

Cromwell 'Eye to the Future' Masterplan

Establishment Report



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Cromwell 'Eye to the Future' – Establishment Report
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CENTRAL OTAGO DISTRICT COUNCIL

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Executive Summary

Cromwell is experiencing a period of prolonged growth. This has been fuelled by a range of factors including:

- the thriving viticulture and horticulture industries
- its position as a strategic hub for distribution and tourism
- the local construction industry, which accounts for just under half the building consents issued in Central Otago
- a development and construction boom in Queenstown and Wanaka.

In the last five years, the resident population has increased by 18%, school rolls by 15%, and the visitor population by 33% (Source: Statistics NZ). The establishment of a second supermarket and the expansion of the town boundary, allowing additional residential land for development, are all positive signs that this gateway town to Central Otago is thriving.

It has been long recognised and documented that the Cromwell town centre, a product of the Ministry of Works planning regime, is tired, dated and not fulfilling its purpose as a vibrant economic and social hub of a growing community¹. While several initiatives set out under the 2010 Cromwell Town Centre Rejuvenation Strategy have been implemented, growth experienced since this strategy was adopted is placing further pressure on the town, giving rise to a number of challenges. These include how to grow the town in a balanced manner, improving the form and function of the town centre(s) and future proofing the civic facilities that provide the social fabric that binds the increasingly diverse community.

The Central Otago District Council (CODC), the Cromwell Community Board (CCB) and their community partners have identified a need to consider the future of Cromwell using an integrated planning approach. The approach will acknowledge and complement the Central Otago “World of Difference” brand. This will be achieved by incorporating the relevant themes and values promoted through the brand into the development of the masterplan and then into individual projects.

The following preliminary masterplan programme objectives will be tested at the vision workshop:

1. We understand what the future holds for Cromwell and its surrounding areas.
2. Integration of the strategies, plans and projects to enable a sequencing of priorities.
3. Cromwell gets ahead of growth, identifies key spatial improvements, we plan for it and get on with it.

This integrated planning approach seeks to create a masterplan programme using the New Zealand Treasury Better Business Case (BBC) framework. The BBC framework is gaining wide acceptance as the preferred funding justification framework to enable local government to produce evidence-based and transparent decision making for delivery management and performance monitoring of any scheme. The principles of the BBC framework are consistent with the approach required when making an application for funding under the Government’s recently established Provincial Growth Fund.

The masterplan programme is described under the Programme Integration section. It includes a series of project business cases that feed into the spatial framework and are justified within an overall Masterplan Programme Business Case. This approach has recently been applied to the Queenstown town centre, where a significant integrated investment programme has now been agreed. In turn, the spatial framework is the coordinating instrument that links the strategic vision of the masterplan with the design and implementation of specific projects. This spatial framework is a vital tool that provides a visual illustration of the intended future location, form and mix of land uses, along with the critical transport and infrastructure required to service those areas in addition to identifying any relevant environmental constraints.

¹ Source: *Cromwell Town Centre a Rejuvenation Strategy for Cromwell’s Town Centre for Central Otago District Council and Cromwell Community Board, May 2010*

A high-level analysis of CODC and Cromwell town's strategic documents and projects has revealed that several are currently under review, with the timing also coinciding with the 10-year District Plan review. This presents an opportunity to integrate these key strategies and review opportunities to shape the form and function of future development for the next 30 years and support this with the right infrastructure that is affordable.

As each project has the potential to influence and impact on others, an integrated method is being proposed that aims to achieve the following:

- Demonstrate how land use, development, civic opportunities and infrastructure are sequenced for implementation.
- Involve investors, partners, stakeholders and the community at key points to test the options and flesh out the preferred way forward.
- Provide a framework that manages the tensions, tests and selects options, which results in a suite of projects that deliver on the Masterplan objectives.

The masterplan programme aims to be highly collaborative with transparent community engagement when shortlist options have been established (scheduled for September 2018), and then as formal public consultation through the preparation of the 2018/19 Annual Plan.

The intent of this Establishment Report is to provide the mandate to initiate the masterplan programme by describing the process, key objectives and proposed approach. The timeframe for delivering this programme is ambitious and will require a strong and dedicated team of specialists to ensure it achieves the objectives and keeps pace with the District Plan review.

1 Introduction

1.1 Purpose

The purpose of this establishment report is to explain and agree on an integrated planning approach that Central Otago District Council (CODC), the Cromwell Community Board (CCB) and their community partners can apply as they consider the future of Cromwell. It will use the Better Business Case (BBC) framework as a guide to identify gaps, to gather evidence through benchmarking, complete data analysis and initiate community involvement, and to select the right projects and establish a realistic and achievable timeframe for delivery.

Cromwell is one of the fastest growing small towns in New Zealand, with recent growth predictions indicating that this trend is set to continue². This rapidly expanding and diverse population, together with an anticipated increase in visitors to the district, will put further pressure on Cromwell's facilities and infrastructure.

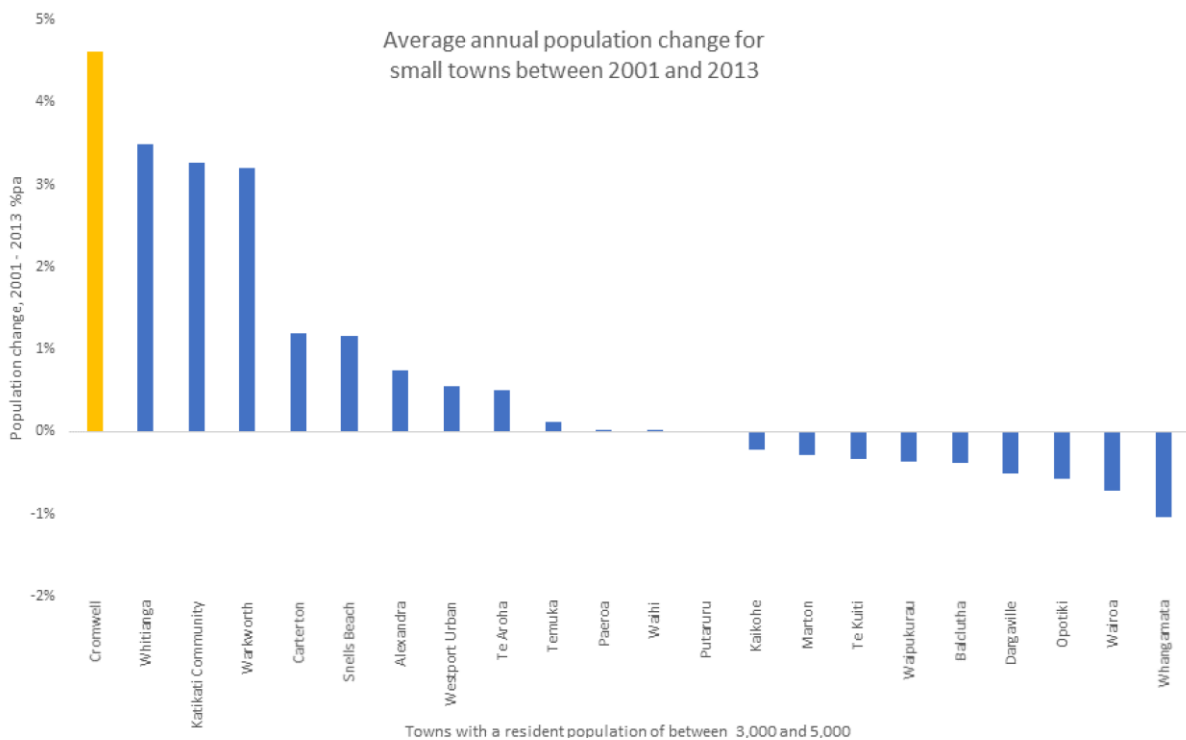


Figure 1: Population change in small towns between 2001 and 2013 (Source: Statistics New Zealand)

A coordinated and comprehensive response is needed to ensure Cromwell grows and functions efficiently to meet the needs and aspirations of the community now and into the future. Within this context the response will consider the changing diversity of the community and the influence this will have on the type and location of facilities required to create a vibrant, yet cohesive town.

