

Quarterly Performance Report

Eke Panuku Development Auckland

2024/2025 Quarter 1

For the 3 months ended 30 September 2024



Q1 – At a glance

Executive Summary

Steady progress has been made across a number of SOI targets this quarter. Thirty-three new homes have been completed by our development partners. We have completed 3,324 sqm of public realm works and progressed initiatives for creating positive outcomes for Māori. Year to date we have achieved \$0.9m in sales against the \$76m target made up of \$60m from general asset/regional sales and \$16m from sales in Transform and Unlock locations. The property portfolio and marina also had a good start to the year, net surplus is currently tracking \$2.9m ahead of budget.

Good progress has been made on our capital projects this quarter. Several projects are progressing design and consent milestones. The Wynyard Crossing Bridge has been fully dis-assembled and transported to Wynyard Wharf. Rust remediation and re-coating parts of the work are progressing to schedule, with all works on the bridge remain on track to be completed in December. Works on the Westhaven seawall is underway and are expected to be completed ahead of schedule. Construction is now also underway of the Karanga Plaza Harbour pool pilot at the waterfront and is on track to be completed in time for summer.

Financial Performance

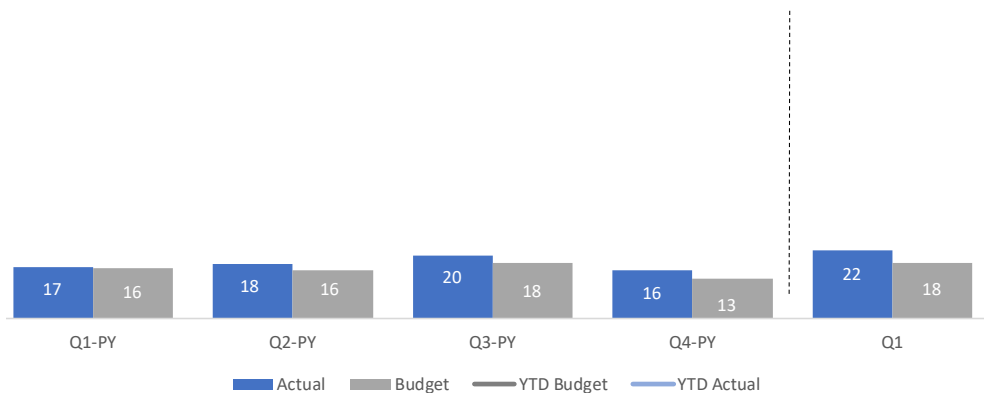
There has been a favourable start to the year with direct revenue \$4m ahead of budget. This is due to unbudgeted revenue of \$3.2m recognised from a property lease which would normally have been spread across the life of the lease. Additional revenue has also been received from a small number of properties expected to be sold or vacant, remaining tenanted \$0.7m. Expenditure is currently \$3m favourable to budget, at this stage of the year this is mainly due to timing differences to phased budget. \$1.2m of budgeted rates costs are still expected to be charged to us in year and there are currently \$0.6m of people costs savings as some positions have yet to be filled, and a number of other minor timing issues across several projects.

We are making good progress on our capital programme despite capex tracking \$2m behind phased budget and asset sales targets remain challenging in the current economic environment.

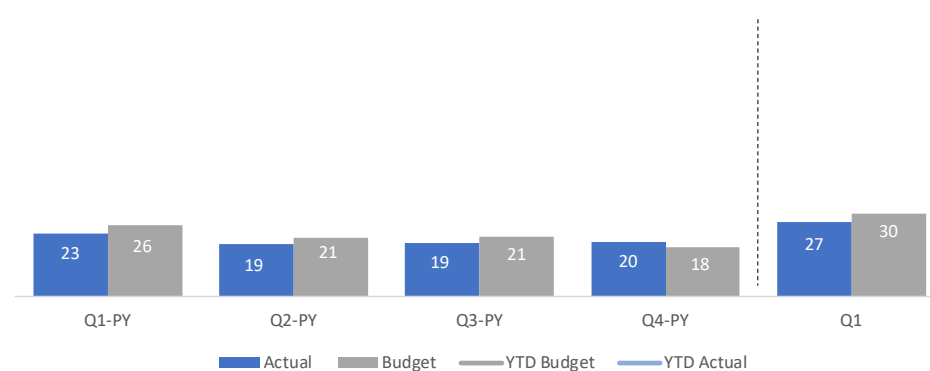
Note: for more details on financials, refer to the graphs on page 2 and financials section on pages 14 - 19

