



Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

City Centre Revitalisation Action and Investment Plan

Business Case

September 2026



1 Executive summary

Document context

This Business Case has been developed to make the case for investing in the implementation of Gisborne District Council's (GDC) City Centre Revitalisation Action and Investment Plan (AIP).

The AIP sits within a broader context of plans and strategies that together shape the future of Tairāwhiti. These include the Tairāwhiti 2050 Spatial Plan, the Future Development Strategy, the and the City Centre Urban Framework. The AIP is a key component of the City Centre Revitalisation Programme and builds on previous and on-going initiatives including Council led Early Wins and Trust Tairāwhiti led Catalyst Initiatives Projects. These planning documents establish important strategic directions, articulating growth patterns, aspirations, and policy settings. The AIP builds upon these, translating aspirations and directions into realised, on the ground outcomes.

The AIP (Appendix A) provides a compelling overview of the case for investment and should be read in conjunction with, and to provide context to, this Business Case.

Why this investment is needed

The status quo is increasingly costly and unsustainable. It has been almost 30 years since the last major investment in the City Centre public realm, and much of the paving and hard surfaces are now at end of life. Without investment, the physical environment will continue to deteriorate, maintenance costs will increase, and vacancy and wider social, environmental and economic challenges will grow.

The council's vision is to transform Tūranganui-a-Kiwa / Gisborne's City Centre into a vibrant, welcoming, resilient, and uniquely grounded in the identity of its whenua, awa and people.

The City Centre is not currently equipped to deliver the community's vision. The problem statements identified to support the case for change include:

- the City Centre currently lacks the enabling infrastructure capacity, transport arrangements, and quality public realm required to support planned intensification and revitalisation
- streets and public spaces do not function as places to gather or support everyday life
- the city centre is poorly connected to its awa, whenua and surrounding destinations
- Mana whenua values and narratives are not yet embedded in delivery
- the city centre is not performing as the civic, community and economic heart of Tairāwhiti
- infrastructure and urban systems are not aligned with resilience, intensification and place outcomes
- there is no integrated, prioritised and funded pathway to deliver change.

These issues are interconnected and are reinforced by fragmented planning, funding and delivery across infrastructure, transport, public realm and development. Without coordinated investment, growth, housing and private investment will see the City Centre remain constrained, while its vitality and economic performance will continue to weaken, and cultural, environmental and community aspirations will remain unrealised.

Deferring action will increase long-term costs and prolong reliance on ageing assets and infrastructure without resolving the underlying constraints. A coordinated investment programme is therefore needed to align infrastructure, public realm, cultural outcomes and development opportunities, provide certainty to partners and investors, and enable the long-term revitalisation of the City Centre. Acting now also creates an opportunity to coordinate with already-funded. Three Waters works and access NZTA renewals funding, maximising the value of Council investment while providing the certainty needed to catalyse private investment.

Investment objectives

There are five investment objectives for the project, summarised in the tables below. Each investment objective considers the existing arrangements or current state, alongside the business needs or future state.

Investment Objective One: A vibrant, people-centred city heart that improves wellbeing and	
Existing arrangements	Streets and public spaces do not consistently function as attractive places to gather, spend time and connect. Traffic-dominated environments, inconsistent public realm quality, limited activation and poor-quality lighting reduce vibrancy, amenity and perceptions of safety.
Business needs	A city centre designed for people first, with safe and attractive streets, lively public spaces and year-round activity. Streets and spaces invite people of all ages to meet, rest, share kai, play, celebrate and connect, strengthening wellbeing, belonging and pride.
Investment Objective Two: 2. A city centre fully connected to its awa, whenua and natural systems	
Existing arrangements	Connections between the City Centre, its rivers, surrounding neighbourhoods and natural environment remain fragmented, limiting opportunities to reconnect with and celebrate te taiao. The public realm also has limited planting and ecological amenity in key areas.
Business Needs	The City Centre has a strengthened relationship with the Taruheru, Tūrangānui and Waimatā awa, with trees, shade, planting, biodiversity and nature-based systems woven into the urban environment. River-edge investment supports recreation, gathering, cultural expression and ecological restoration.
Investment Objective Three: A mana whenua-engaged city centre reflecting identity, culture and partnership	
Existing arrangements	Mana whenua stories, values are not yet fully reflected in the built environment or consistently embedded in decision-making and project delivery. The Cultural Narrative and the approach to its leadership and delivery are still being developed
Business needs	Mana whenua values, narratives, and relationships shape the City Centre. Rongowhakaata continues to play a central role, with the Cultural Narrative guiding investment, design, mahi toi, interpretation and storytelling as individual projects move through planning, design and delivery.

Investment Objective Four: A thriving, inclusive and locally rooted community and economic centre	
Existing arrangements	The City Centre is not yet achieving its full potential as the community, cultural and economic heart of the region. Economic performance is constrained by underutilised sites, vacant buildings, limited residential activity and uncertainty around future investment.
Business needs	The City Centre functions as the community, civic and economic heart of Tairāwhiti— attracting people and investment, enabling housing and business growth, and creating opportunities for local and Māori enterprises. More people visit and stay longer, supporting stronger local businesses, employment and private investment.

Investment Objective Five: A resilient, low-impact and future-ready urban system	
Existing arrangements	Infrastructure and urban systems need to evolve to support growth, resilience and climate adaptation. Parts of the public realm are at end of life, maintenance costs are increasing, and infrastructure renewal, roading and placemaking have not yet been brought together as a single coordinated programme.
Business needs	Infrastructure renewal, public realm and development are coordinated to support growth and resilience, with greener streets, ecological stormwater treatment and nature-based systems improving environmental performance. Roding and Three Waters upgrades are coordinated with public realm investment to maximise benefits, minimise disruption and reduce long-term infrastructure costs.

What success looks like

Success is a revitalised Tūranganui-a-Kiwa/Gisborne city centre that reflects the identity, aspirations and mana of its people. The city centre becomes a vibrant, welcoming and resilient place that is grounded in mana whenua values, celebrates local culture, and supports a thriving regional economy.

The implementation will be a collaboration between Council, iwi, public and key investment partners from the private sector on immediate actions that will lead to transformational outcomes.

The programme reflects the community's aspirations for the city centre, honours the values of mana whenua and integrates local cultural narratives in a genuine way that makes our people proud.

The programme aligns with existing plans and policies, ensuring sustainable benefits for the community and the regional economy.

What we considered

The long list was developed using three dimensions: scale, scope and location; implementation timing and sequencing; and funding approach. For each Dimension of Choice, a range of alternatives was developed from the status quo and do-minimum through to more comprehensive “do more” and “do maximum” responses.

The business case considered this range of options and filtered this down to a short-list of four options, plus the Status Quo option summarised in the table below.

Shortlist Option	Description
Status Quo	This option is carried forward as a baseline only.
C. Design Option 1 – Targeted Transformation and Placemaking	Provides a focused, deliverable transformation centred on Lowe Street shared space. Stronger than renewal options because it creates a visible people-focused destination and tests city-centre placemaking at a manageable scale.
D. Design Option 2 – Enhanced Targeted Transformation	Broadens the intervention to multiple central public realm and intersection locations, improving strategic fit, movement, accessibility, amenity and economic activation potential. This is likely to perform strongly across most investment objectives.
E1. Option 3 – Full Transformation - Balanced	Adds Reads Quay shared space and promenade, strengthening alignment with the awa / natural systems objective and the broader AIP ambition. It performs strongly strategically, though affordability and delivery complexity increase.
E2. Option 3 – Full Transformation - Fast	As per E1 but delivered as fast as possible to reduce the impact of escalation.

Options evaluation process

The short-list assessment weighted each option against investment objectives, benefits, and risks, to generate a numerical score - options were ranked according to this score. The following table summarises the shortlisted options scores in relation to a multi-criteria analysis across a range of topics including detailed investment objectives, required benefits, and risk profiles.

	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Design Option 3 – Full Transform Balanced	E2. Design Option 3 – Full Transform Fast
Investment Objectives	0	4	10	15	15
NM Benefits	0	9	17	27	27
Risks	6	8	8	8	5
Overall score	7	24	39	57	54
Ranking	5	4	3	1	2

Preferred option

Preferred option	Why chosen	Trade-offs
E1. Design Option 3 Full Transform Balanced	Design Option 3, incorporating Design Options 1 and 2 is the iteration that most satisfies the Investment Objectives, Critical Success Factors, and Benefits. The activation of Reads Quay is transformative in the context of social and environmental connectivity that any combination of the other options struggles to achieve with similar success. The longer delivery timeframe compared to Option E2 does provide longer to secure funding to bridge the affordability gap and enables the works to be procured in smaller packages that better suits local smaller contractors to deliver in stages.	Design Option 3 is currently beyond Council LTP budget affordability and requires Council to find substantial additional funding from external sources. This will mean that the eventual benefits realised from this option will be significantly deferred, perhaps up to a decade. Delivering over an extended period of time compared to E2 amplifies the effects of escalation, potentially increasing unaffordability and placing more pressure on alternative funding.

Costs

The nominal cost of the programme is projected to be c\$40.6m in capital expenditure and \$7.5m in operational expenditure over the 40 year assessment lifespan (period chosen to align with NZTA assessment criteria).

GDC are contributing \$10m towards capital expenditure, leaving a balance of \$30.58m to be found through alternative sources of funding. A number of sources of current funding have been identified that are, notionally, more than able to bridge to this funding shortfall. The expenditure profile is as below:

Line Item	Year 1	Year 2	Year 3	Year 4	Beyond	Total (40yrs)
Capital Expenditure (CAPEX)						
Tranche 1	\$180,000	\$240,000	\$3,520,000	\$1,070,000	\$0	\$5,000,000
Tranche 2	\$0	\$0	\$0	\$510,000	\$13,770,000	\$14,280,000
Tranche 3	\$0	\$0	\$0	\$0	\$21,720,000	\$21,720,000
Subtotal CAPEX	\$180,000	\$240,000	\$3,520,000	\$1,580,000	\$35,490,000	\$41,000,000
Operating Expenditure (OPEX)						
Subtotal OPEX	\$200,000	\$210,000	\$180,000	\$140,000	\$6,750,000	\$7,470,000
Total Expenditure (CAPEX + OPEX)	\$380,000	\$440,000	\$3,700,000	\$1,720,000	\$42,240,000	\$48,480,000

Next steps

Upon approval of this Business Case, the following activities will be undertaken:

Focus Area	Next Step / Action	Timing / Trigger
Programme Mobilisation	Establish governance, reporting and programme planning arrangements.	Oct-Dec 2026
Funding Strategy	Prepare LTP funding proposal and pursue external funding and co-investment opportunities.	Oct 2026-Jun 2027
Stakeholder & Partner Engagement	Continue engagement with mana whenua, key stakeholders, landowners, businesses and funding partners.	Oct 2026-Jun 2027
Programme Readiness	Progress procurement preparation, implementation planning and other low-risk establishment activities within existing approved budgets (up to approximately \$150,000).	Oct 2026-Jun 2027
Funding Approval	Seek consideration of future Council funding through the 2027-2037 Long Term Plan process.	Jul 2027
Tranche 1 Delivery Preparation	Progress site investigations, technical studies and concept design following confirmation of programme funding.	Post Jul 2027

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2 Strategic case

This Business Case has been developed to make the case for investing in the implementation of Gisborne District Council's (GDC) City Centre Revitalisation Action and Investment Plan (AIP).

