyst to lift the productivity potential of the region where the project is based?

The suite of projects that the consultant will help develop and manage will act as a catalyst to lift productivity across the region along New Zealand. Creating Kaikōura as Marine Centre of Excellence will launch Kaikōura as a research and educational destination and enhance Kaikōura's already incredible tourism offerings on hand. It will aid in increasing the length of stay through providing alternative tourism activities and importantly, wet weather land-based activities. This project will enhance our domestic tourism market opportunities, increasing the demographic make-up of Kaikōura's visitors thus providing greater resilience in our tourism market. This project will provide increased sustainable employment in higher value roles. It will also grow our population base through attraction for researchers, educators and consultants.

Building resilience into Kaikōura's airport is essential. At present, Kaikōura remains vulnerable during major weather events and emergencies. The inability to land larger aircraft, decreased capability of utilities and lack of access to jet fuel supplies, comprises the ability for effective, timely and cost effective emergency management.

The marina will increase our marine accessibility and provide greater access to the marine environment for commercial and recreational use along with stimulating supporting industries of Marine maintenance, sales and management.

2. How does the project align with the objectives of the Provincial Growth Fund:
 - More permanent jobs;
 - Benefits to the community and different groups in the community;
 - Increased use and returns for Māori from their asset base (where applicable).

The Marine Centre of excellence is an exciting concept that will propel Kaikōura district and the greater region into the next level of growth. Please refer to Appendix 2 for further details.

The marina project will see Kaikōura develop a greater focus on marine vessel management. It focuses on providing moorings and supplies to recreational and commercial vessels. The marina will provide sustainable employment through direct management of the marina but will also support side industries of boat yards, marine maintenance and potentially marine retail. The marina will also support current marine operators through having an increased marine vessel management expertise available locally. This is a project that iwi have expressed interest in investing in and will be part of the project development team.

The airport project is focused on resilience however changes or redesign of the airport to increase resilience will likely increase the operational ability and effectiveness of current users and operators of this facility.

3. Please provide a detailed description of the project, including the objectives and business need.

This project is to provide a consultant to assist in developing feasibility studies. The consultant will work with the current project teams to develop a business case on the feasibility of each of the three projects.

This suite of projects has been collated to achieve business needs to drive Kaikōura forward and to build resilience in our economy. Over the past 30 years Kaikōura has seen continued increased growth in GDP, whilst at the same time the population as remained similar in number. Kaikōura currently has an ageing and declining population and with a low unemployment of 3.3% (pre-earthquake). At present many of our businesses are struggling to obtain or retain staff, with a strong reliance on international transient workforce. Kaikōura understands that it needs to grow its population base through retaining our residents, particularly the 18-45 year old market and attracting new talent to Kaikōura. To do this, we need to create sustainable, higher value employment, provide high quality education, and create a vibrant town that supports an innovative and passionate community. This can be achieved through diversification of industries, greater access to Kaikōura, building upon our strengths in the marine economy and providing facilities that enhance Kaikōura's liveability and tourist destination.

4. Please provide a description of how the project aligns to the Government's additionality objective under the Provincial Growth Fund (including infrastructure, Māori assets/development, sustainability, investment tiers and regional development plans).

The projects that the consultant will be supporting are still in conceptual stages and are needed to be taken through to a feasibility process. The core infrastructure of the majority of the projects will be self-sustaining through commercial operations. These projects will provide diversification within Kaikōura's economy in addition to our strong international tourism and rural industries. The benefit of central government investing in a consultant is that the planned projects are developed strategically from the beginning and linked together to create Kaikōura as a world leading destination for sustainable tourism and marine excellence in a resilient environment. Kaikōura District Council has identified that the projects will have complex funding and ownership structures, incorporating central, regional and local government, iwi, private and institutional investment. This highlights the importance of having a consultant on board at the beginning to under the potential ownership and incorporate this into the feasibility. The airport and marina are likely to see the use of Māori assets, particularly in relation to land, which will see investment into these projects and a return on this investment. The airport project currently has Rūnanga representatives as part of project team, along with ^{9(2)(a)} providing commercial advice and acumen in relation to projects. These projects have been developed to tie on with the Canterbury Regional Economic Development strategy. Please see Appendix 3 in relation to how they support the Regional Development Strategy.

