

Tabled Information Reference 048/13P(A)



ROYAL PORT NICHOLSON YACHT CLUB

Established 1843

Oral Submission to Wellington City Council

Re Clyde Quay Boat Harbour Restoration Project in the 2013/2014 draft annual Plan

1. The Royal Port Nicholson Yacht Club presents this Oral Submission to reinforce our Written Submission as part of deliberations on the 2013/2014 Draft Annual Plan (attached).
2. As a result of Council resolutions on 16 February 2012 and 27 June 2012 the Club and Council officers have completed a significant amount of further work on the Clyde Quay Boat Harbour Restoration Project namely ...
 - a. A feasibility scope for initial investigations detailed design and consenting for the public access, space and amenity aspects of the project Master Plan
 - b. A business case for the upgrade of the Clyde Quay Marina
 - c. A framework for the transfer of management of the Clyde Quay Boat Harbour to the Club
3. A Council commissioned independent peer review of the overall Master Plan, the Marina Upgrade business case and the transfer of management framework has been completed and has drawn the following key conclusions ...
 - a. The Clyde Quay precinct has the potential to be a truly world class facility
 - b. The proposals to improve public access, space and amenity are supported and endorsed
 - c. An alternative layout for the marina should be implemented which will improve the financial model for the marina upgrade business case
 - d. The framework for transfer of management should undergo further refinement before contractual arrangements are finalised
4. Initial findings of a Council funded economic impact study shows that a restored Clyde Quay Boat Harbour has the potential to support around \$8.3m of economic activity annually by 2016. The Council and the Club is currently working on a separate Sport New Zealand feasibility study into hosting a leg of the World Match Racing Tour in Wellington. Once complete the findings from this study will be added to the report and the total level of economic impact will be known.
5. The Council is part way through the first construction phase of the Clyde Quay Boat Harbour Restoration Project with improvements to the access ways almost complete and associated work on Oriental parade to commence shortly.
6. The Council and the Club have continued to develop strong working partnerships with external organisations in order to begin to establish a range of new activities for the City including ...
 - a. A three year partnership with Sport New Zealand to implement an active communities project to establish the Wellington Ocean Sports programme
 - b. A partnership with Sport Wellington to deliver KiwiSport Ocean Sports opportunities for school age students in the Wellington Region
 - c. Partnerships with Tunui Waka Ama Club, the Wellington Windsurfing Association and Canoe & Kayak to provide 'Discover', 'Experience' and 'Learn' ocean sport opportunities for the Wellington Community
 - d. A partnership with Yachting New Zealand to bring the World Match Racing Tour to Wellington as an annual iconic event.
 - e. A Memorandum of Understanding with the New Zealand Institute of Sport to develop export education opportunities with China

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7. Council officers have prepared a report (number 7 on the agenda) which focuses on a review of the Master Plan, while the Club's written submission (attached) reports back on the tasks from the 2012 resolutions. The report and the written submission need to be considered together.
8. Council officers and the Club both recommend that the next step in the project is to complete a wave study, geotechnical survey and other initial investigations which will provide clarity for the final design of the Marina elements of the Master Plan.
9. Council officers recommend that funding for these studies not be considered until the 2014/2015 Draft Annual Plan deliberations while the Club recommends that funding for these studies plus preliminary public amenity design be included as part of the draft 2013/2014 annual plan.
10. If the Council officers' recommendation is accepted, and assuming funding is forthcoming in 2014/2015, which is in no way guaranteed, then it will be at least two and half years until any further substantive work is undertaken which means the project will grind to a complete halt.
11. If the Club recommendation is accepted then not only will the project maintain momentum but the significant progress that the Council and the Club has made in encouraging external organisations to support the project will continue. This includes preparing grant applications to organisations such as the Department of Internal Affairs, the Wellington Community Trust and Community Grants organisations to help fund the overall project.
12. The significant conclusion from the consultation processes, the peer review processes and the from the extensive amount of work the Council and the Club have completed over the last three years is that there is utterly unanimous citizen, city and national support for this project and no real opposition to it exists.
13. The Club is critically aware of the current financial position of the city and understands that this is the only real impediment to this project continuing at this time. As a result the club has tailored its recommendations to ensure the project is kept alive while at the same time putting as little pressure as possible on the Council's financial position.
14. Therefore, the Club respectively recommends that Council agree that funding of \$258,000 for a wave study, geotechnical survey, initial investigations and preliminary public amenity design for the Clyde Quay Boat Harbour Restoration Project be included as part of the draft 2013/2014 annual plan.
15. The Club fervently welcomes its close association with the Council, and asks for Council endorsement for the next steps in this project.



Dean Stanley
Chief Executive Officer
On behalf of the RPNYC Board of Governors
12 March 2013



ROYAL PORT NICHOLSON YACHT CLUB

Established 1808

CLYDE QUAY BOAT HARBOUR RESTORATION PROJECT

1. Purpose of Submission

To report back to Wellington City Councilors on the:

- Clyde Quay Marina Upgrade Business Case;
- Transfer of Harbour Management;
- Public Space, Access and Amenity aspects of the Clyde Quay Boat Harbour Master Plan; and,
- The economic impact assessment of the Wellington Yachting Strategy

... and to make proposals for inclusion in the 2013/2014 annual plan.

2. Executive Summary

As a result of a memorandum of understanding between Wellington City Council and Royal Port Nicholson Yacht Club, the Council has been working in partnership with the Club on the development and implementation of a Master Plan for the Clyde Quay Boat Harbour. The plan aims to provide:

- improved public amenity, and heritage celebration
- an events and social venue at the harbours edge
- an upgraded marina
- a new 'Wellington Ocean Sports Centre' and 'Powered by the Wind Education Centre'.

In June 2012, Strategy and Policy Committee agreed to spend \$208,000 in 2012/2013 to begin public access improvements for the Clyde Quay Boat Harbour as a first step in the implementation of the Master Plan. Strategy and Policy Committee also agreed that during 2012/2013 the Council and the Club would work together to:

- prepare a business case for the upgrade of the Clyde Quay Marina
- make recommendations about the transfer of management of the Clyde Quay Boat Harbour from Wellington City Council to Royal Port Nicholson Yacht Club
- prepare a scope for a feasibility study of the public space, access and amenity aspects of the Clyde Quay Boat Harbour Master Plan

This submission summarises the results of this work and presents a set of recommendations from Royal Port Nicholson Yacht Club for consideration by Councilors.

3. Recommendations

Royal Port Nicholson Yacht Club after consultation with Council officers recommends that the Strategy and Policy Committee:

- 1. Receive the information.*
- 2. Agree that funding of \$258,000 for a wave study, geotechnical survey, initial investigations and preliminary public space/amenity design for the Clyde Quay Boat Harbour Restoration Project be included as part of the draft 2013/2014 annual plan.*
- 3. Agree that funding of \$258,000 for detailed design and consenting for the Clyde Quay Boat Harbour Restoration Project be considered as part of the draft 2014/2015 annual plan deliberations subject to the wave study, geotechnical survey and initial investigations showing that there are no risks that will significantly effect the viability of the Clyde Quay Marina Upgrade Financial Model.*
- 4. Note that \$262,000 of this funding will be recouped through user fees over the useful life of the upgraded Clyde Quay Marina.*
- 5. Agree that a funding proposal for the construction phase for the Clyde Quay Boat Harbour Restoration Project and a contract proposal for the transfer of management be considered as part of deliberations on the next Council Long Term Plan in 2015/2016.*

4. Background

In 2006 Wellington City Council and Royal Port Nicholson Yacht Club signed a memorandum of understanding. One of the three objectives of the memorandum of understanding is to implement a partnership relationship for the preparation and implementation of a Master Plan for the development, upgrading and ongoing maintenance of the Clyde Quay Boat Harbour.

In 2010 a joint working group was established to start work on developing the Master Plan for the Clyde Quay Boat Harbour. In late 2011 the Council and the Club jointly published a Master Plan for the restoration of the Clyde Quay Boat Harbour entitled "Connecting Wellingtonians to Wellington Harbour".

The Master Plan describes how the Clyde Quay Boat Harbour Restoration Project will restore the boat harbour to once again be the jewel in the crown of the Wellington Waterfront, fit for purpose as a primary means of connecting Wellingtonians to Wellington Harbour. A copy of the Clyde Quay Boat Harbour Restoration Project Master Plan is available as appendix one of this paper.

As part of the 2012/2022 Long Term Plan the Council allocated funding of \$208,000 in 2012/2013 to begin public access improvements for the Clyde Quay Boat Harbour as per

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the Master Plan. Work began on this aspect of the project in 2012 with initial design work completed on access ways, and with construction due for completion in the first half of 2013.

The Strategy and Policy Committee also agreed that during 2012/2013 the Council and the Club would work together to:

- prepare a business case for the upgrade of the Clyde Quay Marina
- make recommendations about the transfer of management of the Clyde Quay Boat Harbour from Wellington City Council to Royal Port Nicholson Yacht Club
- prepare a scope for a feasibility study of the public space, access and amenity aspects of the Clyde Quay Boat Harbour Master Plan

The Clyde Quay Marina Upgrade and Public Space, Access and Amenity aspects of the Clyde Quay Boat Harbour Restoration project involve the following:

Clyde Quay Marina Upgrade

A component of the Clyde Quay Boat Harbour Restoration Project is the upgrading of marina facilities within the boat harbour. The harbour is now over a 100 years old and in that time has had very little upgrading. The project will see the functionality of the boat harbour greatly improved for the recreational sport of yachting along with other ocean sports. The capacity of the boat harbour will be increased by 33%. This will be achieved through the following elements:

- Installation of a surge protection system
- Removal of mooring blocks from harbour floor
- Selective dredging to increase depth in key areas
- Installation of walk on marina berths in the centre of the harbour
- Installation of pole moorings along the eastern and western breakwaters

Public Space, Access and Amenity

The Clyde Quay Boat Harbour Restoration Project is primarily a social restoration project aimed at providing greater public amenity within the Clyde Quay Boat Harbour, increasing public access to Wellington Harbour and celebrating the boat harbour's nationally significant heritage values. This will be achieved through the following elements:

- Public plazas in the centre of the harbour and its north-eastern edge
- A western park integrating the harbour coherently into the Wellington Waterfront
- Enhanced entrance ways on western and eastern edges drawing people into the harbour
- Widened concrete promenade clearly connecting western edge to central public plaza
- Legible connections to the boat harbour via improved entrance steps off Oriental Parade
- A promenade clearly connecting the central plaza to Oriental Bay beach

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- Restoration of heritage elements including heritage interpretation areas and a cluster of heritage yachts

By November 2012 the Council and the Club had completed the following tasks.