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- **MANA WHENUA ENGAGED, SHAPED BY PLACE:** The city centre should be shaped by mana whenua values, narratives, relationships and leadership. Tairāwhiti Identity, pūrākau, history and aspirations
- **THE CIVIC AND ECONOMIC HEART OF TAIRĀWHITI :** The city centre must serve as the Civic and Economic Heart of Tairāwhiti region, the whole region, as a place for commerce, governance, culture, and community life. A city centre supported by clear processes, strong coordination, practical partnerships and visible early action that makes positive change easier to sustain over time
- **GREAT STREETS, PLACES TO GATHER, A CITY TO LIVE IN:** The city centre should offer streets and public spaces that invite people to meet, rest, share kai, play, celebrate, and connect. Beyond visits, it should support more people to live in and around it, with the amenity, activity, and sense of belonging needed for everyday life across all generations
- **CONNECTED TO TE TAI AO:** The city centre should strengthen its relationship with the Taruheru, Tūranganui, and Waimatā, awa that are the lifelines of the region and central to mana whenua identity. Trees, shade, planting, biodiversity, and nature-based systems should be woven into the heart of the city, making it cooler, greener, and more alive
- **MANAAKITANGA IN EVERYDAY LIFE:** The city centre should feel welcoming, safe, and easy to move through, a place that expresses care, hospitality, and respect in the texture of daily life. This means spaces that work for everyone, infrastructure that is well maintained and invested in, and an environment that earns the confidence and pride of the people who use it every day.

The AIP (Appendix A) should be read in conjunction with, and to provide context to, this Business Case.

Strategic context

Gisborne City Centre is expected to continue to play a central role in accommodating future housing, employment, cultural activity, and economic vitality for the region, Tairāwhiti. However, the city centre's current infrastructure capacity, transport arrangement, and public realm quality are not sufficient to support the scale and form of growth directed to it by Council's adopted long-term strategies. Additionally, significant areas of hardscape and landscape within the City Centre are at end of life and require major investment in repair or replacement.

There is also a need to more consistently embed mana whenua cultural narrative, identity, values and leadership throughout planning, design and delivery. While mana whenua identity is highly valued, it is not yet fully reflected across the built environment or consistently embedded in decision-making and project delivery. The AIP identifies the Cultural Narrative as a key foundation for future investment, design, mahi toi, interpretation and storytelling.

While strategic plans clearly identify the city centre as a priority location for intensification and revitalisation, development is constrained, infrastructure investment is reactive rather than enabling, and opportunities to achieve a compact, resilient, and people-focused city centre are being missed. Without a coordinated Action & Investment Plan (AIP), Gisborne risks continued under-performance of its city centre, escalating infrastructure constraints, misalignment of funding decisions, and a failure to deliver on regional growth, climate, and wellbeing objectives

At the highest level, Council's strategic direction and regulatory framework set growth, infrastructure, and resilience expectations. These are translated into place through the City Centre Spatial Framework and emerging master planning, which define how the city centre should evolve as the civic, cultural and economic heart of Tairāwhiti.

The AIP provides a coordinating programme layer for the streetscape renewals that respond to the framework, aligning this direction with delivery. Early initiatives have tested and built momentum, while the AIP will convert this into a prioritised, fundable pathway aligned with the Long-Term Plan.

There is also a clear timing imperative. Post-cyclone recovery, asset condition, and emerging planning settings create both urgency and opportunity, delaying intervention will increase costs, constrain growth, and limit the ability to realise long-term outcomes for the city centre

Problem statements

This section should be read in conjunction with the Problem Priorities Analysis (Appendix B) identifies relative weightings for the identified problem statements. Problem statements were agreed by GDC, key stakeholder, GHL, project consultant lead with weightings finalised by averaging individual assessment scores.

The status quo is increasingly costly and unsustainable. It has been almost 30 years since the last major investment in the City Centre public realm, and much of the paving and hard surfaces are now at end of life. Without investment, the physical environment will continue to deteriorate, maintenance costs will increase, and vacancy and wider social, environmental and economic challenges will grow.

Table 1 Problem Statements

Ref / Weight	Issue	Impact
Core Problem 23.5%	The City Centre currently lacks the enabling infrastructure capacity, transport arrangements, and quality public realm required to support planned intensification and revitalisation: there is no coordinated investment framework to resolve these constraints in a timely and cost-effective manner. Misalignment exists between its physical environment, infrastructure, and governance arrangements and the collective guiding principles identified by the community and mana whenua.	Growth, housing, and investment are constrained. Social, cultural, and economic value is unrealised. Community aspirations are not being delivered in practice.
P1 14.8%	Streets and public spaces do not function as places to gather or support everyday life (“Great Streets, Places to Gather, A City to Live In”; “Manaakitanga in Everyday Life”). Declining social, cultural and economic value, antisocial behaviour and perceptions of safety during both day and night. Streets are dominated by traffic and parking rather than social, cultural and economic activity: There is no clear civic anchor or high-quality gathering space. Public realm quality (lighting, seating, greening, amenity) is inconsistent.	Low dwell time, weak night-time economy, limited social interaction, reduced city centre vitality, perception of diminished personal safety
P2 8.3%	The city centre is poorly connected to its awa, whenua and surrounding destinations (“Connected to Te Taiao”; “Mana Whenua Engaged, Shaped by Place”): Physical and visual connections to the river are weak or underdeveloped. Stormwater systems degrade environmental outcomes rather than enhance them. Key walking and cycling links are incomplete or unsafe. There is a lack of planting and soft landscape within the City Centre.	Loss of environmental, cultural, and recreational value; reduced attractiveness and identity

Ref / Weight	Issue	Impact
P3 10.4%	Mana whenua values and narratives are not yet embedded in delivery (“Mana Whenua Engaged, Shaped by Place”): Cultural identity is acknowledged but not yet consistently embedded in streets, spaces, or investment decisions. Governance and engagement frameworks are not fully established. Key cultural sites and narratives are not integrated into development.	Missed opportunities for authentic place identity, partnership, and intergenerational outcomes
P4 15.3%	The city centre is not performing as the civic and economic heart of Tairāwhiti (“The Civic and Economic Heart of Tairāwhiti”): High levels of vacancy and underutilisation persist. Limited residential presence reduces ongoing activity. City centre does not consistently attract people, talent, or investment. Hotel and conference facilities offering is of limited quality and does not enhance visitor experience.	Economic underperformance, reduced productivity, declining relevance of the city centre, City-located businesses are suffering from reduced footfall
P5 13.5%	Infrastructure and urban systems are not aligned with resilience, intensification and place outcomes (“Connected to Te Taiao”; “Manaakitanga in Everyday Life”): Three waters infrastructure is aging and in parts may constrain development. Limited stormwater treatment and ecological function. Infrastructure upgrades are not yet coordinated with placemaking or development initiatives.	Development constrained, resilience outcomes not achieved, higher long-term costs
P6 14.2%	There is no integrated, prioritised and funded pathway to deliver change (Across all Guiding Principles): Strategic intent exists but is not translated into a staged investment programme Delivery responsibilities and funding pathways are unclear Private and public investment are not aligned.	Fragmented delivery, uncertainty, reduced confidence, and failure to realise strategic vision

Causes – what is driving this problem?

Planning and delivery across infrastructure, transport, public realm, and development have evolved separately over time, resulting in fragmented and disconnected outcomes. Strategic intent is not consistently translated into a prioritised, staged investment programme, leading to misalignment in funding, timing, and responsibilities.

Investment has largely focused on maintaining asset performance rather than enabling people centred, place based, and cultural outcomes. While mana whenua identity is highly valued, it is not yet fully reflected across the built environment or consistently embedded in project delivery limiting expression of identity and connection to place.

The status quo is increasingly costly and unsustainable. It has been almost 30 years since the last major investment in the City Centre public realm, and much of the paving and hard surfaces are now at end of life. Without investment, the physical environment will continue to deteriorate, maintenance costs will increase, and vacancy and wider social, environmental and economic challenges will grow.

Public realm quality and amenity are inconsistent, reducing the attractiveness and usability of the city centre. Environmental and urban systems are not well aligned, limiting ecological outcomes and connections to whenua and awa. These challenges are compounded by weak alignment between public and private investment, reducing confidence and constraining coordinated, long-term change.

If no action is taken, impacts will compound across economic, social, cultural and environmental systems, affecting communities, businesses, mana whenua, and the Council.

Growth, housing and investment will remain constrained, limiting the city centre's role as a key economic hub. Economic underperformance and low productivity will persist, reducing competitiveness and the attractiveness of the city centre for businesses and investors. Over time, this is likely to reinforce a cycle of underinvestment, declining relevance, and increasing long-term costs, particularly as resilience outcomes are not achieved and issues are deferred.

City centre vitality will continue to decline, with low dwell time, weak night-time activity and limited social interaction reducing amenity and use. This directly impacts businesses and reduces the viability of the local economy, further discouraging private investment and activation.

Social, cultural and economic value will remain unrealised and decline rapidly over time, and community aspirations—including those of whānau, hapū and iwi will not be reflected in practice. Environmental, cultural and recreational values will be underdeveloped or decline, reducing attractiveness, identity and connection to place. Opportunities to establish an authentic place identity and strengthen partnerships with mana whenua will continue to be missed, limiting intergenerational wellbeing outcomes and alignment with Te Tiriti.

The City Centre is also experiencing a decline in social value. Degraded public spaces, limited amenity and fragmented investment have contributed to increased anti-social behaviour, concentrations of homelessness and reduced perceptions of safety. Without coordinated renewal, these issues are likely to intensify, further undermining civic pride, economic vitality and community wellbeing.

Fragmented delivery and ongoing uncertainty will reduce confidence among partners, investors and the community. Without coordinated action, initiatives are less likely to align or achieve intended outcomes, resulting in inefficiencies and failure to realise the strategic vision.

These effects assume current trends continue without intervention, based on observed city centre performance and established urban development patterns, where low activity and underinvestment reinforce each other over time.

Investment objectives

The investment objectives define the outcomes the AIP is intended to achieve and provide the basis for assessing whether investment options will deliver the required change. They reflect the key problems identified through the case for change and focus on creating a more vibrant, connected, culturally grounded, economically productive and resilient city centre. Together, they provide a clear framework for evaluating options, measuring benefits and demonstrating whether the proposed investment delivers the intended long-term outcomes.

Table 2 Investment Objectives

Investment Objective One: A vibrant, people-centred city heart that improves wellbeing and	
Existing arrangements	Streets and public spaces do not consistently function as attractive places to gather, spend time and connect. Traffic-dominated environments, inconsistent public realm quality, limited activation and poor-quality lighting reduce vibrancy, amenity and perceptions of safety.
Business needs	A city centre designed for people first, with safe and attractive streets, lively public spaces and year-round activity. Streets and spaces invite people of all ages to meet, rest, share kai, play, celebrate and connect, strengthening wellbeing, belonging and pride.
Investment Objective Two: 2. A city centre fully connected to its awa, whenua and natural systems	
Existing arrangements	Connections between the City Centre, its rivers, surrounding neighbourhoods and natural environment remain fragmented, limiting opportunities to reconnect with and celebrate te taiao. The public realm also has limited planting and ecological amenity in key areas.
Business Needs	The City Centre has a strengthened relationship with the Taruheru, Tūranganui and Waimatā awa, with trees, shade, planting, biodiversity and nature-based systems woven into the urban environment. River-edge investment supports recreation, gathering, cultural expression and ecological restoration.
Investment Objective Three: A mana whenua-engaged city centre reflecting identity, culture and partnership	
Existing arrangements	Mana whenua stories, values are not yet fully reflected in the built environment or consistently embedded in decision-making and project delivery. The Cultural Narrative and the approach to its leadership and delivery are still being developed

Investment Objective Three: A mana whenua-engaged city centre reflecting identity, culture and partnership

Business needs	Mana whenua values, narratives, and relationships shape the City Centre. Rongowhakaata continues to play a central role, with the Cultural Narrative guiding investment, design, mahi toi, interpretation and storytelling as individual projects move through planning, design and delivery.
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Investment Objective Four: A thriving, inclusive and locally rooted community and economic centre

Existing arrangements	The City Centre is not yet achieving its full potential as the community, cultural and economic heart of the region. Economic performance is constrained by underutilised sites, vacant buildings, limited residential activity and uncertainty around future investment.
Business needs	The City Centre functions as the community, civic and economic heart of Tairāwhiti—attracting people and investment, enabling housing and business growth, and creating opportunities for local and Māori enterprises. More people visit and stay longer, supporting stronger local businesses, employment and private investment.