5. What benefits will the region get from the Crown's investment?

The Crown's investment in a consultant will achieve the strategic coordination of feasibility and drive the projects to expedited development and implementation.

The suite of projects will achieve regional development objectives of increased higher value employment, increased skilled and educated workers, increase the number of visitors to the region and increase the opportunities for international education. These projects focus on sustainable economic development, investment opportunities and diversification to low emission industries. Kaikōura recognises that opportunities have not been effectively harnessed as well as they could have been due to lack of resources and capability.

By having a consultant in place, it will allow Kaikōura, and the region, to capitalise on Kaikōura's potential.

6. Please describe the current state of the proposal, and why the project has not been done before.

The projects are at varying levels of development. There is a need for business case and feasibility development across the projects. The 2016 Kaikōura Earthquake has created a cooperative and communicative environment that has encouraged the community to reimagine Kaikōura. This has reignited dormant projects and has also seen the development of new ones.

Please refer to Appendix 4 in relation to each of the three projects

7. Please provide a description, and evidence where applicable, of any local support for the project either through existing regional development mechanisms, or another relevant body, such as a council, iwi or other representative group (or reason for any lack of support).

Following the earthquake, Kaikōura District Council undertook extensive consultation with the community to develop Reimagine Kaikōura. This recovery plan outlines key areas that the community wanted to see developed. These included: 1. Year round and more diverse tourism opportunities. 2. Education services 3. Marine Research Centre 4. Investigate the future proofing of the Kaikōura Airport 5. Diversification. 6. Income streams for Kaikōura District Council

Kaikōura District Council has also undertaken consultation on the proposed projects with representatives of the Rūnanga, community, business, Te Korowai, Marine Guardians, Kaikōura District Council staff and councillors.

Please refer to Appendix 5 from Education in Kaikōura, which is being lead by Te Rūnanga o Kaikōura, on their vision for the Marine Centre of Excellence.

8. Please provide a description of any consultation required.

There will be extensive consultation required across the suite of projects, especially with Te Rūnanga o Kaikōura. This will be a key part of the role and will be incorporated into the development of business cases and feasibilities.

Consultation will be required in various manners depending on the projects. Examples will include:

Marine Centre of Excellence - consultation with ECAN, DOC, MPI, Community, Ngāi Tahu and Rūnanga in particular on location, access to water.

Airport - consultation with airport users, civil aviation authority, businesses and surrounding landowners including Rūnanga and Ngāi Tahu.

Marina - Local area residents, community, Rūnanga, Te Korowai, Ngāi Tahu, ECAN, DOC and users.

9. Please demonstrate how this project will fit in with wider assets or infrastructure, projects and benefits in the region.

These projects have been developed with an overarching view of Kaikōura. They are being developed to tie in with the current rebuild projects, including harbour, road and rail, along with desires of the community from the earthquake recovery consultation.

The benefits of having a consultant is to ensure that all the projects work together across the region to achieve the maximum benefit, to coordinate scales of economy and avoiding duplication of work.

10. Has the project been discussed with a regional economic development governance group? If so, what was the outcome of the discussion?

These projects have been discussed with the Canterbury Mayoral forum Secretariat.

11. Please provide evidence of Iwi consultation.

Iwi have had representatives present during the Regional Project development forum and were involved in development of Reimagine Kaikōura.

The airport and marina projects currently have Rūnanga representatives as part of the project team, along with ^{9(2)(a)} [redacted].
[redacted] The Rūnanga will also be consulted for their input as a key interested party.

The Education in Kaikōura project, lead by Rūnanga, is a key part of the Marine Centre of Excellence, particularly in relation to primary and secondary education,

12. Please provide evidence of compliance with international obligations (where relevant).

Kaikōura is required to meet its Earthcheck benchmarks and through applying for UNESCO World Heritage is focused on their international requirements.

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C. Project costs, economics and benefits

1. Please provide details of the wider benefits, over and above those described in the above Strategic Case and Regional Alignment section.