1. Developed a draft business case and financial model for the Clyde Quay Boat Harbour showing what would be required to fund the upgrade from user fees
2. Developed a set of recommendations for the transfer of management of the boat harbour from the council to the club
3. Developed a draft scope of works for a feasibility study through to consenting for the public access, space and amenities

In November 2012 the Council commissioned Wardale Marine Consultants to complete a review of the overall Master Plan, the Clyde Quay Marina Upgrade business case, the recommendations regarding transfer of management of the Clyde Quay Boat Harbour and the scope for a feasibility study into the public access, space and amenities aspects of the Clyde Quay Boat Harbour restoration project.

In forming their recommendations Wardale Marine Consultants completed the following analyses:

- Detailed review of the physical design and layout of both the land and water-based proposals included in the Master Plan, including identification of associated concerns and risks, and consideration of industry best practice
- Assessment of likely demand and pricing for the proposed marina berths
- Comparison of the proposed management model against alternative models
- Assessment of long term maintenance implications
- Review of the financial model
- Review of the economic benefits
- Assessment of key risks and mitigation

In summary the Wardale report confirmed that the Clyde Quay Precinct, with its mix of facilities, has the potential to be a truly world class facility. It supported the vast majority of the land based changes and focused most of its recommendations on the Marina Upgrade. Its primary recommendation was that the space allocated to moorings in the existing marina layout should be used for berths while the space adjacent to the breakwaters could be used for moorings. The report confirmed that there would be likely demand for the berths and moorings if this configuration were adopted. The report provided a table of comparative pricings for berths from other marinas to use as a guide for estimating fees in the Marina Upgrade financial model. The report supported the plan to further explore the transfer of management and provided background information that could be used during this process. The report supported the financial model as a tool and identified assumptions within the model that needed further analysis. The report provided a summary review of the economic benefits of the overall Clyde Quay Boat Harbour Restoration Project and the Wellington Yachting Strategy. Finally the report

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provided a set of key risks associated with the project and suggested ways in which they could be mitigated.

The findings from the Wardale report have now been integrated into the Master Plan. In particular the recommendation that the marina layout be altered from that shown in the Master Plan has lead to a revision of the precinct plan so that walk on berths are shown in the prime water in the middle of the harbour with pile moorings positioned along the breakwaters.



As a result of this change the total number of boats able to be accommodated in the harbour has risen to 118 with 70% of the spaces being more effective and higher value walk on berths. In the process a more effective ocean sports events space is created as a Central Bay in the Harbour. These changes along with the associated change in construction costs are reflected in the Clyde Quay Marina Upgrade Financial Model. A larger copy of the precinct plan reflecting the revised marina layout is available as appendix two of this paper.

5. Proposal

5.1 Clyde Quay Marina Upgrade Business Case

A Clyde Quay Marina upgrade financial model has been developed by Council officers working closely with the Club. A range of variables including occupancy rates, number of berths, berth fees, length of useful life, management fees, maintenance costs, interest rates, inflationary effects, cost of wave attenuation system and construction costs can be adjusted within the model to test the viability of the business case for the Clyde Quay Marina Upgrade.

The Marina layout as reflected in the updated precinct plan involves the development of walk on berths in the central section of the Clyde Quay Boat Harbour and the installation of pile moorings along the breakwaters. The financial model is based upon the following berth and mooring numbers.

- 20 X 10 metre berths
- 11 X 11 metre berths
- 27 X 12 metre berths
- 4 X 12 metre catamaran berths
- 8 X 14 metre berths
- 12 X Wellington Ocean Sports Centre berths
- 36 X 12 metre pole moorings

The financial model makes provision for the removal of existing mooring blocks and other flotsam and jetsam from the harbour floor and for selective dredging to deepen the central part of the harbour.

The financial model is based upon the Council's policy of 0% subsidy for marinas and therefore makes provision for user fees to pay off borrowings and the interest on borrowings over the useful life of the Marina facilities. The useful life has been set at 40 years.

The financial model makes provision for depreciation and for the costs of personnel and general expenses required to operate, maintain and administer the marina and boat sheds during that period. The model assumes that the club will project manage the upgrade and then manage the marina into the future.

The quality and complexity of the facilities in the Clyde Quay Marina will improve and the number of boats will increase as a result of the upgrade. This will require an increased level of service delivery and maintenance which means that the cost of managing the marina will increase from current base levels. Both the costs of managing the Clyde Quay Marina and of maintaining it into the future have been factored into the financial model.

The financial model allows for a graduated increase from existing occupancy rates to targeted occupancy rates and this has been set at five years. This means that five years

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after construction the walk on berths will be ninety six percent occupied. It assumes that the boat sheds will be on average one hundred percent occupied and that the moorings will be on average ninety six percent occupied throughout the construction phase and beyond.

The financial model is based upon 2013 costs and assumes an interest rate of six percent on average during the life of the marina. The model allows for a staggered increase in mooring and shed fees over a three year period to transition from the current fee structure to the new fee structure for the upgraded facility.

The model can be set so any number of long term licenses are sold at the outset of the project.

The model makes provision for recouping the costs of initial investigations for the marina upgrade including a wave survey report with recommendations about any required wave mitigation systems, a harbour floor survey, a geotech report, a coastal ecology report, detailed design of the marina elements and the preparation and submission of the resource consent application.

5.1.1 Combined Chaffers and Clyde Quay Berth Allocation Model

A variable in the financial model that impacts on the viability of the Clyde Quay Marina Upgrade business case is the size of berths selected for the marina. In order to arrive at the allocation model the club has worked closely with Chaffers Marina ltd.

Rather than being treated as two completely independent marinas the Clyde Quay precinct is now being treated as a whole for the purposes of future planning. Both Chaffers Marina Ltd and the club are desirous to ensure that Chaffers Marina plans integrate seamlessly with the Clyde Quay Boat Harbour Master Plan so that Chaffers Marina and Clyde Quay Marina operate closely together as one precinct.

Chaffers Marina Ltd's development plans include increasing the number of berths which are greater than 14m in length which in turn will reduce the available berths in the 10m to 14m range in Chaffers Marina. This fact along with a review of trends in the Wellington sailing fleet has been taken into account when setting the berth sizes at the 10 to 14 metre range for the Clyde Quay Marina Upgrade.

5.1.2. Comparative Marina Mooring and Berth Fees

A further variable in the financial model that will impact on demand is the fee structure that is put in place. An analysis of annual fees charged at comparable marinas was undertaken to determine the proposed fee structures for the Clyde Quay Marina business case. The following table shows these comparative berth fees for different marinas and berth sizes.

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Berth Size (m)	Annual berth charge incl GST as at 2012				
	Chaffers	Mana	Nelson	Seaview	Evans Bay
10.0	\$4,420	\$4,008	\$2,580	\$3,285	\$2,580
11.0				\$4,064	
12.0	\$5,200	\$4,920	\$3,096		\$2,580
13.0			\$3,348		
13.5	\$6,396			\$4,800	\$2,580
14.0	\$6,398	\$6,120			
cat 15			\$3,870	\$6,180	

5.1.3. Preferred Clyde Quay Marina Upgrade Business Case

The following Clyde Quay Boat Harbour business case reflects the assumptions which have been identified as the preferred option by the Club. Further iterations of the business case with a range of different assumptions are presented as appendix three to this paper.

Assuming ...

- That the financial model DOES NOT include a reduction in borrowings for the sale of long term berth holdings
- That the project and the facility is managed by RPNYC
- That wave mitigation costs are \$100,000
- That the average berth occupancy across the first ten years is 84%
- That the average mooring occupancy across the first ten years is 96%
- That the average boat shed occupancy across the first ten years is 100%
- That annual rental fees are increased on average by 3% per annum
- That construction costs are as predicted including the full contingency allowance

Then

- The annual mooring rental in year five is estimated as \$1,365 excl GST
- The annual berth rental in year five is estimated to range between \$3,743 and \$6,203 excl GST
- The annual shed rental in year five is estimated to range between \$1,365 and \$3,443 excl GST

And

- The project begins paying back rates in 3 YEARS
- The maximum rates impact in any year is \$131,832
- The rates payback period for the project is 7 YEARS
- The business case pays back an additional \$338,963 by year ten over and above what is required
- Which means borrowings in year ten are \$1,673,741

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5.1.4. Risk Assessment of the Clyde Quay Marina Upgrade

The following table shows the current high level risks associated with the Clyde Quay Marina Upgrade and outlines how these risks are to be mitigated.