\$m

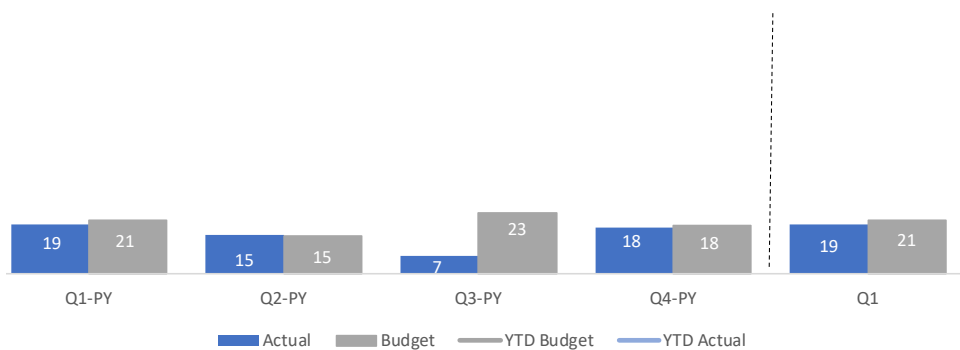
Direct revenue



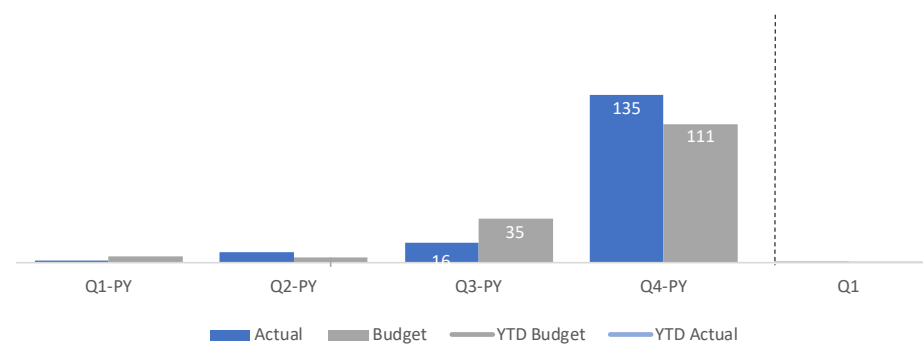
Direct expenditure



Capital expenditure



Asset Sales & Long-term Leases





Highlights

- The **Waterfront's** Te Ara Tukutuku (Wynyard Point) gives effect to the vision for the ten hectares of development sites, open space, laneways, stormwater, utilities, landscaping, lighting, and seawall raising. Public engagement on the concept plan was completed this quarter. Engagement was undertaken over August 2024 and reached an estimated 850,000 people via our digital, social and media campaigns and community and stakeholder gatherings with over 3000 people in person. 87% of people supported the design.
- We completed the deconstruction of the first building in **Northcote**, on the corner of Kilham Avenue and College Road, part of the programme for redeveloping the Town Centre. We also completed deconstruction of 10 Racecourse Parade in **Avondale** for the Avondale Central development. Utilising a deconstruction approach ensures materials of value are identified and can be salvaged for reuse.
- In **Pukekohe**, the Massey Avenue and Manukau Road double intersection upgrades and footpath widening, a co-funded project with Auckland Transport has been completed. This will increase safety and access in the town centre including to Roulston Park. The projects support the development of the Edinburgh superblock.
- The long-awaited transformation of **Old Papatoetoe** is about to get underway. Papatoetoe public realm projects at Cambridge Terrace, Stadium Reserve and Chambers Laneway are all progressing well, enabling future development sites. Works commenced in August 2024 on the Chambers Lane accessway upgrade. Works are targeted to be completed by February 2025. Cambridge Terrace works' are expected to start in November 2024 and the Stadium Reserve works are expected to be start in February 2025.
- The **Westhaven Marina** was recertified as a 'Clean Marina' by New Zealand Marina Operators Association (NZMOA), recognising our continued efforts to minimise our environmental impact.



Issues/Risks

- **Delivery of development outcomes** is affected by challenging property market and economic conditions. Recent changes of inflation and interest rates reducing and unemployment continuing to increase have mixed impacts on demand. This affects the delivery of current and future SOI asset sale targets and regeneration outcomes including construction of new dwelling units. It is taking longer to attract partners with capacity to achieve viable projects in current conditions. We continue to monitor arrangements with existing development partners and carry out due diligence as part of development partner selection process. Where appropriate, we extend settlement and terms to reflect slower market conditions for the developer to achieve presales, funding and resource consent. (Projects affected are noted on page 7 of this report).

- Wynyard Crossing Bridge** - The Wynyard Crossing Bridge project is continuing a programme of extensive refit work so it can return to reliable operations as soon as possible and address potential safety risks. Repair work on the bridge continues at pace. The works are expected to be completed by December 2024. The planned preventative maintenance programme includes a full overhaul of mechanical and electrical parts, sandblasting and anti-rust coating, as well as thorough trials and assessments to prevent future technical faults. The cost of the project has increased compared to the initial budget. The increase in scope and cost mainly relates to additional work that could only be identified when the bridge was taken apart. The condition of the bridge is worse than originally thought. During this period, Eke Panuku has continued to run an extensive public information campaign designed to inform Aucklanders and visitors on alternative access options (walking routes, public transport options and parking for those driving) and provided the use of the Red Boat ferry service that started in April and expanded from 1 August, seven days a week with extended hours.
- CCO review and property review** led by the council could have an impact on delivery of existing programmes, future service delivery and programme momentum. Eke Panuku is participating in the review processes.