Investment Objective Five: A resilient, low-impact and future-ready urban system

Existing arrangements	Infrastructure and urban systems need to evolve to support growth, resilience and climate adaptation. Parts of the public realm are at end of life, maintenance costs are increasing, and infrastructure renewal, roading and placemaking have not yet been brought together as a single coordinated programme.
Business needs	Infrastructure renewal, public realm and development are coordinated to support growth and resilience, with greener streets, ecological stormwater treatment and nature-based systems improving environmental performance. Roding and Three Waters upgrades are coordinated with public realm investment to maximise benefits, minimise disruption and reduce long-term infrastructure costs.

Requirements

The requirements and scope define the boundaries within which the investment options will be developed and assessed. They distinguish the essential outcomes and delivery requirements that any viable option must address from activities that sit outside the purpose of this investment. This provides clarity on what the redevelopment is expected to deliver

prevents scope creep, and ensures options are evaluated consistently against the agreed objectives and constraints.

Table 3 Requirements and Out-of-Scope

Ref	Requirement	Linked Investment Objective(s)	In-scope	Out-of-scope
R1	Provide a safer pedestrian and cyclist-prioritised environment and reduce the dominance of private vehicles within the street corridor.	IO1, IO4, IO5	Footpath widening, traffic calming, pedestrian priority treatments, cycle facilities, reduced vehicle space allocation, safer crossings.	City-wide transport network changes, state highway improvements, major intersection upgrades outside project area.
R2	Improve accessibility for people of all ages and abilities.	IO1, IO4	Universal access design, accessible crossings, tactile paving, mobility-friendly surfaces and street furniture.	Upgrades to private buildings and properties.
R3	Support increased pedestrian activity and longer visitor dwell times.	IO1, IO4	Public realm improvements, seating, shade, landscaping, gathering spaces and pedestrian-focused design.	Direct funding of events, festivals or business marketing programmes.
R4	Enhance amenity, safety, comfort, and attractiveness for residents, workers, and visitors.	IO1, IO2, IO4	Streetscape beautification, lighting, landscaping, furniture, public realm improvements and urban greening.	Upgrades to privately-owned buildings and shopfronts.
R5	Maintain appropriate access for emergency services, deliveries and waste collection.	IO4, IO5	Service access arrangements, loading provisions, emergency access routes and operational management measures.	Expansion of emergency service facilities or waste management infrastructure.
R6	Retain connectivity with surrounding streets, public transport facilities, and key destinations.	IO1, IO4, IO5	Improved pedestrian connections, wayfinding, links to public transport stops and nearby destinations.	New public transport routes or major transport infrastructure projects.

Ref	Requirement	Linked Investment Objective(s)	In-scope	Out-of-scope
R7	Contribute to improved economic vitality and commercial activity within the precinct by supporting increased foot traffic to adjacent businesses.	IO4	Public realm investments that support visitation, walkability and business activity.	Business grants, incentives, tenancy support programmes or private commercial development.
R8	Support increased visitation and destination appeal to enhance the attractiveness of the area for private sector investment.	IO1, IO4	Destination-quality public spaces, improved streetscape character, visitor amenity and place activation infrastructure.	Tourism promotion campaigns and private development projects.
R9	Support activation and flexible use of public space, reflecting local identity, heritage, and cultural values where appropriate.	IO1, IO3, IO4	Manua design inputs, cultural expression, public art infrastructure, flexible event spaces and placemaking elements.	Ongoing event programming, cultural operations or museum/gallery facilities.
R10	Incorporate climate-resilient design and improve stormwater management outcomes where practical and, in doing so, minimise whole-of-life environmental impacts.	IO2, IO5	Green infrastructure, rain gardens, permeable surfaces, climate-resilient materials and urban greening.	Wider catchment flood mitigation schemes and regional environmental programmes.
R11	Be deliverable with manageable construction impacts and disruption.	IO4, IO5	Staged delivery planning, traffic management, business access management and stakeholder communications.	Compensation for business disruption or unrelated infrastructure works.
R12	Comply with all relevant statutory, regulatory, and safety requirements.	IO5	Compliance with Building Code, accessibility standards, safety requirements, planning approvals and asset standards.	Changes to legislation, policy or regulatory frameworks.

Ref	Requirement	Linked Investment Objective(s)	In-scope	Out-of-scope
R13	Capex investments scaled to suit local delivery and represent good value for money for local taxpayers.	IO4	The programme is scaled to reflect identified capex funding arrangements and packaged small enough to allow opportunities for mana whenua / iwi supplier partnerships alongside local supplier participation.	Funding of initiatives not directly linked to scope and geographic extent of the works.
R14	Achieve acceptable lifecycle maintenance requirements and opex value for money for local taxpayers.	IO4	Durable materials, maintainable landscape and streetscape assets, whole-of-life asset management considerations.	Increased ongoing operational service levels unrelated to project assets.

Benefits and beneficiaries

The proposed investment is expected to generate a range of economic, social, cultural and environmental benefits for the Gisborne community, businesses, mana whenua, Council and the wider Tairāwhiti region. The benefits have been developed from the Investment Logic Mapping (ILM) process and aligned with the Guiding Principles set out in the AIP. Their relative importance has been assessed through the Benefits Priorities Analysis (Appendix C), with weightings agreed by GDC stakeholders through a consensus assessment process using Method 1.

Table 4 Non-Monetary Benefits and Beneficiaries

ILM programme benefit	Core measure and weighting	Quantitative indicator	Beneficiaries
PB1. A vibrant, people-centred city heart that improves wellbeing	NM1. Pedestrian activity 8%	Average pedestrians per day at agreed locations, split by weekday, weekend and after-hours use	Broad Community
	NM2. Dwell time and public-space use 8%	Average visit duration in minutes; public-space users per hour; proportion who stop rather than pass through	Broad Community

ILM programme benefit	Core measure and weighting	Quantitative indicator	Beneficiaries
and social connection 25.3%	NM3. Activity, perceptions and social wellbeing 9.3%	Annual number of events and attendees; evening and weekend pedestrian counts; percentage rating the centre attractive, safe, vibrant and welcoming; percentage reporting belonging and positive social connection	Broad Community
PB2. A city centre connected to its awa, whenua and natural systems 15.2%	NM4. Awa and riverfront use 5%	Riverfront users per day; average dwell time; event attendance; percentage arriving on foot or by bicycle	Broad Community
	NM5. Walking, cycling, safety and access reliability 5%	Walking and cycling numbers and mode share; vehicle speeds; crashes and serious injuries; and the reliability of journeys and business access	Broad Community
	NM6. Blue-green and environmental performance 5.2%	Percentage of runoff treated or attenuated; selected water-quality results; number of trees and square metres planted; planting survival after two and five years; and actual and projected canopy cover	Broad Community
PB3. A mana whenua-engaged city centre reflecting identity, culture and partnership 20%	NM7. Mana whenua governance and engagement 10%	Percentage of agreed programme gateways with mana whenua participation; number of engagement initiatives; governance milestones completed	Broad Community
	NM8. Cultural identity and visibility 10%	Percentage of completed initiatives meeting agreed cultural-design criteria; percentage receiving a positive mana whenua assessment; percentage of surveyed users who recognise or understand local narratives	Broad Community

Table 5 Monetary Benefits and Beneficiaries

ILM programme benefit	Core measure and weighting	Quantitative indicator	Beneficiaries	Data Source
PB1. A vibrant, people-centred city heart that improves wellbeing and social connection 25.3% PB2. A city centre connected to its awa, whenua and natural systems 15.2% PB3. A mana whenua-engaged city centre reflecting identity, culture and partnership 20% B5: A resilient, low-impact and future-ready urban system. 17.0%	M1. Property Value (as a proxy for all social amenity excluding Road Safety)	Uplift in property values within a five-minute walking radius of intervention zone.	Local Resident Community	Athfield
	M2. Road Safety	Crash Costs reductions aligned with NZTA standards	Broad Community	Urban Connection
B4: A thriving, inclusive and locally-rooted community and economic centre. 22.5%	M3. Local Procurement Spend	Percentage of programme funds spent with local suppliers and service providers.	Business Community	WT
	M4. Additional consequent capital investment	Value of Key Partner Investment in property upgrades as a direct consequence of the programme of works.	Business Community	GDC

Strategic response

The Strategic Responses generated from the Investment Logic Map (ILM) exercise (Appendix D) complete the Problem → Benefit → Response chain, in turn influencing the Investment Objectives and Solutions:

- S1: Reorient the city centre towards people, place and experience outcomes instead of transport

- S2: Reorientate the streetscape to integrate with awa and whenua
- S3: Embed mana whenua culture in city in the development and governance of initiatives
- S4: Align urban development and infrastructure investment to support economic intensification, resilience and long-term place-making objectives
- S5: Establish an integrated investment and delivery pathway for city centre transformation.

Strategic risks and implications

The strategic risks identify the key external and delivery factors that may influence the feasibility, affordability, timing and benefits of the City Centre investment. Understanding these risks is important to the options assessment, as they may affect scope, staging, value for money and the extent to which the intended economic, social and community benefits can be realised. Table 6 summarises each strategic risk and its potential implications for investment and delivery.

Table 6 Strategic Risks and Implications for Options Assessment

Risk	Description	Implications
SR1. Funding Availability and Affordability	Long-term funding sources are not yet fully secured, and Council's capacity to fund the AIP may be constrained by competing capital priorities, debt limits and affordability pressures.	May require staging, scope reduction or alternative funding approaches.
SR2. Economic Conditions and Inflation	Construction cost escalation, inflation, interest rates and wider economic conditions may increase programme costs or affect the capacity of Council and delivery partners to invest.	May alter value for money, affordability and sequencing.
SR3. Stakeholder and Community Acceptance	Stakeholders and the community may have differing expectations regarding the need for investment, priorities, design outcomes, or the level of Council expenditure.	May affect feasibility, timing and design scope.
SR4. Commercial and Retail flight from CBD	Vacancy, underutilised sites, limited residential activity and reduced commercial confidence may continue or worsen if revitalisation is delayed or does not generate sufficient market response. Businesses and investors may choose alternative locations outside the City Centre.	Loss of rates revenue, reduced commercial activity and spending influx.

Risk	Description	Implications
SR5. Persistent anti-social behaviour and reduced perceptions of safety	Poor-quality lighting, limited activation and inconsistent public realm quality contribute to parts of the City Centre feeling unsafe, particularly during quieter periods and at night. If these conditions persist, anti-social behaviour and negative perceptions of safety may become further entrenched.	Reduced perceptions of safety may discourage people from visiting, staying longer or using the City Centre outside core business hours, undermining social connection, night-time activity, business performance and community confidence. This could weaken the benefits of revitalisation investment unless public realm improvements are supported by ongoing activation, management and partnership responses.
SR6. Uncertainty in Quantifying and Monetising Benefits	A significant proportion of the expected benefits relate to economic activation, resilience, perceptions of safety, cultural identity, wellbeing and sense of place. While these benefits are material to the investment case, some are difficult to quantify or monetise with confidence at this stage.	The economic appraisal may understate the full value of the investment. Benefits will therefore need to be assessed using both monetary and non-monetary measures.