Risk	Proposed mitigation
Surge reduction costs are greater than predicted	The Club is of the opinion that the need for surge reduction along the eastern breakwater will be minimal given the fact that boats have moored successfully in this part of the harbour for more than one hundred years and that there is no longer walk on berths to be installed here. An allowance of \$55,970 has been built into the business case for and design of a solution to dampen the occasional surge. An additional allowance of \$100,000 has been built into the business case to cover the construction of this solution.
Geotech study identifies hardened seafloor material that requires piles be drilled	A 20% contingency sum has been added to the construction costs until more is understood regarding the makeup of the seabed. It is considered unlikely that this will be an issue given the fact that piles were driven throughout the harbour during the war.
Coastal ecology report identifies contaminants that require mitigation	A 20% contingency sum has been added to the dredging costs until more is understood regarding the makeup of the seabed. It is considered unlikely to be an issue as in 1984 a tender was let to remove 50,000 cubic metres and at that time the levels of contaminant in the sediment were identified as requiring appropriate handling but need not be regarded as a severe environmental risk. Incidentally the work did not proceed.
Capital costs are greater than predicted	Initially three quotes were received for the capital costs of the project. These have been increased in the business case to take account of inflationary increases between the time they were received and when construction is likely to start. A 20% contingency sum has also been added to the business case to cover any unforeseen costs.
Useful life is less than forty years	The quotes for the upgrade work are based upon a useful life of forty years and the main components will last for this long. Some aspects of the berthing and mooring systems are likely to fail before this time. Funding has been built into the financial model to cover the replacement and maintenance of these items.
Number of berths is different in final design than predicted in conceptual plan	The Australian standard for marinas was used in calculating the number of berths in the marina. It could be that the final design solution has more twelve and fourteen metre berths and less ten metre berths. If this is the case then the number of boats will be less but the revenue will remain comparatively the same.
Unable to collect fees during construction phase	A four phased staging of the construction of the marina has been planned meaning that at any one point three quarters of the berths in the marina will be available. The reduction in spaces available during construction has been built into the business case.

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Projected occupancy targets are not met	The business case has set five years as the timeframe for achieving occupancy targets. The number of moorings decreases in the harbour so the business case forecasts that these will reach their occupancy targets more quickly than the walk on berths. If necessary less revenue could be applied to paying back the borrowings at a faster rate than required to offset any decreased revenue from a slower than predicted uptake of the moorings and berths.
Fee increase not accepted by existing tenants	The Club will call for registrations of interest in licenses for the sheds, moorings and berths in the reconfigured Clyde Quay Marina. This task will be completed during 2014/2015 with a report back to Strategy and Policy Committee in February 2015. It will be recommended that the Clyde Quay Marina Upgrade commence in 2015/2016 if a level of interest is confirmed that aligns with the assumptions in the business case. It should be noted that thirty six pile moorings will remain in the boat harbour. The fees for these moorings will not be significantly greater than what is already being charged for current moorings. It is predicted that this will be enough capacity for mooring holders who do not want to upgrade to a walk on berth.

5.2 Transfer of Clyde Quay Boat Harbour Management

The memorandum of understanding between Council and the Club provides a framework for discussions around the ongoing management of the Clyde Quay Boat Harbour by the Club including tasks such as maintenance, issuing licenses, collecting fees and customer service. The Club and Council officers have discussed possible arrangements for the management of the Clyde Quay Boat Harbour based upon the framework.

The following Clyde Quay Marina Management Proposal is the preferred option for the Club. This management proposal will be developed further over the period 2013 to 2015 before a final contractual arrangements proposal is presented to councilors for consideration as part of deliberations on the next Council Long Term Plan in 2015/2016.

5.2.1. Clyde Quay Marina Management Proposal

It is proposed that a Trust be established to oversee the ongoing governance of the Clyde Quay Boat Harbour. The Trust will consist of two council appointed representatives and four club appointed representatives. The Trust board will hold in trust the Clyde Quay Boat Harbour assets and will be responsible for ensuring they are managed and maintained in accordance with the trust deed. If a Trust is not the preferred option for the Council then the Club suggests that the Council enter into a management contract with the Club.

It is proposed that the Club take on a head license from the Trust (or the Council if a Trust is not established) with a forty year term with a right of renewal for the berths, the moorings and the sheds. The Club will then take responsibility for issuing new licenses for the moorings, the berths and sheds using licenses to occupy, the form of which will be agreed to by the Trust (or the Council if a Trust is not established). Existing tenants will be given first right of refusal to reestablish their licenses under the new guidelines.

If the Council is not prepared to issue a head license to the club then the Club proposes that it provide the same services through the management contract with the Trust (or the Council if a Trust is not established).

The Club will manage enquiries for sheds, mooring and berths and issue licenses to occupy on an ongoing basis and will manage a waiting list once demand outstrips availability.

The Club will oversee the ongoing management and maintenance of the Clyde Quay Boat Harbour to a standard negotiated with the Trust (or the Council if a Trust is not established) at the completion of the marina upgrade work. The cost of managing the Clyde Quay Boat Harbour and of ongoing maintenance of the moorings, the berths, the sheds and the general environment will be covered through the license fees as outlined in the marina upgrade business case.

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The Club will be responsible for preparing an annual plan and budget for ratification by the Trust (or the Council if a Trust is not established). The Club will prepare monthly reports for the Trust including financials (P&L, balance sheet, reforecasts, cashflow), occupancy rates and maintenance undertaken.

The Club will manage the administration functions through the addition of capacity to its existing back office. The general maintenance of the Clyde Quay Boat Harbour will be carried out by a mixture of club staff and contactors. Existing tasks performed by contractors such as rubbish collection and shed maintenance will be managed by the Club but be carried out by contractors. Day to day maintenance of the marina will be carried out by club staff.

5.2.2. Combined Chaffers Marina and Clyde Quay Marina Management Plan

The Club has begun discussions with Chaffers Marina Ltd regarding the provision of management services for Chaffers Marina including accounts management, maintenance services, berth holder services and haul out services. Should both the Clyde Quay Marina and Chaffers Marina management contracts be adopted then the Club will apply the same systems to the management of both marinas and for all intent and purposes will treat them as one. Chaffers Marina Ltd will provide their marina management software which can be used to manage the Clyde Quay marina sheds, berths and moorings. Similarly they will provide licensing agreements and rental management procedures which can be adapted and applied to the Clyde Quay Marina.

Establishment of a contract to manage Clyde Quay Marina is not reliant on a contract being in place for the Club to manage Chaffers Marina, however, should both management contracts be adopted then this will lead to economies of scale and consistency of implementation across the two marinas in the precinct.

5.2.3. Other Management Options for the Clyde Quay Marina

The management of the Clyde Quay Boat Harbour could remain as per the existing arrangement whereby the Council employs a manager who oversees the issuing of licenses, the collection of fees and the maintenance of the harbour. The level of service will need to increase if the assumptions in the business case are to be realised and management remains with the council.

5.2.4. Risk Assessment of Clyde Quay Marina Management Proposal

The following table shows the current high level risks associated with the Clyde Quay Marina management proposal and outlines how these risks are to be mitigated.

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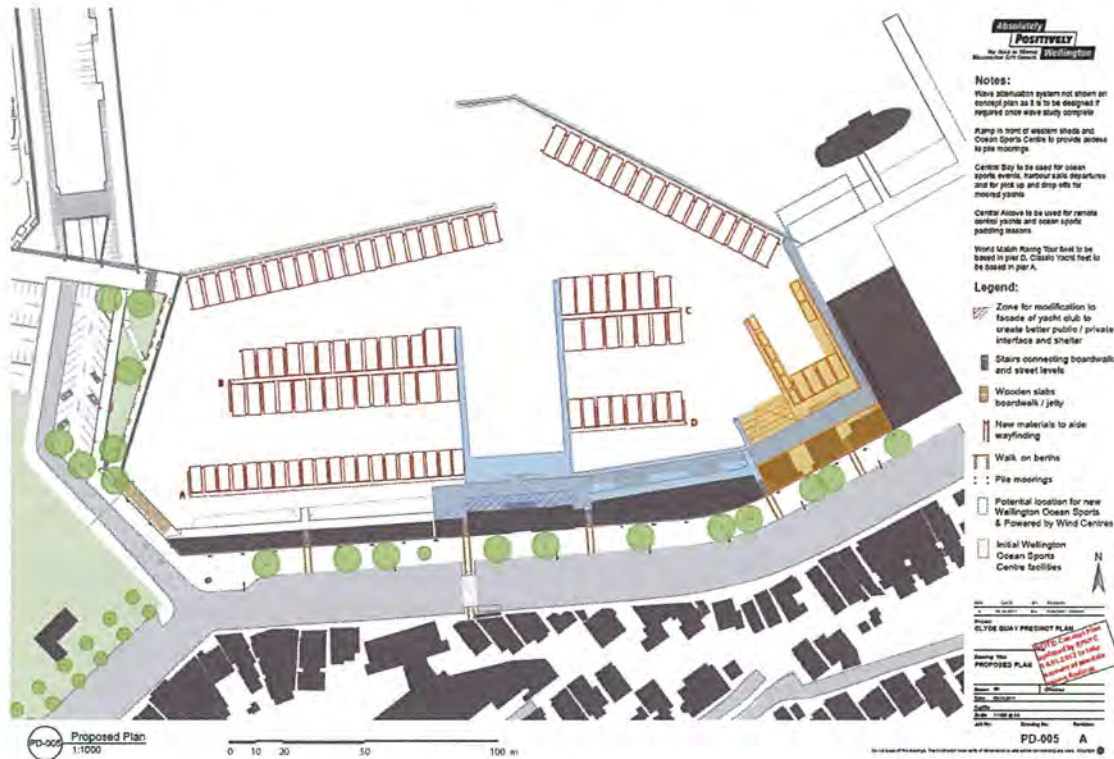
Risk	Proposed mitigation														
<p>Implementation of new management model produces undesirable outcomes</p>	<p>Completion of a full risk analysis and identification of other alternative models will be undertaken before a contractual arrangements proposal is developed. The review needs to take cognizance of the following advantages and disadvantages of club based management of marinas as identified in the Wardale report.</p> <table border="0" data-bbox="643 577 1466 1227"> <thead> <tr> <th data-bbox="643 577 1018 611">Advantages</th> <th data-bbox="1042 577 1466 611">Disadvantages</th> </tr> </thead> <tbody> <tr> <td data-bbox="643 616 1018 683"> <ul style="list-style-type: none"> • Can be a source of revenue for the Society </td> <td data-bbox="1042 616 1466 683"> <ul style="list-style-type: none"> • Self-interested parties may dominate decisions </td> </tr> <tr> <td data-bbox="643 694 1018 761"> <ul style="list-style-type: none"> • A relatively simple ownership structure </td> <td data-bbox="1042 694 1466 761"> <ul style="list-style-type: none"> • Limited access to funds for major redevelopment or expansion </td> </tr> <tr> <td data-bbox="643 772 1018 840"> <ul style="list-style-type: none"> • Members have a say in the running of the operation </td> <td data-bbox="1042 772 1466 840"> <ul style="list-style-type: none"> • Requirements that users also be members of the society operating the marina </td> </tr> <tr> <td data-bbox="643 851 1018 963"> <ul style="list-style-type: none"> • Preferable to private ownership when sensitive coastal land is included </td> <td data-bbox="1042 851 1466 963"> <ul style="list-style-type: none"> • Societies are often subject to the will of their membership. </td> </tr> <tr> <td data-bbox="643 974 1018 1108"> <ul style="list-style-type: none"> • Helps control access/membership to the marina, enhancing the marina as a destination </td> <td data-bbox="1042 974 1466 1108"> <ul style="list-style-type: none"> • Short-term thinking may prevail over long-term planning – important when considering long term maintenance of an asset </td> </tr> <tr> <td data-bbox="643 1120 1018 1227"> <ul style="list-style-type: none"> • Allows Council to contract out the operation of an asset in which it has no expertise </td> <td></td> </tr> </tbody> </table>	Advantages	Disadvantages	<ul style="list-style-type: none"> • Can be a source of revenue for the Society 	<ul style="list-style-type: none"> • Self-interested parties may dominate decisions 	<ul style="list-style-type: none"> • A relatively simple ownership structure 	<ul style="list-style-type: none"> • Limited access to funds for major redevelopment or expansion 	<ul style="list-style-type: none"> • Members have a say in the running of the operation 	<ul style="list-style-type: none"> • Requirements that users also be members of the society operating the marina 	<ul style="list-style-type: none"> • Preferable to private ownership when sensitive coastal land is included 	<ul style="list-style-type: none"> • Societies are often subject to the will of their membership. 	<ul style="list-style-type: none"> • Helps control access/membership to the marina, enhancing the marina as a destination 	<ul style="list-style-type: none"> • Short-term thinking may prevail over long-term planning – important when considering long term maintenance of an asset 	<ul style="list-style-type: none"> • Allows Council to contract out the operation of an asset in which it has no expertise 	
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<p>Existing tenants resistance to change</p>	<p>Devolving management of the Clyde Quay Marina to the Club at the same time as the marina is upgraded provides an opportunity for a paradigm shift in the way in which the marina is perceived by existing tenants as well as by the general public and visitors to Wellington. Integrating the upgrade of the Clyde Quay Marina with the broader strategic projects of the Club and the Council (Wellington Harbour Festival, Wellington Ocean Sports Centre, and Wellington Spirit Sailing Team) provides a compelling argument for this. The change has been signaled for quite some time and, although not formally tested yet, there has been no major resistance from existing tenants but significant support from many tenants.</p>														
<p>Financial risk of club taking on head license</p>	<p>The Club is prepared to accept and relieve the council of the risk of recovering rents by taking on the head license. The Club envisages that the management contract will ensure the Club is adequately recompensed for taking on this risk while at the same time ensuring the Club does not profiteer. If necessary the Club could simply act as an agent for the Trust (or the Council if a Trust is not established) and collect the rentals on its behalf.</p>														