Key Performance Measures

Of the 12 SOI performance measures, 10 performance measures are on track to be met by year end based on year-to-date results and 2 are measured at the end of the year (surveys).

Strategic performance priorities	Achieved / Ontrack	Not Achieved	Not reported this quarter	Total
Urban regeneration	6			6
Property and marina management	2		1	3
Sector leadership	2		1	3
TOTAL	10		2	12

Note: for details on performance measures, please refer to the Performance measures section – Pages 12 - 13

Strategic alignment and key policies

Climate change and sustainability

Projects and initiatives advanced in the quarter included:

- **Carbon assessment of capital projects** – We have adopted a tool for assessing embodied carbon of designs for capital projects and are currently tailoring it for Eke Panuku use. This will enable consideration of the carbon impact of projects at the optioneering and later stages of design.
- **Planning and delivery of deconstruction projects to enable redevelopment** – We have commenced deconstruction of 27 St George St in Pukekohe. We completed the deconstruction of the building on the corner of Kilham Avenue and College Road, Northcote and 10 Racecourse Parade in Avondale. Utilising a deconstruction approach ensures materials of value are identified and can be salvaged for reuse. For this work we use the council’s supplier panel.
- **Climate related disclosure** – We have worked with the Auckland Council group on the climate related disclosure work programme. This includes emissions reporting which we undertake via Toitu and analysis of climate risks and opportunities. This quarter we received our Toitu certification following an audit of our corporate Greenhouse Gas emissions with total emissions being 13% lower than the previous year. We have been working across the business and with the Council family to further embed climate considerations throughout what we do, including the business case processes and our risk management framework.
- **Supplier diversity targets** – We have engaged in active planning to identify opportunities for diverse suppliers as main contractors and to deliver substantial components of projects being delivered in our southern locations. This quarter we have been trialling kanohi ki te kanohi (face to face) tendering with diverse suppliers for a project in Pukekohe.
- **Waste minimisation and community engagement** – The placemaking team have been working with community partners to deliver food waste initiatives in Onehunga and Northcote. Onehunga Food Scraps 7-week trial completed - Diverted 1,600L of food scraps from landfill. These projects along with bringing volunteers together for the ongoing tiaki of Northcote’s new greenway Te Ara Awataha and Te Whakaorangao te Puhinui is about encouraging social interaction and community wellbeing in places undergoing significant change.

Māori outcomes

- Eke Panuku contribution to Māori Outcomes is set out in our aligning Māori Outcomes Plan agreed with mana whenua iwi. Progress is outlined below:
- **Commercial opportunities (Kia ora te Umanga)** – Eke Panuku enables iwi to participate in commercial property and procurement opportunities. Commercial opportunities provide a platform for iwi to gain traction to further develop and grow their iwi from a commercial perspective.
 - Iwi were notified of a property to be sold in Papakura giving them an early opportunity to bid for a site before it is taken to the open market. This is a vacant residential property situated in the Business - Metropolitan Centre Zone. One iwi has expressed interest in the site.

- **Engagement (Kia ora te Hononga)** – The opportunity to meet directly with Eke Panuku’s leaders provides a space for iwi rangatira and delegates to influence and advocate with Eke Panuku decision makers to support delivery of iwi aspirations and Outcomes.
 - Eke Panuku Chief Executive and leadership team met with Iwi Mana Whenua Rangatira and/or their delegates in a Governance Forum in August to discuss organisation updates that impact iwi. This includes the results of the recent engagement survey we held with iwi and the Sail GP event.
 - Eke Panuku’s Board of Directors met directly with the Chair of a southern iwi to have a two-way dialogue relating to the iwi’s perspective of the relationship with us and to celebrate the work Eke Panuku has done toward delivering Māori outcomes.
- **Culture and identity (Kia ora Te Ahurea)** – Eke Panuku is committed to embedding the culture and identity of iwi mana whenua of Tāmaki Makaurau. We understand iwi have a duty to ensure the prosperity and presence of their identity is weaved into the fabric of Tāmaki Makaurau’s landscape.
 - Eke Panuku engaged with Te Akitai Waiohua, to deliver a ground breaking karakia to mark the beginning of construction in the Old Papatoetoe precinct.
 - Eke Panuku with Precinct Properties, engaged with Mana Whenua to discuss the proposed development on a Mount Eden site located on the corner of Dominion and Valley Road. A cultural narrative was developed in caucus with iwi to be embedded into the project. Many opportunities for art and placemaking were identified for iwi to support.
- **Building a Capable Organisation (Kia Hāngai te Kaunihera)** – Developing and building the capability of an organisation’s people enables them to provide greater support to deliver strong outcomes for Māori.
 - Two Māori kaimahi are enrolled and attending Council’s Kākākura programme, a nine month programme focused on building Māori kaimahi understanding of Te Ao Māori and Māoritanga.
 - Eke Panuku delivered three Māori capability building workshops to support the development of kaimahi understanding of Te Ao Māori aspects.
- **Environment (Kia ora te Taiao)** – Eke Panuku meets with mana whenua through the Eke Panuku mana whenua forum and one on ones with iwi to deliver iwi taiao aspirations in it’s projects and programmes.
 - Engagement on a project to create development sites on Station Road, Manukau with iwi kaitiaki has resulted in us working with Healthy Waters to find a solution to support the stormwater aspect of the development.
 - Eke Panuku continue to work with iwi to support the development of the Onehunga wharf coastal regeneration. We have worked with iwi and their technical experts to ensure that the project is taiao centric and reflects their aspirations for the area.