² Refer Figure 2

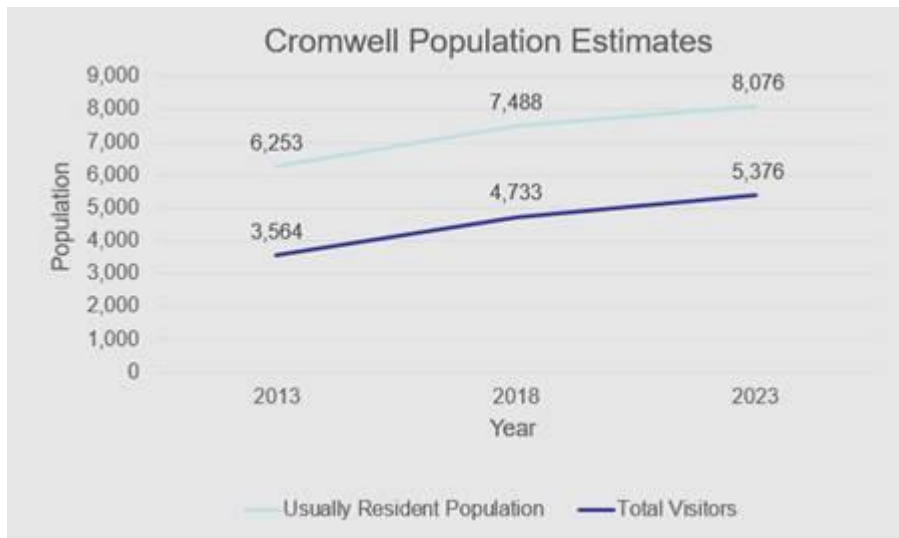


Figure 2: Cromwell Ward visitor and resident population growth (Source: Statistics New Zealand)

In addition to addressing the future growth pressures, discussions with Community Board members and CODC staff as part of an Investment Logic Mapping workshop held on 28 September 2017, identified a number of challenges facing Cromwell, including the following:

- The lack of attraction of visitors and locals to the town centre.
- The form and function of the town as a whole.
- The location and performance of community and civic facilities, including Cromwell Hall.
- The infrastructure requirements for the town, including 3 Waters and transport.
- The coordination of retail, commercial, and civic operations and developments.
- The connection between the natural and the built environment.

These challenges are not new and, despite numerous investigations being undertaken in the past, remain an obstacle to Cromwell achieving its full potential.

The concept of a masterplan has been promoted as a mechanism for integrating the numerous projects, strategic documents and regulatory plans that will influence the future of Cromwell. A masterplan will apply a fresh, holistic perspective to both the town centre and its surroundings, considering the opportunities and challenges it faces. It will also provide a framework for how growth will be provided for, reflecting the collective vision of the Council and community. This programme will run concurrently with the District Plan review, therefore, creating a transparent and collaborative environment underpinned by meaningful engagement with stakeholders and the community.

The first goal of the project will be establishing the combined vision and determining what is needed to support it. The intention is to engage an independent facilitator who has experience with town centre strategies to assist with two workshops with the Mayor, Councillors, Community Board members and informed participants to either update the existing vision(s) or create a new one for Cromwell.

The following preliminary masterplan programme objectives will be tested at the vision workshop:

1. We understand what the future holds for Cromwell and its surrounding areas.
2. Integration of the strategies, plans and projects to enable a sequencing of priorities.
3. Cromwell gets ahead of growth, identifies key spatial improvements, we plan for it and get on with it.

As each project has the potential to influence and impact on others, an integrated method is being proposed that aims to achieve the following:

- Show how land use, development, civic opportunities and infrastructure are sequenced for implementation.
- Involve investors, partners, stakeholders and the community at key points to test the options and flesh out the preferred way forward. It will be critical to engage with both the business community and the wider community, as each brings a differing perspective.
- Provide a framework that manages the tensions, tests and selects options, which results in a suite of projects that deliver on the Masterplan objectives.

The intent is to work quickly through the process to develop and finalise a masterplan, supported by a spatial framework, in order to keep pace with the District Plan review and build momentum. Once in place it will guide decision making and implementation programmes for key projects that will collectively shape the future of Cromwell.

The government has committed to enhancing the economic development of the regions, recognising that tools are needed to ensure those areas outside of the main centres are equipped to meet the challenges ahead. On 21 February 2018, Cabinet approved the Provisional Growth Fund (the Fund), the intent of which is to lift productivity potential in the provinces, based on three investment tiers (refer Figure 3 below). While Central Otago has not been identified as one of the areas prioritised for early investment, the fund is available to all provinces. Projects put forward for consideration for funding will be required to demonstrate clear merit and have strong business support and an understanding of the growth profile of the area. These principles are consistent with the BBC framework to be applied to the masterplan programme. As individual projects under the broader masterplan programme are progressed the criteria for investment, as set out under the Fund³, can be considered and assessed using the BBC model.



Figure 3: Provisional Growth Fund Investment Tiers (Source: Ministry of Business, Innovation and Employment)

The Government announced its urban growth agenda in November 2017. The purpose of the urban growth agenda is to achieve competitive urban land markets, where supply meets demand and prices cover the cost of growth. The five pillars to address this are:

1. Infrastructure funding and financing
2. A pro-growth planning system
3. Road pricing
4. Spatial planning by central and local government
5. Legislative reform of the Resource Management Act, Local Government Act and Land Transport Management Act.

There is a strong correlation between these components and the works programme. In particular (2) - pro-growth planning regime and (4) - spatial planning. There is little detail on how the urban growth agenda will

³<http://www.mbie.govt.nz/info-services/sectors-industries/regions-cities/regional-economic-development/pdf-image-library/provincial-growth-fund.pdf>

be implemented or how the components relate to proposals put forward by the previous Government, such as the proposed Urban Development Authority legislation. As the agenda is further developed the project team will be able to determine the effect that this may have on the respective workstreams and respond accordingly.

1.2 Background

1.2.1 Strategic Documents

A high-level analysis of relevant strategic documents and regulatory plans has been undertaken. Many of the documents have been in effect for several years and are now in the process of being reviewed (such as the Economic Development, Infrastructure and Sustainability Strategies). A further suite of strategies have recently been updated or introduced including the Heritage Strategy and draft strategy for Regional Sport and Recreation Facilities.

These documents provide a solid foundation for continuing the conversation on what the future of Cromwell will look like. Several of the recommendations of the Cromwell Town Centre Plan (2010) have been implemented, including the fruit sculpture open space and Mall streetscape upgrade. Given the time that has elapsed since the preparation of this plan, it is appropriate to conduct a review of the completed and other initiatives to determine if they remain relevant. The outcome of this review, as part of a wider integrated process, will provide context and direction to shaping the way forward.

