

# REGIONAL STRATEGY FUND (RSF) Application

## Year One

REGION	OTAGO
ADMINISTRATIVE AGENT	In discussions with the Community Trust
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CHECKLIST		
√	ITEM	DETAILS
<input type="checkbox"/>	Client Declaration	Must be an original signed copy
<input type="checkbox"/>	Project components quotes/estimates	Must be attached
<input type="checkbox"/>	Copies of any useful supplementary information	Optional
<input type="checkbox"/>	Subcontractor profiles/CVs	Attached where applicable
<input checked="" type="checkbox"/>	Signoff from governance group	Must be signed and attached

## PART ONE

### EXECUTIVE SUMMARY (1/4 PAGE)

This application is for four projects, which are supported by Otago Forward.

The total sum of \$158,880.00 is being applied for the following:

- Otago Chinese heritage tourism project - stage one - feasibility study
- Film Otago southland screen production studio – feasibility study
- Otago Upstart
- Otago Forward strategy communication, monitoring and evaluation
- China summit

Dunedin City Council administers Otago Forward and the Community Trust has been approached by the Otago Forward Chair, Mayor Clive Geddes to be the administrative agent for this funding

### REGIONAL GOVERNANCE ARRANGEMENT (1/2 PAGE)

Otago Forward Joint Committee is the governance group for these projects, which is made up of the Mayors of the Otago region and representatives from key organisations within the district.

Name	Position	Organisation
Mayor Clive Geddes (Chair)	Mayor	Queenstown Lakes District Council
Mayor Peter Chin	Mayor	Dunedin City Council
Mayor Juno Hayes	Mayor	Clutha District Council
Mayor Malcolm Macpherson	Mayor	Central Otago District Council
Mayor Alex FAMILTON	Mayor	Waitaki District Council
Russell Hendry		Community Trust Otago
Mark Willis	President	Otago Chamber of Commerce
Stephen Cairns	Chief Executive	Otago Regional Council
Norman Evans	CEO	UpStart Business Incubator
Jay Cassalls		Private Sector Member (Queenstown/Film)
Peter Garvan		Private Sector Member (Waitaki/Investor)
Ngai Tahu representative		Previous member has retired from Otago Forward New member to join the Committee shortly

Also in attendance to provide district reports and advice are Economic Development Agencies from each district and other key organisations, eg NZTE and Department of Labour.

**PART TWO**

**REGIONAL ECONOMIC DEVELOPMENT STRATEGY**

**If this application does not seek funding for the development or refresh of your regional economic development strategy, please put "N/A" and move straight to Part Three.**

**N/A**

**PART THREE**

**THREE YEAR PRIORITY ACTION PLAN**

Please fill in the below table to indicate what the timelines, costs and NZTE contribution is to the projects that relate to implementation of actions from your region's Regional Economic Development Strategy directly focused on enterprise and innovation.

10 YEAR ECONOMIC DEVELOPMENT STRATEGY FOR OTAGO – MAJOR THEMES	PROJECT	Year 1		Year 2		Year 3		Totals	
		NZTE (000s)	Regional (000s)	NZTE (000s)	Regional (000s)	NZTE (000s)	Regional (000s)	NZTE (000s)	Regional (000s)
<b>HIGH PRIORITY THEME AREAS</b>									
<b>Co-ordinated Tourism Product Development</b>				\$32,000	\$8,000			\$32,000	\$8,000
	<b>Implementation Project 1 - Otago Chinese Heritage Tourism Project; Stage One; Feasibility Study</b>	\$56,400	\$14,100					\$56,400	\$14,100
<b>Accelerating Entrepreneurs and High-Growth Business</b>				\$32,000	\$8,000			\$32,000	\$8,000
	<b>Implementation Project 2 - Otago UpStart</b>	\$52,000	\$13,000					\$52,000	\$13,000
<b>Film Sector Development</b>				\$32,000	\$8,000			\$32,000	\$8,000
	<b>Implementation Project 3 - Film Otago Southland Screen Production Studio – Feasibility Study</b>	\$34,480	\$8,620	If the study recommends that the project is viable, private sector investment will supply future funding				\$34,480	\$8,620
<b>Connected Communities – Connected Region</b>				\$32,000	\$8,000	\$32,000	\$8,000	\$64,000	\$16,000
<b>Driving and Co-ordinator Access to China</b>	<b>China Summit - China summit held to explore economic opportunities for Otago -QLDC</b>		\$3,000	\$32,000	\$8,000	\$32,000	\$8,000	\$64,000	\$19,000

10 YEAR ECONOMIC DEVELOPMENT STRATEGY FOR OTAGO – MAJOR THEMES	PROJECT	Year 1		Year 2		Year 3		Totals	
		NZTE	Regional	NZTE	Regional	NZTE	Regional	NZTE	Regional
		(000s)	(000s)	(000s)	(000s)	(000s)	(000s)	(000s)	(000s)
<b>PRIORITY THEME AREAS</b>									
Growers Mega Cooperative	Growers Mega Cooperative - Gather more information from <del>to CODC</del> identify potential stakeholders and <del>confirm</del> project champion <del>-(CODC)?</del>			\$32,000	\$8,000			\$32,000	\$8,000
<b>Alumni</b>	<b>Alumni</b> - Report from EDU every 6 months to OF - EDU					\$32,000	\$8,000	\$32,000	\$8,000
<b>Innovation Park</b>	<b>Innovation Park</b> - Report from Chamber of Commerce to OF every 6 months – Chamber					\$16,000	\$4,000	\$16,000	\$4,000
Secure Remote Data Storage Facility	Secure Remote Data Storage Facility - Gather more information from Deloitte to identify potential stakeholders and project champion			\$16,000	\$4,000			\$16,000	\$4,000
<b>COMMUNICATION AND MONITORING</b>									
	<b>Implementation Project 4 - Otago Forward strategy communication, monitoring and evaluation</b>	\$16,000	\$4,000	\$16,000	\$4,000	\$16,000	\$4,000	\$48,000	\$12,000

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Note: Amounts are GST exclusive.

