

ONE PAGE ASSESSMENT OF PROJECTS

Project

Te Hononga - Kawakawa ^{9(2)(b)(ii)} **Centre**, Kawakawa ^{9(2)(b)(ii)} Charitable Trust

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Project description – what is the project, how will it be carried out and who will benefit?

Development of an arts, culture and environment centre, providing improved visitor and community infrastructure, including toilets, car and coach parks, information centre, shared public spaces and a public library. The facility will honour and pay homage to Friedensreich Hundertwasser which showcases to New Zealand and the world a celebration of his work, philosophy and life in Kawakawa, New Zealand. The project will need to meet the needs of the ^{9(2)(b)(ii)} Charitable Trust to gain permission to use his product for the facility.

It will leverage off other tourism offerings in the area (for example, Hundertwasser toilet, Hundertwasser Whangarei, Twin Coast Cycle Trail, Twin Coast discover route and the Cruise Ship market) and see the development of a cultural tourism hub that connects visitors to local Maori cultural experiences. It is planned that the new cultural and educational facilities will help to lift the status of Kawakawa as a hub for existing visitors.

Long-term, this project seeks to increase visitor numbers and spending in Kawakawa through developing it as a hub for cultural attractions in the area.

Budgets

- The total cost is ^{9(2)(b)(ii)}
- Northland Regional Council is contributing ^{9(2)(b)(ii)} Far North District Council is contributing ^{9(2)(b)(ii)} and ^{9(2)(b)(ii)} from Far North Holdings Ltd. Additionally, ^{9(2)(b)(ii)} has been provided from KHP Charitable Trust for a project co-ordinator.
- **Funding of \$2,378,000 is sought from the Crown (capital).**

Assessment

There is strong Iwi, local business and community support for the project. A feasibility study forecast an indirect spend of \$1.75m per annum in increased visitor spend in Kawakawa.

However, concerns have been raised that only three direct additional jobs will be created through this project. The possibility of a café in the facility runs the risk of cannibalising existing operators in Kawakawa, for example.

Northland Regional Council has conditionally invested \$500,000 from their investment and growth reserves fund. The condition to this funding is that the project obtain the permission of the Hundertwasser Non-Profit Foundation to use the artists name and descriptions of his product. This has not been achieved to date. There are a number of other conditions to this funding.

Resource consent has been submitted and building consent is due to be submitted at the end of April 2018.

Risks

- Concerns over the number of jobs the project will directly add to the local economy and effect on existing business.

s 9(2)(f)(iv)



Probity

- Who will manage the project: Far North Holdings Ltd
- Costs and benefits: The total cost is 9(2)(b)(ii) of which Crown funding of \$2,378,000 is being sought. The benefits include increased visitor numbers and spending in Kawakawa, with a flow on effect to other parts of the Far North.
- Non-financial benefits: Increased safety through cycle improvements and improved car and coach parking facilities. Also, enhanced community facilities.

Recommendation

DECLINE - however central government will continue to work with Kawakawa Hundertwasser Park Charitable Trust and Far North Holding to establish the project.

Rationale: There are issues around financial sustainability of the centre and they do not have the rights to utilise the intellectual property at this time.

9(2)(b)(ii)

Appendix - supporting documents

Business Proposal - 18(e)