The District Plan review, together with proposed Plan Change 12 (see Wooing Tree Masterplan below) represent a change in the regulatory environment for Cromwell. The rule framework established under these documents will be the platform for determining how future growth is provided for and assessed. While a decision has recently been released on Plan Change 12 opening up further land for development⁴ (24 February 2018), the District Plan review is in its infancy, with the next stage of public consultation to commence in late 2018. As the District Plan will be a key tool in the implementation of the spatial framework applying an integrated approach, ensuring alignment with the overarching objectives and vision for Cromwell is essential to the success of the programme. The investigations and research used to inform the masterplan can also be used to meet the Council's section 32 obligations under the RMA, particularly with respect to the assessment of costs, benefits and alternatives.



Figure 4: Wooing Tree Masterplan (Source: Plan Change 12)

The CODC Infrastructure Strategy, which sets out the infrastructure investment for the next 30 years, is to be renewed this year. One of the emerging issues is the pressure that population, visitor and economic

⁴ Subject to the outcome of any appeals (appeal period closes end of March)

growth is having on Central Otago's larger town centres. The strategic response suggested in the draft strategy is to plan for future growth in the towns and utilise integrated approaches, such as that adopted for the Clyde Historic Precinct (which is similar to this process), to drive the improvement plan.

The revised Sustainability Strategy and the Economic Development Strategies (also in draft) seek to improve the economic performance of the district's towns in a sustainable manner. Initiatives agreed within these strategies will be integrated into the masterplan where relevant.

1.2.2 Vision Statements

The strategy documents reviewed each have their own vision statement or strategic objective of varying relevance to Cromwell, its town centre, and future growth.

CODC is responsible for managing the Central Otago regional identity. *Central Otago: 'A World of Difference'* provides a story differentiating Central Otago by defining the unique characteristics of the district and establishing a set of guiding values to support the promotion and enhancement of these. The values⁵ resonate strongly with CODC's own strategic documents and feedback from the numerous consultation forums undertaken to date. As the gateway to Central Otago, it is important that any vision statement for Cromwell complements and is consistent with the direction of 'A World of Difference'.

At the local level, the Cromwell Community Plan (2013) was developed under a community-led process and produced a vision for Cromwell:

"A vibrant, thriving community that retains its green space and naturalised open space values to enhance and maintain community wellbeing within carefully planned residential, commercial and light industrial development."

While not a Council produced document, Council's role as an 'enabler' of the Community Plan involves assisting representative groups and organisations in achieving their collective goals and visions for the town.

Despite consideration in the past⁶, CODC has not established an overarching vision that sets the strategic direction for Cromwell, therefore, the town currently lacks a framework for co-ordinating decision-making, infrastructure, services and investment. As set out in this establishment report, there are a range of factors that have elevated the need to develop a clear vision and pathway to inform and guide the future of the town.

1.2.3 The National Context

At a national level, several significant changes have taken place in recent years that will influence future decision-making processes.

Amendments to the Resource Management Act 1991 mean that all councils must now establish, implement and review objectives, policy and methods to ensure that there is 'sufficient housing and business development capacity' to meet expected short-term, medium-term and long-term demand. These functions are supported by the National Policy Statement on Urban Development Capacity (NPS-UDC), which provides direction on how councils are to provide sufficient development capacity for current and future housing and business demand under the RMA.

While Central Otago district is not identified as a medium or high growth area under the NPS-UDC, the proximity to Queenstown-Lakes (being a high growth area) represents an opportunity to ensure planned growth is coordinated at a regional level. The increased demand for land in Cromwell for industrial purposes, as the town is recognised as a more affordable alternative to Queenstown, is an example of how being aware of, and having a clear plan to provide for growth, is necessary. Furthermore, as corresponding infrastructure requirements associated with the growth demands of the wider Central Otago area are realised (such as the need for a regional airport), opportunities can be identified, and an informed decision made on how to respond in the best interests of the district.

⁵ <http://www.aworldofdifference.co.nz/our-values>

⁶ <http://www.codc.govt.nz/your-council/news/Pages/Cromwell-brand.aspx>

The provision of National Planning Standards (Standards) was also introduced as part of the 2017 RMA amendments. The purpose of the Standards is to improve consistency in plan and policy statement structure, format and content so they are easier to prepare, understand, compare and comply with. The first set of standards are due to be publicly notified in April 2018. Requirements for incorporating content into the District Plan will vary from April 2019 - 2024. The District Plan review coincides with, and will be influenced by, the Standards.

As the Standards progress, further consideration will be required on how these are addressed as part of the wider strategic planning framework for the Central Otago district.

As identified above, the Government's urban growth agenda is likely to give rise to further changes to the national planning framework. Given the potential impact on workstreams over the longer term there is value in CODC in establishing regular dialogue with the Ministry for the Environment to ensure alignment.

1.2.4 The Changing Environment

A significant change that has the potential to influence the future of Cromwell is the improved access to reliable, fast broadband as a result of the ultra-fast broadband (UFB) initiative. This comes in close succession to Spark's recent upgrade of the mobile infrastructure to 4.5G, which delivers more capacity and faster speeds. Access to a ubiquitous telecommunications network is a prerequisite for a smart city/town and supports and enables the social, economic and cultural wellbeing of a community.



Figure 5: Ultra-Fast Broadband coverage: Cromwell (source Chorus NZ⁷)

Improved access to broadband infrastructure within Cromwell has the potential to drive economic development and promote growth as it removes the traditional geographical barriers associated with working and living outside a main centre.

Consideration of the opportunities that the improved telecommunications network bring to Cromwell falls across numerous workstreams. An integrated approach will help to identify, and ultimately realise, the full potential this represents for the town and how it will influence future growth and economic development.

⁷ <https://www.chorus.co.nz/tools-support/broadband-tools/broadband-map>

1.2.5 Delivery Challenge

Figure 6 (below) depicts strategic and project documents already adopted that currently influence strategic direction and forward planning for Cromwell. The challenge within these documents is that, while the themes may be similar, the core components of land use, heritage, urban design and development, landscape and transport are not integrated in a way that contributes to a single, clear vision.