**PROJECT SUMMARIES**

**Otago Chinese Heritage Tourism Project - Stage One - Feasibility Study**

Application for funding

The total funding requirement is \$70,500 + GST = \$79,312.50 made up as follows;

Otago Forward	\$11600
Chinese Poll Tax fund	\$2500
NZTE	\$56400

What the funding will be used for

This funding is for stage one of a 2 stage project. The purpose of Stage one is to assess the potential for a Chinese Gold mining Heritage Trail throughout Otago, and to recommend ways in which it can be implemented.

The funding will be used to investigate the market(s), determine the product and the need for development and interpretation of the product, and to recommend an implementation project including on-going marketing and administration.

(Stage 2 will be development and implementation)

This project modifies the officials group for Otago Forward; the project leader has requested the addition of representatives from the Central Otago RTO and Clutha District Council. The Governance team will be led by Peter Chin (Mayor, DCC)

Who belongs to the governance group and what skills do these people bring?

The Governance group is proposed to be: P Chin (Mayor of Dunedin, which has a City relationship with Shanghai, and leading member of the Otago Chinese community); P Harris, Economic Development Officer, DCC; J Pearse, Economic Development Officer, Clutha District Council; A Pullar, RTO, Central Otago DC with support/advice from Damian O'Neill (NZTE)).

An informal arrangement to obtain advice of Tourism Dunedin and Destination Queenstown at each stage.

The Project is to research the potential for Chinese Heritage based Tourism across Otago, and to make recommendations as to how such a project could proceed. The components of the Project are:

- working with the Tourism sector internationally (Tourism NZ, Air NZ, Tour operators) and the Tourism sector in Otago (RTOs, commercial and non-commercial operators) to assess the current state of the target markets, and to establish what would be required to turn the concept into a commercial reality
- visiting those Chinese mining and other Chinese Heritage sites across Otago which are likely to have Tourism potential to assess how they would fit into a Tourism Heritage Trail and assessing what would be required in access, facilities and interpretation
- recommending the 'stories' relative to each site that provide the core of the tourism experience and the interpretation at sites
- preparing appropriate material for media articles directed at the target market
- consulting extensively with each of the Territorial Local Authorities to make recommendations as to how the Trail could be implemented, administered and marketed, both within their Regions and across Otago
- recommending the identification, and if appropriate the development, of commercial and non-commercial partners for the implementation phase

How this project will make the most of your regions competitive advantage, and in particular how it will (a) support enterprise and innovation and (b) improve the quality of the regional business environment to support the development, attraction and retention of globally competitive firms

- a) This project will provide a core set of locations from which a series of Tourism and related businesses can develop new enterprises
- b) The project will create a relationship with China, including those areas of Canton Province from which the original Chinese miners originated, which will reach beyond the Tourism sector and create further opportunities
- c) The project will have, as a primary focus, the development of the current sister city relationships Dunedin City and Central Otago have in China. By developing a commercial Tourism focus to those relationships the project Managers consider that this will both enhance commercial links and provide precedent to other commercial links. It is intended that the project Managers will maintain close contact with the Chamber of Commerce and managers of the sister city relationships throughout the feasibility study
- d) This project aligns with the National Tourism Strategy 2015, the Investment Strategy. New Zealand has a free trade agreement with China. The project also fits in with Tourism NZ and Air NZ's active marketing of the Chinese tourism market.

Formal and informal discussion has taken place with the leaders of the Otago Chinese community, the Mayors of the Region, the Region's RTOs, representatives of the Dunedin Chinese Gardens, Lawrence Tuapeka Chinese Trust and Sesquicentary Committee, Otago Goldfields Heritage Trust (which is in final negotiations to buy the Cromwell Mining Centre), and Citibus Dunedin

Who will be undertaking the work and why they have been chosen. Please note: If the total amount of work over a year exceeds \$50,000 a tender process will need to be conducted

The project is a joint venture between Dr James Ng and Ray Grubb trading as Morgan GR Tourism Management, also contracting Robin Charteris. Dr Ng is the leading Otago Chinese historian who has documented much of the current knowledge of the sector, Ray Grubb is a very experienced Tourism operator and Consultant who has worked at all levels of the Industry, and Robin Charteris who is the recent Editor of the ODT and a respected journalist who has travelled extensively in Asian countries. Verification of the Project results is to be by Ross Corbett of Tourism Consultants Ltd

The other funding that has been sought and details of any other government funding that has been received in relation to the scope of this project.

The Chinese Heritage Poll Tax Fund has been approached for seed funding. No other Government funding is envisaged at this point.

#### **Commitment from industry and how this is evidenced**

Letters of support have been received from Otago Goldfields Heritage Trust, Lawrence Tuapeka, Chinese Gardens, various RTOs and Citibus

The project is expected to commence November 2008 and the final report is expected by end July 2009.

20% cash contributions will be met by Otago Forward and Chinese Poll Tax funding.

