Application for Funding
Development Phase

About this form
This form enables you to make an application for funding over $100,000 from the Provincial Growth Fund for activities in the Development Phase of a project.

You will need to use the Express Form if your application is for an activity under $100,000 or the Standard Form if your application is for an actual Project (i.e. delivery of an asset).

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

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

Please see the PGF website, or contact your regional relationship manager, for further support.

Submitting your application
All completed forms must be emailed to PGF@mbie.govt.nz with a clear subject heading.

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

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

Funding Agreement
The template funding agreements can be found on the Provincial Growth Fund website

Public disclosure
The Provincial Development Unit is responsible for leading the Provincial Growth Fund’s design, administration and monitoring its operation in consultation with other government agencies. In the interests of public transparency, successful applications may be published by the Provincial Development Unit (PDU).

Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982. Please identify by highlighting any information in your application that you regard as commercially sensitive or as personal information for the purposes of the Privacy Act 1993.
Part A: Key Details

Please note that if the funding agreement will not be with the applicant (i.e. applying on behalf of another organisation), then please complete this application from the perspective of that organisation.

1. Proposal Title: Dunedin Waterfront Development

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

Refer Letter of Support – Ian Taylor, Animation Research Ltd
Refer Dunedin Waterfront Development Executive Summary – Indicative Business Case, November 2018

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

<table>
<thead>
<tr>
<th>Legal Name:</th>
<th>Dunedin City Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entity Type:</td>
<td>Local Authority</td>
</tr>
<tr>
<td>Registered Offices / Place of Business:</td>
<td>Moray Place, Dunedin 9058, New Zealand</td>
</tr>
<tr>
<td>Identifying Number:</td>
<td></td>
</tr>
<tr>
<td>Organisation’s Website:</td>
<td><a href="http://www.dunedin.govt.nz">http://www.dunedin.govt.nz</a></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Contact Name and Role:</th>
<th>Dr Sue Bidrose</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dunedin City</td>
</tr>
<tr>
<td></td>
<td>Council Chief Executive Officer</td>
</tr>
<tr>
<td>Email Address:</td>
<td><a href="mailto:Sue.Bidrose@dunedin.govt.nz">Sue.Bidrose@dunedin.govt.nz</a></td>
</tr>
<tr>
<td>Telephone:</td>
<td>+64 (3) 474 3521</td>
</tr>
</tbody>
</table>

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

The application is submitted by Dunedin City Council for, and on behalf of, a partnership with Port Otago, University of Otago, Ngāi Tahu, key project stakeholders including Otago Regional Council, and other community and business stakeholders in Otago.

Refer Section 2 – Strategic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

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

7. What type of funding is this application for:
   [Note: the most appropriate funding type will be determined by the PDU in consultation with the applicant]

   Grant

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

   | Start Date: | 1/02/2019 |
   | Completion Date: | 31/12/2025 |
9. Has this project / activity been previously discussed with any part of Government?

Yes: ☒ No: ☐

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

The Project has been informally discussed at Local Government, Central Government, Minister and Prime Ministerial levels.

The following formal discussions have been held;

- Presentation to Provincial Development Unit and Provincial Growth Fund Independent Assessment Panel Members, October 2018

- Presentation to Provincial Development Unit Members and MBIE, November 2018

- Project supported by Regional Economic Development Minister, The Rt Hon Shane Jones. This included signing a Memorandum of Understanding between the parties committing to deliver the vision.

Refer Media Release July 19, 2018

- Project supported through the Project Steering Group for the Dunedin Waterfront Development, which includes Regional and Metropolitan Councils (Otago Regional Council Dunedin City Council).

- Project has been discussed at the Otago Regional Economic Development (ORED) Steering Group.

Letters of Support are attached, refer to the Provincial Growth Fund Application Schedule of Documents

10. Have you previously received any Government funding for this Project/Activity?

Yes: ☒ No: ☐

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

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

Received Funding

The Provincial Growth Fund has committed $820,000 to undertake Commercial, Environmental and Engineering Feasibility Studies for the Dunedin Waterfront Development.