Statement of performance expectations

Urban Regeneration

Other highlights

- The detailed design for Avondale’s **Te Hono - community hub and town square** were completed in August 2024. Joint construction procurement has now commenced. Eke Panuku is delivering the town square.
- The Henderson Valley Road signalised traffic crossing, part of the **Opanuku Link**, has been completed to create a safer and more connected area between the town centre, the twin streams and Corban Estate Arts Centre.
- Construction works are now well underway on the **Pump Station 6 (PS6) wastewater upgrade** works in Hobsonville with completion on track for May 2025. The asset will then be handed over to Watercare Services.

Issues and Risks

- **A challenging property market has affected the sale of several development sites.** A new development and sales strategy for the Northcote town centre development is currently being tested. The Basin View Lane and Lagoon Drive development sites in Panmure are now planned to be taken to the market in early 2025, later than originally planned. Given the challenging market, potential interim options are now being explored with the development partner for the Edinburgh superblock in Pukekohe centre. The “Manukau on the move” campaign to highlight why it’s a great idea to invest in Manukau has recently been relaunched.

More details on issues and risks are contained in the programmes section Pages 7 - 10.

Programmes

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
Northcote	On track	<p>All three deliverables are on track. A new development and sales strategy for the Northcote town centre development is currently being tested in the current challenging market. The process to select a preferred development partner process has not achieved a suitable outcome.</p> <p>Developed design began in October for the Northcote town centre streets project and consent lodgement and final business case approval will happen later in the year. To minimise the impact on the community and surrounding businesses, construction which is expected to start in mid-2025, is likely to be staged.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
		The Northcote community hub and Puāwai / Cadness Reserve upgrade is on track for the developed design, consent lodgment and final business case to be completed by the end of 2024.
Takapuna	On track	Auburn Street development site - The development partner for the Auburn Street development is working to satisfy the conditions of the development agreement.
City Centre	On track	<p>All three project deliverables are on track. We continue to facilitate and deliver on our development opportunities of the three key sites in the City Centre. The Downtown carpark is being progressed after becoming unconditional in June 2024, the Symphony Centre development agreement terms are being finalised and the development agreement for Bledisloe House is being progressed.</p> <p>The City Centre Action Plan is currently being updated following the LTP 24-27 process, for completion by end 2024. Precinct regeneration plans are also underway, with baseline spatial plans developed which outline the project pipeline for the next ten years. To support existing residents and encourage future residential growth a residential baseline study has now been completed and a market perspective on commercial-to-residential conversions has been gathered.</p> <p>The CRL station area planning is well advanced (80% complete), aligning future urban development with station precincts to maximise value. Te Hā Noa works on Victoria Street continue, with Wellesley Street Bus Improvements expected to complete by September 2025. Watercare’s work at Mayoral Drive and Wellesley Street is set to start in September 2024, pending consent. Vector has completed 22kV network upgrades in Midtown, and coordination is ongoing to open Albert Street for western bus routes by April 2025. Construction works on the Karanga-a-Hape Station Neighbourhood began on Mercury Lane on 15 July 2024.</p>
Waterfront	On track	<p>One project deliverable has been achieved and the remaining five are on track. Te Ara Tukutuku (Wynyard Point) design public engagement on the concept plan has been completed. Engagement was undertaken over August 2024 and reached an estimated 850,000 people via our campaign, with 87% of people supporting the design.</p> <p>Works are progressing ahead of schedule on the Precinct Stage 3 mixed use development and are now due for completion in February 2025. Negotiations on the conditional long-term lease agreement for the North Wharf development site are continuing.</p> <p>Construction works on the Westhaven Seawall Upgrade began in March 2024 and works are expected to be completed by June 2025.</p> <p>Early engagement on the Central wharves’ masterplan with the Waitemata Local Board will happen in October 2024.</p> <p>Construction is now underway of the Karanga Plaza Harbour pool pilot and is on track to be completed for summer.</p>
Avondale	Delayed	<p>One project deliverable has been met and one is delayed. The detailed design deliverable for Te Hono - Avondale community hub and town square has been achieved. The design was completed in August 2024. Construction procurement has now commenced.</p> <p>We continue to work through reaching agreement on essential design outcomes with the development partner for the Avondale Central development for a mixed-use residential development.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