**PROJECT SUMMARIES**

**OTAGO UPSTART**

**What the project entails including key outcomes and milestones**

This project is to scope how incubation services could be offered throughout Otago using a modified form of the successful Upstart incubation process. The project will use an external consultancy to develop a proposal which will meet the needs of WDC, CODC, QLDC, and CDC to grow new businesses (particularly "knowledge economy" businesses in each area). The consultant would engage with each Council to establish the level of demand for the service and, if demand exists, establish the support each could provide, and the economic benefit they would seek in return. They would also gauge the support available from other organisations in each area. A proposal would be produced which would be signed off by OF. If that proposal was acceptable to OF and Upstart then the proposal would be submitted by Upstart to NZTE's Incubator Support Programme (ISP) at its annual funding round, and would typically seek matching funding from the ISP.

The task is to a) Establish demand for such services across Otago b) Gain commitment from each of the funding stakeholders to the concept c) Refine the goals and operating method based on feedback during the commitment phase d) Finalise the budget, and gain funding commitments from the stakeholders. e) Audit Upstart's business model and process capability to deliver its services around Otago.

A feasibility study determining the viability of rolling out the Upstart incubation process across the rest of Otago.

**The rationale for prioritising this project**

The project supports most of Otago Forward's strategic objectives (improves regional economic connectedness, develops new business, builds a weightless economy, provides quick wins, and builds on an existing regional strength (the Upstart model is well proven). It will also provide a platform for supporting other economic development initiatives (ie: if OF stimulates the economy, the entrepreneurs who are encouraged will have a vehicle to assist their growth).

**How this project fits with the regions current Regional Economic Development Strategy and the benefits it will bring to the region**

Accelerating entrepreneurs and high growth is stated as one of the projects selected for review and support under the 10 Year Economic Development Strategy for Otago.

**How this project fits with the Government's broader national economic goals**

This project fits a number of Government economic goals:

- 1 It supports economic transformation (UpStart focuses on weightless economy businesses);
- 2 It supports exports (upstart focuses on building high-growth exporting businesses);
- 3 It supports regional development by allowing smaller towns to leverage Dunedin's infrastructure to build businesses in their towns
- 4 It supports the need to grow a new generation of global entrepreneurs (through upstart's entrepreneur internship programme)

**How this project will make the most of your regions competitive advantage, and in particular how it will (a) support enterprise and innovation and (b) improve the quality of the regional business environment to support the development, attraction and retention of globally competitive firms**

All the Councils in Otago (including the Regional Council), have signed off on this project, through Otago Forward. The project supports enterprise and innovation very directly, as Upstart's mission is to create innovative, high-growth businesses. It improves the quality of the regional business environment by embedding new internationally trading, weightless economy businesses in communities which have, until now, suffered a drain of businesses. Upstart businesses can be built in regional towns because they require only small workforces, and can transact much of their global business electronically.

**What consultation process this project has undergone**

This project came directly out of a substantial regional consultation process undertaken by Deloitte for Otago Forward. The need to stimulate regional entrepreneurship was a key outcome of the report and, in Upstart, the region already has a successful model to build from.

**Who will be undertaking the work and why they have been chosen. Please note: If the total amount of work over a year exceeds \$50,000 a tender process will need to be conducted**

The project will be delivered by a local consulting firm with expertise in such assessments (eg: PWC or Deloitte). Upstart would coordinate the relationship with the consulting firm.

The funding we had for Queenstown allowed us to provide incubation support to one client, and to vet two other potential clients. We assisted the client to develop their business model and to get sales in Europe, proving that we could provide incubation remotely. However, the resources available did not allow us to establish a regular presence in Queenstown to elicit further deal flow. Nor did it allow us to build relationships with local stakeholders which would encourage them to support our clients and refer new clients. This current work will establish whether the Upstart model can become a useful structural addition to the economic development environment in Otago, and can be expected thereby to generate a recurring stream of incubatable projects. In short, we have proven that remote incubation is possible, but not yet proven whether it is structurally sustainable. The current project should inform us on the latter issue, as well as gauging regional commitment.

**The other funding that has been sought and details of any other government funding that has been received in relation to the scope of this project**

Nil. Otago Forward and Upstart will be the only other funders.

***Commitment from industry and how this is evidenced***

We are in the fortunate position of being able to see the positive results of Upstart's operations in Dunedin.

Attached is a DVD about Upstart which features testimonials from both clients and funders. As you will see both groups are delighted with the results to date and we are very proud to have been able to deliver a service which has far exceeded our early predictions. In addition to the DVD it is worth noting that Upstart has played an integral role in the Dunedin business community in the following ways:

- Angels / formal money raising
- Retaining and recruiting to workforce in area
- Links/networks between council/business/government/teaching – present before but underutilised
- Collaboration opportunities
- Providing new clients to local companies (accounting, law etc)

## PART FOUR

### PROJECT SUMMARIES

#### FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY

This application seeks the funding of \$43,100 (excl GST) for a Business Feasibility Study and the Economic Impact Analysis of a Film Studio in Queenstown. Film Otago Southland will be leading this process with expertise being provided by Deloitte, Infometrics, Film Otago Southland, Ngahere Consulting and the screen industry.

The Feasibility Study, *Film Otago Southland Screen Production Studio Pre-Feasibility Study: Analysis of Demand, Type and Location*, has already been completed by Film Otago Southland, NZTE and Pricewaterhouse Coopers.

This study concluded that the most appropriate location in the Otago and Southland region for a Film Studio is in or very near to Queenstown. The study also identified the existing volume of production in the region, the type of demand for a sustainable studio and an infrastructure gap analysis.