The key benefit is long term sustainable regional development through strategic project development. As the majority of this projects are still in conceptual stages, the full impact beyond those highlighted in the strategic case and regional alignment sections are yet to be quantified and will be better articulated by having a strategic resource in place. It is known though, that the development and implementation of these projects will have a wider impact by creating a greater sense of community, ownership of the direction of Kaikōura and creating a positive environment within the community. Kaikōura community has highlighted through consultation that there is a desire for these projects and the community is keen to see them developed. The appointment of a consultant will instil confidence in the community.

2. Please provide a detailed breakdown of the benefits that will be enabled by the delivery of this project and the timeframes in which those benefits will be achieved/realised.

A consultant to assist in feasibility and business case development will increase Kaikōura's capacity to be able to develop and deliver a strategic suite of projects in a timely manner.

4. Please provide a cost breakdown covering the following:

- Total project cost breakdown (including contingency);
- Total funding sought from the Provincial Growth Fund;
- Type of funding sought (i.e grant, loan or other);
- Description and breakdown of funding sought from elsewhere (approached/approved/declined) and what funding has been committed;
- Details of ongoing costs and financial viability;
- Required timing of costs; and
- Maintenance costs and funding sources

\$200,000 for a consultant to develop feasibility and businesses case is being sought from the Provincial Growth fund.

9(2)(b)(ii)

5. Please provide a demonstration of the impact the project will have on the applicant's balance sheet.

The funding and ownership structures of the projects are still to be clarified and will vary across the projects. A key part of the consultant role will be looking at is the feasibility of the ownership structures.

6. Please provide a demonstration of how you will ensure that your project represents good value for money.

The recruitment of the right consultant will increase the efficiencies in developing feasibilities and business cases. This will result in faster concept development and feasibility development, which in turn will result in expedited project implementation with an increased rate of return on investment.

Kaikōura District Council currently does not have the capacity of resources to provide a resource to develop the detailed business cases and feasibilities required.

At present, there has been an ineffective use of time and management due to projects being run and developed on a volunteer basis and/or as part of a role of already overstretched resources. This approach has delayed projects, seen duplication of or lack of consultation and often unable to provide council with enough information for decision making purposes. The individualisation approach of projects has also seen multiple approaches to the same funders rather than an overarching strategic approach.

7. If applicable, is there a financial model, financial forecasts, or a Cost Benefit Analysis which can be provided?
(If so, please attach to this application.)

No, not at this stage

D. Project Plan

1. Please provide a project management plan covering the following:
 - Delivery methodology
 - Roles and responsibilities (including who will be managing/delivering the project and key contractors)
 - Timeline
 - Procurement
 - Constraints and dependencies
 - Risks associated with project
 - Risk management methodology
 - Governance arrangements (including using existing credible local and community input, funding, commercial and non-commercial partners)
 - Project delivery gates
 - Exit gates and stop/go points.

Strategic executive recruitment/selection processes will be utilised in the selection of a consultant.

The job description and project plan strategy are still in the process of being developed.

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2. Please provide any feasibility assessment which has been conducted for the project.

n/a

3. Please provide details of the key risks associated with the project, as well as how they will be managed.

The key risks of this project are the engagement of a poor quality consultant or not having a project consultant in place at all. 1. A poor quality consultant will heavily impact the effective development of feasibility studies and the quality and reliability of business cases developed. This can be mitigated through strategic recruitment/selection processes. 2. Not having a consultant in place will result in projects being driven by volunteers/over stretched resources, projects languishing and potential projects not being developed. These projects are complex and by not having well developed business cases, project execution and investment opportunities will be limited and reduce the impact on the wider regional development.

4. Please provide detail of any alternative project delivery options which have been considered and ruled out.

The alternative options are:

1. Projects to continue to develop individually. This will be a slower process with potential duplication, not streamlined and likely to result in a less strategic result overall for Kaikōura and Canterbury Region. As these projects are multiparty projects, there is likely to see interest and investment opportunities decrease due to the delayed project implementation.
2. Facilitated internally by Kaikōura District Council. Due to stretched resources and capability, strategic coordination will not reach the full potential which could be achieved through a dedicated consultant to manage the development of feasibility studies.

5. Has the project plan been independently tested, or developed with assistance of a project management professional? If so, by whom?