Critical success factors

The critical success factors define the essential conditions that any preferred option must satisfy to be considered viable and capable of delivering the investment objectives. They provide a consistent basis for assessing options against factors such as strategic fit, value for money, supplier capacity and capability, financial affordability and achievability.

Table 7 Critical Success Factors

Category	Proposal-Specific Critical Success Factors
Strategic Fit & Business Needs	• Demonstrably supports the AIP vision, investment objectives and identified case for change • Aligns with Council spatial planning, growth, infrastructure and resilience strategies • Integrates with planned transport, Three Waters, renewals and other City Centre investment • Embeds mana whenua values, cultural narrative, identity and partnership through planning, design and delivery • Maintains sufficient stakeholder, elected member and community support to enable delivery • Supports future growth, intensification and changing policy or infrastructure requirements
Value for Money (Economic)	• Demonstrable public value • Measurable amenity, accessibility, safety and economic benefits • Whole-of-life cost consideration beyond just capital cost
Commercial / Supplier Capacity & Capability	• Can be delivered through a procurement and contracting model appropriate to the scale, complexity and staging of the programme • Is deliverable within available local and wider-market supplier capacity and capability • Supports competitive procurement and appropriate allocation of delivery risk
Financial / Affordability	• Is affordable within Council's current and forecast funding constraints • Can be staged to align expenditure with available funding and Long-Term Plan cycles • Has sustainable operating, maintenance and renewal costs • Retains sufficient flexibility to respond to cost escalation or changes in funding availability
Achievability / Management	• Strong, consistent governance over life of programme • Clear ownership and accountability • Sufficient organisational capability

3 Economic case

Dimensions of choice

The Economic Case uses three Dimensions of Choice to structure the development of the longlist: scale, scope and location; implementation timing and sequencing; and funding approach. These dimensions reflect the key choices available to Council and provide a simple, transparent framework for developing and comparing alternative investment configurations.

Table 8 Dimensions of Choice

Code	Dimension of Choice	What varies
SC	Scale, scope and location	The spatial extent and ambition of city centre works, ranging from limited maintenance or paving replacement through to targeted street upgrades, shared spaces, public realm activation and a wider connected city centre programme across locations such as Lowe Street, Gladstone Road, Peel Street and Reads Quay.
IM	Implementation timing and sequencing	When and how the programme is delivered, including business-as-usual renewals, early low-disruption works, phased delivery, engagements and consents, and staged implementation across multiple phases. The document identifies project sequencing, engagements, consents and project delivery, plus phases including Years 1–3, Years 4–5, Years 5–6 and Years 7–8.
FA	Funding approach	How the programme is funded, ranging from existing maintenance / renewal budgets through to reprioritised Council funding, partner contributions, external grants, transport or infrastructure funding, and a coordinated funding strategy linked to business case decisions.

Identifying choices

For each Dimension of Choice, a range of alternatives has been developed from the status quo and do-minimum through to more comprehensive “do more” and “do maximum” responses. This provides a structured way to test progressively greater levels of intervention and identify which combinations are most likely to meet the investment objectives and critical success factors.

Table 9 Range of Choices by Dimension

Dimension	1.Status Quo	2.Do Min	3.Do More	4. Go Further	5. Do Max
SC – Service response: scale, scope and location	Maintain current spaces and renewal approach, with work undertaken only as required through existing maintenance or renewal programmes.	Replace paving or undertake localised surface renewal only, with no material change to street layout, function or public realm offer.	Target priority public realm locations already identified in the AIP, such as Lowe Street, Gladstone Road, Peel Street and Reads Quay.	Deliver a connected city centre package that links streets, intersections, public spaces, walking routes, planting, accessibility and river connections.	Deliver a comprehensive city centre transformation programme across the full study area, integrating public realm, movement, activation, cultural expression, resilience and development opportunities.
IM – Implementation timing and sequencing	Deliver works as funding, renewals or asset condition require over a 10 year period, without a single coordinated programme sequence.	Undertake early, low-disruption works first, such as paving replacement, minor amenity upgrades, accessibility improvements or temporary activation.	Sequence priority projects over the short term, starting with high-readiness or high-visibility locations, then moving to more complex street and intersection upgrades.	Use a phased programme aligned with engagement, consents and project delivery.	Deliver a single, large-scale project, delivered at the earliest opportunity to maximise the value for money of invested capital.
FA – Funding approach	Fund only essential renewals via reactive maintenance from existing opex over the 10 year duration of the LTP.	Use available opex and capex to replace paving like-for-like where end of life only in locations of highest urgency.	Reprioritise existing Council capex budgets and align works with Long-Term Plan cycles	Combine Council funding with partner contributions, central government funding, transport / infrastructure funding, grants and private-sector contributions where project benefits align.	Establish a dedicated city centre investment package or funding strategy that pools multiple funding sources and supports staged delivery of the full AIP programme.

Assessment of choices

Table 10 Assessment of Choices

Dimension of Choice	Assessment summary	Viable choices	Choices not carried forward
SC: Service response	Status Quo and Do Minimum do not offer the transformation necessary to achieve IOs. Do More and Go Further align with IOs and CSF Do Maximum is difficult to defend on prima facie affordability in the current economic climate and fails CSF for VFM.	CS.3 CS.4	CS.1 CS.2 CS.5
IM: Implementation timing and sequencing	Status Quo cannot keep pace with asset deterioration, so fails CSF. Do Minimum unlikely to keep pace with CBD economic deterioration, so fails CSF. Do More and Go Further align with IOs and CSFs. Do Maximum does not allow packaging to suit local delivery as singular scale of project or fundraising for shortfall affordability.	CS.3 CS.4	CS.1 CS.2 CS.5
FA: Funding approach	Status Quo cannot keep pace with asset deterioration, so fails CSF. Do Minimum unlikely to keep pace with CBD economic deterioration, so fails CSF. Do More aligns with internal Council capital funding limitations so meets, to some degree, IOs and CSFs. Go Further requires sourcing of additional funding but scales investment accordingly, meeting IOs and CSFs. Do Maximum is overly reliant on external, unsecured funding over an indeterminate timeframe.	CS.3 CS.4	CS.1 CS.2 CS.5

Long-list approaches

Table 11 Long-List Approaches

OPTION	NAME	DESCRIPTION
A	Status Quo – Reactive Renewal	Maintain current streets, public spaces, reactive maintenance and renewal approach. Works would occur only as required through existing maintenance, renewal or operational programmes. This provides the baseline against which all change options can be assessed.
B	Do Minimum – Paving and Surface Renewal	Replace paving or undertake localised surface renewal only in the defined geographic zone. This option addresses immediate pavement condition, safety or accessibility issues but does not materially change street layout, function, activation or public realm quality.
C	Design Option 1 – Targeted Transformation	Focuses on Lowe Street as a shared-space destination with investment in a transformational street environment, embedding AIP design principles, creating a unique destination for Tairāwhiti, building trust and testing market response.
D	Design Option 2 – Enhanced Targeted Transformation	Builds on Design Option 1 to include five identified interventions: 1. Lowe Street shared space; 2. Gladstone Road and Lowe Street intersection improvement; 3. Gladstone Road central targeted improvements; 4. Peel Street central improvements; and 5. Gladstone Road and Peel Street intersection improvements.
E1	Option 3 – Zone Transformation - Balanced	Builds on Design Option 2 and includes Reads Quay shared space and promenade. The combined suite of interventions would be delivered in three packages sequentially across the 10yr LTP terms to maximise opportunities alternative funding and local SME involvement. The combined suite of interventions would be delivered sequentially over a number of years to maximise opportunities for fundraising and local SME involvement.
E2	Option 3 – Zone Transformation - Fast	As per E1 but delivered as fast as possible to reduce the impact of escalation.
F	Option 4 – Further Transformation	Builds on Option 3 and adds further works on Gladstone Road from Peel Street to Bright Street, the Bright Street and Gladstone Road intersection, and extended paving upgrades.
G	Option 5 – Maximum Transformation	Builds on Option 4 to extend to total CBD streetscape remodelling, expanding the transformational scope to a broad area of interconnected streets beyond those identified in Options 2-4.

The long list of options was assessed against their contribution to achieving the Investment Objectives (Table 2) and Critical Success Factors (Table 7). The results are shown in the following table and the assessment scoring in detail is located in Appendix F.

Table 12 Long-list Assessment Matrix

Assessment	A. Status quo	B. Do min	C. Design option 1 targeted transform	D. Design option 2 – enhanced targeted transform	E1. Design option 3 – full transform balanced	E2. Design option 3 – full transform fast	F. Design option 4 – further transform	G. Maximum transform
Investment Objectives								
IO1: A vibrant, people-centred city heart that improves wellbeing and social connection	Fails	Fails	Partial	Partial	Partial	Partial	Meets	Meets
IO2: A city centre fully connected to its awa, whenua and natural systems	Fails	Fails	Partial	Partial	Meets	Meets	Meets	Meets
IO3: A mana whenua-Engaged city centre reflecting identity, culture and partnership	Fails	Fails	Partial	Partial	Meets	Meets	Meets	Meets
IO4: A thriving, inclusive and locally-rooted community and economic centre	Partial	Partial	Partial	Partial	Meets	Meets	Meets	Meets
IO5: A resilient, low-impact and future-ready urban system	Fails	Partial	Partial	Partial	Partial	Partial	Partial	Meets
Critical Success Factors								
Strategic Fit & Business Needs	Fails	Partial	Partial	Partial	Meets	Meets	Meets	Meets
Value for Money / Economic	Fails	Meets	Meets	Partial	Meets	Meets	Fails	Fails
Commercial / Supplier Capacity & Capability	Meets	Meets	Meets	Meets	Meets	Partial	Partial	Fails
Financial / Affordability	Meets	Meets	Partial	Partial	Partial	Partial	Fails	Fails
Achievability / Management	Meets	Meets	Partial	Meets	Meets	Partial	Partial	Fails
Long-list recommendation	Do not shortlist	Do not shortlist	Shortlist	Shortlist	Shortlist	Shortlist	Do not shortlist	Do not shortlist

The long-list assessment indicates that the A. Status Quo and B. Do Minimum options are not sufficient to meet the investment objectives. While these options are affordable and relatively achievable, they do not deliver the level of public realm, cultural, environmental, economic or resilience change being driven through the AIP. Options F and G fail affordability and economic VFM criteria as substantially beyond Council's and likely other funding sources' ability to deliver.

The four transformation options should therefore be carried forward to the shortlist. These options provide a credible progression from a focused shared-space intervention through to a wider city-centre transformation programme. This allows the shortlist assessment to test the appropriate level of ambition, affordability, delivery complexity and benefits realisation.

Table 13 Summary assessment by option

Option	Overall assessment	Rationale
A. Status Quo – Reactive Renewal	Not recommended for shortlist	Low delivery risk and affordable but does not materially respond to the investment objectives. It would not create the step-change sought for wellbeing, mana whenua outcomes, city-centre vitality, awa connections or resilience.
B. Do Minimum – Paving and Surface Renewal	Not recommended for shortlist	Addresses basic asset condition and safety issues but remains largely maintenance focused. It does not shift the city centre toward the AIP vision for a vibrant, connected, culturally grounded and future-ready urban heart.
C. Design Option 1 – Targeted Transformation	Shortlist	Provides a focused, deliverable transformation centred on Lowe Street shared space. Stronger than renewal options because it creates a visible people-focused destination and tests city-centre placemaking at a manageable scale.
D. Design Option 2 – Enhanced Targeted Transformation	Shortlist	Broadens the intervention to multiple central public realm and intersection locations, improving strategic fit, movement, accessibility, amenity and economic activation potential. This is likely to perform strongly across most investment objectives.
E1. Design Option 3 – Zone Transformation Balanced	Shortlist	Adds Reads Quay shared space and promenade, strengthening alignment with the awa / natural systems objective and the broader AIP ambition. It performs strongly strategically, though affordability and delivery complexity increase. It provides Council with time to raise additional funds to bridge the gap, test solutions in earlier stages and pivot accordingly for further stages.