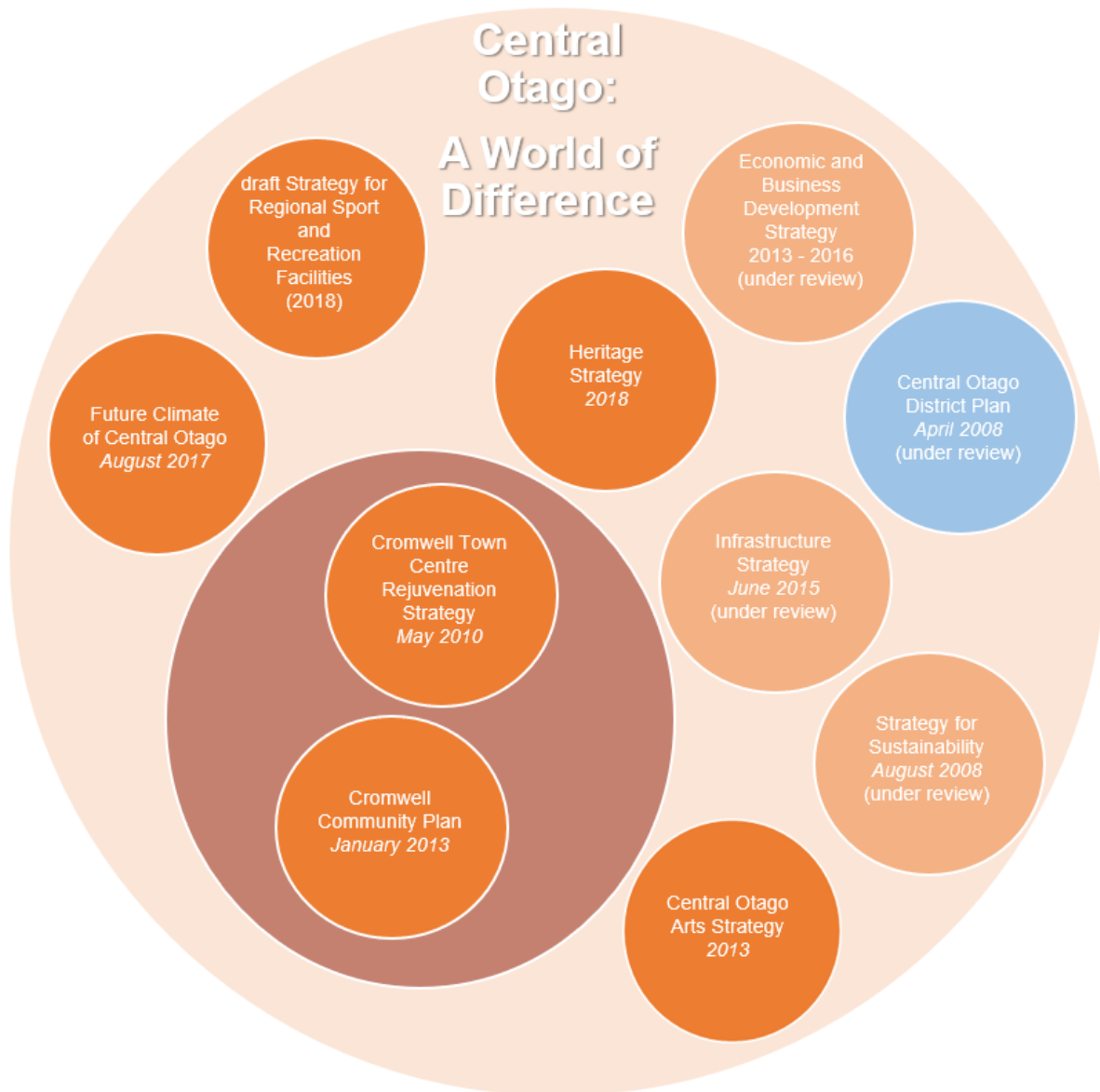


Figure 5: Strategic and project documents already adopted or being reviewed.

2 Taking a New Approach

It is recognised that considerable time and effort from CODC, the CCB, and the wider Cromwell community has been spent seeking to address the challenges faced by Cromwell. Further, several key initiatives are in the pipeline that will influence the future of the town and wider locality. There is a real risk to the success of these programmes and the opportunities they represent to the future of Cromwell if they are progressed in isolation without the guidance of a collective vision.

A new approach is needed that integrates planning for growth with all transport, public realm, living, civic and commercial projects into one comprehensive plan with integrated implementation plans. This prevents the silo approach of individual project stories not representing an integrated outcome, which investors struggle to buy into.

This complex and challenging piece of work needs to be undertaken to give investors, in both the public and private sector, strong evidence and justification that the options being recommended are well-considered across a wide range of criteria, and not just focussed on the lowest cost.

It is intended that the masterplan and associated projects be developed using the New Zealand Treasury Better Business Case (BBC) framework. The BBC framework is gaining wide acceptance as the preferred funding justification framework to enable local government to produce evidence-based and transparent decision making for delivery management and performance monitoring of any scheme.

The masterplan and associated project business cases must be confirmed by December 2018 to be considered for both the CODC Annual Plan or amendment to the Long-Term Plan. This is a challenging timeframe within which a highly integrated and compelling investment story must be achieved.

The key parts to taking on this new approach, which will be discussed in the remaining parts of the report, are:

- a) Programme integration
- b) Governance and decision making
- c) Specialist procurement
- d) Community engagement
- e) Stakeholder engagement
- f) Communications.

3 Programme Integration

The workstreams structure, shown later in this report, groups projects into core projects and dependencies both for CODC and private projects.

3.1 Core Projects

The following projects form the key work that will inform the masterplan. These concepts are indicative and will be explored further following the adoption of the Establishment Report. A summary of these projects is provided below.

3.1.1 Cromwell Town Centre Spatial Framework

The spatial framework for the Cromwell town centre will cover the following:

- The bigger picture – where growth will be accommodated and enabled, providing the right balance of residential, business and industrial activity.
- The existing town precincts and how they can be enhanced.

The spatial framework presents the opportunity to ensure planning for the future of these precincts is coordinated, identifying where conflicts and synergies exist and responding to these in a way that is consistent with an overall vision for Cromwell.

The project objectives to be tested at the first workshop are:

1. We understand the demands of growth and the available capacity.
2. We understand what would improve the lives of Cromwell's of citizens and visitors.
3. Integration of the existing strategies, plans and projects.
4. The spatial framework supports the future planning of Cromwell and creates a place our residents can be proud of.

Developing key principles or assessment criteria to establish how these projects will be integrated is one of the primary drivers to the success of the spatial framework. A further critical component is ensuring that partners, stakeholders and the community have an opportunity to test and review the findings at key stages of its development. This will lead to a greater level of ownership of the strategic framework and ultimately the decisions on individual workstreams and projects this will influence. The outcome of the spatial framework may require CODC to revisit any current management plans applying to the town such as the Cromwell Sports Parks Reserve Management Plan (2015).

CODC is also considering whether there is housing affordability issue within its towns. The outcomes from this research and any resultant direction will also be relevant to the spatial framework.

The framework is contained within and is a component of the Cromwell Masterplan.

3.1.2 Cromwell Town Centre(s) Indicative Business Case

The purpose, form and function of both the Cromwell Town Centre and the Cromwell Heritage Precinct together with how they inter-relate and support each other, can best be considered under an integrated framework. These factors will also be influence where future residential and business growth will be located. The two centres have very different offerings at present and are not well connected. It is proposed that this project will identify the form and function of the town centres and how they can grow and be improved upon to achieve maximum value.

The project objectives to be tested at the first workshop are:

1. Understand what the future holds for Cromwell Town Centre and Cromwell Heritage Precinct (Old Cromwell).
2. Integration of the various strategies, plans and projects.
3. We know what's needed, we plan for it and we get on with it.

Cromwell Town Centre

The 2010 Rejuvenation Strategy for Cromwell Town Centre created seven moves to reinvigorate the town centre. These were as follows:

- 1) Improve the visual connection to Cromwell.
- 2) Connect more directly from SH8B.
- 3) Draw visitors into Cromwell and the Mall.
- 4) A vibrant front edge.
- 5) Attractors and showcasing.
- 6) Wayfinding and public spaces.
- 7) Town centre management.