This next study will build upon the *Film Otago Southland Screen Production Studio Pre-Feasibility Study: Analysis of Demand, Type and Location* report, it will seek to identify the most accurate information and data required for a investment and business case. This will be achieved by gathering data from sustainable and profitable studio facilities around the world, applying that to the unique New Zealand and Queenstown specific production characteristics. An Economic Impact report will also establish the benefit to the region, and augment the investment case for investors.

#### Three Year Action Plan

Total \$43,100 NZTE \$34,480 Regional \$8,620 (excl GST)

#### Outcome and Milestones

The Film Otago Southland Film Studio Business Feasibility and Economic Impact Study have the following clear outcomes and milestones.

1. Scope – define parameters of the study
2. Site needs – what are the infrastructure needs for a specific site
3. Construction needs – what are the physical needs for the studio construction
4. Demand needs – what are the demands by entities that will use the studio
5. Financial Model – what is the financial model for a sustainable studio based on the above parameters
6. Economic Impact – what is the economic impact on the region based on the above model
7. Recommendations – what are the next steps required on this project

#### Rationale - Project Summary

The recently completed *Film Otago Southland Screen Production Studio Pre-Feasibility Study: Analysis of Demand, Type and Location*, has identified that an appropriate location for a film studio sound stage is in or very near Queenstown. This study also identified that there is increasing demand for studio space in New Zealand. It is now apparent that there is a need to produce a Film Studio Business Feasibility and Economic Impact Study in order to identify key economic factors required for the successful construction and operation of a Queenstown Film Studio.

#### Regional Economic Development Strategy alignment

A Film Studio meets criteria outlined in Regional EDA strategies for Otago and Southland and would bring both tangible direct economic benefit and greater regional promotion.

Examples of strategy criteria that this project meets are:

### **Southland Tourism Strategy 2005 – 2015**

#### **1.6 Further Develop Destination Events and Explore Growth in Conferences, Education and Film Opportunities**

*Films also offer an opportunity to profile the region in a manner that is more subtle than traditional advertising and have the potential to reach a wide audience.*

#### **Action Plan for development 2008/2009 Destinalional Marketing Film**

*Following the success of The World's Fastest Indian, Venture Southland seeks to build on the promotional and economic benefits experienced with filming around the region. Venture Southland will work alongside five other local authorities in the lower South Island in a joint regional marketing initiative to maximise the opportunities for the film industry, not only for large movie productions but also in the area of television commercial productions. Significant potential lies in this area, particularly with overseas production companies, and a joint initiative is an effective means of promoting the lower South Island internationally.*

### **Venture Southland Strategic Plan 2006-2016**

#### **Film Opportunities**

*Opportunities will be capitalised on in the key target markets, such as New Zealand and Australia, using the movie "The World's Fastest Indian" as a 'platform' to deliver more specifically tailored marketing messages through cinema advertising and promotional footage on the DVD version. This will be especially effective following the significant global destination promotion of New Zealand around the "Lord of the Rings" trilogy. Promoting further opportunities for film industry in Southland will also be addressed.*

### **10 Year Economic Development Strategy for Otago**

This Strategy identifies *Film Sector Development* as part of the theme area and should be part of the initial focus. The studio is an initiative and a project that fits within this theme.

#### **Film Sector Development**

*This is a programme of projects which support the principles of strengthening the commercial base, developing coordination and strengthening Otago's capability to attract motion pictures, commercials and corporate video production. These projects will establish a shared infrastructure to promote Otago as an optimal location for film and media. Whilst Otago locations are an exceptional backdrop for film and media, the existing infrastructure is underdeveloped making it difficult choice for producers. An established infrastructure (studios, facilities, equipment and human resources) will make it easier for overseas operators to start filming, and improve efficiencies for local operators.*

#### **Government Broader Goals**

The Ministry of Economic Development's Economic Transformation Agenda seeks a high income, knowledge-based market economy, which is both innovative and creative. A film studio meets this criteria as it centralises expertise and creative endeavours around a centre of excellence and also meets the needs under the World Class Infrastructure criteria as well. In addition, a Studio aligns itself with the Environmental Sustainability, which has been embraced with the Greening the Screen initiative. A recent study, QLDC and Zero Waste Productions, identified, minimised and quantified waste streams on a feature film in the Otago Southland region, leading the national initiative with action.

#### **Centralised Screen Industry Economic Zone**

A Queenstown Film Studio will centralise the screen industry into one economic centre. This economic and production centre will comprise a large sound stage, and staging areas for TV and Location Television Commercials (TVCs) as well as ancillary services required for a successful Film Studio complex. There is anecdotal evidence that some major films do not consider the Otago region for filming due to lack of sound stage facilities. The region has a significant value proposition for films, with outstanding scenery, infrastructure and crew, but there is clear evidence that a world class Film Studio would retain and attract additional film production. Location Television Commercials (TVC) are a cornerstone of the current screen industry in Otago, but are subject to weather conditions. A Film Studio complex would provide an alternative for bad weather filming days and in turn create opportunity for studio based TVCs to be filmed here. Also, television production and music recording occurs on a very small level. A purpose-built Film Studio complex would further attract these creative endeavours. In addition to its function as a resource, a Film Studio will facilitate the creation of IP. A population of creatives generally surround Film Studios around the world, writing, producing and completing IP. Studies have shown that the greater the size of the production, the greater the economic retention. This study would seek and solidify these findings and apply them to the Otago region. A Centre of Excellence will provide all the necessary legacy opportunities for the long-term

viability of a Film Studio and the developing IP community and a River of Talent to the region. This Centre of Excellence will also create interest and cultural opportunities for the community through the arts, education and business.