Option	Overall assessment	Rationale
E2. Design Option 3 – Zone Transformation Fast	Shortlist	Same built solution as E1 but offering benefit of lower upfront cost (escalation considered)/ better value for money through faster delivery, with disbenefit of larger packages reducing SME involvement and delivery constraints for Council. Locks Council into a solution from the outset that does not allow a pivot over time to reflect changing ideas and trends or testing solutions early on and pivoting with later stages.
F Design Option 4 – Further Transformation	Not recommended for shortlist	Provides the most comprehensive response, extending the transformation further along Gladstone Road and adding further intersection and paving upgrades but highly unlikely to be affordable given that it is only approximately 25% funded.
G Design Option 5 – Further Transformation	Not recommended for shortlist	Provides the most comprehensive response, extending the transformation further along Gladstone Road and adding further intersection and paving upgrades. However, it is not likely to be affordable given that it is less than 10% funded.

Shortlist options

Table 14 Shortlisted Options

Shortlist Option	Description
C. Design Option 1 – Targeted Transformation and Placemaking	Provides a focused, deliverable transformation centred on Lowe Street shared space. Stronger than renewal options because it creates a visible people-focused destination and tests city-centre placemaking at a manageable scale.
D. Design Option 2 – Enhanced Targeted Transformation	Broadens the intervention to multiple central public realm and intersection locations, improving strategic fit, movement, accessibility, amenity and economic activation potential. This is likely to perform strongly across most investment objectives.
E1. Option 3 – Full Transformation - Balanced	Adds Reads Quay shared space and promenade, strengthening alignment with the awa / natural systems objective and the broader AIP ambition. It performs strongly strategically, though affordability and delivery complexity increase.
E2. Option 3 – Full Transformation - Fast	As per E1 but delivered as fast as possible to reduce the impact of escalation.

Non-monetary appraisal

The shortlist options were assessed against a shortlist of the most appropriate metrics from the Non-Monetised Benefits Register (Appendix I) as listed in Table 4 to determine the features of a preferred way forward. Each shortlist option has been assessed against its ability to meet investment objectives, realise non-financial benefits and mitigate risks. Shortlist options were also assessed against whole-of-life costs (WOLC) and value for money.

The assessment weights investment objectives, benefits and risks equally to generate a numerical score.

The majority of the benefits outlined in the Strategic Case and assessed in the Economic Case are non-financial.

The shortlisted options were tested against three non-monetary benefits identified in table 4 in the Strategic Case. Each option was assessed as to how well it provided a benefit or dis-benefit compared to the Status Quo.

Table 15 Non-Monetary Appraisal Summary

KPI	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Option 3 – Zone Transformation - Balanced	E2.Option 3 – Zone Transformation - Fast
Investment Objectives					
IO1: A vibrant, people-centred city heart that improves wellbeing and social connection	Does not meet	Meets to Minimal Extent	Meets to Some Extent	Meets to a Greater Extent	Meets to a Greater Extent
IO2: A city centre fully connected to its awa, whenua and natural systems	Does not meet	Does not meet	Meets to Some Extent	Meets to a Greater Extent	Meets to a Greater Extent
IO3: A mana whenua-engaged city centre reflecting identity, culture and partnership	Does not meet	Meets to Minimal Extent	Meets to Some Extent	Meets to a Greater Extent	Meets to a Greater Extent
IO4: A thriving, inclusive and locally-rooted community and economic centre	Does not meet	Meets to Minimal Extent	Meets to Some Extent	Meets to a Greater Extent	Meets to a Greater Extent
IO5: A resilient, low-impact and future-ready urban system	Does not meet	Meets to Minimal Extent	Meets to Some Extent	Meets to a Greater Extent	Meets to a Greater Extent
Non Monetary Benefits					

KPI	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Option 3 – Zone Transformation - Balanced	E2.Option 3 – Zone Transformation - Fast
M1. Pedestrian activity	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M2. Dwell time and public-space use	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M3. Activity, perceptions and social wellbeing	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M4. Awa and riverfront use	Nil Contribution	Some Contribution	Some Contribution	Substantial Contribution	Substantial Contribution
M5. Walking, cycling, safety and access reliability	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M6. Blue-green and environmental performance	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M7. Mana whenua governance and engagement	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M8. Cultural identity and visibility	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
M9. Cultural, local and Māori economic participation	Nil Contribution	Some Contribution	Good Contribution	Substantial Contribution	Substantial Contribution
Risk					
SR1. Funding Availability and Affordability	Substantial Decrease	Minor Increase	Minor Increase	Substantial Increase	Substantial Increase
SR2. Economic Conditions and Inflation	Substantial Increase	Minor Increase	Minor Increase	Minor Increase	Substantial Increase
SR3. Stakeholder and Community Acceptance	Minor Increase	Minor Decrease	Minor Decrease	Minor Decrease	Minor Increase
SR4. Commercial and Retail flight from CBD	Minor Increase	Minor Decrease	Minor Decrease	Substantial Decrease	Substantial Decrease
SR5. Persistent anti-social behaviour and reduced perceptions of safety	Minor Increase	Minor Decrease	Minor Decrease	Substantial Decrease	Substantial Decrease
SR6. Uncertainty in Quantifying and Monetising Benefits	Substantial Increase	Substantial Increase	Minor Increase	Minor Decrease	Minor Decrease

The net-value assessment above was used to calculate a net-value score. Shortlist options were assessed against their ability to:

- **meet investment objectives** on a scale of 0 to 3, where zero means an option does not meet investment objectives and three means the option meets investment objectives to a greater extent
- **realise benefits** on a scale of 0 to 3, where zero represents nil contribution to the benefit, and four represents maximum contribution to the benefit
- **mitigate risks** on a scale of 0 to 4, where 0 suggests the most increase in risk, and four suggests the most decrease in risk.

Table 16 Non-Monetary Appraisal Scores

	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Design Option 3 – Full Transform Balanced	E2. Design Option 3 – Full Transform Fast
Investment Objectives	0	4	10	15	15
NM Benefits	0	9	17	27	27
Risks	6	8	8	8	5
Overall score	7	24	39	57	54
Ranking	5	4	3	1	2

Public-value summary

Table 17 Combined Comparison of Shortlist Options (Real Terms)

Refer to Appendix J Capital Cost Estimate Report for details.

Dimension	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Design Option 3 – Full Transform Balanced	E2. Design Option 3 – Full Transform Fast
Capital cost	\$0	\$4,700,000	\$17,230,000	\$34,900,000	\$34,900,000
Operating cost	\$8,000,000	\$7,580,000	\$6,480,000	\$4,760,000	\$4,700,000
Whole-of-life cost	\$8,000,000	\$12,290,000	\$23,710,000	\$39,650,000	\$39,600,000
Net present value (NPV)	\$2,380,000	\$5,980,000	\$13,760,000	\$22,420,000	\$25,880,000

	Status Quo	C. Design Option 1 – Targeted Transform	D. Design Option 2 – Enhanced Targeted Transform	E1. Design Option 3 – Full Transform Balanced	E2. Design Option 3 – Full Transform Fast
Dimension					
Non-monetary assessment score (out of 1,000)	106	364	591	864	818
Overall public-value position	Low Public Value	Low Public Value	Moderate Public Value	Highest Public Value	Strong Public Value

The preferred option

Table 18 Preferred Option

Preferred option	Why chosen	Trade-offs
E1. Design Option 3 – Full Transform - Balanced	Design Option 3, incorporating Design Options 1 and 2 is the iteration that most satisfies the Investment Objectives, Critical Success Factors, and Benefits. The activation of Reads Quay is transformative in the context of social and environmental connectivity that any combination of the other options struggles to achieve with similar success. The longer delivery timeframe compared to Option E2 does provide longer to secure funding to bridge the affordability gap and enables the works to be procured in smaller packages that better suits local smaller contractors to deliver in stages.	Design Option 3 is currently unaffordable and requires Council to find substantial additional funding from external sources. This will mean that the eventual benefits realised from this option will be significantly deferred, perhaps up to a decade. Delivering over an extended period of time compared to E2 amplifies the effects of escalation, also increasing unaffordability and placing more pressure on alternative funding.

Economic appraisal

The Gisborne City Centre AIP has a credible pathway to generating economic benefits through increased city-centre activity, improved commercial occupancy, higher employment density, enabled development, avoided infrastructure costs, improved transport outcomes, environmental improvements and stronger local economic participation.

Monetary benefits

This section appraises the monetary and monetisable (social) benefits that may arise from the Gisborne City Centre AIP. Research established a number of benefits as being applicable to public realm and streetscape interventions, with a range of potential monetisation pathways, however there are a number of challenges that have prevented these from being rigorously and defensibly quantified:

- **limited access to readily available baselines**, valuation parameters, or evidence to reliably gauge change
- **limited scale of the Preferred Option** in the context of the wider city makes application of what metrics may exist at city or regional scale difficult to defensibly extrapolate at the intervention scale
- **limited ability to isolate the impact** of the intervention from other factors that influence baseline metrics.

Given the combination of the limitations identified above, a set of metrics was collated from a number of sources that address both the direct economic benefits and the monetised social benefits by proxy measurement, these are identified in table 5 in the Strategic Case.

Cost-benefit analysis

The following table pulls together monetised benefits and summarises the estimated benefits of the programme as detailed in the Benefits Details of the Financial Accounting WOLC and NPV Model (Appendix G).

Table 19 Monetised Benefits Analysis (Real Terms)

Source	Benefit Category	Benefit Description	Benefit Value (Real Terms)	Present Value of Benefits
GDC	M1. Key Partner Investment	Property Improvements (CAPEX)	\$6,500,000	\$5,370,000
Athfield Architects	M2. Property Value	Increase in property values to surrounding streets	\$19,254,750	\$7,580,000
Urban Connection	M3. Road Safety	Reduced crash/road safety incidents	\$7,382,641	\$7,380,000
WT	M4. Value of Procurement	B29 Local Supplier Participation	NPV supplied directly	\$3,810,000
			Total	\$24,140,000

The Benefits to Costs Ratio (BCR) of the Preferred Option is presented in two scenarios:

1. ratio of benefits to full project costs

2. ratio of benefits to the betterment value of the project, deducting the cost of like-for-like renewals of the streetscape which gives an indication of the added value of the upgrades as opposed to simply replacing the existing aged infrastructure.

Table 20 Cost-Benefit Analysis Preferred Option (Real Terms)

Dimension	Scenario 1 Full Project Value	Scenario 2 Betterment Value (Renewal capital expenditure deducted)
Appraisal period (years)	40	40
Capital cost	\$34,900,000	\$32,740,000
Operating cost	\$4,760,000	\$4,760,000
Whole-of-life cost	\$39,650,000	\$37,500,000
Present value of costs (\$m)	\$22,420,000	\$20,910,000
Present value of benefits (\$m)	\$24,140,000	\$24,140,000
Net present value (NPV) @ 8% DR	-\$1,720,000	-\$3,230,000
Benefit–cost ratio (BCR)	1.1	1.2

Findings

The monetary benefits, KPIs, assessment metrics and baselines and projected uplifted supplied by the various parties identified in Table 5 of the Strategic Case, have been modelled in the Benefits Details contained within Appendix G of the WOLC and NPV Model for the Preferred Option, with the following results:

Scenario 1: Present Value of benefits totalling \$24.14m against Present Value of Costs of \$22.42m generates a positive BCR of 1.1 against the full project value, demonstrating a return on investment.

Scenario 2: The same Present Value of benefits totalling \$24.14m against Present Value of Betterment Costs of \$20.91m generates a positive BCR of 1.2 against the full project value, further supporting the case for the intervention to go beyond simple capital renewal.