Proposed Sources of Funding

A summary of the proposed sources of funding is outlined in the Indicative Business Case.

In simple terms, Provincial Growth Funding of $103M is sought for Stage 1 and 2 of the development. Matched funding (other sources of funding forecast to Provincial Growth Fund) for Stage 1 and 2 is in the order of 2 or 3 : 1. Matched funding values are subject to fundraising, consultation and governance approvals.

Refer Table 3: Public Entity Led Development Approach Summary of Funding Dunedin Waterfront Development Executive Summary – Indicative Business Case, November 2018
Part B: Project Description

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

13. Will additional funding likely be applied for in the future? Yes: ☒ No: ☐

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

The Vision is a 25 – 50 year plan.

Funding under the Provincial Growth Fund is sought for Stage 1 and 2 only.

Funding is not being sought for Stage 3 as part of this PGF application.

The timing for commencing Stage 3 is subject to the level of private sector response to Stages 1 and 2, and market demand for the waterfront space. The source of funding for Stage 3 has not been identified at this stage. Progression of the Sustainable Futures Initiative and remaining development mix will inform the timing, scale, building use, form and function, and identify the likely sources of funding.

Refer Table 2: Public Entity Led Development Approach Summary of Wharf, Public Realm, Infrastructure, and Anchor Building Costs per Stage, Dunedin Waterfront Development Executive Summary – Indicative Business Case, November 2018

14. What type of activity is this application for?

   - Feasibility study ☐
   - Business case ☐
   - Report ☐
   - Creation of an action plan ☐
   - Research or surveys ☐
   - Workshops or consultation ☐
   - Capability building (Education / training) ☐
   - Other (please specify) ☒

This application seeks funding for the following activities;

Initiation Costs

This includes project management, design and consenting costs for the public realm, wharf and concept design for the anchor buildings to support consenting. These initiation costs may also include enabling works, geotechnical and environmental investigations and project establishment. Programme and project management for the Waterfront Development will be provided under the proposed Urban Development Agency.

Operational costs relating to the Urban Development Agency will be funded separately.

Stage 1 and 2 Capital Costs

The capital costs are described in detail in the indicative business case, and cost estimate report. Refer Dunedin Waterfront Development Executive Summary – Indicative Business Case, November 2018 – Appendix 3 Cost Estimate Report
15. Please provide a detailed description of this activity for which funding is being applied:

Refer to the following documents;

Dunedin Waterfront Development Executive Summary – Indicative Business Case, November 2018
Dunedin Waterfront Development – Indicative Business Case, November 2018, including;
Appendix 1 - Environmental Feasibility Report
Appendix 2 - Engineering Feasibility Report
Appendix 3 - Cost Estimate Report
Appendix 4 - Commercial Feasibility Report
Appendix 5 - Provincial Growth Fund Application – Approach to Consideration of Economic Benefits

16. How does this project demonstrate addiotionality within the region?

Early Signs of Halo Effect from Waterfront Development

The vision for Dunedin’s waterfront is already having an impact of business confidence and investment.

One of the drivers for the owners of the Harbourside Grill (Barry and Judith Timmins), to refurbish a
cultural building on the waterfront and establish a restaurant use, was that they recognised the economic
capital of the area based on their experience in Vancouver and saw Dunedin City Council’s proposed
investment in a bridge connection as a significant catalyst. (See attached letter of support). They were one
of the early investors in the Waterfront.

The owner of the Loan and Mercantile Building, a heritage building adjacent to the Harbourside Grill and
the proposed landing point for the bridge is currently investing in refurbishing and developing this heritage
building, encouraged by the Waterfront vision. The developer (Russell Lund) is seeking to develop his site
for apartments and boutique hotel, to complement the waterfront vision and its initial focus on the north
west corner around the bridge. This development will complement the Waterfront vision, bringing people
to the area outside work hour and in weekends.