At this early stage, the use of a challenge team is proposed to understand how well the town centre projects have delivered on the moves, including an evaluation of the 2010 Strategy. This will be assessed against the problems and benefits outlined in the recent ILM workshop (see Appendix 1). Working through the business case process will determine if there is a case for change and what options warrant further consideration by the CCB, Precinct Board, business owners and landlords.

Cromwell Heritage Precinct (Old Cromwell)

The Cromwell Heritage Precinct has been developing organically following preservation of many of the historic buildings near the confluence of the Clutha and Kawarau Rivers. Its purpose and point of difference in relation to the town centre needs to be defined, and guidance needs to be developed on how it can continue to grow and prosper while maintaining and enhancing these features. As a popular tourist destination investigation into how to encourage visitor to the precinct to venture into the town centre should also be undertaken. The aim of this exercise will be to identify opportunities to leverage off the popularity of the precinct, while enhancing the visitor experience and maintaining its unique character.

3.1.3 Civic Facilities Review Indicative Business Case

The growth of the resident and visitor population has created new expectations for all Council and community facilities. An assessment of whether Cromwell's civic facilities are fit for purpose for the future and whether there is an opportunity to deliver these facilities and services in a more integrated and user-friendly way needs to be explored. This will be carried out before further investment on renewing or replacing assets occurs. There are agencies such as the Cromwell Primary School that have created new facilities recently and others, such as the Otago Polytechnic that are contemplating expansion. The review of civic facilities looking to a 2050 horizon, therefore, needs to stretch further than Council-owned facilities to capture the gaps and opportunities for all community groups, organisations and individuals.

The project objective to be tested at the first workshop is:

Through a business case approach, identify the most effective benefit for cost options to provide civic facilities in Cromwell.

The Council facilities included at this stage include the Council administration offices and library, museum, i-SITE and community resource centre. There could be additional facilities included once the initial community facilities and services audit in the first phase of the business case has been completed. If there was deemed to be strong case for change, options would be developed with stakeholders and then assessed under a multi-criteria analysis.

Some of the findings in the initial information gathering phase will assist the Cromwell Memorial Hall business case. At this stage, the two business cases have been kept separate owing to the hall's complexity and urgency to find a suitable resolution.

3.1.4 Cromwell Memorial Hall Indicative Business Case

It has long been recognised that the Cromwell Memorial Hall is no longer fit for purpose. A lack of investment in maintenance together with the changing needs of the community, has elevated the issue with CODC, the Community Board and the Cromwell community. This has promoted several investigations on refurbishment and replacement options. Unfortunately, this has been drawn out for many years with associated costs. The latest cost estimate (2016) to refurbish the facility together with completing a seismic upgrade is \$5.3M.

It is proposed that a business case approach be used to assess all existing options and new opportunities in relation to the overall masterplan.

The project objective to be tested at the first workshop is:

Through a business case approach, confirm the appropriate location, community needs, user requirements and effective benefit for cost option for the Cromwell Memorial Hall.

By utilising the previous investigations, defining the problems and benefits under a robust process will ensure that an integrated decision is achieved. The community is very keen to see a resolution resulting in the right community facility being created to take Cromwell into the future.

This business case will be mindful of other concurrent workstreams such as the civic facilities review, town centre and spatial framework.

4 Dependencies

4.1.1 Smart Cromwell

Land Information New Zealand (LINZ) ran a smart cities research project in 2016⁸. It concluded that smart city technologies can produce significant benefits for communities by creating better places to live and work.

The development of a smart city strategy, 'Smart Cromwell', aligns with both central and local government strategic directions and the principles can be applied through many of the core projects.

Recognising the changing environment expectations with the delivery of UFB to Cromwell and the opportunity this presents, a standby workstream project has been created that may need to be developed once there is clarity around the initiatives coming from other workstream elements. Smart city initiatives, while benefiting from a clear strategic direction, are not necessarily (or at least solely) a function of local government. Therefore, a flexible and adaptable approach is required to encourage innovation within the community and stakeholders.

The masterplan programme will need to recognise the increasing importance of data and how this can be used to respond to the pressures of growth and influence how the town functions. Smart Cromwell has the potential to enable CODC, utility providers, business owners and the community to make informed decisions on the better use of its facilities and infrastructure, and to be efficient and responsive in the way services are delivered to the community.

4.1.2 3 Waters Planning

CODC is progressing planning for 3 Waters infrastructure concurrently with the masterplan. This will be vital, especially in the provision and timing of growth areas identified within the spatial framework workstream.

4.1.3 Transport Planning

Transport planning for Cromwell is jointly provided by the Council and NZTA. At present, NZTA does not have any substantial projects or investment planned in Cromwell. Recent plan changes do require changes to the roading network, including walking and cycling connectivity. Transport planning will be required for new growth areas and how it connects into the existing town and satellite locations such as Bannockburn and Lowburn.