#### **Consultation**

Film Otago Southland Screen Production Studio Pre-Feasibility Study: Analysis of Demand, Type and Location was completed and delivered to Film Otago Southland in September 2008. This study clearly identified there is a demand for a film studio complex in or very near to Queenstown.

#### **Undertaking the Work**

Film Otago Southland's Executive Manager Kevin Jennings will oversee the collation of data in conjunction with Ngahere Consulting for the advising and analysis entities. Providing the Business Feasibility Study will be Matt McKendry of Deloitte, Auckland, while the Economic Impact Study will be provided by Adolf H. Stroombergen and David Grimmond of Infometrics, Wellington.

#### **Other Funding**

Film Otago Southland has received \$60,000 from NZTE for the *Film Otago Southland Screen Production Studio Pre-Feasibility Study: Analysis of Demand, Type and Location* study.

#### **Commitment**

Film Otago Southland has committed \$3,000 to this study, plus contribution of in kind from Julian Grimmond's Ngahere Limited, which will provide research and resources to gather data and information to supply to Film Otago Southland, Deloitte (proposal and resumes attached) and Infometrics (proposal and resumes attached).

Ngahere Consulting, a branch of Ngahere Limited, is a screen production advisory and consultancy service. The team comprises of three consultants with a background in screen production, government, journalism and risk management.

Julian Grimmond has produced screen productions in numerous countries around the world. Julian holds a BA (Hons) in History and operates interests in print, broadcast, web, production, post-production and risk management.

Kate Campbell is an analyst for Global Film Solutions, the leading Risk Management company for the screen industry globally. Kate holds a BA in Political Science and a Master of International Studies. From 2003-2008 Kate worked for the Department of Internal Affairs, New Zealand, as a Policy Advisor, Operational Policy, Gambling Compliance Group.

Andrea Deuchrass is an analyst for Global Film Solutions, with an extensive background in journalism in New Zealand, UK and around the world. Andrea holds a BA (Hons) in History and Journalism degree.

#### **Timeline**

This study is scheduled to commence on 1 December 2008 and be delivered by 06 February 2008. There will be a data collection and collation period during October/November 2008 by FOS and Kevin Jennings, so that study can meet deadlines, bearing in mind the holiday season that falls in the middle of this timeline.

#### **Region Commitment**

Film Otago Southland commitment is \$3,000, and Otago Forward \$5,620

## **PROJECT SUMMARIES**

### **OTAGO FORWARD STRATEGY COMMUNICATION, MONITORING AND EVALUATION**

There is an ongoing need to communicate the regional economic development strategy and projects within the region and nationally, and to learn from best practice from other regional economic development agencies. It is also vital to regularly review the implementation of the regional strategy to check how well Otago Forward is facilitating the transformation of the regional strategy into reality.

The regional communication will ensure “buy-in” from Councils, other stakeholders and the public throughout the region. This funding will be used to facilitate meetings between the Otago Forward chair (and other board members) and Councils and other stakeholder groups, and to ensure Otago Forward projects are promoted through the local media. The national aspect of the communication will facilitate liaison with government policy-makers and funders to ensure the needs of the region are articulated at a national level. Good communication between regions to ensure Otago does not operate in isolation and there is maximum collaboration between regions.

Communication regionally and nationally will benefit the region by helping get all Councils understand the benefit of contributing to regional projects, and to ensure that Otago priorities are seen as part of national economic goals. Without this Otago Forward projects can be compromised by parochial attitudes from Councillors, or a lack of understanding from Central Government agencies.

Peter Harris, manager of the Economic Development Unit, is willing to meet with relevant national stakeholders to advance regional projects. EDU will also facilitate regional meetings and subcontract a media consultant to undertake press releases.

As well as communication of strategy and projects, there is also a need for a regular review of how the implementation of the strategy is going. It is proposed that an independent review be undertaken annually to inform Otago Forward how well the strategy is being implemented, and recommendations for future improvements in processes.

The Council stakeholders in Otago Forward have agreed to contribute the 20% funding.

## **CONCLUDING COMMENTS**

### **CHINESE HERITAGE TRAIL**

This is an opportunity to provide any other supporting comments or information that will help us to make a decision about your proposal.

The Chinese Tourism market is undeveloped, yet is a priority for NZ's Tourism authorities and Air NZ. There is a lack of Chinese specific product in NZ. This project is intended, at its ultimate end result, to create a focus for Chinese Tourism to NZ by building on the significant heritage links from the Gold rush times and creating a completely and commercially competent Tourism Trail, properly interpreted, marketed and administered. The research project for which funding is now sought is designed to undertake a professional analysis of first what the Chinese market will want, and secondly how it can best be provided within the heritage relics in Otago.

This project, coupled with the sister relationships in China currently enjoyed by Dunedin City Council and Central Otago District Council, is expected to lead to closer relationships in China and likely development of other economic opportunities.

### **OTAGO UPSTART**

This project came directly out of a substantial regional consultation process undertaken by Deloitte for Otago Forward. The need to stimulate regional entrepreneurship was a key outcome of the report and, in Upstart, the region already has a successful model to build from.

### **FILM OTAGO SOUTHLAND - SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

There is a strong commitment from industry, the QLDC Mayor Clive Geddes, local land owners, Film New Zealand and the wider industry for a well researched and delivered Film Studio in the Queenstown region. It will both enhance the economic footprint of the region and the creative river of talent.

