

Section 1: Key Information [Criteria 2 and 3]

1. Project Title: Paihia Waterfront Development

2. Please provide your details:

Organisation Name:	Far North Holdings Limited		
Entity Type:	Council Controlled Trading Organisation (CCTO)		
Contact Name and Role:	Chris Galbraith – General Manager		
Email Address:	Privacy of natural persons	Telephone:	Privacy of natural persons

3. Please provide a very brief description of the infrastructure project:

[Briefly outline the project and confirm that it is an infrastructure project that provides a clear public benefit. You can include links to / sources of other project information]

The project is a comprehensive harbour infrastructural development that provides for a range of public and commercial facilities and services which includes:

- *Creation of a safe harbour wave environment protecting the wharf structure and Paihia town centre*
- *Beach replacement and tidal steps and abutment*
- *Promenade development including Boardwalks and cycle track*
- *Reclamation and 4000m2 of new waterfront commercial space*
- *New and extended wharf structures/Canopies*
- *Floating Helipad*
- *Eastern Breakwater*
- *Northern and western breakwaters*
- *Dredging*
- *Commercial building infrastructure which includes a bus terminus*
- *Marine reserve/educational area for marine biology*

Such development provides a safe operating environment for the commercial tourism operator, provides a rejuvenated beach environment which will attract visitors to the commercial area of the township. It brings additional infrastructure that will protect existing services such as the road, sewerage and water lines.

It will be a premier waterfront development of a World Class standard.

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4. This project will be located in which Territorial Authority: Far North District Council

5. Please confirm the project sector, category and type of infrastructure:

Project Sector	✓
Accommodation	<input type="checkbox"/>
Agriculture, Horticulture and Forestry	✓

Project Categories	✓
Three waters	<input type="checkbox"/>
Transport	✓

Alcohol Availability	<input type="checkbox"/>
Bioscience and Biotechnology	<input type="checkbox"/>
Construction	<input type="checkbox"/>
Energy	<input type="checkbox"/>
Film and Television	<input type="checkbox"/>
Imports and Exports	<input type="checkbox"/>
Information communications and technology	<input type="checkbox"/>
Manufacturing and Production	<input type="checkbox"/>
Retail Trade	<input type="checkbox"/>
Tourism	<input checked="" type="checkbox"/>
Wholesale Trade	<input type="checkbox"/>
Central Government	<input checked="" type="checkbox"/>
Local Government	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

Buildings and Structures	<input checked="" type="checkbox"/>
Other infrastructure	<input checked="" type="checkbox"/>

Project Type	<input checked="" type="checkbox"/>
Critical infrastructure	<input checked="" type="checkbox"/>
New infrastructure	<input checked="" type="checkbox"/>
Replacement/refurbished infrastructure	<input checked="" type="checkbox"/>
Repurposed infrastructure	<input type="checkbox"/>

6. What is the total cost of the project (NZ\$M):

\$	Commercial Information	
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7. Provide a high-level breakdown of this spend (e.g. construction costs, professional fees, land, other etc.):

No.	Item	Total Amount (NZD)
I	Preliminaries	Commercial Information
II	Main works	
	Berths and auxiliary facilities	
	Wharf basin and channel dredging	
	Reclamation and revetment	
	Breakwaters	
	Abutments	
	Beach Nourishment	
	Landscaping	
III	Survey and design	
	Total	

This cost excludes the building developments that would go on the reclamation adjacent to the existing maritime

building. It is intended that these buildings be funded by FNHL. Cost estimate for these is \$Commercial

8. Briefly outline the value the project will deliver in terms of employment contribution.

[Briefly describe the employment contribution the project will make (whether directly or within the supply chain). Further information can be provided in section 3]

This Project has not been formally evaluated for Cost/Benefit however this is considered to be substantially positive to the local and regional economy and will be commissioned on request.

9. Briefly describe how the project is currently/ intended to be funded:

A mix of funding:

FNHL	\$Commercial Information
FNDC LTP	\$Commercial
Commercial Information	

10. Has this project previously applied for funding with any part of Government? Yes: No:

- If Yes, please describe which part of government (i.e. PGF, NZTA FAR etc.), the outcome of the discussions and who such discussions were with (what Ministry and official).

N/A

Section 2: Construction Readiness [Criteria 1]

11. Please briefly explain the status of the project including confirmation that the project will fall into one of the three categories of readiness (see 12 below).