⁸ <https://www.linz.govt.nz/about-linz/what-were-doing/projects/smart-cities>

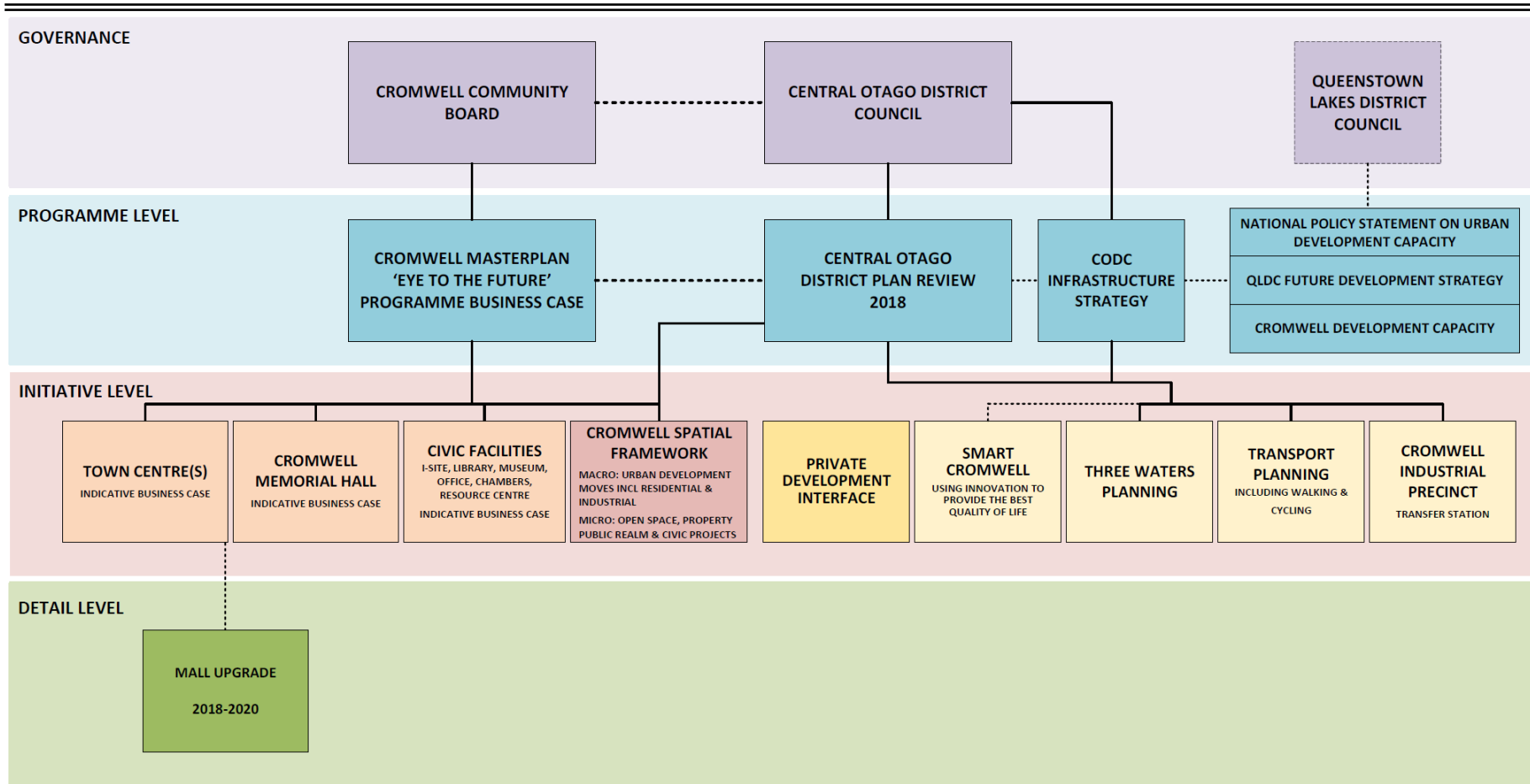
4.1.4 Private Development Interface

It is important to be aware of private development proposals that are at various stages of planning and feasibility assessment when considering large scale changes to Cromwell. The masterplan programme and associated projects will be mindful of the development landscape when considering all programmes of work.

4.2 Optioneering

The programme integration will primarily occur at the optioneering stage. Separate facilitated workshops will aim to agree the optimal solution for each core dependency and then combine to provide an optimal solution at the masterplan level. There may be tensions and interface issues that need to be acknowledged and worked through at this 'first cut' stage. This allows CCB and CODC to assess whether the projects are an enduring solution or whether more ambitious options require consideration. A 'second cut' would then be developed, following stakeholder and public engagement, and presented in a final masterplan.

CROMWELL WORKSTREAMS



- CORE PROJECTS
- KEY INTEGRATION PROJECTS
- DEPENDENCIES

5 Masterplan Preliminary Scope

The principal purpose of the masterplan is to allow CODC, its partners and stakeholders to develop a clear and holistic strategic vision for Cromwell to guide growth and investment decisions. The masterplan will involve integrating the numerous projects, strategic documents and regulatory plans under this vision to achieve alignment and consistency across these platforms while acknowledging and providing for the needs of an increasingly diverse population.

The masterplan will consider the town and its many functions, while recognising and demonstrating how the issues associated with prolonged growth can be responded to, in alignment with the strategic vision. It will also provide the foundation for a spatial framework, identifying how and where Cromwell is expected to grow, how much land and development capacity will be required, and the types and costs of infrastructure that will be needed to accommodate this growth.

The masterplanning process will investigate contextual, historical, heritage, cultural and development overlays and how these will inform current and further potential civic, land use, streetscape, infrastructure and development opportunities. The masterplan will provide a strong visual story (supported by the various business cases) illustrating why the various projects are a priority, how they are prioritised and sequenced for implementation.

The geographical scope (Figure 6) identifies where the primary focus for most of the initiatives, projects and key moves will be.



Figure 6: Cromwell Masterplan - Geographical Scope

6 Programme Governance and Decision-Making Structure

Programmes of this nature and complexity require a clear and well-structured governance or decision-making arrangement. The proposed decision structure set out in Figure 7 indicates the programme governance specific to Cromwell. The Political Governance level is the main forum for gateway and financial approvals. The Programme Governance level is the primary review and integration forum to ensure the implications are thought through at an organisational level.

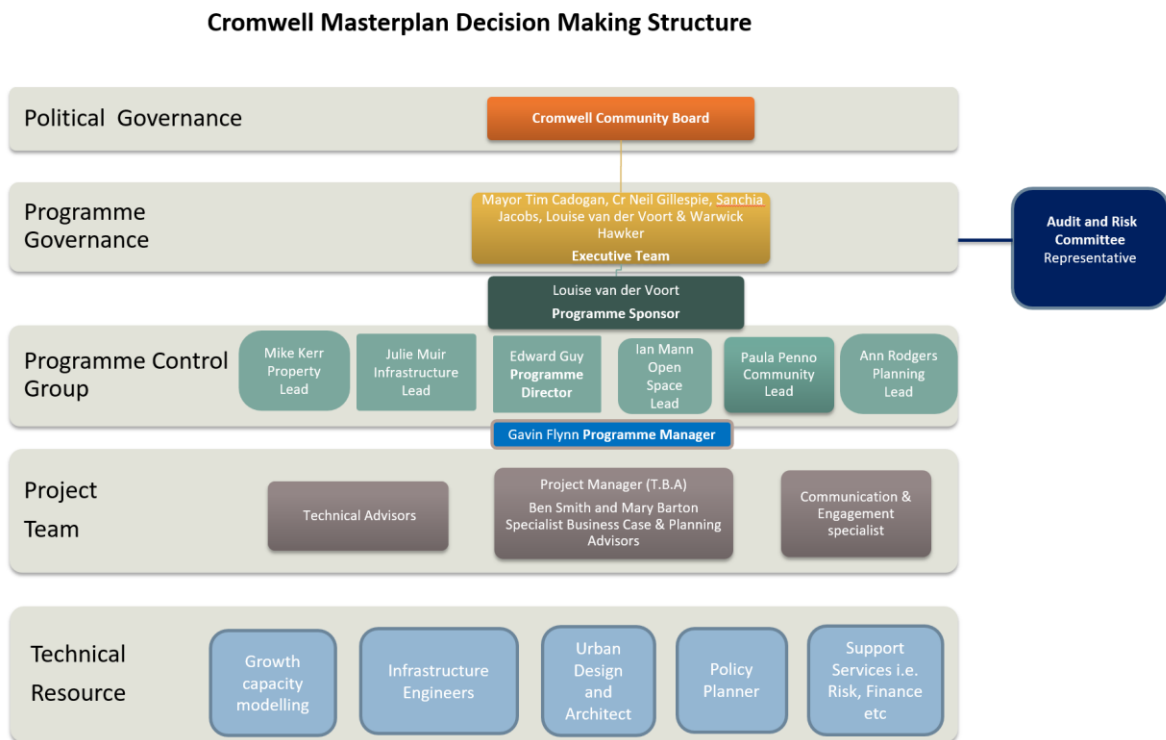


Figure 7: Cromwell Masterplan Decision Structure

7 Proposed Process and Programme

A process chart below has been created to show the Masterplan Programme Business Case process and the key Council approval meetings and workshops. It is intended that the first vision key outcomes workshop will be facilitated by an independent Investment Logic Map accredited facilitator and involve a selection of elected members, representatives from stakeholder groups, and observers.