No, not at this stage.

E. Commercial Viability

1. Please provide an overview of the applicant's track record in delivering projects of this nature.

The engagement of the consultant will bolster Kaikōura District Councils capacity to develop feasibility for projects of this size.

2. Please provide any demand analysis (customers and growth/utilisation forecasts) which has been conducted.

This will be completed as part of the feasibility studies developed by the consultant.

3. Please describe how the market has been, or will be, tested and engaged (if required) to assist in the delivery of this project.

This will be completed as part of the feasibility studies developed by the consultant.

4. Please describe what will happen upon delivery of the project, including the maintenance plan and plan for ownership of the asset.

The role of the consultant will be to develop feasibility and businesses cases for the respective projects.

5. Please describe how the project will be sustainable beyond the term of the Provincial Growth Fund investment.

This project is sustainable beyond the term of the provincial growth fund as the expectations are that the feasibility studies developed, will be used as the basis of further development of the projects to enable them to be realised.

6. Please outline why Crown funding is required?

Crown funding is required as Kaikōura District Council does not have the in house finances, resources or capacity to implement the suite of projects to their full potential without the assistance in developing the feasibility studies.

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F. Declaration by lead applicant

By completing the details below, the applicant makes the following declaration about its application for PGF funding for the Kaikoura District Council- Marine Centre of Excellence, Airport and Marina Project Development

project ("application"):

- A. I have read, understand and agree to the Terms and Conditions of applying for PGF funding which are attached as Appendix 1;
- B. 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;
- C. I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
- D. 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 PGF by emailing PGF@mbie.govt.nz; and
- E. 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.

Signature:
9(2)(a)  (See attached signed document)

Full name:

Date:

Title / position:
CEO Kaikoura District Council

Name of applicant organisation:
Kaikoura District Council

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Appendix 1 - Terms and Conditions of applying for the Provincial Growth Fund

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") will be deemed to have agreed to these terms and conditions 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, disclose, and copy its application for any purpose related to the PGF application process. Any application or documentation supplied by you to the Provincial Development Unit will become the property of the Provincial Development Unit and 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 your information as confidential, 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 your confidential information, where possible, the Provincial Development Unit will consult with you and may ask you to advise whether the information is considered by you to be confidential or commercially sensitive, and if so, to explain why.

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, which will include carrying out due diligence.

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
- g) 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 or any other government agency, or any relevant Minister, may make public 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.

Appendix 2 - Proposed 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)

Appendix 1: Overview of Projects

Each of these projects will have complex ownership structures incorporating private, public, Iwi and/or institutional funding.

Marine Centre of Excellence:

Marine Centre of Excellence Project is a multi-faceted facility that will combine research, education, hatcheries and ultimately deep sea ocean floor observatories within a commercially operated, internationally recognised aquarium facility.

Kaikōura District Council and Te Korowai are currently working with University of Canterbury, NIWA, Kaikōura Education (community driven), Kaikōura Paua Hatcheries project and Paul Hamilton, an internationally renowned Aquarium designer and curator (<https://www.linkedin.com/in/paul-hamilton-b2869553/>) to develop this project.

Airport:

The airport project is focused on increasing the resilience of Kaikōura and access during weather events, road closures and for emergency management.

During the November 2016 it was identified that Kaikōura airport was a key point of access however limited due to larger aircraft including Hercules were unable to land.

Marina:

Kaikōura Marina project is looking at the expansion of the harbour to enable commercial and recreational operators to leave vessels moored, along with providing ocean access to Kaikōura for cruise and recreational marine travellers.

Map of Kaikōura and location of the projects and proximity to each other.



Marine Centre of Excellence

The preferred site is on the New Wharf which is council owned site. University of Canterbury owns land 300m from this site. It is also the start of the Rāhui that is currently in place around this section of the Peninsula.

Marina

The arrow indicates the current harbour and cruise boat tender landing. It is expected that the Marina will be near or in close proximity to the harbour.

Airport

The Airport is located along State Highway 1 and less than 10 minute drive to the Harbour and Town Centre.



Appendix 2: Project alignment with Provincial Growth fund

Marine Centre of Excellence:

This project will create numerous sustainable jobs opportunities including aquarists, marine biologists, marine animal specialist, research staff, professional services, educators along with various other support staffing roles.