Up and coming small businesses are also establishing or relating to the area. The Ocho Chocolate factory
(a flourishing SME established following the closure of the Cadbury factory has established its factory on
Roberts street – immediately to the south of the proposed office building on the Waterfront. The Bay Road
Peanut Butter company has also recently chosen to locate here.
https://www.odt.co.nz/business/new-factory-being-set-peanuts

Sustainable Futures Initiative

The Sustainable Futures Initiative will build upon an excellent foundation of established sustainability
focussed research, and strategies to establish a communication, outreach and engagement programme
designed to advance critical work to address the urgent environmental, economic, and social problems
facing our local, regional, national and global communities. It will function as a meeting place that will
engage multiple audiences including various scholarly groups, hapū and iwi, relevant bodies from
municipal, regional and central government, other relevant external agencies, school groups and
international visitors.

Otago University has a strong global reach, with over 100,000 Alumni and multiple connections to the
world tertiary education and research networks. The university will build on its established partnership with
Otago Polytechnic – another Dunedin tertiary institution with an established reputation as a leader in
Sustainable Practice.
Becoming the voice for sustainability will be a differentiator to help create a distinctive Destination of the South. Building upon Dunedin’s rich intellectual history, its strong tradition in education, and its unique environment, this element of the redevelopment will help increase edu-tourism, eco-tourism, education and be a point of difference for attracting business conferences and symposiums. The site’s special location and particular history also provide unique opportunities to think about the significance of te ao Māori, to contemplate how to move beyond the legacies of our colonial past, to reimagine the connection between land and ocean, and generate new visions of the future that will help address the fundamental challenges posed by climate change, seal level rise, environmental degradation, and social inequality.

This is strong theme that could anchor a distinctive element of the development and connect to the physical environment.

**Otago Region**

Otago Councils are currently developing a regional economic development framework known as ORED to enable the identification and assessment of economic development across Otago and for provision and engagement with stakeholders. The draft framework, while still in development, has identified six potential themes that the Waterfront redevelopment investment strongly aligns to. These themes are:

I. Collaboration  
II. Connectivity  
III. Innovation  
IV. Expertise (including attracting talent to Otago to live, study, work and invest)  
V. Housing  
VI. Sustainability

The Waterfront proposal aligned with all six themes, contributing most strongly to sustainability (as outlined above) but also to attracting and retaining talent within the Otago economic region.

All Councils within the region confirmed their support for the Waterfront project at the feasibility stage (please refer to our previous bid for feasibility funding). The Waterfront project has been noted by CEO’s and Mayors in regular regional PGF updates.

Otago Chamber of Commerce also provided a letter of support for the PGF bid for feasibility funding and have had regular briefings at Board meetings. A letter of support for this application is also attached.

**Centre of Digital Excellence (CODE)**

The Waterfront proposal aligns strongly with the development of the Centre of Digital Excellence (CODE) which is also being led by Dunedin City Council. This is an election manifesto commitment funded through PGF. The business case is expected to lead to the development a $1b computer gaming sector by:

I. Better aligning the supply of talent to industry needs;  
II. Lifting industry scale and perception through the attraction of growth of studios and business;  
III. Creating sector leadership and networks; and  
IV. Delivering on Dunedin’s point of difference such as models of digital health care.

The intention is that this proposal will support the development of $1bn local, regional and national tech, gaming and content sector which may co-locate or invest in the Waterfront development.

The Dunedin Waterfront development creates a point of difference for Dunedin in attracting and retaining the talent that creative digital businesses require.

The government has signalled its intention to establish a physical presence for CODE in Dunedin. The centre will build on existing gaming and digital businesses (such as Rocketwerkz established within the Steamer Basin) and academic centres. The expectation is that CODE will cost $10m over ten years. Grow Dunedin Partners (signatories to the 2013-23 Economic Development Strategy) is investing in a separate proposal under the provincial growth fund.
Dunedin Engineering Cluster

The bid supports, and is complementary to, the Dunedin Engineering Cluster, being led by Farra Engineering. As the engineering sector is transformed and moves into a more sustainable and design led approach, its connection with the design and tech industries already starting to locate within and around the waterfront area in Dunedin will be invaluable. The new environment will also help Farra and the engineering sector position itself to attract and retain talent and operate on the international stage. The new Farra premises to be designed by Architecture Van Brandenburg will complement the Waterfront development and will "announce" the new zone to those arriving from the north.