Henderson	On track	<p>Both project deliverables are on track. The business case approval for the Wai Horotiu Henderson connection (formerly Oratia Link cycleway) is targeted for late October 2024 with developed design expected to be approved in December 2024.</p> <p>Construction works on the Catherine Plaza are expected to start in February 2025. Resource consent for the enhancement works was granted in September 2024.</p>
Onehunga	On track	<p>All four deliverables are on track. Enabling works on the Waiapu precinct are progressing well. Design documentation is nearly complete and building consent was lodged in September 2024. Construction is on track to commence in early 2025.</p> <p>The conditional development agreement for the Waiapu Lane and Selwyn Street development sites that was executed in June 2024 with a preferred development partner for a new supermarket is currently being worked through.</p> <p>The three Waiapu Precinct site acquisitions are progressing. One of the sites has settled, discussions are continuing positively with one property owner and court assisted mediation is set to take place later in the year for the third site.</p> <p>The business case to create public space and access on the northern corner of the Onehunga Wharf site is scheduled for approval in November 2024.</p>
Panmure	On track	<p>All four deliverables are on track. Both Basin View Lane and Lagoon Drive development sites are now planned to be taken to the open market in early 2025. This is later than originally planned due to the challenging property market. We are still optimistic that conditional development agreements can be achieved before the end of FY25.</p> <p>A residential development on 3 Kings Road is now under contract. We are working through the conditions of the development agreement with the development partner.</p> <p>Construction works for the Lagoon Edge Reserve enhancements are on track to commence by Q4 of FY25. Resource consent was lodged in March 2024 and detailed design is nearing completion.</p>
Maungawhau	On track	<p>Both project deliverables are on track. The statutory process with Whenua Haumi Ltd Partnership for the three mixed-use development sites that are subject to rights of first refusal are dependent on information from CRL. We are still working with CRL to secure this information.</p> <p>A plan has been drafted on the transitional use of the development sites post CRL project completion. The plan sets out how the sites should be left to ensure that the precinct works well when the station opens.</p>
Manukau	On track	<p>All four deliverables are on track. The sales strategy for the development sites is now underway. The “Manukau on the move” campaign to highlight why it’s a great idea to invest in Manukau has recently been relaunched. An investment summit, being led by Tātaki Auckland Unlimited will also take place mid-November 2024.</p> <p>Procurement planning and documentation is underway with the Auckland Council team for the Puhinui Regeneration – Te Aka Raataa Stage 1 Raataa Vine project. A tender process for the physical works will take place by the end of October 2024.</p> <p>The resource consent for the Osterley Way Civic Streetscape Works is targeted for lodgement in November 2024. Asset owner, Auckland Transport have given their approval via the Design Review Panel. Completion of tender documents is scheduled for April 2025.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
		The Hayman Park wetlands consent was lodged this quarter, and we are expecting consent to be granted soon.
Papatoetoe	On track	<p>All four deliverables are on track. St Georges Lanes residential development project is progressing; however, market conditions are slowing progress.</p> <p>Public realm projects which also enable development sites at Cambridge Terrace, Stadium Reserve and Chambers Laneway are all progressing well. Works commenced in August 2024 on the Chambers Lane accessway upgrade. Works are targeted to be completed by February 2025. Cambridge Terrace works' are expected to start in November 2024 and the Stadium Reserve works are expected to be start in February 2025.</p>
Pukekohe	On track	<p>All three deliverables are on track at this stage. Discussions with the preferred development partner for the Edinburgh superblock development site are underway to explore potential interim options given the current challenging property market.</p> <p>Construction on the upgrades to Roulston Park playground and park are expected to begin in November 2024.</p> <p>Market Precinct capital works to upgrade Roulston Street, Devon Lane and enhance the town square to support markets and events are progressing with design work underway and consent lodgement still on track for June 2025.</p>
Regional programmes	On track	<p>All three deliverables are on track. A preferred development partner for the Wasp Hangar and YDL development sites has been selected and we are working on a development proposal for both sites.</p> <p>Construction works are now well underway on the Pump Station 6 (PS6) wastewater upgrade works with completion on track for May 2025. The asset will then be handed over to Watercare Services.</p> <p>Dominion and Valley Roads, Mount Eden site is progressing well, a contractor has been secured to de-construct two vacant buildings on Valley Road which is expected to be completed by December 2024. The resource consent application has also been lodged. We continue to work with the development partner to conclude an unconditional agreement.</p> <p>65 Haddington Drive, Ormiston – Following the conclusion of the market testing exercise taking place during October 2024, an agent will be appointed to take the property to the market.</p>