The aquarium alone would look to staff 35 plus employees. (2% of our current working population). It will also have an indirect impact on supporting industries. This project adds incredible value to the community as it provides facilities for locals to enhance their education and local schools to specialise in Marine education, creating a niche market and making Kaikōura more attractive to people looking to move into the area.

Through linking to schools it provides development and educational pathways for Kaikōura's youth, of which 50% of high school students identify themselves as Maori. This project is heavily focused on the health and functioning of our natural marine environment and focused on the long term sustainability of paua and fish stocks for future generations. This project focuses on creating a low emission economy through education and research along whilst enhancing our ecotourism opportunities.

Airport:

The airport project is focused on resilience however changes or redesign of the airport to increase resilience will likely increase the operational ability and effectiveness of current users and operators of this facility.

Marina:

The marina project will see Kaikōura develop a greater focus on marine vessel management. It focuses on providing moorings and supplies to recreational and commercial vessels. The marina will provide sustainable employment through direct management of the marina but will also support side industries of boat yards, marine maintenance and potentially marine retail. The marina will also support current marine operators through having an increased marine vessel management expertise available locally. This is a project that iwi have expressed interest in investing in and will be part of the project development team.

Appendix 3: Alignment with Regional development plans

These projects have been developed to tie on with the Canterbury Regional Economic Development strategy. The projects are focused on assisting in achieving:

- Education and training institutions deliver an integrated education programme that maximises benefits to the institutions and to Canterbury
- Increase the number of international students attending Canterbury education organisations and broaden the focus beyond current source markets.
- Retaining young people within the region and ensure that they have the knowledge and skills to secure rewarding, productive work
- Grow sustainable tourism that focuses on high-end market, encourages a wider seasonal spread and keeps them longer
- Find ways to fund, manage and use the Canterbury stories to attract visitors
- Support Kaikōura and Hurunui districts to recover and build visitor number following the November 2016 earthquakes.
- Engage communities and share information to develop and maintain a social licence to operate.

Proactively released

Appendix 4: Why have these projects not been done before?

Marine Centre of Excellence:

The Marine Centre of Excellence project has been discussed as smaller individual projects for a number of years. These have included University of Canterbury re-establishing their facilities, virtual reality facilities of the canyon in the Hikurangi trench on the peninsula, Te Korowai Community Marine Education strategy and small aquariums on the wharf. The development of Kaikōura as a Marine Centre of Excellence builds upon work that has been completed over a number of years including the development Kaikōura (Te Tai o Marokura) marine Management Act 2014, putting Kaikōura of the UNESCO World Heritage tentative list and development of marine ecotourism operations. It also incorporates new opportunities that have developed with interest and skills in developing an internationally recognised aquarium becoming available within Kaikōura. The research being undertaken in Kaikōura Marine environment post-earthquake has also highlighted the interest in developing this industry further.

Airport:

The airport project has been an ongoing discussion over the past 15 years. Over this time, it has reviewed the airport from a tourism perspective and economically has not been viable to pursue. Post-earthquake, the airport project has been thrown into the forefront due to the inability for larger aircraft to land and highlighted a major weakness in Kaikōura infrastructure's and resilience. The earthquake highlighted that Kaikōura is a black spot of aviation fuel which also decreased the effectiveness of helicopter and small aircraft response. The airport is the major access point for emergency management and during weather events. It is essential that it is developed to build greater resilience for Kaikōura and the region.

Marina:

The marina has been a project that has been discussed over a number of years. It was hoped that it could have been incorporated into the harbour restoration project however was viewed as betterment. Prior to the earthquake, various geographical and environmental concerns prevented development of the harbour and marina, however with the uplift and environment changes caused by the earthquake, some barriers that previously existed have been removed.

The impact of the earthquake has led to open discussions, greater opportunities and a drive to capitalise on these projects for the long term sustainability of Kaikōura and the greater regions.