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<p>Chaffers Marina Ltd do not enter into management contract with the Club</p>	<p>The financial model already assumes this is the case. The management fee in the business case covers the costs of managing just the Clyde Quay Boat Harbour. If a management contract were to be established for Chaffers Marina then this would be a separate contract with a separate fee arrangement.</p>
<p>Assets are not appropriately maintained and/or cash is not generated and retained for the replacement of assets at the end of useful life</p>	<p>The financial model for the business case has allocated additional funding to significantly improve the level of service delivery in the upgraded marina including increasing the amount of ongoing maintenance that is performed. It is intended that as part of the management contract that the Club will develop, implement and review an asset management plan in consultation with the Council and effective implementation of the asset management plan will be a key performance indicator in the management contract</p>
<p>Conflict of interest issues with RPNYC and Chaffers Marina Ltd directors sitting on both boards.</p>	<p>As part of the management agreement any conflicts of interest will need to be declared and carefully considered.</p>

5.3 Public Space, Access and Amenity Feasibility

The Public Space, Access and Amenity feasibility addresses the works outlined as ‘Phase 1’ on drawing PD-006 of the Clyde Quay Precinct Plan. For convenience the public space areas covered by this feasibility are marked in blue on the following image while the Wellington Ocean Sports Centre areas covered by this feasibility are marked in orange.



It includes:

- The Clyde Quay Central Plaza which sees a large public deck span the central area of the harbour connected to the central bay in the marina and connected to Oriental Parade.
- A large deck in front of the Wellington Ocean Sport Centre connecting to a ramp into the Clyde Quay Boat Harbour and a series of pontoons for the centre’s yachts as well as entrance ways from Oriental Parade.
- A promenade connecting the central plaza to the Wellington Ocean Sport Centre and a further promenade from the Centre alongside Freyberg Pool to the North East corner of the Clyde Quay Boat Harbour.
- The integration of these public spaces with the public access ways into the harbour.
- The integration of the Royal Port Nicholson Yacht Club with the new public spaces.

5.3.2. Integration of Clyde Quay Boat Harbour Public Space and Amenities with Events Strategy

The memorandum of understanding between the Council and the Club provides a framework for identifying, securing and implementing events on Wellington Harbour. Since 2006 the Council and Club have worked successfully together to co-host stopovers for events such as the Volvo Ocean Race, the Vendee Globe Race, the Velux 5 Oceans Race and the Global Ocean Race.

The Club and the Council have been working together to establish the Wellington Harbour Festival as an Iconic annual event as part of the City's event strategy. The Wellington Harbour Festival is intended to grow into a six week event each summer featuring a mixture of international, national, regional and community ocean sports events on the Wellington Harbour Arena. The plan is to group existing ocean sports events along side new ocean sports events, and market these collectively as the Wellington Harbour Festival.

At the community level the Wellington Harbour Festival involves events such as 'Have a go at ocean sports days', 'Kiwisport ocean sports in schools', 'Dragon boat competitions', 'Birdman competitions', 'Waitangi day celebrations', 'Wellingtonians on the harbour days', 'the Wellington Spirit business sailing league' and new events such as the 'Around the bays by sea'.

At the regional and national level the Wellington Harbour Festival involves existing and new events such as 'the Port Nicholson Regatta', 'national sailing championships', 'CentrePort youth match racing championships', 'Central region optimist team racing champs', 'Ocean swim events', 'Triathlon events', 'the Central Triangle Race' and 'Powerboat racing'.

At the international level the focus is on establishing a two week international sailing extravaganza as the centre piece of the Wellington Harbour Festival. Planning is underway for the extravaganza to include the 'New Zealand Sprint Sailing Championship' for Olympic and invited sailing classes, the 'New Zealand Match Racing Cup' as a leg of the World Match Racing Tour and the 'Wellington International Boat Show'.

The public space and amenity improvements foreshadowed in the Master Plan will enhance the Club's, the Council's and other ocean sports' ability to host events on the Wellington Harbour Arena. The public space and amenity improvements will greatly improve and increase the ability for Wellingtonians to participate in and engage with events held in the Wellington Harbour Arena. Of particular importance will be the central plaza and bay which will be used as the focal point or starting point for many ocean sports events into the future.

5.3.2. Integration of Clyde Quay Boat Harbour Public Space and Amenities with the Wellington Ocean Sports Centre

A purpose built Wellington Ocean Water Sports Centre is proposed to be developed as part of the Clyde Quay Boat Harbour Restoration Project. This aspect of the Master Plan is timetabled to be considered as part of deliberations on the next Council Long Term Plan in 2015/2016.

In the meantime the Council, the Club and Sport New Zealand have begun a three year 'Active Communities' project to establish ocean sports programmes in and around the Clyde Quay precinct.

This 'Active Communities' project is aimed at increasing the number of Wellingtonians actively participating in ocean sports. The project uses a Sportsville model which involves collaboration between groups of sports including waka ama, windsurfing, canoeing, kayaking and sailing. Significant progress has been made already on this project as can be seen through the Wellington Ocean Sports website at www.oceansport.org.nz.

The centre will ultimately include the following elements:

1. Changing rooms including drying space for wet weather and safety clothing
2. Storage space for equipment such as kayaks, windsurfers, paddle boards, etc
3. Storage space for rescue and coaching craft
4. Enhanced access to the harbour for a range of ocean sports
5. Classrooms for the delivery of ocean sports courses
6. Office space for administration of ocean sports

Elements 1 to 4 of the centre will be completed during the first phase of the Clyde Quay Boat Harbour restoration project and will provide a short to medium term solution. These initial facilities will be completed through a reconfiguration of the existing Coene sheds at the same time as the promenades and decks are constructed. The Club will continue to make available its existing classroom and administration facilities until such time as the Wellington Ocean Sports Centre administration and classroom block is constructed.

The Club envisages that these facilities will be paid for through community grants. In this regard the club has approached the New Zealand Community Trust, the Department of Internal Affairs and the Wellington Community Trust to begin the process of applying for funding grants to contribute towards the construction costs of these initial facilities. Formal applications will be submitted once the feasibility study gets closer to completion.

The public space and amenity improvements foreshadowed in the Master Plan will enhance the Club's and the Council's ability to deliver the aims of the Wellington Ocean Sports programme as they will help provide the facilities that will make Wellingtonians active on Wellington Harbour.

5.3.3. Integration of Clyde Quay Boat Harbour Public Space and Amenities with the Powered by Wind Education Centre

The Clyde Quay Boat Harbour Master Plan proposes that a Powered by Wind Education Centre be established as part of the Clyde Quay Boat Harbour Restoration Project. This aspect of the Master Plan is timetabled to be considered as part of deliberations on the next Council Long Term Plan in 2015/2016.