### **OTAGO FORWARD STRATEGY COMMUNICATION AND ECONOMIC INFORMATION DISSEMINATION**

It is vital when implementing a strategy to achieve agreement and alignment between all key stakeholders as projects are advanced. Otago Forward has the challenge of convincing a wide range of Councillors and other potentially parochial stakeholders of the value of regional economic development projects, and must also ensure effective communication at a national level.

**CONFIRMATION AND ACKNOWLEDGEMENT**

**I/We confirm and declare that:**

- The proposed project/activity would not be undertaken without the assistance of NZTE or that NZTE's assistance will increase the scope or quality of the project/activity or the likelihood of it occurring or the speed at which it can take place.
- I/We have read the guidelines for making an application for RSF co-funding that outline the process, terms, conditions and criteria and I/we understand and agree to these and will comply with them.
- The assistance sought in the attached application does not relate to expenditure that has been incurred prior to the receipt of this application by NZTE.
- The application involves an activity/project that is a lawful activity carried out lawfully, and is directed at a commercial development.
- Funding has not been sought nor will be sought from any other government source for the same costs. (NB: this does not preclude more than one government agency contributing to the same overall project.)
- The application is not being made by an organisation that is in receivership or liquidation or by an individual who is an undischarged bankrupt.
- The project is not being managed by an undischarged bankrupt or someone prohibited from managing a business.
- The information contained in the attached application is true and correct and there have been no misleading statements, omission of any relevant facts nor any misrepresentation made. NZTE is able to take legal action if any information is found to be fraudulent or misleading.
- I/We acknowledge that NZTE may wish to promote any successes that result from our proposal (while respecting your commercial confidentiality).
- The success/benefits of any funding previously received from NZTE or its predecessors have been described.

**I/We understand that:**

- NZTE will liaise with other government agencies and may refer applications where appropriate.
- Background checks will be undertaken on all applicants/directors. Applicants will ensure that all necessary consents have been obtained from the relevant individuals to enable NZTE to undertake such checks and all relevant laws have been complied with in relation with such checks.
- NZTE may request additional information as part of the assessment of the application.
- NZTE may carry out checks to verify the contents of any information provided by me/us as part of the application process, and I/We confirm that I/we will provide access to my records/personnel for that purpose.

**Acknowledgement**

I/We acknowledge that New Zealand Trade and Enterprise may receive requests for information on RSF co-funding including under the Official Information Act. The undersigned acknowledges that, New Zealand Trade and Enterprise may be required to disclose information as required to do so by law. This information may include

- the name of co-funding recipient
- the amount of co-funding
- the contact details of co-funding recipient
- a general statement of the nature of the activity/project as agreed by co-funding recipient and New Zealand Trade and Enterprise
- the outcome of the activity/project assisted.


I/We acknowledge that the Government expects regular reports on RSF co funding, including information on its usage. The undersigned agrees to provide information on the usage and outcome of the co-funding and acknowledges that this data may be made available to other government agencies that have an interest in monitoring the fund's usage.

I/We acknowledge that New Zealand Trade and Enterprise is required to comply with relevant laws and government policies relating to conflicts of interest. To ensure that any conflict of interest (whether actual or perceived) does not cause NZTE to act in a way that is not in its best interest, the undersigned agrees it will promptly notify the Director HR at NZTE of any conflict of interest position the applicant is aware of during this application process and funding period, including:

- any financial or personal relationships with any external providers you are employing as part of the project/activity to be funded
- any financial or personal relationship with any employee or any contractors to NZTE that may be involved in the decision to provide funding to you
- any financial or personal relationship with any former employee (who left NZTE in the 12 months before the date of this application) involved in seeking this funding.

I/We acknowledge that New Zealand Trade and Enterprise or its representatives may audit the applicant to verify the programme funding was used appropriately and to NZTE's satisfaction.

**APPLICANT MUST SIGN AND COMPLETE DETAILS BELOW**

SIGNATURE		NAME	MAYOR CLIVE GEDDES
DESIGNATION	CHAIR, OTAGO FORWARD	DATE	10.10.2008
REGION	OTAGO		

**Please attach application support letter from Governance Group.**

**APPENDIX ONE:**

**OTAGO CHINESE HERITAGE TOURISM PROJECT - STAGE ONE: FEASIBILITY STUDY**

<b>Milestone</b>	<b>KPIs to measure milestone completion</b>	<b>Date to be Completed</b>	<b>Provider (if known)</b>	<b>Units</b>	<b>Rate (GST Exclusive)</b>	<b>Total</b>
Report – Market assessment	Assessment of level of market demands report to governance group	31/12/2008	Morgan GR Tourism Management			\$10,000
Report – Product assessment & catalogue	Report accepted by governance group	31/05/2009	Morgan GR Tourism Management /Dr Ng			\$35,000
Recommendations – product development needed	Recommendations accepted by governance group	30/06/2009	Morgan GR Tourism Management			\$8,000
Recommendations - marketing	Recommendations accepted by governance group	31/07/2009	Morgan GR			\$5,000
Recommendations – ongoing administration	Recommendations accepted by governance group	31/07/2009	Morgan GR Tourism Management /Dr Ng			\$5,000
Final Report To Otago Forward	Recommendations accepted by governance group	31/07/2009	Morgan GR Tourism Management			\$7,500

**OTAGO CHINESE HERITAGE TOURISM PROJECT; STAGE ONE: FEASIBILITY STUDY**

**NZTE/Regional Cash Contribution (GST exclusive)**

<b>Name of regional cash contributor</b>	<b>Amount of cash contributing</b>	<b>% of Total</b>
Otago Forward	\$11,600	
Chinese Poll Tax fund	\$2,500	
<b>Regional Total</b>	\$14,100	
NZTE	\$56,400	
<b>Total</b>	\$70,500	