4 Commercial case

Procurement strategy

Rationale

The procurement strategy for Option E1 (Design Option 3, pg. 37) – Zone Transformation has been developed to support the delivery of a transformational city centre revitalisation programme while maximising local economic benefits, maintaining procurement flexibility, and managing delivery risks over the three Long-Term Plan (LTP) periods.

Option E1 builds on the interventions proposed under Options C and D (Design Options 1 and 2) and includes the delivery of the Reads Quay shared space and promenade, creating a coordinated suite of public realm improvements across the city centre. Given the scale and duration of the programme, the works will be delivered through three sequential tranches over approximately nine years:

- tranche 1: Design Option 1 scope
- tranche 2: Design Option 2 scope
- tranche 3: Design Option 3 scope.

The procurement approach has been deliberately structured to:

- maximise opportunities to secure alternative funding and co-investment throughout the programme lifecycle
- support participation by local businesses and suppliers wherever practicable
- spread procurement opportunities over time to align with local market capacity
- reduce delivery risk through manageable and clearly defined work packages
- maintain programme flexibility to respond to funding availability, market conditions, and stakeholder priorities.

Recognising the capability of the local supplier market, packages will be sized and structured to encourage participation by local small and medium-sized enterprises (SMEs) rather than relying on a limited number of large, out-of-region contractors. This approach is expected to increase local employment opportunities, retain expenditure within the Tairāwhiti economy, and build local capability over the life of the programme.

The project consists primarily of:

- soft landscape works
- hard landscape works
- horizontal infrastructure upgrades
- streetscape enhancements
- street furniture and public amenity improvements.

Design services will be procured separately from construction activities to ensure design consistency across all tranches, maintain quality control, and allow construction packages to be tendered competitively as discrete work packages. Consultants will for example include landscape architecture, civil engineering and surveying.

The procurement strategy for consultants is therefore to:

- procure a lead design team for the overall programme to provide continuity across all project stages
- retain institutional knowledge and design consistency throughout the ten-year delivery period
- ensure coordinated design integration across landscape, public realm, infrastructure, accessibility and place-making elements
- enable efficient stakeholder engagement, approvals and design governance processes
- maintain flexibility to stage and package construction works independently of design activities.

The procurement strategy for construction is to:

- develop construction-only contracts with fully completed designs and specifications prior to tender
- package works according to scale, location, complexity and delivery timing
- create package sizes that can be competitively delivered by local contractors and specialist suppliers.

Procurement staging

The procurement staging provides a structured approach to delivering the programme over three tranches aligned to the Council's Long-Term Plan:

- **Tranche One will include**
 - programme-level project controls (Quantity Surveyor, Contract Administration, Legal Advisors). This procurement will be for the overall establishment of the programme model, for consistency of approach. It will also be responsible for supporting GDC to deliver Tranche 1 initially
 - programme-level technical services covering all tranches. It will be most efficient to design all tranches together, both in terms of cost, and to achieve design consistency across the programme, despite being delivered in tranches
 - construction contractor for the Tranche 1 project
- **Tranche Two will include**
 - project controls covering the Tranche 2 project
 - construction contractor for the Tranche 2 project
- **Tranche Three will include**
 - project controls covering the Tranche 3 project
 - construction contractor for the Tranche 3 project.

Prior to each tranche, Council will review:

- available funding sources
- market capacity and supplier capability
- programme priorities
- lessons learned from previous stages
- opportunities for alignment with other infrastructure or city centre projects.

Construction procurement

Construction packages are intended to be tendered separately as construction-only contracts following completion of detailed design. Work packages may include:

- pavement upgrades
- shared space construction
- public space enhancements
- soft landscaping works
- street furniture installation
- lighting upgrades
- stormwater and utility improvements.

Commercial risk allocation

Key procurement risks will be managed through:

- staged delivery across three tranches to enable Council project management resources to manage delivery internally
- early procurement of programme-wide design services
- separation of design and construction procurement
- packaging works to suit market capacity and capability
- ongoing review of the programme between tranches enabling lessons learned to be accommodated in future tranches, reducing risk as the programme progresses
- maintaining flexibility to adjust delivery sequencing as funding opportunities emerge
- broad market engagement to encourage participation by local SMEs and specialist suppliers.

This approach balances delivery certainty with flexibility and supports the Council's wider objectives of city centre revitalisation, economic development and community benefit.

Table 21 Commercial Risk Allocation Matrix

Risk	Owner	Why allocation works	Management approach
CR1. Escalation and market pricing variance	Shared	GDC manages procurement timing and contingency	Market testing, escalation assumptions, price adjustment mechanisms, estimate updates.
CR2. Contractor capability and capacity	GDC	GDC controls evaluation and selection process.	Financial and technical due diligence, weighted attributes assessment.
CR3. Limited market interest and competition	GDC	Driven by packaging, risk transfer and procurement approach.	Early market engagement and procurement planning.
CR4. Procurement and contract model selection	GDC	Procurement and commercial strategy is GDC-controlled.	Assess D&C, Traditional, ECI and collaborative models. Select appropriate NZS contract and undertake legal review.

Risk	Owner	Why allocation works	Management approach
CR5. Consenting and statutory approvals	GDC	Approvals largely outside contractor control before award.	Consent strategy, regulator engagement and approval tracking.
CR6. Funding approval and affordability	GDC	Funding decisions sit with asset owner/funder.	Governance approvals, staging and contingency planning.
CR7. Scope definition uncertainty	GDC	Requirements are developed by the GDC.	Design development and peer review before tender.
CR8. Utility and stakeholder interfaces	Contractor / GDC	Relationships held by asset owner but apportionment may depend on contract form.	Early engagement with utility providers, stakeholders and contractors.
CR9. Inadequate site information	GDC	GDC commissions investigations.	Utility surveys, investigations and data validation.
CR10. Supplier financial viability	GDC (in advance)	GDC able to pre-vet for scale of works a contractor tenders for.	Credit assessment, bonds and guarantees.
CR11. Probity or procurement process failure	GDC	Agency controls process integrity.	Probity plans, conflict management and governance reviews. Potential for independent probity oversight.
CR12. Programme packaging strategy	GDC	Packaging affects attractiveness and deliverability.	Market sounding and packaging assessment.
CR13. Design responsibility allocation	Shared	Depends on selected procurement model.	Clearly define design deliverables and liabilities.
CR14. Insurance and bonding availability	Contractor	Contractor obtains required securities.	Early confirmation of market capacity and requirements.
CR15. Commercial negotiation failure	Shared	Agreement requires both parties.	GDC to issue contract terms with tender documents. Structured negotiations and clear fallback positions.

5 Financial case

Financial summary and affordability

Through the Long Term Plan process, and informed by community engagement, Council will determine its priorities, service levels and the timing and funding of future investment. These decisions will balance affordability and delivery capacity with essential services, outstanding recovery commitments and long-term community benefit.

Key themes emerging in the Long-Term Plan process are legislative changes which introduce rates capping, which creates fiscal pressure when combined with ongoing financial pressure from rising costs, ageing infrastructure and ongoing cyclone recovery work. As such Council investment in a City Centre Revitalisation Project needs to consider the opportunity cost of allocating resources.

Gisborne District Council is currently delivering a significant programme of investment in recovery, resilience and core infrastructure through the 2024-2027 Three-Year Plan and subsequent Annual Plans. The Council's 2026/27 Annual Plan includes a capital expenditure programme of approximately **\$172 million**, with approximately **\$156 million (91%)** allocated to core infrastructure activities including transport, water services, flood protection and solid waste.

Council's capital investment programme operates within the parameters established by its Financial Strategy, Long Term Plan and Annual Plan processes. As part of the 2026/27 Annual Plan, forecast external debt is approximately **\$245 million**, representing **161% of total revenue**, which remains within Council's Financial Strategy limit of **175%**. This reflects the significant investment requirements currently being managed across the district and highlights the importance of carefully prioritising new investment alongside existing commitments and funding capacity.

The City Centre Revitalisation Programme has been developed recognising that Council already funds a range of city centre infrastructure, asset renewal, maintenance and operational activities through existing budgets and Asset Management Plans. Where appropriate, future revitalisation projects will align with planned renewal programmes and infrastructure investment already identified within Council's forward work programmes, enabling opportunities to maximise value from existing expenditure and minimise duplication of investment.

Any Council funding contribution towards the City Centre Revitalisation Programme would be considered through future Long-Term Plan and Annual Plan processes and remain subject to Council approval. Individual projects may also require separate business cases, design development, funding confirmation and governance approval before implementation. This provides flexibility to align project delivery with Council priorities, funding availability and external funding opportunities.

The programme has been developed on the basis that Council will not be the sole funder of delivery. Over 40 years the preferred programme is anticipated to require approximately **\$41m** in capital investment and approximately **\$7.5 million** in operating expenditure. The Council's proposed contribution limited to approximately **\$10 million**, which compares to \$8.6 million for baseline maintenance of the area in a 'do nothing' scenario. The balance of programme funding is expected to be secured through a combination of external funding, strategic partnerships, grant funding, private sector investment and other co-investment opportunities. Existing investment and development activity by key partners and private investors within the city centre demonstrates confidence in the area and provides a foundation for leveraging additional investment over time.

The below table summarises the project WOLCs as detailed in the Financial Accounting – WOLC and NPV Model (Appendix G) for the Preferred Option E1, which itself builds on the detailed costings and assumptions of the Capital Cost Estimate Report (Appendix J).

Table 22 Financial Costing Summary (Nominal Terms)

Line Item	Year 1	Year 2	Year 3	Year 4	Beyond	Total (40yrs)
Capital Expenditure (CAPEX)						
Tranche 1	\$180,000	\$240,000	\$3,520,000	\$1,070,000	\$0	\$5,000,000
Tranche 2	\$0	\$0	\$0	\$510,000	\$13,770,000	\$14,280,000
Tranche 3	\$0	\$0	\$0	\$0	\$21,720,000	\$21,720,000
Subtotal CAPEX	\$180,000	\$240,000	\$3,520,000	\$1,580,000	\$35,490,000	\$41,000,000
Operating Expenditure (OPEX)						
Subtotal OPEX	\$200,000	\$210,000	\$180,000	\$140,000	\$6,750,000	\$7,470,000
Total Expenditure (CAPEX + OPEX)	\$380,000	\$440,000	\$3,700,000	\$1,720,000	\$42,240,000	\$48,480,000

A nominal capital expenditure budget of c\$41.0m is required to fund the programme delivered over the 10 year LTP period in three tranches as defined in the AIP in Appendix A. The operational expenditure budget allocation over the 40 year time horizon, which aligns with NZTA's modelling approach for funding, will be c\$7.5m giving an overall programme cost in nominal terms of \$48.5m.

As each tranche will be delivered as a discreet project, detailed estimation will be undertaken for each tranche separately as the designs progress and are finalised, prior to approaching the market for tender. This work will be done in line with the programme timeframes established in Table 25.

Funding and approvals

GDC's internal funding and approvals processes operate primarily through the Long Term Plan (LTP), Annual Plan and supporting Asset Management Plans (AMPs). These processes establish Council's capital and operating expenditure budgets, confirm activity-level renewal funding and provide the framework through which new investment priorities are considered, prioritised and approved. The 2026/27 Annual Plan includes a capital programme of approximately \$172 million, reflecting the significant investment commitments currently being managed across the district.

The City Centre Revitalisation Programme already benefits from an existing **\$1.5 million placemaking budget allocation**. This funding may be utilised during the current financial year to progress priority early-stage initiatives emerging from the Action and Investment Plan, including programme development, design investigations, activation initiatives and enabling works. Alternatively, where required and subject to normal financial management processes, any unspent budget may provide a funding source for subsequent implementation activities that remain aligned with the purpose of the original allocation.