The Powered by Wind Education Centre is intended to capitalise on Wellington's unique wind advantage and New Zealand's competitive edge in innovative design and use of high tech materials in the marine and renewable energy sectors. It is proposed that the Powered by Wind Education Centre will contribute to the city's Smart Capital vision through the following elements:

- A programme for Wellington schools designed to improve science and technology literacy of Wellington children
- A tertiary level qualification programme focusing on the design and engineering of structures using high technology materials for wind and sea based energy generation and yacht design
- An annual competition focusing on improving the efficiency and effectiveness of wind and sea energy generation technologies
- An annual international competition aimed at designing, creating and testing craft that can beat the world speed sailing record

No feasibility work will be completed on the Powered by the Wind Education centre during this phase of the project other than very high level conceptual planning of how the proposed site on the North Eastern edge of the harbour will ultimately integrate with the public space and amenity items addressed during the feasibility study.

5.3.4. Costings of Public Space, Access and Amenity Feasibility

The scope of the feasibility study involves the following elements:

- Initial Investigations
 - Surveying, structural engineering.
- Detailed Design and Costings
 - For Clyde Quay Central Plaza including central deck, central bay and central alcove.
 - Clyde Quay South East including promenade in front of Eastern heritage sheds, Wellington Ocean Sports Centre small craft storage, rescue boat storage, small craft ramps, pontoons and promenade connecting to Oriental Bay.
- Consenting
 - Traffic report, urban design report, heritage report, preparation of resource consent applications.

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The following table documents the cost of the feasibility study into the public space, access and amenity elements (including initial Wellington Ocean Sports Centre facilities) of the Clyde Quay Boat Harbour Master Plan.

<u>Public Access, Space and Amenity Feasibility</u>	
Initial investigations	35,520
Detailed design	123,780
Consenting (assumes no hearing required)	37,672
Project management fees (10%)	19,697
Contingency (20%)	39,394
Total	<u>256,063</u>

5.3.5. Indicative Costings of Public Space, Access and Amenity Works

The following table documents the anticipated cost of the construction, at this stage of the project's pre-feasibility development, of the public space, access and amenity elements of the Clyde Quay Boat Harbour Master Plan including the initial Wellington Ocean Sports Centre facilities. The construction costs will be reviewed further during 2014 before a final funding proposal is presented to councilors for consideration as part of deliberations on the next Council Long Term Plan in 2015/2016.

<u>Public Access, Space and Amenity</u>	
Construction of Clyde Quay central plaza	565,703
Construction of promenade in front of Eastern heritage sheds	332,767
Installation of central pontoons	569,293
Construction of promenade in front of Wellington Ocean Sports Centre	382,681
Construction of promenade along eastern edge of Clyde Quay	221,844
Project design and management fees (10%)	207,229
Contingency (20%)	414,458
Total	<u>2,693,975</u>

Initial Wellington Ocean Sports Centre Facilities

Reconfiguration of Eastern Coene shed	66,553
Reconfiguration of Western Coene shed	66,553
Construction of ramp into Clyde Quay Boat Harbour	166,383
Installation of floating pontoons	342,896
Project design and management fees (10%)	64,239
Contingency (20%)	128,477
Total	<u>835,101</u>

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5.3.6. Risk Assessment of Clyde Quay Boat Harbour Public Space, Access and Amenity Feasibility Proposal

The following table shows the current high level risks associated with Clyde Quay Marina public space, access and amenity feasibility and outlines how these risks are to be mitigated.

Risk	Proposed mitigation
<p>Perception that by committing to feasibility funding the Council is committing to fund the full project.</p>	<p>The Club is critically aware of the impact that the global financial crisis, earthquake preparedness and leaky homes obligations are having on the Council's ability to fund capital works programmes. The Club acknowledges that by funding feasibility over the period 2013 to 2015 the Council is not committing to funding the full project. A funding proposal for the construction of the public space, access and amenity aspects of Clyde Quay Boat Harbour Master Plan (including initial Wellington Ocean Sports facilities) will be presented for consideration as part of deliberations on the next Council Long Term Plan in 2015/2016 but it will be up to Council to decide when if ever the project works are funded.</p>
<p>Issues arise that impact on the ability to gain a resource consent for the project</p>	<p>The financial model for the Clyde Quay Marina upgrade and for the Clyde Quay Boat Harbour public space, access and amenity works includes provisions for pre consenting reports on traffic, heritage, parking, urban design, coastal ecology, visual impacts, and surge mitigation systems. It is not envisaged that there will be any significant issues in any of these areas. The feasibility study will clarify the validity of this assumption.</p>
<p>The project is challenged during the resource consenting process</p>	<p>It is not possible to predict whether the project will be challenged at the resource consent stage. The New Zealand Historic Places Trust, Wellington Waterfront Watch and the Oriental Bay Residents Association have all been briefed on the project and have indicated they are happy with what is proposed at this stage of the process. The following organisations have signaled their support of the project.</p> <ul style="list-style-type: none"> • Coastguard Boating Education Services • Sport New Zealand • High Performance Sport New Zealand • Sport Wellington • Oriental Bay Residents Association • The New Zealand Marine Industry Association • Yachting New Zealand • Wellington Yachting Association • Kapiti Boating Club • Muritai Yacht Club • Worsler Bay Boating Club

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	<ul style="list-style-type: none"> • Paremata Boating Club • Te Nui a te Ika Outrigger Canoe Club • Yakkity Yak Canoe and Kayak Club • Wellington Windsurfing Association • Port Nicholson Yachting Trust • Wellington Spirit Ltd • College Sport Wellington <p>In addition the project gained one of the highest numbers of submissions in support from the public during the 2012/2022 long term plan public consultation process. The Club does not envisage significant opposition at the resource consent stage but can not preclude this as a possibility.</p>
Future sea level rise	<p>During the design phase considerations will be given to ensure promenades, decks, and other structures are built at a level that is above projected sea level rise. A solution for remedying the existing sheds susceptibility to sea level rise will be completed as part of the detailed design process but is not intended to be implemented as part of this project.</p>

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6. Summary of Financial Impact of the Marina Upgrade and Public Access, Space and Amenity Works (Note: This summary is for the revised design resulting from recommendations in the Wardale Report and assumes investigations, detailed design and consenting take place over one year as opposed to two as proposed)

OPERATING EXPENSES (\$000)	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
Public Access and Amenity											
<i>Operating costs</i>	\$0.0	\$0.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$80.0
<i>Depreciation/Interest costs</i>	\$6.2	\$20.2	\$108.7	\$268.4	\$268.4	\$268.4	\$268.4	\$268.4	\$268.4	\$268.4	\$2,014.1
Ocean Sports Facilities											
<i>Depreciation/Interest costs</i>	\$0.0	\$0.0	\$25.1	\$71.0	\$71.0	\$71.0	\$71.0	\$71.0	\$71.0	\$71.0	\$521.9
Marina Upgrade											
<i>Income</i>	\$163.8	\$275.6	\$296.4	\$382.4	\$440.6	\$485.9	\$536.8	\$552.9	\$569.5	\$586.6	\$4,290.5
<i>Operating costs</i>	\$151.6	\$155.8	\$198.2	\$204.4	\$210.4	\$216.7	\$223.2	\$230.4	\$237.8	\$245.3	\$2,073.7
<i>Depreciation/Interest costs</i>	\$78.5	\$150.5	\$230.0	\$229.9	\$228.3	\$240.7	\$236.5	\$232.0	\$244.4	\$239.2	\$2,110.0
Total	\$72.6	\$50.9	\$275.5	\$401.3	\$347.4	\$320.9	\$272.3	\$258.9	\$262.1	\$247.3	\$2,509.2
CAPITAL EXPENSES (\$000)	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	10 Year Total
Public Access and Amenity	\$208.0	\$256.1	\$2,694.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3,158.0
Ocean Sports Facilities	\$0.0	\$0.0	\$835.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$835.1
Marina Upgrade	\$0.0	\$261.5	\$2,354.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$2,616.2
Total incl Ocean Sports	\$208.0	\$517.5	\$5,883.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$6,609.3

7. Proposed funding streams for Clyde Quay Boat Harbour Restoration Project



8. Economic Impact Report – Progress Update

In June of 2012 the Club was awarded an economic grant by the Council to evaluate and summarise the economic impact of activities outlined in the Clyde Quay Boat Harbour Master Plan and in the Wellington Yachting Strategy including the three broad outcomes and ten activities as follows.

Establish the Clyde Quay Precinct as a world class base for ocean sports

1. Wellington Ocean Water Sports Centre
2. Wellington International Sailing Academy
3. Te Aro Model Yachts and Harbour Sails
4. Powered by the Wind Education Centre

Establish the Wellington Harbour Festival as an iconic annual festival including world class international yachting events in the Wellington Harbour Arena

5. New Zealand Match Racing Cup
6. New Zealand Sprint Sailing Championship
7. Wellington International Boat Show and Conference Series
8. Community, Regional and National Events

Establish the Wellington Spirit Sailing Team as a leading team on the world stage

9. Wellington Spirit
10. Wellington Marine Industry Hub

Four measures have been used to calculate the value for each activity on an annual basis using the following methodologies.




- Expanding Business. The value is the nett annual revenue expected from each activity when fully operational.
- Promoting Wellington. The value is based upon Repucom International's 'Radius Methodology' where the quality of exposure of a brand on tv, tv news, online and in print is factored against the total media value of that exposure. This rate is discounted to recognise the lesser value of passive brand positioning compared to dedicated commercials.
- Increasing Visitors. This equates to the total number of people coming from outside the Wellington City boundaries multiplied by the number of days they will be in the city multiplied by an expected spend per day for the particular activity.
- Enhancing Vibrancy. This is a subjective evaluation of the degree to which an activity contributes to the vibrancy of Wellington on an eight point scale where 1 is low and 8 is high.