Note: for maps of the locations, please refer to Appendix – Urban Regeneration Spatial Delivery Plans – Pages 20 - 25

Property and marina management

Highlights

- The Property Portfolio and Marinas have achieved a net surplus year to date of \$3.1m which is \$2.9m ahead of budget.
- We completed extensive remedial works to Shamrock Cottage, the Tearooms in Howick. Investigations into the cottage found that it was an earthquake prone building, had asbestos in the roof, and the bathroom facilities needed improving to make them accessible for people with mobility needs.
- **Marinas** - Floating assets are in good order; the renewal of K&L piers are underway, and the Y pier waler replacement project is in the contract phase.
- We are responding to the feedback from the previous survey on negative comments on our marina bathroom facilities. The C pier bathroom upgrade is in the project scoping stage.

Issues and Risks

- **Wynyard Crossing Bridge** - The Wynyard Crossing Bridge is continuing a programme of extensive refit work so it can return to reliable operations as soon as possible and address potential safety risks. Repair work on the bridge continues at pace. The works are expected to be completed by December 2024.

Key Programme	Status	Progress towards key deliverables
Renewals	Delayed	<p>Two of the three deliverables are on track and one deliverable will not be achieved. Remediation works are well underway on the Wynyard Crossing Bridge and expected to return to service in December 2024.</p> <p>Renewal works on the Manukau Harbour/ Wairopa Channel are expected to be completed over the summer months. These are renewal of navigational markers and buoys along the Wairopa channel to meet NZ Maritime standards.</p> <p>The Shed E deliverable of commencing with construction works to repair the building located on Onehunga Wharf will not be achieved. A cost benefit analysis of the business case options showed bringing the asset up to a leasable standard to maximise rental revenue during the hold period did not justify the level of investment required. The preferred option is to demolish the shed. Once demolished rental revenue will still be achieved through the rental of the hard stand.</p>

Capital budget milestones and variances

Council has recently requested additional information on capital programmes delivery and major project milestones and associated budget in quarterly reports, including variances and substituted projects, if any. Eke Panuku will provide more detailed information on our material capital projects which represent around 60% of the total budget in the QTR 2 report. The Eke Panuku capital budget is 2% of the council group capital budget. Commentary on key projects such as Wynyard Crossing Bridge is provided in this report.

Performance measures

Performance measure (unaudited results)	Previous year result	Target	Q1 Actual	Status	Commentary
Urban regeneration programmes and projects					
Net new dwellings (housing units) – LTP performance measure	135	157	33	On track	33 homes have been completed YTD: 9 homes in Old Papatoetoe and 24 in Ormiston.
Public realm – square metres	20,065 sqm	7,000 sqm	3,324 sqm	On track	3,324 sqm public realm completed at Pukekohe: Massey Ave & Manukau Rd double intersection upgrades and footpath widening.
Capital project milestones approved by the board achieved – LTP performance measure	100%	80%	-	On track	All 15 capital milestone targets are on track.
Achieve board approved budgeted Transform and Unlock (T&U) sales for the financial year through unconditional agreements	\$2.5m	\$16m	-	On track	No Transform and Unlock sales YTD.
The asset recycling target agreed with Auckland Council	\$158.9m	\$60m	\$0.9m	On track	Two properties sold YTD in Redvale and Pakuranga. Work continues on other properties which will contribute towards the \$60m target.
Property portfolio and marina management					
Annual property portfolio net operating budget result agreed with the council achieved – LTP performance measure	\$27m	\$18m	\$3.3m	On track	The surplus for the portfolio was \$3.3m, this is \$3.5m ahead of budget.

Performance measure (unaudited results)	Previous year result	Target	Q1 Actual	Status	Commentary
Monthly average occupancy rate for tenable properties - LTP performance measure	Commercial 97.1% Residential 98.2%	Commercial 90% Residential 95%	Commercial 97.2% Residential 98.7%	On track	Both Commercial and Residential occupancy rates remain high and ahead of target.
Percentage of marina customers surveyed who are satisfied with marina facilities and services	93%	88%	-	On track	The survey will be completed at end of year.
Climate change mitigation - Significant capital project decisions consider and reduce carbon impacts. <i>Target: Adoption and testing of methodology and development of performance measures for FY26.</i>	New measure	Methodology adopted, tested and applied. Performance measure developed.	-	On track	PEET has been adopted for assessing embodied carbon of designs for capital projects and is currently being tailored for Eke Panuku use. The project pipeline is being reviewed and applicability thresholds agreed. The tool will be in use later this year once that work is complete.
Sector leadership					
Creating positive outcomes for Māori Deliver ongoing or new initiatives that support Māori Outcomes	59	40	20	On track	20 initiatives were delivered to support Māori outcomes. Examples of initiatives carried out include Iwi input into a development on the corner of Dominion and Valley Road in Maungawhau. Engaging with mana whenua to scope development on vested land along Ti Rakau Drive. Developed a cultural induction pack for all new starters into Eke Panuku.
Enhancing the relationship between Eke Panuku and mana whenua Increasing the percentage of satisfaction with the support they receive from Eke Panuku	60%	Maintain or improve on previous year	-	On track	The survey will be completed at end of year.
Percentage of complaints received by Eke Panuku resolved within 10 working days	85%	80%	-	On track	No complaints received YTD.