This existing allocation establishes an initial funding baseline and demonstrates Council's existing commitment to city centre placemaking and revitalisation outcomes. However, delivery of the broader revitalisation programme identified through this business case will require additional funding decisions through the 2027-2037 Long Term Plan process.

As part of the 2026/27 Annual Plan, Council forecasts external debt of approximately **\$245 million**, representing **161% of total revenue**, which remains within the **Council's Financial Strategy limit of 175%**. Any future Council investment in the revitalisation programme will therefore need to be assessed alongside other district-wide infrastructure and service priorities through future Long Term Plan and Annual Plan processes.

Council retains responsibility for approving the Long Term Plan, Annual Plan, borrowing decisions and significant expenditure not otherwise delegated. Strategic funding decisions relating to the programme, including future capital and operating budget allocations, would therefore require Council approval through the relevant planning and budgeting processes.

The programme has been developed on the basis that Council funding will act as a catalyst investment rather than the sole source of delivery funding. In addition to Council investment, funding opportunities will continue to be pursued through external grants, strategic partnerships, philanthropic contributions, agency funding programmes and private sector investment.

GDC have identified a range of capex and opex funding mechanisms and assessed these for programme suitability via the Funding Mechanisms Analysis matrix (Appendix H). The following shortlist identifies only those mechanisms deemed to be either potentially or highly appropriate for this programme.

Table 23 Shortlisted Funding Mechanisms

Funding Mechanism	Capex / Opex	In-Principle Suitability
National Government Grant Funding	Capex	High
Targeted Rates Agreements	Both	High
Developer-Delivered Public Realm	Capex	Medium
Infrastructure Agreements with Rates Relief	Capex	Medium
Naming Rights and Sponsorships	Opex	Medium
Philanthropic and Foundation Funding	Both	Medium
Joint Venture Development	Capex	Medium

In the context of the above identified mechanisms, some actual sources have been identified in the table below, for which GDC will develop a funding acquisition strategy in the initiation stages of the programme, once approved. The range of funding suggests that there is ample money available to cover the current funding shortfall of c\$37.05m, but this will be dependent on targeting of funding sources and the extent of the success of applications.

GDC has consulted NZTA who have confirmed the existence of funding towards maintenance and capital renewals if it forms part of the AMP at the agreed funding assistance rate, currently set at 68% with the balance funded by Council. This reflects the level of capital improvement (placemaking and betterment) being met entirely by council. The estimated value of capital renewals (without betterment) is c\$2.15m, with the inference that NZTA may fund \$1.46m.

Table 24 Current Capex Funding Sources

Funding Source	Status	Lower limit of Funding available	Upper Limit of Funding available	Approval Required	Timing
GDC Allocation	Provisional	\$10m	\$10m	Yes	Year 1
NZTA AMP	Provisional	\$146m	\$1.46m	Yes	Funding of renewals at 68% of \$2.15m
NZTA NLTP	Unsecured	\$500	\$50m+	Yes	Year 2 to year 4 as (not currently taking applications because Phase 2027-2030 is in development.
Regional Infrastructure Fund	Unsecured	\$1m	\$50m+	Yes	Year 1 onwards
NIFF Infrastructure Funding (various grants within)	Unsecured	\$1m	\$500m+	Yes	Year 1 onwards
Lottery Community Facilities (primarily buildings, but may extend to gathering spaces)	Unsecured	\$50k	\$5m	Yes	Year 1 onwards
Lottery Fund for Community spaces (highly relevant)	Unsecured	\$10k	\$500k+	Yes	Year 1 onwards
	Total Identified Funding Range	\$14.02m	\$616.5m+		

6 Management case

Delivery and implementation planning

Implementation of the programme is dependent on two separate decision points. Approval of the Action and Investment Plan and Business Case is anticipated in October 2026 and would provide strategic direction for programme delivery. However, confirmation of any additional Council funding contribution is expected to occur through the 2027-2037 Long Term Plan process, with budget availability confirmed from 1 July 2027.

To maintain momentum between these decision points, the programme may utilise a portion of the existing Three-Year Plan budget for early implementation activities that align with the purpose of that budget allocation. This could include programme establishment, governance arrangements, delivery planning, stakeholder engagement, funding strategy development and other preparatory activities. Recognising that long-term funding decisions have not yet been confirmed, expenditure during this period would be carefully managed to minimise sunk-cost risk and avoid committing significant resources ahead of the Long-Term Plan decision. Indicatively, establishment-phase expenditure would be expected to remain limited (for example up to approximately \$150,000) until future programme funding is confirmed.

Table 25 High-Level Implementation Plan

Phase / Milestone	Key Activities	Timing	Dependencies	Owner
1. Business Case Approval	Secure BC approval, confirm funding allocation to extent available, establish governance.	Months 0-2	BC completion and internal Council endorsement gateways	Council members
2. Programme Initiation & Planning	Develop PMP, engagement strategy, programme, risk register, Procurement Plan.	Months 2-3	Approved business case and funding.	Project Manager
3. Programme and Tranche 1 Procure Professional Services	Project Controls and Technical Services procurement.	Months 3-6	Procurement Plan Approved	Project Manager
4. Site Investigations & Baseline Studies	Surveys, utilities, geotech, traffic, accessibility and arborist assessments.	Months 6-9	Consultant appointment.	Technical Services Team
5. Concept Design	Develop public realm vision, streetscape layouts, place-making concepts and cost estimate.	Months 6-10	Investigations complete.	Technical Services Team

Phase / Milestone	Key Activities	Timing	Dependencies	Owner
6. Community & Stakeholder Engagement	Public consultation, mana whenua engagement, business and resident workshops.	Months 8-9	Draft Concept Design	Council Engagement Lead
7. Gap Funding securitization for Tranche 1	Apply and gain gap funding for Tranche 1 (if any required)	10-18	Concept Design approval	Council
8. Developed Design	Refine design, integrate utilities, lighting, drainage and accessibility requirements.	Months 10-13	Consultation outcomes and approved Concept Design	Technical Services Team
9. Consenting & Approvals	Obtain required consents and council approvals (assume non-EIA)	Months 13-20	Developed design complete.	PM and Technical Services Team
10. Detailed Design & Construction Documentation	Prepare drawings, specifications, estimates and staging plans.	Months 14-18	Developed Design approval and consents	Design Team
11. Procurement & Contractor Appointment Tranche 1	Tendering, evaluation, negotiation and contract award.	Months 19-22	Detailed Design approval and consents	Procurement Lead
12. Construction Tranche 1	Low Street works	Months 23-36	Site possession.	Main Contractor
13. Funding securitization and consenting for Tranche 2	Apply and gain funding and consenting for Tranche 2	37-45	Council Approvals	Council
14. Procurement & Contractor Appointment Tranche 2	Tendering, evaluation, negotiation and contract award.	Months 46-48	Funding Secured	Procurement Lead
15. Construction Tranche 2	Peele and Gladstone Street works	Months 49-72	Site possession.	Main Contractor
16. Funding securitization and consenting for Tranche 3	Apply and gain funding and consenting for Tranche 3	73-81	Council Approvals	Council
17. Procurement & Contractor Appointment Tranche 3	Tendering, evaluation, negotiation and contract award.	Months 81-84	Funding Secured	Procurement Lead
18. Construction Tranche 3	Reads Quay and Riveredge works	Months 85-108	Site possession.	Main Contractor

Capability and capacity to deliver

GDC has the capability to provide programme sponsorship, governance and organisational leadership for the City Centre Revitalisation Programme. A dedicated Programme Manager will be required to coordinate programme delivery, implementation, stakeholder engagement and reporting.

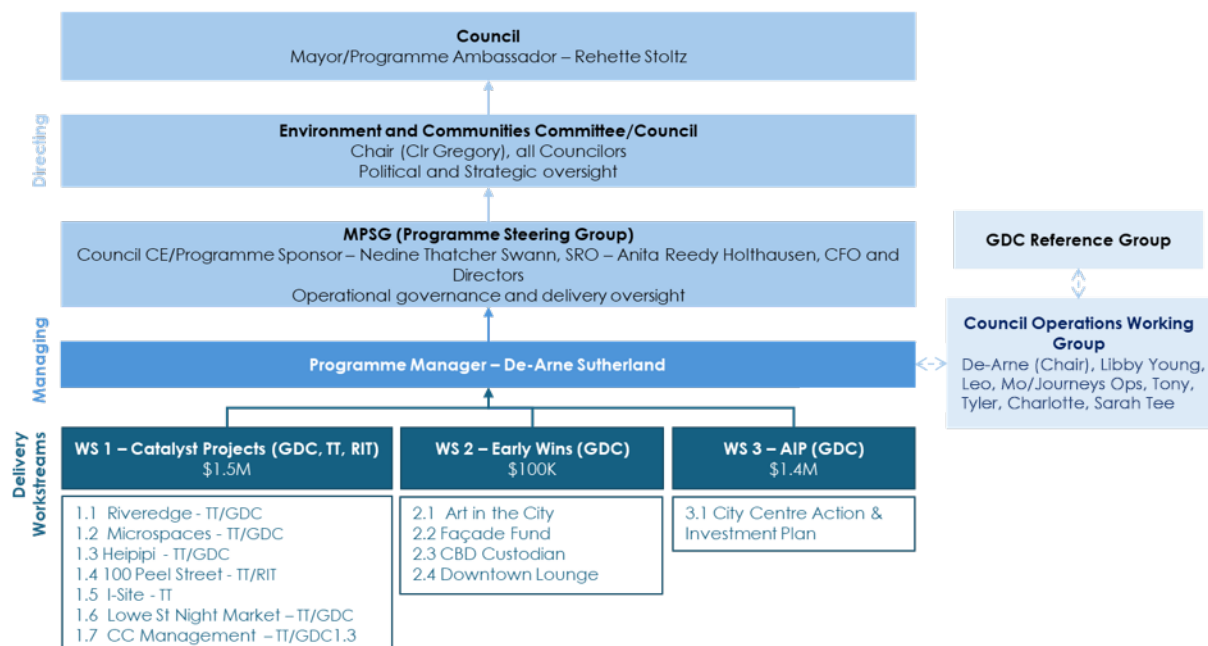
Specialist technical services required to deliver the programme, including urban design, engineering, transport planning, landscape architecture, quantity surveying and contract management, are not available within existing Council resources and will be procured externally.

Internal technical and activity managers will provide advice, review and coordination through a cross-functional working group to ensure alignment with Council strategies, Asset Management Plans and operational requirements. The programme will therefore be delivered through a combination of dedicated programme management, Council oversight and externally procured specialist services.

Governance and assurance

Effective governance is essential to ensure the CCRP is delivered in a coordinated, transparent, and strategically aligned manner. The governance and leadership approach defines how decisions are made, how risks and benefits are overseen, and how partners and internal teams work together to support programme delivery. This structure provides clear accountability, supports timely escalation and resolution of issues, and ensures the programme remains aligned with Council's strategic direction and the Target Operating Model.

Below is the CCRP governance framework:



Governance and assurance summary

Various governance and leadership groups enable decision making as appropriate to their delegation and authority. These are outlined below:

Table 26 Governance Authorities by Group

Layer	Group	Role
Decision making	Environment & Communities Committee	Endorsement and strategic decision making,
Directing/ managing	Major Project Steering Group	Strategic oversight, delegated decision making
Directing	Catalyst Steering Group	Strategic inter-agency oversight
Delivering	Council Operations Working Group	Delivery coordination and escalation

These groups form a tiered governance structure. The Environment & Communities Committee provides strategic direction and endorsement, the Major Project Steering Group oversees delivery and risk, and the Catalyst Steering Group ensures inter-agency alignment. The Council Operations Working Group coordinates day-to-day delivery and escalates issues as required. This structure ensures clear decision pathways and strong accountability.