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The economic impact report is yet to be completed as work is still being undertaken on the valuation of events in the Wellington Harbour Festival. Sport New Zealand has commissioned O'Connor Sinclair, a sports advisory firm, to complete a feasibility study into hosting a leg of the World Match Racing Tour in Wellington. This feasibility study will generate an independent valuation of the return on investment for events in the Festival, which will be added to the economic impact report in due course.

Each valuation in the following table is based upon projected levels of business in 2016 with the exception of the Powered by the Wind Education Centre. Values have been estimated in 2012 dollars and as such do not reflect inflation between 2012 and 2016. Multipliers have not been used in arriving at these values.

In addition to the new activities, existing businesses such as the Marina, the Restaurant, and the Club will continue to operate in the Clyde Quay Precinct. In 2016 it is expected that these businesses collectively will have revenue of around \$3,000,000, will contribute \$100,000 in visitor spend and generate \$100,000 of promotional value. These amounts have been added to their respective grand totals in the table below.

		Expanding Business (\$000)	Promoting Wellington (\$000)	Increasing Visitors (\$000)	Enhancing Vibrancy (1-8)
	1. Wellington Ocean Sports Centre	650	25	63	7
	2. Wellington International Sailing Academy	462	50	315	5
	3. Te Aro Model Yachts and Harbour Sails	270	50	115	7
	4. Powered by the Wind Education Centre	720	75	218	4
	5. New Zealand Match Racing Cup	TBC	TBC	TBC	7
	6. New Zealand Sprint Sailing Championship	TBC	TBC	TBC	7
	7. International Boat Show & Conference Series	TBC	TBC	TBC	7
	8. Community, Regional and National Events	TBC	TBC	TBC	7
	9. Wellington Spirit	660	400	10	6
	10. Wellington Marine Industry Hub	1,000	40	10	2
		\$6,762,000	\$831,000	\$740,000	5.9 (1=low, 8=high)

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Appendix 1: Clyde Quay Boat Harbour Restoration Project Master Plan

See Master Plan booklet



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Appendix 3: Further Iterations of the Clyde Quay Boat Harbour Upgrade business case

PESSIMISTIC

Assuming ...

- That the financial model DOES NOT include a reduction in borrowings for the sale of long term berth holdings
- That the project and the facility is managed by RPNYC
- That wave mitigation costs are \$300,000
- That the average berth occupancy across the first ten years is 77%
- That the average mooring occupancy across the first ten years is 84%
- That the average boat shed occupancy across the first ten years is 90%
- That annual rental fees are increased on average by 3% per annum
- That construction costs are as predicted and require the full additional 20% contingency

Then

- The annual mooring rental in year five is estimated as \$1,365 excl GST
- The annual berth rental in year five is estimated to range between \$3,743 and \$6,203 excl GST
- The annual shed rental in year five is estimated to range between \$1,365 and \$3,443 excl GST

And

- The project begins paying back rates in 5 YEARS
- The maximum rates impact in any year is \$158,579
- The rates payback period for the project is greater than 10 YEARS
- The business case pays back an additional \$1,422 by year ten over and above what is required
- Which means borrowings in year ten are \$2,165,425

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OPTIMISTIC

Assuming ...

- That the financial model DOES NOT include a reduction in borrowings for the sale of long term berth holdings
- That the project and the facility is managed by RPNYC
- That wave mitigation costs are \$50,000
- That the average berth occupancy across the first ten years is 100%
- That the average mooring occupancy across the first ten years is 100%
- That the average boat shed occupancy across the first ten years is 100%
- That annual rental fees are increased on average by 3% per annum
- That construction costs do not require the 20% contingency

Then

- The annual mooring rental in year five is estimated as \$1,365 excl GST
- The annual berth rental in year five is estimated to range between \$3,743 and \$6,203 excl GST
- The annual shed rental in year five is estimated to range between \$1,365 and \$3,443 excl GST

And

- The project begins paying back rates in 1 YEAR
- The maximum rates impact in any year is \$66,340
- The rates payback period for the project is 2 YEARS
- The business case pays back an additional \$898,555 by year ten over and above what is required
- Which means borrowings in year ten are \$699,771

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Notes:

Wave attenuation system not shown on concept plan as it is to be designed if required once wave study complete

Ramp in front of western sheds and Ocean Sports Centre to provide access to pile moorings

Central Bay to be used for ocean sports events, harbour sails departures and for pick up and drop offs for moored yachts

Central Alcove to be used for remote control yachts and ocean sports paddling lessons

World Match Racing Tour fleet to be based in pier D. Classic Yacht fleet to be based in pier A.

Legend:

-  Zone for modification to facade of yacht club to create better public / private interface and shelter
-  Stairs connecting boardwalk and street levels
-  Wooden slabs boardwalk / jetty
-  New materials to aide wayfinding
-  Walk on berths
-  Pile moorings
-  Potential location for new Wellington Ocean Sports & Powered by Wind Centres
-  Initial Wellington Ocean Sports Centre facilities



REV	DATE	BY	REASON
A	03.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN

Drawing Title: PROPOSED PLAN

Drawn SU Checked

Date 03.10.2011

Cadfile

Scale 1:1000 @ A3

Job No: Drawing No: Revision:

PD-005 A

NOTE: Concept Plan updated by RPNYC 14.01.2013 to take account of Wardale report findings



PD-005 Proposed Plan 1:1000



Clyde Quay Boat Harbour Restoration Project Master Plan

Connecting Wellingtonians to Wellington Harbour

Tabled Information Reference: 048/13P(A)



ROYAL PORT NICHOLSON YACHT CLUB

Established 1818

Absolutely

POSITIVELY

HELEN KIP PONGKE
WELLINGTON CITY COUNCIL

Connecting Wellingtonians to Wellington Harbour

The Clyde Quay Boat Harbour Restoration Project aims to restore the boat harbour to once again be the jewel in the crown of the Wellington Waterfront, fit for purpose as a primary means of connecting Wellingtonians to Wellington Harbour.

The purpose of this document is to communicate a Master Plan describing:

- What activities will take place in and around the Clyde Quay Boat Harbour
- How the Clyde Quay Boat Harbour will be laid out
- How the project works will be phased

Activities in and around the Clyde Quay Boat Harbour

1. Public Amenity, Harbour Accessibility & Heritage Celebration

The Clyde Quay Boat Harbour Restoration Project is primarily a social restoration project aimed at providing greater public space and amenity within the Clyde Quay Boat Harbour, increasing public access to Wellington Harbour and celebrating the boat harbour's nationally significant heritage values. This will be achieved through the following elements:

- Public plazas in the centre of the harbour and its north-eastern edge
- A western park integrating the harbour coherently into the Wellington Waterfront
- Enhanced entrance ways on western and eastern edges drawing people into the harbour
- Widened concrete promenade clearly connecting western edge to central public plaza
- Legible connections to the boat harbour via improved entrance steps off Oriental Parade
- A promenade clearly connecting the central plaza to Oriental Bay beach
- Restoration of heritage elements including heritage interpretation areas and a cluster of heritage yachts

2. Royal Port Nicholson Yacht Club

In the centre of the harbour is the Royal Port Nicholson Yacht Club. Along with its primary function of running sailing programmes, the Clyde Quay Boat Harbour Restoration Project will see the club increasingly taking on a significant public amenity role. This will be achieved through the following elements:

- A Royal Yacht Club providing a comprehensive year round sailing programme
- A centre for the delivery of significant ocean water sports events for Wellington
- A Remote Control Yacht attraction for public to sail model yachts in the boat harbour
- A Harbour Sails attraction for public to take sailing excursions on the Wellington harbour
- A waterfront cafe and a fine dining restaurant
- A venue for meetings, seminars and other social engagements

3. Wellington Ocean Water Sports Centre

The Wellington City Council and Sport New Zealand have begun a three year project to establish Ocean Water Sports programmes in and around the Clyde Quay Precinct. The project is an "active communities" initiative aimed at increasing the number of Wellingtonians actively participating in ocean sports. A purpose built Wellington Ocean Sports Centre will be developed as part of the Clyde Quay Boat Harbour Restoration Project. This will include the following elements:

- Classrooms for the delivery of ocean sports courses
- Office space for ocean sports administration
- Changing rooms including drying space for wet weather and safety clothing
- Storage space for equipment such as kayaks, windsurfers, paddle boards, etc
- Storage space for rescue and coaching craft
- Enhanced access to the harbour for a range of ocean sports

4. Clyde Quay Marina Upgrade

A further component of the Clyde Quay Boat Harbour Restoration Project is the upgrading of marina facilities within the boat harbour. The harbour is now over a 100 years old and in that time has had very little upgrading. The project will see the functionality of the boat harbour greatly improved for the recreational sport of sailing along with other ocean water sports. The capacity of the boat harbour will be increased by 33%. This will be achieved through the following elements:

- Removal of mooring blocks from harbour floor
- Selective dredging to increase depth in key areas
- Installation of rock anchor fore and aft mooring systems
- Installation of a surge protection system
- Installation of walk on marina berths along the eastern and western breakwaters

As part of the marina upgrade RPNYC will develop a business case exploring the economies of scale that could be achieved through the centralisation of management of the Clyde Quay and Chaffers Marinas under the auspices of the club.