Financials – Eke Panuku Cash Flows

\$ million	YTD Actual	YTD Budget	YTD Variance	Full Year Budget	
Capital Inflows					
Selling Council's surplus property	0.9	0.5	0.4	60.0	2 small sales have been made in year.
Selling or long leasing property to reinvest in our urban regeneration locations	0	0	0	16.0	Sales are programmed for later in the year.
Third party capital contributions	0.7	0.9	(0.2)	3.8	
Capital Outflows					
Investing in council group assets to support regeneration and asset renewals	18.8	20.6	(1.8)	98.9	Capital spend is tracking well to budget.
Operational Inflows					
Revenue from property interests for Council group	20.9	16.9	4.0	66.7	Revenue is tracking ahead of budget. Due to the downturn in the property market last year, some properties that we budgeted to have been sold are still in the portfolio and we are continuing to generate income from them \$0.8m. In addition, a property in Northcote has been long leased to Kainga Ora for 125 years for \$3.2m. Council Finance advised us instead of spreading the revenue over the life of the lease that the full cash amount received should be shown as revenue, this was unbudgeted.
Operational Outflows					
Managing council group properties	5.1	5.0	(0.1)	19.6	
Utilities and leases for council group owned assets we manage	1.9	1.7	(0.2)	6.7	Timing of body corporate and property rental expenses. They were budgeted across the year but were invoiced in Q1 \$0.2m, this will correct in year.
Rates on council group owned assets	6.3	7.7	1.4	7.7	Not all the expected rates have been received yet in year, we are still anticipating a spend close to budget.
Maintenance of council properties	3.2	3.1	(0.1)	12.3	
Consultation, negotiation, and sales processes to sell council property	0.8	1.1	0.3	4.3	Savings in year due to staff vacancies.

Leading regeneration of town centres, city centre and waterfront.	5.3	5.5	0.2	23.8	Savings in year due to staff vacancies and timing of regeneration operational budget spend to phased budget.

Financials – Eke Panuku company

Overall, the operating performance of Eke Panuku is favourable to budget, and the drawdown of funding from Council for Eke Panuku is \$0.9m less than budgeted.

A: Employee benefits are favourable to budget by \$0.6m, there are currently 16 vacant positions.

Direct operating performance					
\$ million	Notes	FY 25 Quarter 1 YTD			FY 25 Annual Plan
		Actual	Annual Plan	Variance	
Net direct revenue		(5.2)	(6.3)	1.0	(24.1)
Direct revenue		5.2	5.1	0.1	19.6
Fees and user charges		0	0	0.0	-
Operating grants and subsidies		0	0	0	-
Other direct revenue		5.2	5.1	0.1	19.6
Direct expenditure		10.5	11.4	0.9	43.7
Employee benefits	A	8.4	9.0	0.6	36.3
Grants, contributions and sponsorship		0.0	0.0	0.0	0.1
Cost of goods and services		0.0	0.0	0.0	-
Repairs and maintenance		0.0	0.1	0.0	0.2
Outsourced works and services		0.0	0.0	0.0	-
Other direct expenditure		2.0	2.3	0.3	7.1
Other key operating lines					
Operating grants and subsidies intercompany		5.2	6.2	(0.9)	24.1
Depreciation and amortisation		0.1	0.1	(0.0)	0.3

Managed activities for Auckland Council

The financial data in this table represents the Auckland Council portfolio managed by Eke Panuku. These numbers exclude the net direct revenue that Eke Panuku has generated for properties managed for Auckland Transport (\$0.1m) which is \$0.7m favourable to budget. In addition, a \$1.6m dividend has been paid to Council's Solid Waste team from the Waste Disposal Services investment, managed by Eke Panuku.

A: Direct revenue is \$3.9m favourable to budget.

A property in Northcote has been long leased for 125 years and settlement has been made by the purchaser. Council Finance have asked us to recognise the entirety of the lease revenue in FY25 and not spread it over the term of the lease. This represents \$3.2m of unbudgeted revenue that was recognised in July.

There is also additional rental received for a small number of properties that were not budgeted for, as they were expected to be sold \$0.7m.