**OTAGO CHINESE HERITAGE TOURISM PROJECT; STAGE ONE: FEASIBILITY STUDY**

**RISK PROFILE**

<b>Risk</b> (Applicants need to identify which risks are relevant to them, risks given above are by way of illustration only)	<b>Probability</b> (High, Medium or Low)	<b>Impact</b> (High, Medium or Low)	<b>Mitigation Strategy</b> (i.e. how the risk will be minimised/managed)
Incapacity of Dr Ng	Low	high	Mayor Chin on Governance group with links to Chinese community; Mr Charteris researches Dr Ng's publications
Lack of District Council support	Low	medium	Extensive consultation prior to project with Otago Forward, build relationships with Mayors, Council reps on governance group
Lack of RTO cohesion	Low	Low	Project principal has extensive experience with RTOs
Validity of report	Low	high	Engaged NZ's leading tourism consultancy, Tourism Resource Consultants, for peer review

Please fill out the Project Summary, NZTE/Regional Cash Contribution and Risk Profile for **each** project

## OTAGO UPSTART

<b>Milestone</b>	<b>KPIs to measure milestone completion</b>	<b>Date to be Completed</b>	<b>Provider (if known)</b>	<b>Units</b>	<b>Rate (GST Exclusive)</b>	<b>Total</b>
<i>Project Scope</i>	<i>Scope and Approval</i>	<i>Dec 2008</i>	<i>To be tendered</i>			<i>\$5,000</i>
<i>Research and Project Platform Document</i>	<i>Research into similar initiatives and develop High-level project platform document</i>	<i>Dec 2008</i>	<i>To be tendered</i>			<i>\$10,000</i>
<i>Testing of Concept</i>	<i>Meeting with local/territorial authorities testing of concept for support - Report</i>	<i>Jan 2009</i>	<i>To be tendered</i>			<i>\$10,000</i>
<i>Detailed Consultation</i>		<i>Jan 2009</i>	<i>To be tendered</i>			<i>\$10,000</i>
<i>Project Plan</i>	<i>Development of detailed project plan/document</i>	<i>Jan 2009</i>	<i>To be tendered</i>			<i>\$10,,000</i>
<i>Project Financials</i>	<i>Develop detailed project financials</i>	<i>Jan 2009</i>	<i>To be tendered</i>			<i>\$5,000</i>
<i>Refinement of mechanics</i>	<i>Develop a report detailing the refined mechanics of the initiative</i>	<i>Feb 2009</i>	<i>To be tendered</i>			<i>\$5,,000</i>
<i>Support / Intent</i>	<i>Seek support and letters of intent from key supporters and stakeholders</i>	<i>Feb 2009</i>	<i>To be tendered</i>			<i>\$10,000</i>
<i>Project Document</i>	<i>Final project documentation</i>	<i>Mar 2009</i>	<i>To be tendered</i>			<i>\$5,000</i>
<i>Presentation</i>	<i>Presentation of final Project Documentation back to Otago Forward</i>	<i>Mar 2009</i>	<i>To be tendered</i>			<i>\$5,000</i>

## OTAGO UPSTART

### NZTE/Regional Cash Contribution (GST exclusive)

<b>Name of regional cash contributor</b>	<b>Amount of cash contributing</b>	<b>% of Total</b>
Otago Forward	\$10,000	16%
UpStart	\$3,000	4%
<b>Regional Total</b>	<b>\$13,000</b>	
NZTE	\$52,000	80%
<b>Total</b>	<b>\$65,000</b>	100%

**PROJECT SUMMARY: OTAGO UPSTART**

**RISK PROFILE**

<b>Risk</b> (Applicants need to identify which risks are relevant to them, risks given above are by way of illustration only)	<b>Probability</b> (High, Medium or Low)	<b>Impact</b> (High, Medium or Low)	<b>Mitigation Strategy</b> (i.e. how the risk will be minimised/managed)
No demand	Low	High	
Appropriate provider	Low	Medium	Due process
Lack of support from the stakeholders	Low	Medium	Engaging communications with key stakeholders

**APPENDIX ONE:**

**FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

<b>Milestone</b>	<b>KPIs to measure milestone completion</b>	<b>Date to be Completed</b>	<b>Provider (if known)</b>	<b>Units</b>	<b>Rate (GST Exclusive)</b>	<b>Total</b>
<i>Scope of Study and Collation of data. Prepping of this data for delivery to Provider/s</i>	<i>Data to be assessed by Ngahere Consulting to ascertain accuracy</i>	<i>1 Dec 2008</i>	<i>FOS and Ngahere</i>			\$7,500
<i>Appointment of Provider/s</i>	<i>Provider to be appointed and contracted by FOS. Also supplied with data and approved scope for commencement of work.</i>	<i>1 Dec 2008</i>	<i>Deloitte and Infometrics</i>			\$26,850
<i>Interim report to FOS and meeting between FOS and Provider/s</i>	<i>FOS to receive an interim report on progress from the Provider/s. All parties to attend a meeting to assess qualitative and quantitative measures established in the Scope of the Study</i>	<i>17 Dec 2008</i>	<i>Deloitte and Infometrics</i>			\$8,750
<i>Delivery of Draft Report</i>	<i>Provider to supply Draft Report for FOS comment and assessment</i>	<i>23 Jan 2009</i>	<i>Deloitte and Infometrics</i>			
<i>Review of Draft Report</i>	<i>FOS to review the Draft Report, and seek peer review and input from stakeholders, including but not limited to FOS Board, Film NZ, NZTE and relevant industry experts. This review to then be compiled and returned to Provider/s for comment and inclusion where appropriate.</i>	<i>30 Jan 2009</i>	<i>Deloitte and Infometrics</i>			
<i>Deliver final Report</i>	<i>FOS to receive report from Providers, to perform due diligence that the report meets all Scope guidelines, if in compliance then FOS to officially accept report</i>	<i>06 Feb 2009</i>	<i>Deloitte and Infometrics</i>			
					TOTAL	\$43,100

**FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

**NZTE/Regional Cash Contribution (GST exclusive)**

<b>Name of regional cash contributor</b>	<b>Amount of cash contributing</b>	<b>% of Total</b>
Film Otago Southland	\$3,000	7%
Otago Forward	\$5,620	13%
Ngahere Limited	Research Resource in Kind (Value \$10,000)	
<b>Regional Total</b>	\$8,620	
NZTE	\$34,480	80%
<b>Total</b>	\$43,100	

**FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

**RISK PROFILE**

<b>Risk</b> (Applicants need to identify which risks are relevant to them, risks given above are by way of illustration only)	<b>Probability</b> (High, Medium or Low)	<b>Impact</b> (High, Medium or Low)	<b>Mitigation Strategy</b> (i.e. how the risk will be minimised/managed)
Scope Appropriate	Medium	Medium	Previous Study highlighted areas for this study, clear scoping and identification established before study undertaken
Data Appropriate	Medium	Medium	Multiple research teams to cross reference data before being entered into study
Delivery Appropriate	Low	Low	By appointing 2 entities to perform this study, independent pair review will occur

**APPENDIX ONE:**

**FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

<b>Milestone</b>	<b>KPIs to measure milestone completion</b>	<b>Date to be Completed</b>	<b>Provider (if known)</b>	<b>Units</b>	<b>Rate (GST Exclusive)</b>	<b>Total</b>
Scope/Appointment of Provider	Receipt and Approval of Scope	1 Nov 2008				
Collation of data and delivery to Provider	Provider receives collated Data	14 Nov 2008				
Draft report from Provider	FOS receive draft reports	1 Dec 2008				
Comment from FOS	FOS provide comment	14 Dec 2008				
Deliver final Report	Receive report	20 Dec 2008				

**NZTE/Regional Cash Contribution (GST exclusive)**

<b>Name of regional cash contributor</b>	<b>Amount of cash contributing</b>	<b>% of Total</b>
Film Otago Southland	\$3,000	7%
Otago Forward	\$5,620	13%
Ngahere Limited	Research Resource in Kind (Value \$10,000)	
<b>Regional Total</b>	\$8,620	
NZTE	\$34,480	80%
<b>Total</b>	\$43,100	

**FILM OTAGO SOUTHLAND SCREEN PRODUCTION STUDIO – FEASIBILITY STUDY**

**RISK PROFILE**

<b>Risk</b> (Applicants need to identify which risks are relevant to them, risks given above are by way of illustration only)	<b>Probability</b> (High, Medium or Low)	<b>Impact</b> (High, Medium or Low)	<b>Mitigation Strategy</b> (i.e. how the risk will be minimised/managed)
Scope Appropriate	Medium	Medium	Previous Study highlighted areas for this study, clear scoping and identification established before study undertaken
Data Appropriate	Medium	Medium	Multiple research teams to cross reference data before being entered into study
Delivery Appropriate	Low	Low	By appointing 2 entities to perform this study, independent pair review will occur

**APPENDIX ONE:**

**OTAGO FORWARD STRATEGY COMMUNICATION, MONITORING AND EVALUATION**

Milestone	KPIs to measure milestone completion	Date to be Completed	Provider (if known)	Units	Rate (GST Exclusive)	Total
Otago regional priorities communicated nationally through liaison with government agencies and other regions	4 meetings with relevant agencies to discuss regional priorities	Sept 09	EDU		\$5000	
	4 meetings with other regions to ensure maximum inter-regional collaboration	Sept 09				
Otago regional priorities communicated regionally	2 regional meetings with Councils and other stakeholders	Sept 09	Chair, Otago Forward		\$2000	
Otago Forward projects appear in media	3 media stories in Otago media	Sept 09	EDU		\$3000	
Annual evaluation/monitoring exercise	Report to Otago Forward	Sept 09	EDU via contractor		\$10,000	\$20000

**NZTE/Regional Cash Contribution (GST exclusive)**

Name of regional cash contributor	Amount of cash contributing	% of Total
Otago Forward	\$4,000	
<b>Regional Total</b>	\$4,000	
NZTE	\$16,000	
<b>Total</b>	\$20,000	

## OTAGO FORWARD STRATEGY COMMUNICATION, MONITORING AND EVALUATION

### RISK PROFILE

<b>Risk</b> (Applicants need to identify which risks are relevant to them, risks given above are by way of illustration only)	<b>Probability</b> (High, Medium or Low)	<b>Impact</b> (High, Medium or Low)	<b>Mitigation Strategy</b> (i.e. how the risk will be minimised/managed)
Central government policy-makers and funders do not see benefit of Otago regional projects	low	medium	Clear messages articulated through not only Peter Harris, but all Otago Forward members when interacting with Central government agencies
Regional meetings not supported by Councillors	low	medium	Meetings organised to coincide with Council meetings
Media do not give projects exposure	Medium	Medium	Councils encouraged to spread OF project news through their channels (eg. citytalk) as well as relying on media