Appendix 5: Evidence of Local support for the project

Concept notes for Marine Centre of Excellence

Background:

Education in Kaikōura has been developing throughout the community for many years and we are now working collaboratively to redefine school, to cross-pollinate learning experiences, and to solidify pathways from early childhood to adult learning. Underpinned by kotahitanga (inclusiveness) and rangatiratanga (leadership), the integration of mātauranga, capacity development, conscious engagement and accessible multi-use learning spaces creates the final maturation of Kaikōura's regional learning community and the realisation of Kaikōura as an internationally recognised learning environment.

For many years, leaders of educational, kaitiakitanga and environmental initiatives have aspired to match experiences to the unique Kaikōura environment. Having combined these visions we will now integrate and evolve a holistic approach for education; building from the foundations set in place by the educators of Kaikōura:

'Upskilling and educating whanau and community will build on Kaikōura's natural strengths and provide a future workforce that is focussed on looking after our place so that it looks after us.' (Te Runganga o Kaikōura, education strategy 2018)

'We are committed to establishing trusting and collaborative relationships amongst all education providers so that we give our tamariki every opportunity to experience success: to ensure Agency, collaboration, contribution and optimistic attitude of all learners' (Kaikōura Kāhui Ako, guiding principles, 2018)

'We want to facilitate and encourage agencies and individuals to offer learning experiences in Kaikōura, and support people to take up these opportunities. As an outcome, we aim for our families and community to be able to make choices with confidence and optimism.' (Te Hā o Te Mātauranga – learning in Kaikōura, vision 2016)

'Ara rau, taumata rau' – many pathways, many opportunities.' (Ara Institute of Canterbury, logo message 2016)

'Direct experience of the Kaikōura environment shapes people's attitude to this environment. Increasing opportunities for positive and well-informed interactions for Kaikōura people, as well as visitors, can lay the foundations for lasting behaviour changes.' (Te Korowai o te tai ō Marokura, strategy 2012)

'People prepared to make a difference – tangata tū, tangata ora.' (University of Canterbury, statement of strategic intent 2012)

'Unique elements are already present, and people want to make connections between science, landscape, visitors and a deep respect for traditional knowledge. Schools in Kaikōura are already doing amazing things and seek to broaden this into a coherent programme, coordinated from early childhood to adult learning.' (Education Kaikōura, strategy 2008)

New Facility Vision:

Te whare wananga – The whole Kaikōura environment is the whare within which experts and learners come together in wananga to share specialty knowledge from traditional and scientific based systems for individual and community growth.

“Engaging people’s understanding is fundamental to achieving sustained change in the way people interact with their environment. ‘Understanding’ means having access to information, experiences, and ways of thinking that allow people to understand the value of the environment and the consequences of their actions and the actions of others.” (TK strategy 2012)

Embedding Kaikōura’s cultural identity within the centre will lead to more informed management of Te taumanu o te tai o Marokura and enhanced rangatiratanga. The centre will incorporate whanaungatanga as strong relationships with manawhenua (Ngāti Kuri and Ngāi Tahu) are solidified through tikanga in governance and learning connections to Takahanga Marae and the broader community. Maanakitanga will be practiced by respecting all cultures and extending powhiri to all visitors and personnel of the centre. The centre will model cultural and educational leadership (rangatiratanga) through kotahitanga, including te reo and tikanga practices in all aspects of the centre and including the community in study and research programmes.

On any given day, we envisage cross-pollination within a multi-user facility:

New staff, students and visitors are welcomed to the facility by powhiri and Ngāti Kuri history. As tourists then learn of the wonders of Kaikōura’s cultural history and connections to ecosystems - from the peak of Mt Manakau to the depths of the Hikurangi Canyon, our tamariki are also engaged in the wonders of marine animals interacting in touch-pools. Rangatahi are in the hatchery and purpose-built laboratories interacting with commercial fisherman, cultural and environmental leaders, and researchers to build local ecosystem knowledge and kaitiakitanga practice. The scientific researchers and undergraduate learners are developing new knowledge from sea-floor observatories for climate change and ecosystem health, as well as ocean technology and engineering. The integration of new knowledge with mātauranga is incorporated into all levels of learning and disseminated to the community through interactive learning stations in the aquarium. Meanwhile, vocational learners and interns learn animal husbandry, boating and tourism operations, and cultural leadership.

Developed by:

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