5. Powered by the Wind Education Centre

A Powered by the Wind Education Centre is proposed to be established in the precinct in order to capitalise on Wellington's unique wind advantage and New Zealand's competitive edge in innovative design and use of high tech materials in the marine and renewable energy sectors. The Powered by the Wind Education Centre could contribute to the city's Smart Capital vision through the following elements:

- A programme for Wellington schools designed to improve science and technology literacy of Wellington children
- A tertiary level qualification programme focusing on the design and engineering of structures using high technology materials for wind energy generation and yacht design
- An annual competition focusing on improving the efficiency and effectiveness of wind energy generation technologies
- An annual international competition aimed at designing, creating and testing craft that can beat the world speed sailing record

Tabled Information Reference 048/13P(A)

Notes:

- A - Western Edge; by OPT
 - B - Ramp connecting Promenade to Clyde Quay
 - C - Clyde Quay Central; Yacht Club
 - D - Eastern Edge; by Freyberg Pool
- 1 - Access arrangements into sheds to be confirmed with user group at detailed design
 - 2 - Investigate costing for one additional tree to match existing

Legend:

- Stairs connecting boardwalk and street levels
- Wooden slabs boardwalk / jetty
- New materials to aide wayfinding
- Proposed walk on berths
- Proposed mooring
- Potential location for Wellington Ocean Water Sports Centre
- Existing sculpture



REV	DATE	BY	REASON
A	03.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN

Drawing Title: PROPOSED PLAN

Drawn	SU	Checked
Date	03.10.2011	
Scale	1:1000 @ A3	

Job No: Drawing No: PD-005 A



Proposed Plan
 1:1000

0 10 20 50 100 m

Tabled Information Reference 048/13P(A)


Notes:


Proposed temporary landscape in relation to Overseas Passenger Terminal (OPT) development.


Potential building footprint for Powered by the Wind Education Centre to be confirmed with Wellington Waterfront Ltd.

- 1 - This drawing indicates the relocation of cross bikes
- 2 - Access gate to proposed berths
- 3 - Heritage yachts cluster
- 4 - Enhanced entranceway

Legend:

 Proposed stairs

 Proposed wooden boardwalk

 Street furniture - Types of light



REV	DATE	BY	REASON
A	03.10.2011	SU	CONCEPT DESIGN

Project:
CLYDE QUAY PRECINCT PLAN

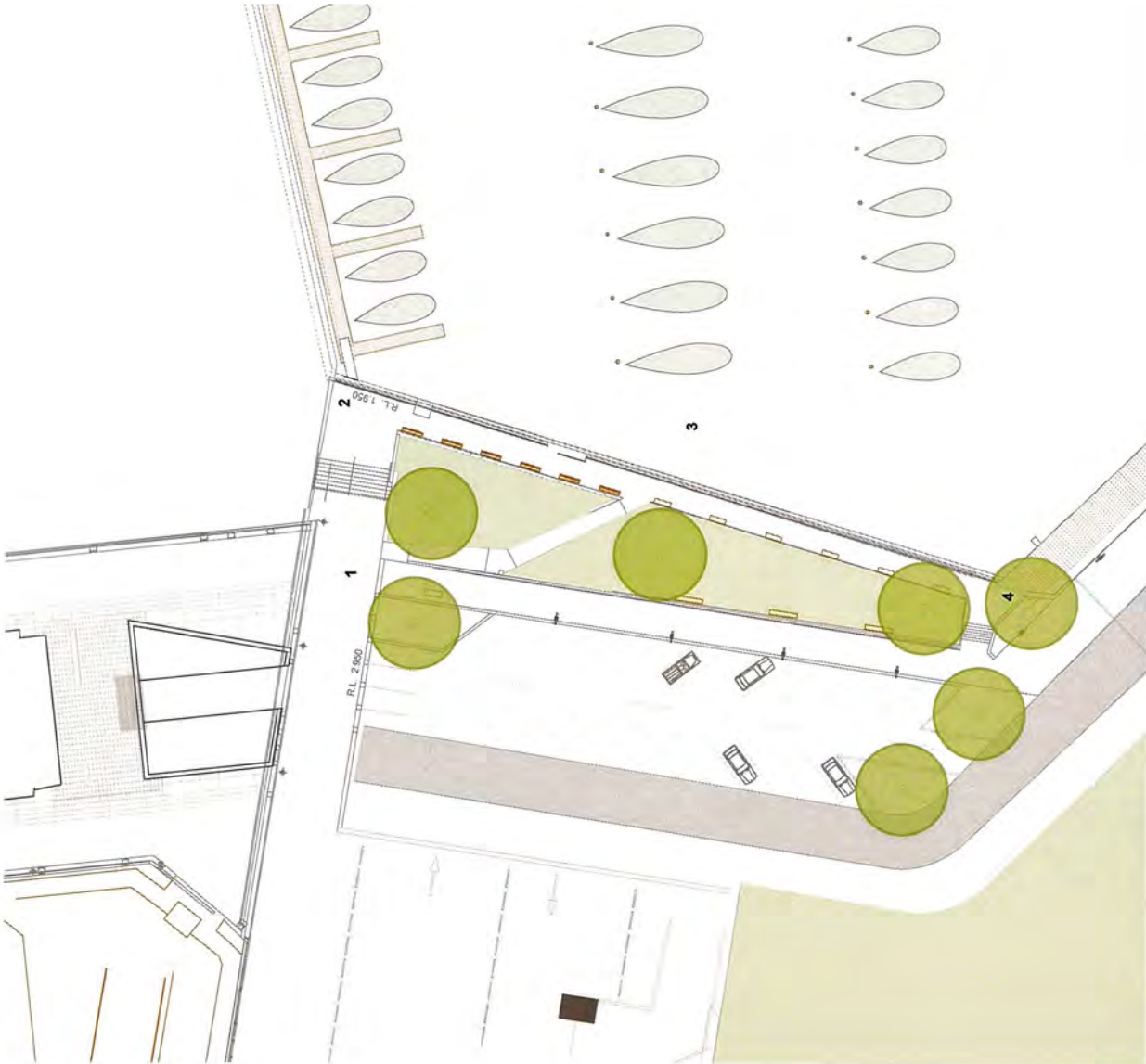
Drawing Title:
FOCUS PLAN A - WESTERN EDGE

Drawn: SU
Date: 03.10.2011
Checked:

Scale: Plan: 1:500 / Detail plans & sections: 1:200 @ A3
Job No:
Drawing No:
Revision:

PD-101 A

Do not scale off the drawings. The Contractor must verify all dimensions on site before commencing any work. Copyright ©






Focus Plan A - Western Edge
1:500

Tabled Information Reference 048/13P(A)

Notes:

- 1 - Specific junction design is required for ramp. This will also need to determine extent of modification to existing concrete.
- 2 - Consider lighting strategy for heritage wall planter; remain trees
- 3 - Removal of existing planters; remain trees

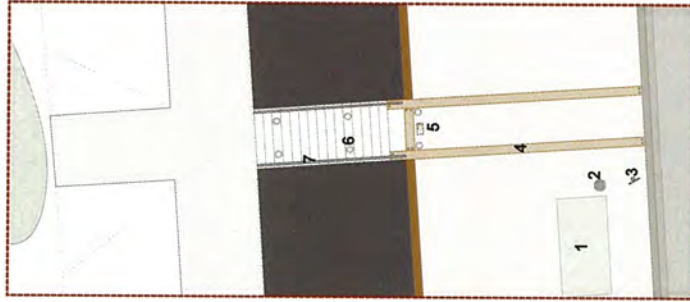
Legend:

-  Improve access stairs
-  Existing sculpture
-  Street light

Notes to Detail b:

- 1 - Bus shelter - Adshel
- 2 - Rubbish bin Waterfront
- 3 - Bus stop post
- 4 - Timber sleeper inlay
- 5 - Plaque
- 6 - Inground light
- 7 - Handrail Waterfront