Otago Polytechnic

The Otago Polytechnic has a long-established partnership with University of Otago and DCC via the Tertiary Steering Group. The Otago Polytechnic is supportive of the vision as attested by their letter of support. There are active discussions regarding involvement in training component / education elements as well as the sustainability aspects of the proposals.

Additionality from job and economic multiplier effects have been quantified and considered in the indicative business case.

For further information on additionality, Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Appendix 5 - Provincial Growth Fund Application – Approach to Consideration of Economic Benefits
17. How is the project connected to regional (and sector) stakeholders and frameworks?

**Challenges developing the Waterfront**

Significant planning work for this project has been undertaken in the past, beginning in 2005 when Port Otago and the Dunedin City Council established a memorandum of understanding to work together to transform the harbour area. A Harbourside plan change was subsequently approved in 2012 to enable development of the waterfront. Despite these changes, subsequent attempts to develop a hotel in the area were met with community resistance. This is partly due to a lack of an overall masterplan and vision, which is provided under this proposal.

Whilst the regulatory environment has changed to facilitate development, there are still a number of development ‘hurdles’. One of the key ‘hurdles’ to development is the scale of funding for the construction of wharves, public realm and surrounding infrastructure to allow development to occur.

Previous attempts have sought to resolve this funding gap through regeneration of the wider area to reduce the waterfront development costs, however this introduces a model of multiple land ownership and reduces the confidence that a development can be delivered at the scale needed to transform the waterfront.

The preferred way forward evaluates and identifies a range of options and has selected the development model and approach to mitigate a number of these risks.

For further information, Refer Section 3 – Economic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

**Operational and Maintenance Funding**

Operational and Maintenance funding is not being sought under this application. Dunedin City Council and the partners are investigating the preferred delivery model, and this will consider the asset ownership and approach to operational costs and maintenance costs.

**Benefit of Central Government Funding**

A partnership model between local government agencies, tertiary education and commercial entities with funding provided through the Provincial Growth Fund is the only feasible model to achieve the regeneration of the area.

Without Central Government Funding, development will not progress as proposed. The business case process identified that the proposed vision is the best way to achieve a step change and achieve the scale and range of benefits at a regional level.

**Unlocking Potential in the Region**

The main benefits and potential for the region are described in the indicative business case. Put simply they involve capitalising on Dunedin’s locational advantages (on the edge of Otago Harbour, close to the wildlife haven of Otago Peninsula) and its established knowledge economy (with two intentionally renowned tertiary institutions) and emerging reputation as a creative and edgy tech-city.

As outlined in the business case the four key elements are:

- Creating a vocational pathway for talent to maintain Dunedin’s position as a leading knowledge economy city
- A better balance of regional growth, particularly tourism, across Queenstown, Southland, Dunedin
- Removing some of the perceived barriers to investment in the city and region
- An optimised, compact urban form that can accommodate future growth of the city and consolidates current land use to the right areas.

For further information, Refer Section 2 – Strategic Case Dunedin Waterfront Development – Indicative Business Case, November 2018
How is the project connected to regional (and sector) stakeholders and frameworks? [Please provide an overview, including any evidence where appropriate of any relevant local and regional support, either via existing regional development mechanisms (i.e. regional plans), or through any other relevant body (i.e. council, iwi, hapū, or other representative group). If you do not have support, please explain why not and how you intend to get it]

A full description of the alignment of various related parties is included in the Indicative Business Case.