[Briefly describe project status]

Project is Consented.

There is a complex suite of Consents and Approvals for the project and these in sequence provide for the project to proceed immediately.

While most of the detailed design work has been completed some of this work needs to be reviewed and updated around the eastern abutment for the beach. Commercial Information

12. Confirm which of the following categories the project best falls into.

Status	✓	Further commentary (briefly set out barriers to commencement)
A. Projects which currently are (or were) in the construction phase but have been put on hold due to COVID 19 and are likely not to progress, or to progress at a much slower rate or scale/scope, if not supported post COVID 19	<input type="checkbox"/>	<i>[Insert your relevant commentary here]</i>
B. Projects which have a high expectation of commencing the construction phase within the next six months (by 31 October 2020), but are unlikely to do so due to COVID 19	<input type="checkbox"/>	<i>[Insert your relevant commentary here]</i>
C. Projects which could have been expected to commence the construction phase within the next 12 months (by 30 May 2021), but are unlikely to do so due to COVID 19	<input checked="" type="checkbox"/>	<i>Final design and specification need to be updated</i>

13. Confirm the status of key milestones

Status		✓	Expected Date
Procurement	<i>Suitable tender complete</i>	<input type="checkbox"/>	
	<i>Tender evaluation in progress</i>	<input type="checkbox"/>	
	<i>Request for Tender in the Market</i>	<input type="checkbox"/>	
	<i>About to put out a Request for Tender to the market</i>	<input checked="" type="checkbox"/>	
Detailed Design	<i>Detailed Design Complete</i>	<input type="checkbox"/>	
	<i>Detailed Design Underway</i>	<input checked="" type="checkbox"/>	
	<i>Detailed Design to commence</i>	<input type="checkbox"/>	
Designations/Consents	<i>Approved</i>	<input checked="" type="checkbox"/>	
	<i>Lodged</i>	<input type="checkbox"/>	
	<i>In preparation</i>	<input type="checkbox"/>	
Land Acquired	<i>Yes</i>	<input checked="" type="checkbox"/>	
	<i>Being negotiated under PWA (please indicate stage below)</i>	<input type="checkbox"/>	
	<i>Has not commenced</i>	<input type="checkbox"/>	
Business Case or Investment Case	<i>Approved</i>	<input type="checkbox"/>	
	<i>Draft</i>	<input type="checkbox"/>	
	<i>Underway</i>	<input type="checkbox"/>	
	<i>None</i>	<input checked="" type="checkbox"/>	

14. Briefly outline any other comments on the key project timetable or key milestones

[Please briefly cover:

- *Key barriers / risks to the project being 'shovel ready'*
- *Expected timeframes and processes for acquiring necessary resource consents*
- *Any other additional information as required above*
- *Expected construction completion date.]*

Securing funding for the construction is the primary objective for the Project currently. Once obtained then updated detail design is required which will require some minor variations to the existing Consents. Procurement will take Commercial Information and a construction period of Commercial Information is anticipated.

A construction timetable will be established in consultation with the tourism sector to ensure trading seasons are not disrupted unnecessarily.

Large marine and civil contracting businesses have shown a keen interest in supply and services to the project.

Section 3: Overall Benefits and Risks [Criteria 4]

Please advise at a high level whether a project brings real value (in an economic, social and/or environmental sense) to New Zealand as a whole or the region in which it is located in line with Treasury’s Living Standards Framework² and Sustainable Development Goals³. Please take into account, where relevant, the draft 2021 Government Policy Statement on land transport, available at <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/gpsonlandtransportfunding/gps-2021/>, and the priorities that it establishes.

15. Briefly outline the social, environmental and economic benefits of the project to the local region and New Zealand and overall value for money.

[Include reference to any Business Case/Investment Case or an assessment that can demonstrate any contribution to the Government’s wider goals with respect to social, environmental and economic objectives and value for money]

Paihia is the central hub for Tourism in the Bay of Islands and for Northland. The “Crown Jewel” of Northland’s tourism product is the Bay of Islands. It draws approximately 1 million visitors annually being a mix of international and domestic. The sub-tropical climate and the majestic Bay of Islands supports a large maritime tourism product portfolio. This product operates out of Paihia and centres around the foreshore and wharf. The water-based products are all private businesses and number in the 40-60 range. There is also accommodation, food, retail, restaurant businesses and various land-based tourism enterprises. These all feed off the draw card of the bay of Islands and the central Paihia area where they all congregate at some point in the journey.