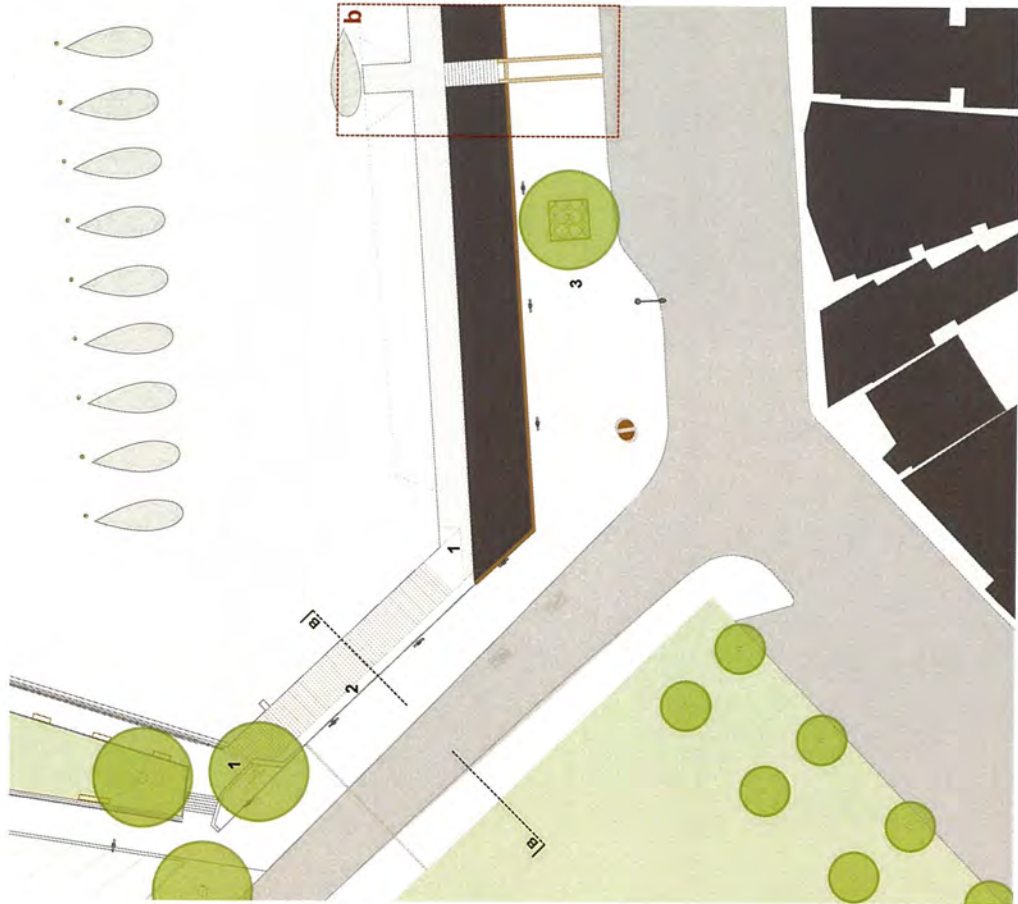
Refer to material/furniture palette



Detail b
1:200



Section BB
1:200



Focus Plan B - Ramp connection
1:500



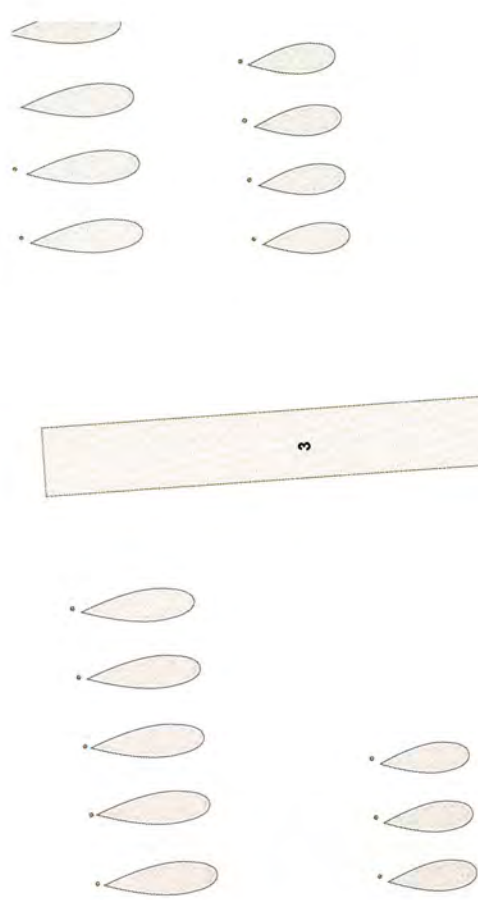
REV	DATE	BY	REASON
A	03.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN
Date: 03.10.2011
Checked: _____

Drawing Title: FOCUS PLAN B - RAMP CONNECTION
Drawn: SU
Date: 03.10.2011
Checked: _____

Scale: Plan: 1:500 / Detail plan & section: 1:200 @ A3
Revision: _____
Drawing No: PD-102
Job No: A

Tabled Information Reference 048/13P(A)



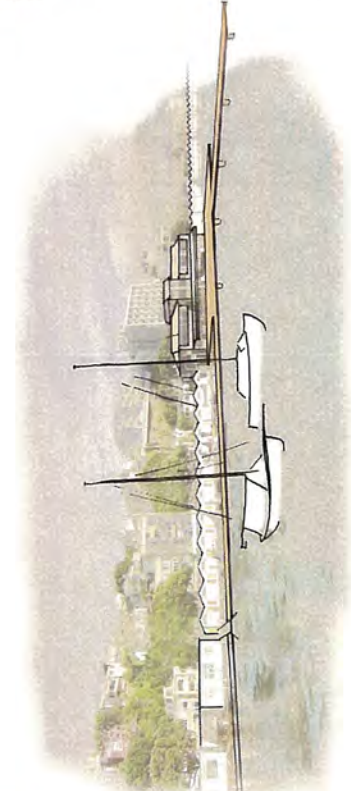
- Notes:**
- 1 - Proposed space for harbour side cafe and shelter
 - 2 - Upgrade breastwork and add floating pontoons
 - 3 - Proposed new water level public plaza & jetty including public seating & shelter
 - 4 - Proposed pedestrian crossing improvement
 - 5 - Potential base for harbour sails & remote control yachts
 - 6 - Removal of existing planters, retain trees

Legend:

- Improve access stairs
- Finger jetty and shared space
- Proposed pavement detail with sleeper inlays
- Street light
- Indicative zone for potential modification to the facade of the Yacht Club to create a better public/private interface

REV	DATE	BY	REASON
A	03.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN



Drawing Title:
FOCUS PLAN C - CLYDE QUAY CENTRAL







Drawn	SU	Checked
Date	03.10.2011	
Scale	1:500 @ A3	
Job No:		Revision:

Tabled Information Reference 048/13P(A)

Notes:

- 1 - Proposed public open space
- 2 - Access gate to proposed berths
- 3 - Extended walkway alongside Freyberg Pool
- 4 - Access way over old slipway
- 5 - Potential location for rescue boats
- 6 - Removal of existing planters; remain trees
- 7 - Indicative finger jettys

Legend:

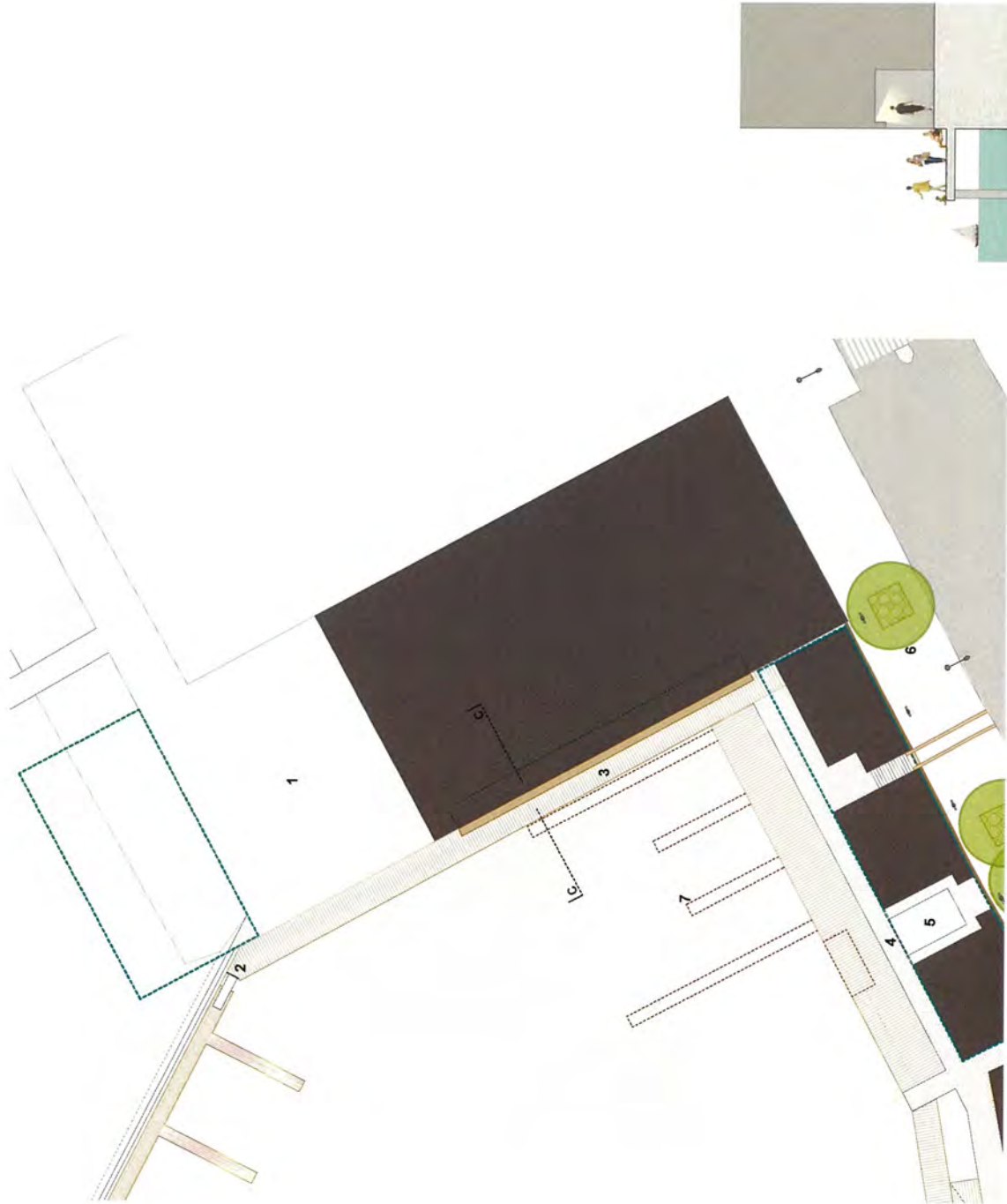
-  Improve access stairs
-  Proposed wooden boardwalk
-  Tiered seating
-  Proposed pavement detail with sleeper inlays
-  Street light
-  Potential location for Wellington Ocean Water Sports Centre including access ramp into lagoon



REV	DATE	BY	REASON
A	01.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN

Drawing Title: FOCUS PLAN D - EASTERN EDGE	
Drawn By: [Blank]	Checked: [Blank]
Date: 01.10.2011	
Client: [Blank]	
Scale: Plan 1:200 / Section 1:200 @ A3	
Job No: [Blank]	Drawing No: PD-104
	Revision: A



PD-104 Focus Plan D - Eastern Edge
 1:500

PD-204 Section CC
 1:200

Tabled Information Reference 048/13P(A)

Notes:

Stages do not reflect proposed timing but grouping of construction elements

Legend:

- Phase 1
 - Pathway works
 - Promenade
 - Connecting stairs
 - Concrete alignment/modification
- Phase 2
 - Public plaza
 - Jetty
 - Boardwalks
 - Renovation of Coene sheds
- Phase 3
 - Breakwater berths
 - Fore-Aft moorings
 - Selective dredging
- Phase 3
 - Clyde Quay West
 - East public plaza
 - Wellington Ocean Water Sports Centre WOWSC*
 - Renovation of Sailing Academy
- Potential location for WOWSC and its needs



REV	DATE	BY	REASON
A	10.10.2011	SU	CONCEPT DESIGN

Project: CLYDE QUAY PRECINCT PLAN

Drawing Title: STAGES

Drawn	SU	Checked
Date	10.10.2011	
Scale	1:1000 @ A3	

Job No: _____
Drawing No: _____
Revision: _____