Programme delivery roles

The programme requires support from every level of the organisation. Without support at every level the programme would not be successful. The following roles are required to enable delivery of the CRRP.

Table 27 Programme Delivery Roles

Role	Who	Details
Programme Ambassador	Mayor, Rehette Stoltz	Influential advocate who reinforces commitment and helps remove resistance by championing the programme's direction and value
Programme Sponsor	CE, Nedine Thatcher Swan	Provides visible support, ensures strategic alignment, and organisational authority for the programme. They secure resources and ensure it remains aligned with organizational strategy. The sponsor supports the SRO and helps maintain executive commitment to the programme's outcomes.

Role	Who	Details
Senior Responsible Owner	Anita Reedy Holthausen	Accountable for ensuring the programme meets its objectives and delivers the expected benefits. The SRO provides leadership, make key decisions, ensure effective governance, and maintain alignment between the programme and organisational strategy. The SRO owns the business case and is responsible for realising the benefits throughout the programme lifecycle.
Programme Manager	De-Arne Sutherland	The programme manager is responsible for day-to-day leadership, coordination, and delivery across the programme's projects and activities. They manage risks, dependencies, planning, and stakeholder engagement, ensuring that the programme delivers its capabilities and remains aligned with the blueprint and business case. They support the SRO by translating strategic intent into coordinated delivery.
Programme Administrator	Stacee Thompson	The programme administrator provides essential administrative, logistical, and coordination support to the programme team. They maintain documentation, support governance meetings, track actions, manage reporting cycles, and ensure information flows smoothly across the programme. Their work underpins effective programme control and governance.
Programme Communications and Engagement Advisor	Sarah Tee	The Programme Communications and Engagement Advisor lead the planning, coordination, and delivery of all programme-level communications and stakeholder engagement activities. They ensure that messaging is clear, consistent, and aligned with the programme vision, blueprint, and benefits framework. The role supports the SRO, Programme Manager, and Sponsor by translating strategic intent into accessible communications, managing stakeholder expectations, and fostering understanding, commitment, and behavioral change across the organisation. They maintain the stakeholder engagement strategy, advise on risks and sensitivities, and ensure that engagement activities support successful transition and benefits realisation

Benefits management

Benefits realisation will focus primarily on the delivery of programme outputs and the achievement of the strategic outcomes identified within the City Centre Revitalisation Action and Investment Plan. A detailed Benefits Register is provided in Appendix I and identifies the intended programme benefits, potential measures and indicative data sources.

Detailed benefits measures, reporting approaches and any associated baselines will be developed progressively as individual projects advance and funding is confirmed. Benefits monitoring and reporting will be integrated into existing programme governance and reporting arrangements wherever practicable to minimise additional resourcing requirements and avoid duplication of existing Council monitoring processes.

Delivery risk and issue management

Risk management at programme level will be undertaken in accordance with Council's risk management framework and will be embedded throughout planning, design, procurement and delivery activities.

Risks will be identified, assessed and managed at both project and programme levels to support informed decision-making and minimise the likelihood of adverse outcomes. Risks will be evaluated based on their likelihood and consequence, including potential impacts on cost, schedule, scope, benefits realisation, stakeholder outcomes, health and safety, environmental performance and reputation.

Mitigation measures will be developed for all significant risks with the objective of either avoiding, reducing, transferring or accepting the risk within approved tolerance levels. Risk ownership will be assigned to the individual or role best placed to manage the risk, with accountability for implementing mitigation actions and monitoring effectiveness.

The programme will maintain a living risk register that is regularly reviewed and updated as assumptions, external influences and programme conditions evolve. At programme level, particular attention will be given to strategic risks associated with funding, growth forecasts, stakeholder alignment, regulatory change, network dependencies and benefits realisation, given the long-term nature of the programme, as detailed in this Business Case.

Risk monitoring and escalation will occur through the governance framework outlined. Project-level risks will be reviewed routinely by the programme manager and project teams, with emerging issues escalated where they exceed delegated authority, tolerance thresholds or have the potential to affect programme objectives.

Risks that cannot be effectively managed within the programme, or which have material implications for funding, strategic outcomes, reputation or Council priorities, will be escalated to governance levels for direction. Regular risk reporting will provide governance with visibility of risk exposure, mitigation progress, emerging trends and any required intervention, ensuring timely decision-making and effective oversight throughout the life of the programme.

Table 28 Key Delivery Risks

Delivery Risk	Description	Potential Impact	Mitigation	Owner
DR1. Council Priority Changes	Changes in GDC priorities and policy settings over the programme.	May require programme re-scoping, reprioritisation or termination of programme with loss or incomplete realization of benefits	Maintain alignment with LTP and strategic plans; regular governance reviews and business case refreshes.	Programme Sponsor (GDC)
DR2. Urban Growth and Development Uncertainty	Growth and development differs from forecasts over the nine year life of the programme	May change scale, staging geographic priorities or with loss or incomplete realization of benefits	Periodically review growth assumptions and use staged, scalable delivery approach.	Programme Manager
DR3. Climate Change and Resilience Risks	Future adaptation and resilience requirements.	May necessitate redesign or revised standards over the extended life of the programme	Apply current resilience standards and review programme against emerging climate policies.	Asset/ Infrastructure Planning Manager
DR4. Transport Behaviour Change Uncertainty	Actual travel behaviours differ from forecasts.	May alter intervention types and expected benefits, requiring changes to programme design over lifespan.	Monitor travel demand trends and update programme priorities as evidence emerges.	Transport Planning Manager
DR5. Network and Corridor Dependencies	Dependence on wider infrastructure programmes alignment with NZTA for example.	May influence timing and programme feasibility, or programmed intervention become redundant or misaligned.	Ongoing coordination with NZTA and infrastructure partners; align planning and delivery programmes.	Programme Manager
DR6. Regulatory and Consent Risk	Changes in approvals or regulatory requirements over the nine	May increase cost, scope or delivery duration.	Early engagement with regulators and regular review of legislative and	Planning & Consenting Lead

Delivery Risk	Description	Potential Impact	Mitigation	Owner
	year life of the programme		consent requirements.	
DR7. Mana Whenua and Treaty Considerations	Evolving partnership and cultural outcome expectations.	May affect investment objectives over time, governance and design requirements.	Maintain ongoing engagement with mana whenua and incorporate cultural outcomes into programme planning.	Programme Sponsor / Engagement Lead
DR8. Utility Infrastructure Constraints	Unknown utility conflicts and upgrades may be needed	May affect costs, sequencing and constructability.	Early utility investigations and coordination with utility providers during planning.	Design & Technical Lead
DR9. Market Capacity and Supply Chain Constraints	Contractor, labour or material shortages or timing clashes with other works.	May require phased delivery or procurement adjustments delaying or accelerating works for alignment.	Use forward procurement planning and flexible delivery staging.	Procurement Lead
DR10. Programme Governance and Decision-Making	Changes in governance or sponsor support.	May delay approvals or alter priorities.	Maintain clear governance structure, reporting and decision-making framework.	Programme Sponsor
DR11. Benefits Realisation Uncertainty	Expected outcomes may not materialise fully as the early tranches are assessed for outcomes.	May influence investment prioritisation decisions for later tranches.	Establish benefits monitoring framework and review programme priorities between tranches.	Benefits Realisation Lead
DR12. Unexpected Property and Land Acquisition Risks	Land acquisition, permits or easement requirements are required for land not owned by, or contested with, the council.	May increase costs and delay delivery.	Identify land requirements early and pursue acquisition/easement strategies proactively.	Property Lead

Delivery Risk	Description	Potential Impact	Mitigation	Owner
DR13. Construction Disruption Impacts	Business and transport disruption during delivery.	May require revised staging and implementation approaches.	Develop stakeholder communication and staging strategies to minimise disruption.	Delivery Manager
DR14. Interdependence with Urban Regeneration Outcomes	Benefits dependent on complementary investments.	May justify conditional or staged programme commitments.	Coordinate planning with complementary projects and use phased investment decisions.	Programme Sponsor
DR15. Legislative Change	Changes to planning, transport or local government legislation over prolonged duration of the programme.	May require updates to programme strategy and delivery models.	Monitor legislative reforms and update programme assumptions and delivery approaches as required.	Programme Sponsor / Planning Lead
DR16. Demand and Visitor Forecast Uncertainty	Usage and visitation levels differ from expectations.	May change investment scale and expected benefits.	Regularly review demand data and adjust staging and investment priorities accordingly.	Programme Manager
DR17. Environmental and Heritage Constraints	Heritage, contamination or environmental discoveries.	May affect scope, costs and schedule	Undertake early environmental and heritage investigations and allow contingency in programme planning.	Environmental & Consents Lead
DR18. Strategic Partner Dependency	Reliance on partner organisations such as NZTA	Misalignment could see negative impacts to both organisations activities and abortive design works.	Establish formal partnership governance and regular coordination with key partners.	Programme Sponsor
DR19. Programme Scope Creep	Expansion of objectives beyond original programme intent.	Can increase cost and dilute programme value.	Maintain clear programme objectives, change control processes and governance oversight.	Programme Manager

7 Next steps

What is authorised and what remains conditional

Approval of this Business Case confirms Council's preferred direction for city centre revitalisation and endorses the Action and Investment Plan and preferred programme approach. The Business Case will inform future Long Term Plan funding considerations, external funding applications and programme development. Progression into subsequent delivery phases remains subject to future funding decisions, approvals and statutory requirements.

Approval authorises:

- adoption of the City Centre Revitalisation Action and Investment Plan as Council's preferred strategic direction for city centre revitalisation
- endorsement of the City Centre Revitalisation Programme Business Case and preferred staged delivery approach
- use of the Business Case to inform consideration of future programme funding through the 2027-2037 Long Term Plan process
- progression of implementation planning, partnership development and funding investigations to support programme delivery
- utilisation of existing approved budgets, where activities align with the approved purpose of those budgets and delegated authority requirements
- preparation and submission of external funding applications and co-investment proposals to support programme delivery.

This approval does not authorise:

- approval of the proposed Council funding contribution identified in this Business Case
- inclusion of funding within the 2027-2037 Long Term Plan without a subsequent Council decision through the Long Term Plan process
- commitment to future programme tranches where funding has not been secured
- award of major consultant, contractor or construction contracts requiring funding not yet approved
- commencement of significant design, construction or implementation activities dependent on future funding decisions.

Immediate actions following approval

Table 29 Next Steps

Focus Area	Next Step / Action	Timing / Trigger
Programme Mobilisation	Establish governance, reporting and programme planning arrangements.	Oct-Dec 2026
Funding Strategy	Prepare LTP funding proposal and pursue external funding and co-investment opportunities.	Oct 2026-Jun 2027
Stakeholder & Partner Engagement	Continue engagement with mana whenua, key stakeholders, landowners, businesses and funding partners.	Oct 2026-Jun 2027
Programme Readiness	Progress procurement preparation, implementation planning and other low-risk establishment activities within existing approved budgets (up to approximately \$150,000).	Oct 2026-Jun 2027
Funding Approval	Seek consideration of future Council funding through the 2027-2037 Long Term Plan process.	Jul 2027
Tranche 1 Delivery Preparation	Progress site investigations, technical studies and concept design following confirmation of programme funding.	Post Jul 2027

8 Appendices

A. City Centre Revitalisation Action & Investment Plan

B. Problem priorities analysis

C. Benefits priorities analysis

D. Investment logic map

E. Long-list NM appraisal details

F. Short-list NM appraisal details

G. Financial accounting: WOLC and NPV model

H. Funding mechanisms analysis

I. Non-monetised long-list benefits register

J. Capex Estimate Report