The Paihia Waterfront Development Project was formed out of an industry lead initiative to enhance and improve the visitor experience. It focused on delivering improved and new facilities that would bring people to the area and have them spend more time locally. The beach was a focal point, it was once the most popular beach in the area but has now eroded away.

Making the “harbour” safer to use with better facilities was also a priority. Heavily commercialised the project sought to deliver a range of new domestic or recreational services. Day boating in to Paihia would be able to be accommodated and promoted. The breakwaters would secure the assets, improving their life expectancy and reducing maintenance.

Mitigating storm events was also a key aim. LTNZ are spending money regularly on foreshore protection of its roading assets as do FNDC. This project provides these assets and the retail property in Paihia protection from storm events.

Free and frank opinions

There are many similar development throughout the World and in particular the Australian eastern seaboard which are great examples of such.

16. What is the expected contribution to local/ national employment?

[Provide estimated number of jobs. Cross refer to question 8 as required]

Not formally evaluated.

² <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework>

³ <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/>

17. What are the risks associated with the project? Each risk should be ranked as high, medium or low and include a short explanation as to why it was given that risk rating.

Risk	Low/ Med/ High	Further commentary on risk
A. The risk of the project not commencing within the advised timescale	Med	<i>Needs to be funded adequately.</i>
B. The risk the project will not be completed on time, to cost or to specification	Low	<i>Professional project management and experience. Quality contract specifications/design and management</i>
C. Risk the project will not realise the benefits outlined above	Low	<i>Project well supported by a range of stakeholders. Has strong industry support. Concept well tested since been first Consented in 2008.</i>

18. Are there any other key project risks or any other information which would be useful background or context at this stage?

[Outline any other key project risks not covered above.

Provide additional information which may be of use to us at this stage]

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Adverse weather events may present a risk to the project at certain stages within the construction. These will need to be carefully managed.

Since the development was Consented a community interest group has formed. The project objectives need to be updated with this group as a key stakeholder.

Section 4: Impact of COVID-19

19. Please briefly comment on the likelihood and timing of the project recommencing once the COVID 19 Response Level is suitable for construction to proceed

[For example when the Government moves away from level 4 restrictions will you be able to immediately commence/ restart the project?

What are the key conditions or barriers to commencing/ restarting the project? Please include cross reference to Q21 response (below) if Government support is required for the commencement/restart]

The Project is Consented. It has been reviewed in terms of both design and cost in 2019 therefore it can move to contract specification/tendering and procurement readily and this is expected to take Commercial Information.

There are no other known impediments to the project progressing once funded. Government support is required

to make this project progress. It has a significant component of public good and these elements cannot be financed readily through normal means. The FNDC have already considered it can contribute \$^{Commercial} which is recognition of the public interest in the Project.

20. What is the best estimate of the impact (financial/social/environmental) COVID 19 has had on the project and on local industry associated with the project?

[Please provide the best estimate in \$ amount (or ranges) and unemployment numbers, and describe the nature of those impacts]

The impact of Covid-19 is likely to be positive for the project as it is likely that domestic tourism will grow as a result of restrictions to international travel. The Bay of Islands is closely collocated to New Zealand’s largest city and is likely to benefit from New Zealander’s travel north. The increased spend locally and in the region will better support the investment in this Project and its deliverables.

21. Has this project already, or is likely to benefit from already announced Government led financial support for businesses (e.g. wage subsidy scheme/business finance guarantee scheme) Yes: No:

- If Yes, please describe the scheme and extent of the support you have received/expect to receive.

N/A

22. Briefly outline the top 2-3 things that the Government can do to help progress this project. Please consider both financial and non- financial levers such as lowering regulatory barriers, adjusting Government procurement practices, fast-tracking resource consent processes.

[Top 2-3 actions (financial and non- financial) that Government can do to help progress or remove barriers to the project.]

1. Co-funding the Project
2. Recognise the Bay of Islands role as the cornerstone to Northland tourism industry and see the inherent value in a Government lead on investment in the area.

Encourage Regional EDA Northland Inc’s involvement and support for the project.

Please indicate clearly whether you consider any information you have provided in this form to be confidential. Confidential information will not be publically released, other than in anonymised form, except to the extent that any release is required by law.