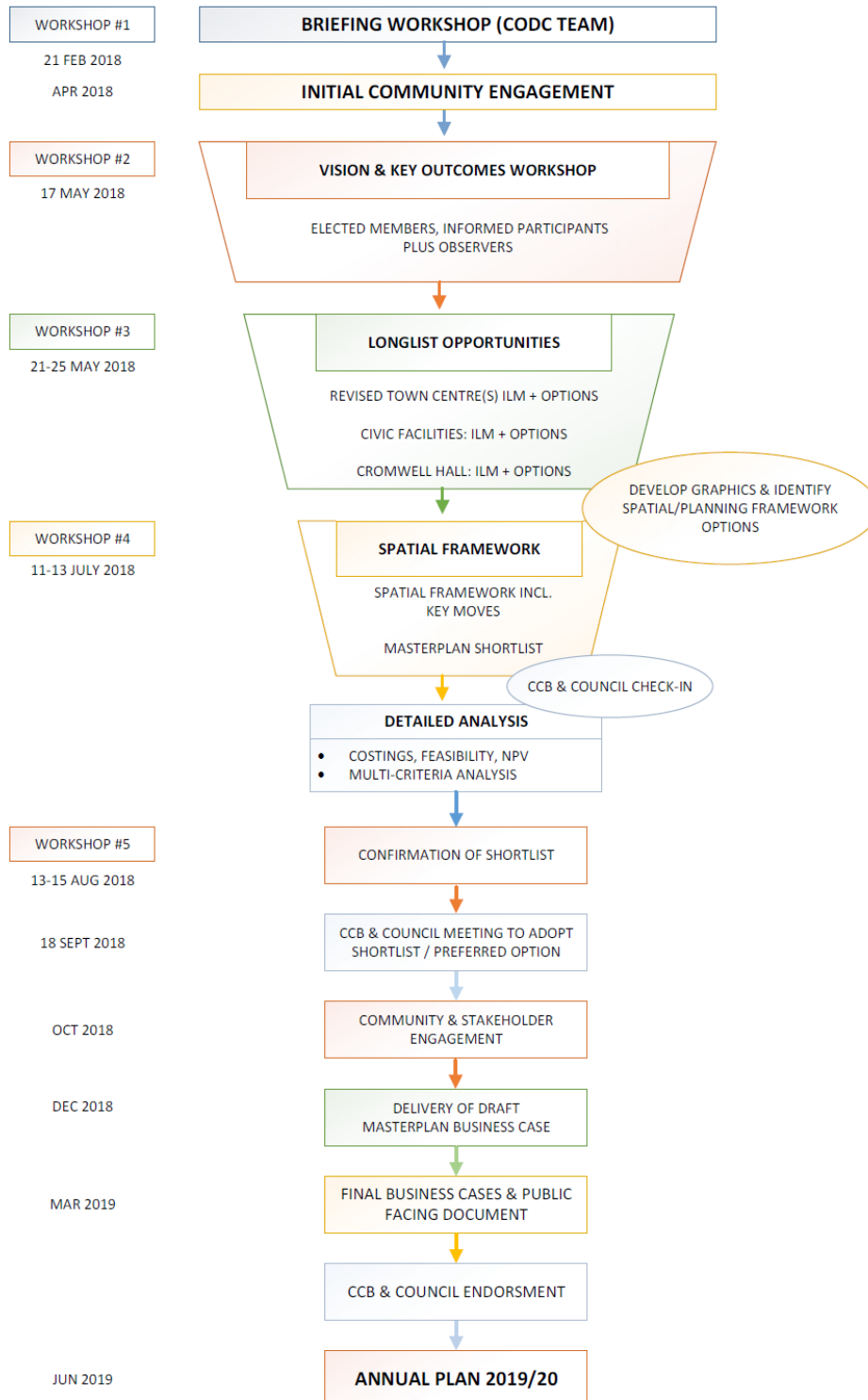


Figure 8: Cromwell Masterplan Process and Programme

8 Specialist Procurement

The primary procurement objective is to develop a series of integrated projects, at best value, and in time to populate the 2018/19 Annual Plan / amended Long Term Plan with a programme of investment-ready projects.

A key element of success is the development of the right procurement approach, which creates a highly cooperative team comprising internal and external specialists. This team must be focused and dedicated to hit the delivery dates in order to achieve the full benefit of the masterplan programme. For this scope of work, a diverse team including design, engineering, planning, finance, property, communication and project management professionals are required.

A two-fold procurement process is proposed, which is differentiated between the design-based disciplines and the non-design-based disciplines, to:

- optimise activity output within the limited delivery timeframe
- support a collaborative and integrated approach
- minimise the number of suppliers across the full programme
- ensure value for money.

For the design team members (e.g. masterplanner / architect / urban designer and engineers) it is proposed that a single multi-disciplinary team be procured through a single stage open tender process. This would be evaluated using either the Brooks Law method, which assesses proposals on the basis of technical merit, or the target-price model, which is useful when it is difficult to define the scope of the work in the tender documentation or in situations where the budget that is available is the main constraint⁹.

For the non-design team members (e.g. economics and data specialists) it is proposed these be procured through direct appointment engagements from existing approved suppliers. This is due to the low values of these contracts.

To manage this procurement process, and the team when they are in place, the intention is to engage a fixed term project manager who has significant experience with this type of engagement process and running integrated programmes.

The \$758,600 financial cost of the technical resources procurement programme is unbudgeted within the 2017/18 Annual Plan and 2018-2028 Draft Long Term Plan.

To align with the masterplan programme, \$270,000 from Infrastructure Services budgets will be utilised for additional transport and water infrastructure planning (including hydraulic modelling) to investigate the provision of growth-related infrastructure.

⁹ Procurement guidance for public entities - NZ Controller and Auditor General (<https://www.oag.govt.nz>)

9 Partner and Stakeholder Engagement

A preliminary stakeholder matrix that assesses the partner investors, external stakeholders and government ministers has been created for the masterplan. The intention is to involve the partner and stakeholders at key times to test and challenge the options in workshops and individual sessions. Each project will have its own stakeholder matrix to reflect the interest and influence for that specific scheme. A communication and engagement plan will be created that shows when and how the respective partners and stakeholder will be engaged with. Additional stakeholder groups may be identified through the workshops.