For further information, Refer Section 2 – Strategic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

In addition, Letters of Support are attached to this application refer to the Provincial Growth Fund Application Schedule of Documents
<table>
<thead>
<tr>
<th>PGF Outcome</th>
<th>How will the project positively or negatively impact this outcome in the region(s) identified?</th>
</tr>
</thead>
</table>
| 1. Increase economic output | Economic benefits of the Waterfront Development are identified in the Business Case and job impacts are discussed. Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.8 – Strategic Case; Potential Benefits
Enables Port Otago to reconfigure land holdings to provide more efficient national freight task benefits. Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.3 – Strategic Case; Port Otago Limited |
| 2. Enhance utilisation of and/or returns for Māori assets | Enables Ngai Tahu to pursue economic development opportunities
Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.5.2 – Strategic Case; Ngai Tahu Iwi |
| 3. Increase productivity and growth | Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.6.1 – Strategic Case; Benefits / Critical Success Factors
Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.5 – Strategic Case; Partner Strategies
The proposal also complements the proposed Farra Engineering Hub/ Centre of Excellence which has training and education at its heart. |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th>The construction phase of the redevelopment will provide significant contract opportunities for engineering cluster businesses as they move from more traditional approaches to design led solutions. A hub facility along with Farra Engineering Ltd will provide a new and innovative approach to training and sustainable business and employment, seeking to develop the capability of the sector and presents a new approach to ensuring sustainable employment. It will complement that design and digital sector businesses uses already locating within the area.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Increase local employment, education and/or training opportunities for youth (in general and for Māori)</td>
<td>✓ Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 2.5 – Strategic Case; Partner Strategies</td>
</tr>
<tr>
<td>6.</td>
<td>Improve digital communications, within and/or between regions</td>
<td>✓ Refer Dunedin Waterfront Development – Indicative Business Case, November 2018, Section 3.5.3 – Economic Case; Centre of Digital Excellence</td>
</tr>
<tr>
<td>9.</td>
<td>Increase the sustainable use of and benefit from natural assets</td>
<td>✓ The harbour is one of Dunedin’s greatest natural assets and the development of the Waterfront will increase the public access to, and the public ability to benefit from, that asset through increased sustainable tourism, associated business and public amenities.</td>
</tr>
<tr>
<td>10. Enhance wellbeing, within and/or between regions</td>
<td>Otago’s public and private sector leaders recognise the importance of Dunedin as the major urban centre for the lower South Island. As one of the lower South Island’s major gateways for air and sea travel, and as the largest urban centre the benefits described in other sections of this application, and in the Business Case accompanying it accrue to not only Otago, but Southland and the southern Canterbury. These will mainly be through education, jobs in technology and innovation, and tourism related activity generated. From a community and social perspective, the acknowledgement and opportunities for Ngāi Tahu are also meaningful.</td>
<td></td>
</tr>
<tr>
<td>Total number of outcomes project contributes to</td>
<td>10/10</td>
<td></td>
</tr>
</tbody>
</table>
Part C: Project Delivery

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

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

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

Refer to Section 6 – Management Case Dunedin Waterfront Development – Indicative Business Case, November 2018 for the proposed delivery model and controls.

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

A detailed Project Execution Plan will be prepared as the Business Case is developed in further detail, and it is proposed to develop this in conjunction with the PDU and relevant stakeholders.

Refer to Section 5 – Financial Case Dunedin Waterfront Development – Indicative Business Case, November 2018 for an indicative programme of works.

21. Please provide a complete breakdown of the costs of the project:


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

Refer Question 17

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

A detailed Project Execution Plan will be prepared as the Business Case is developed in further detail, and it is proposed to develop this in conjunction with the PDU and relevant stakeholders.
24. Please provide an overview of the applicant’s relevant skills and experience for delivering a project(s) of this nature:

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

**Dunedin City Council**

Dunedin City Council has a very strong track record of designing, funding, procuring and delivering major projects:

- The successful and timely delivery of the Forsyth Barr stadium project and associated works, at $267 million is an example of Dunedin City Council’s capacity and capability to deliver major infrastructure projects
- Dunedin City Council currently delivers a $30 - $40M capital infrastructure programme annually
- Delivery includes a mixture of experience in-house staff and procurement of consultants
- Capital expenditure in the upcoming 10 year plan is around $85M annually
- Council has increased operational budgets in the 10 Year Plan budget to increase in-house capacity and resources to meet this delivery requirement.
- Dunedin City Council currently procuring professional services to create a “Project Management office” to deliver on the major infrastructure projects within the 10 Year Plan
- Nicola Pinfold, Group Manager of Community and Planning at Dunedin City Council is the lead for the Waterfront Development and is an experienced programme manager. Nicola has experience leading delivery of a £180M are regeneration programme in London as Assistant Director of Cross River Partnership, a public private sector partnership up until 2003. The regeneration programme included the Millennium and Golden Jubilee pedestrian bridges across the Thames along with associated economic and environmental regeneration programmes on the South Bank and Bankside. These included business support and a programme to support local residents and long term unemployed into work.
- The revitalisation of Dunedin’s warehouse precinct provides a more recent example of facilitating an area wide regeneration. The city invested in public realm improvements, working in Partnership with Otago Polytechnic design school and offered incentives to property owners and private developers in the form of heritage grants.

For further evidence of Stakeholder capability, please Refer to Section 2 – Strategic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

25. Please explain the Governance arrangements for this project:

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

Refer to Section 6 – Outline Management Case Dunedin Waterfront Development – Indicative Business Case, November 2018
26. What procurement process has been undertaken (i.e. selection of a provider), or will be undertaken, and how will that be managed?

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

Pro Bono Architectural Services

The concept design for the bridge and vision for the Dunedin waterfront have been developed and gifted to the city by local Dunedin architect Damien Van Brandenburg.

Provision of Services for Business Case, Commercial, Engineering and Environmental Feasibility Study

Dunedin City Council undertook an open tender process for the provision of professional services to undertake the feasibility studies and business case (funded by the PGF). This procurement was undertaken in accordance with Dunedin City Council approved procurement policies.

Provision of Design, Consenting, and Project Management Services

Dunedin City Council have recently completed several procurement processes to identify parties for the provision of engineering services and project management services under a panel arrangement. This procurement was undertaken in accordance with Dunedin City Council approved procurement policies. Dunedin City Council may also elect to procure specialist services for elements of the project which require a specific skillset or contracting model that is outside of the appointed panels (e.g. commercial advice, valuations, legal, consenting, specialist project management, architectural, composite material specialists). Any procurement activity relating to Dunedin City Council assets, will be procured through Council procurement processes.

Procurement of Third Parties

The design and building of the individual project elements, will be undertaken by individual investors/developers, working with the proposed Urban Development Agency.

The procurement processes of the UDA, most likely to be a Council Controlled Organisation, will be approved by the appointed Board, but will generally be based on typical local government principles around fairness, transparency, and the right level of delegations.

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

Refer Section 2.9 Strategic Risks – Strategic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

Refer Section 3.6 Risk Assessment – Economic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

Refer Section 3.7 Sensitivity Analysis – Economic Case Dunedin Waterfront Development – Indicative Business Case, November 2018

Refer Section 4.5 Technical and Environmental Risks – Commercial Case Dunedin Waterfront Development – Indicative Business Case, November 2018
28. What is the future intent (at this stage) relating to the project? Has there been any assessment of future viability of the project undertaken?

- Commercial viability, technical and environmental feasibility outputs and risks are outlined in the indicative business case.

Refer Section 4 – Commercial Case Dunedin Waterfront Development – Indicative Business Case, November 2018
Part D: Declarations

29. Has this activity ever been declined Crown Funding in the past? Yes: ☐ No: ☒

30. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings? Yes: ☐ No: ☒

31. The contracting entity is compliant and will continue to comply with all applicable laws, regulations, rules and professional codes of conduct or practice including but not limited to health and safety and employment practices Yes: ☒ No: ☐

32. Is any individual involved in the application, the proposed contracting entity or the project, an undischarged bankrupt? Yes: ☐ No: ☒

33. 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? Yes: ☐ No: ☒

34. Are there any actual, potential or perceived conflicts of interest that the applicant or any of the key personnel have in relation to this project? Yes: ☐ No: ☒

“In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully…”

If you answered “Yes” to any of the above, please provide a description below:

DCC are the contracting entity, refer Question 31.