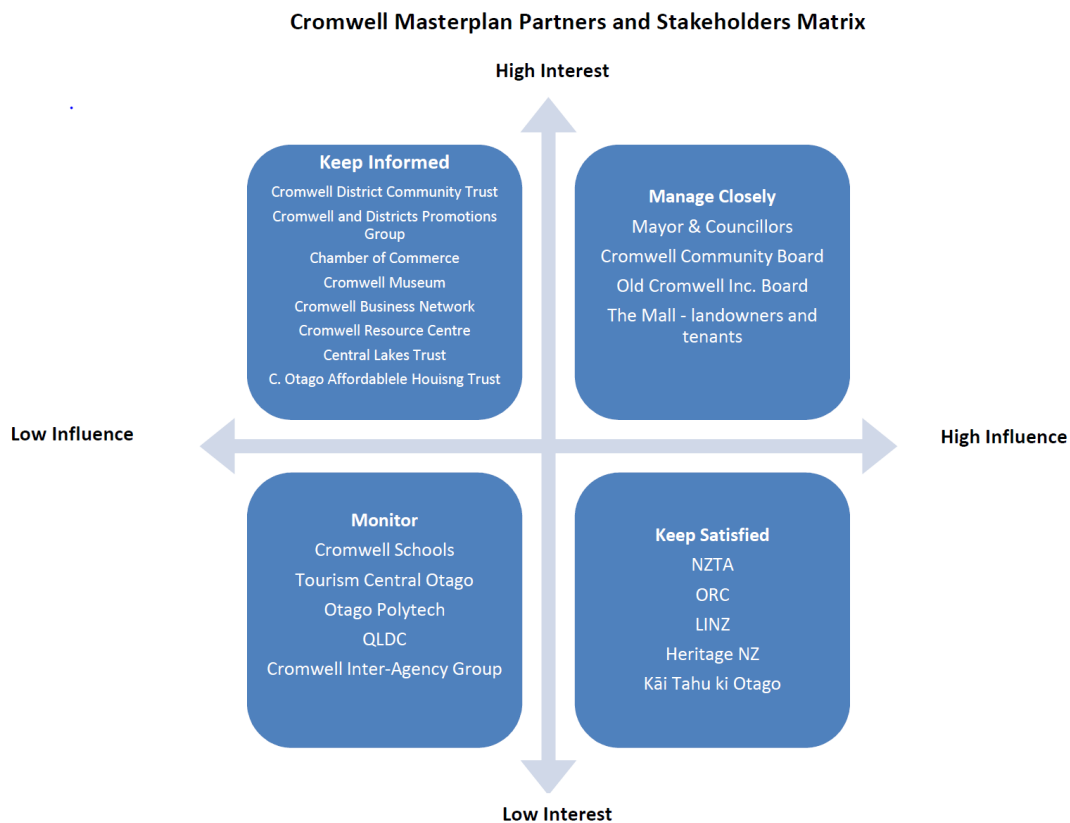


Figure 9: Cromwell Masterplan - Partner and Stakeholder Matrix

NB: this is not an exhaustive list; further stakeholders may be added as the programme progresses.

10 Community Engagement

Community engagement is a vital element that will contribute to the success of the masterplan and associated projects. The community wants to be involved in the future of their town and opportunities will be provided for community and stakeholder input at key stages throughout the development of the masterplan. The community includes new arrivals and absentee owners.

Given the high level of consultation and engagement that has been undertaken under various workstreams to date it will be important to ensure the purpose of the programme, namely adopting an integrated, higher level strategic direction, is clearly articulated. This will assist in distinguishing the programme from the previous and concurrent workstreams (such as the District Plan review), while providing the framework for a forward focussed discussion on the future of Cromwell.

Given the critical importance of input from the community and stakeholders, a communication and engagement plan will be prepared to support the programme. This will be developed by the CODC Communications team reflecting the principles of the Significance and Engagement Policy.

It is anticipated that a range of engagement activities and forums will be employed to allow the community to provide feedback and learn more about the process. Robust and genuine engagement will also help to foster a sense of ownership that will support the implementation of the masterplan and the projects that stem from it. Prior to commencing engagement, a stocktake exercise will be undertaken to understand the outcomes of previous engagement and consultation activities. This will identify any key findings that can be applied to the masterplan programme and ensure subsequent engagement is adding value and not going over old ground. The findings of the review will inform the communication and engagement plan and help to direct the type and extent of engagement required.

The first component of this programme is to undertake some initial community engagement. The intent is to inform people about the project, understand what could be better and their expectations of what good looks like. The information derived will be compared against previous Council and non-council community workshops. Key elements include marketing collateral, website, present to key community groups and being present in the community environment.

Engagement activities that could be undertaken, once the various shortlist options have been established, include an expo type event that is visual and interactive, held both in a town setting and amplified to a wider audience through sharing online via the Council website, social media and video sharing platforms. There is also proven benefit in being present and actively engaging with those living, working and visiting the town.

Finally, formal consultation will be undertaken as part of the Annual Plan or amended Long Term Plan (2018-2028) process in accordance with legislative requirements.

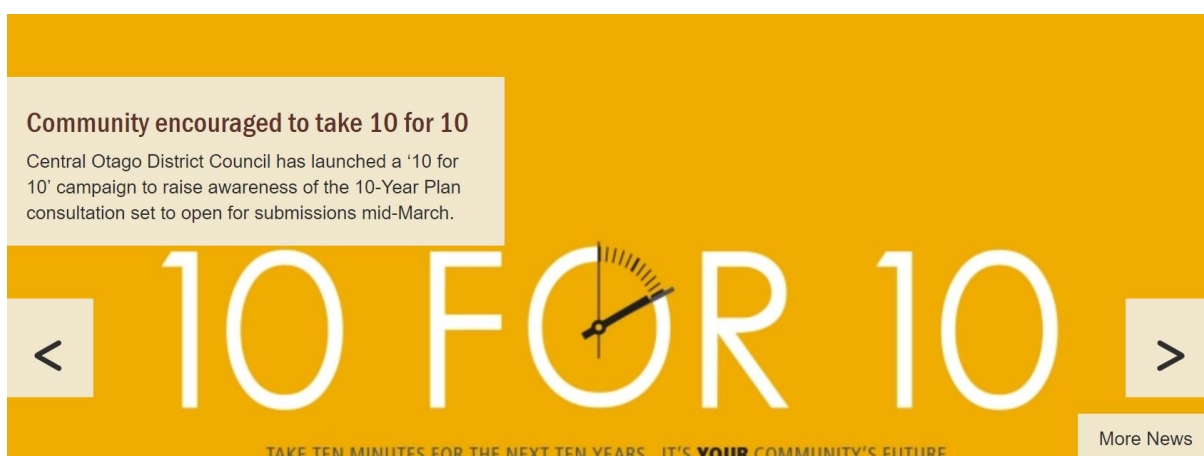


Figure 10: A recent example of the type of engagement campaign CODC provides to help the community understand a proposal.

11 Communication

It is critically important to communicate the process, potential options and any proposed changes across a wide variety of media platforms to keep the community up to date and to seek their involvement. CODC has a toolbox of communications channels to reach a range of target audiences. The Communications and Engagement Plan will identify those that are most appropriate for each phase of this project, and how each will be employed.

12 Conclusion

The prolonged period of growth being experienced in Cromwell, together with a recognised need to address some of the challenges facing the town, have been a catalyst for CODC and the CCB to consider a fresh, integrated approach to planning for the future of the town. Analysis of previous strategic documents has shown that these were often undertaken as discrete projects, in isolation to each other, such that a single vision was not apparent to the community, investors or decision makers. With several of these strategies and statutory documents currently under review, it is an opportune time to achieve alignment and set a clear direction, based on a solid foundation of community engagement, for the future growth of Cromwell. The Central Otago “World of Difference” brand and associated values provides important context and will influence the themes of the masterplan. The masterplan and associated initiatives will complement and build on these themes, to ensure future planning facilitates a vibrant and highly functioning gateway to Central Otago.

The development of a well-evidenced and robust business case approach, and a public-facing spatial masterplan will provide the foundation to guide better investment decisions. The masterplan will also facilitate better integration between land use and infrastructure investment planning and contribute to the 10-year District Plan Review.

It will be important to work quickly in developing the masterplan and associated spatial framework, not only to achieve the full benefit of aligning key strategic documents and projects, but also maintain a strong level of focus and community engagement.

The success of the initiative as outlined in the report will be about creating the following strong building blocks of:

- programme governance
- programme integration
- developing specialist internal and external teams
- community engagement
- stakeholder engagement.
- innovative communications and multi-media tools.

13 Recommendations

It is recommended Cromwell Community Board and Central Otago District Council endorse the ‘new approach’, which includes the following arrangements:

1. Establishing a masterplan with an implementation plan including a suite of project business cases.
2. The involvement of partners, stakeholders and the community at key points throughout the development of the masterplan lifecycle.

Appendix 1 – Town Centre Investment Logic Map