By completing the details below, the applicant makes the following declaration about its application for Provincial Growth Fund funding for the project (“application”):
☒ I have read, understand and agree to the Terms and Conditions of applying for Provincial Growth Fund funding which are attached as Appendix 1;
☒ The statements in the application are true and the information provided is complete and correct, and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;
☒ I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
☒ I consent to this application being publicly released if funding is approved. I have identified the commercially sensitive and personal information.
☒ The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the Provincial Development Unit by emailing PGF@mbie.govt.nz; and
☒ I understand that the falsification of information, supplying misleading information, or the suppression of material information in this application, may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

Full name: Dr Sue Bidrose

Title / position: Chief Executive, Dunedin City Council.

Signature: ___________________________________________ Date: ____________________________
Attachments:

1. Overview of Community Engagement, refer to the Provincial Growth Fund Application Schedule of Documents

Appendix 1 – Terms and Conditions of this Application

General
The terms and conditions are non-negotiable and do not require a response. Each applicant that submits a request for Provincial Growth Fund (“PGF”) funding (each an “application”) has confirmed by their signature on the application that these terms and conditions are accepted without reservation or variation. The Provincial Growth Fund is a government initiative which is administered by the Provincial Development Unit, a unit within the Ministry of Business, Innovation and Employment. Any reference to the Provincial Development Unit in these terms and conditions, is a reference to MBIE on behalf of the Crown.

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

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

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

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

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

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. If an application is approved for funding, information provided in the application and any related documents may be used for the purpose of contracting.

In the interests of public transparency, if an application is approved for funding, the application (and any related documents) may be published by the Provincial Development Unit. Commercially sensitive and personal information will be redacted by reference to the provisions of the Official Information Act 1982.
Limitation of Advice
Any advice given by the Provincial Development Unit, any other government agency, their officers, employees, advisers, 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 obligate or otherwise commit the Provincial Development Unit to proceed with that process or to assess any particular applicant’s application or enter into any negotiations or contractual arrangements with any applicant. For the avoidance of doubt, this application and assessment process does not give rise to a process contract.

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

Exclusion of liability
Neither the Provincial Development Unit or any other government agency, nor their officers, employees, advisers or other representatives, nor the IAP or its members will be liable (in contract or tort, including negligence, or otherwise) for any direct or indirect damage, expense, loss or cost (including legal costs) incurred or suffered by any applicant, its affiliates or other person in connection with this application and assessment process, including without limitation:
  a) the assessment process
  b) the preparation of any application
  c) any investigations of or by any applicant
  d) concluding any contract,
  e) the acceptance or rejection of any application, or
  f) any information given or not given to any applicant(s).
By participating in this application and assessment process, each applicant waives any rights that it may have to make any claim against the Provincial Development Unit. To the extent that legal relations between the Provincial Development Unit and any applicant cannot be excluded as a matter of law, the liability of the Provincial Development Unit is limited to $1.
Nothing contained or implied in or arising out of the PGF documentation or any other communications to any applicant shall be construed as legal, financial, or other advice of any kind.

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

Governing law and jurisdiction
The PGF application and assessment process will be construed according to, and governed by, New Zealand law and you agree to submit to the exclusive jurisdiction of New Zealand courts in any dispute concerning your application.
Public statements
The Provincial Development Unit and any other government agency, or any relevant Minister, may make public in whole or in part this application form including the following information:
• the name of the applicant(s)
• the application title
• a high-level description of the proposed project/activity
• the total amount of funding and the period of time for which funding has been approved
• the region and/or sector to which the project relates
The Provincial Development Unit asks applicants not to release any media statement or other information relating to the submission or approval of any application to any public medium without prior agreement of the Provincial Development Unit.
Appendix 2 - Operational criteria for all tiers of the Fund

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

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

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

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