B: We paid \$6.3m in rates in August, budgeted rates are \$7.7m. We are following up on the remaining \$1.2m and forecast rates will meet budget. We understand rates spend will be in line with budget by year end. The remaining \$1.2m of underspend against budget to date is over a range of expenditure codes and are timing issues that should correct by year end.

Direct operating performance					
\$ million	Notes	FY 25 Quarter 1 YTD			FY 25 Annual Plan
		Actual	Annual Plan	Variance	
Net direct revenue		0.8	(5.3)	6.1	0.9
Direct revenue		17.0	13.1	4.0	48.3
Fees and user charges		0.5	0.4	0.1	1.7
Operating grants and subsidies		-	-	-	-
Other direct revenue	A	16.5	12.6	3.9	46.6
Direct expenditure		16.2	18.3	2.1	47.4
Employee benefits		0.0	0.0	-	0.0
Grants, contributions and sponsorship		-	-	-	-
Cost of goods and services		-	-	-	-
Repairs and maintenance		3.0	2.8	-	11.4
Outsourced works and services		0.2	0.0	-	0.1
Other direct expenditure	B	13.0	15.5	2.4	35.9
Other key operating lines					
Depreciation and amortisation		6.4	6.4	-	27.2
Finance Revenue		-	-	-	-

Financial breakdown by key activities

Operating expenditure

Urban regeneration

	Notes	Previous year Actual	Actual	2024/25 YTD Budget	Variance
Transform and Unlock Locations					
Net direct expenditure	1	11.0	(0.5)	2.8	3.3

Capital expenditure

			2024/25 YTD		
	Notes		Actual	Budget	Variance
Property renewals		6.2	6.4	6.1	(0.3)
Transform and Unlock Locations					
<i>Isthmus</i>		5.6	1.5	1.3	(0.2)
<i>North</i>		5.5	0.5	0.5	0.0
<i>South</i>		10.5	1.8	2.4	0.6
<i>West</i>		2.1	1.1	1.4	0.3
<i>Waterfront</i>		25.4	5.8	6.5	0.7
Regional		3.8	1.6	2.3	0.7
Total		59.1	18.8	20.6	1.8

Asset sales and long-term leases

	Previous year	2024/25 YTD		
	Actual	Actual	Budget	Variance
General Asset sales for the group	158.9	0.9	0.5	0.4
Reinvestment - Transform and Unlock	2.5	0	0	0
Total	161.4	0.9	0.5	0.4
Waterfront long leases	0	0	0	0

Property and marina management

	Notes	Previous year	2024/25 YTD		
		Actual	Actual	Budget	Variance
Auckland Council Properties					
Direct revenue		38.0	9.5	8.3	1.2
Direct expenditure		14.1	6.1	7.7	1.6
Net direct expenditure		23.9	3.4	0.6	2.8
Waterfront Public Space					
Direct revenue		0.6	0.0	0.1	(0.1)
Direct expenditure		7.1	2.1	2.0	(0.1)
Net direct expenditure		(6.5)	(2.1)	(1.9)	(0.2)
Marina Operations					
Direct revenue		16.4	3.7	4.3	(0.6)
Direct expenditure		6.8	1.9	1.9	0

	Notes	Previous year	2024/25 YTD		
		Actual	Actual	Budget	Variance
Net direct expenditure		9.6	1.8	2.4	(0.6)
Marina Trusts					
Direct revenue		7.1	1.9	1.9	0
Direct expenditure		6.6	3.0	2.2	(0.8)
Net direct expenditure	2	0.5	(1.1)	(0.3)	(0.8)
Auckland Transport Properties					
Direct revenue		6.9	1.6	1.0	0.6
Direct expenditure		3.9	1.7	1.8	0.1
Net direct expenditure	3	3.0	(0.1)	(0.8)	0.7
Business Interests					
Direct revenue (includes share of JV Profit)		7.4	1.7	1.9	(0.2)
Direct expenditure		0.6	0.2	0.3	0.1
Net direct expenditure		6.8	1.5	1.6	(0.1)

Activity based financials commentary:

1. A Haumaru property was long leased in Northcote for 125 years and all of the revenue for that lease has been recognised in year \$3.2m. As a result the net direct expenditure on regeneration is in surplus. Actual spend in year is tracking well to budget \$2.9m vs a budget of \$3.3m.

2. Westhaven Marina is governed by a Trust Structure which comprises two Trusts being the Existing Trust and the Extension Trust. These Trusts operate on the premise that they make a zero net surplus / breakeven year on year. Currently the Trusts are in deficit (\$1.1m), this intentionally reflects the draw down of retained earnings from prior years and use of the refurbishment fund. Each year funds are set aside in a refurbishment fund, marina staff continue to maintain the marina assets to the required standard. The refurbishment of K and L piers is currently underway with costs to date of \$1.3m, forecast total cost over 3 years is \$3.2m. The Existing Trust will use either the refurbishment fund or operational budget to complete any renewals including the refurbishment of K& L. Therefore, it will draw down from the refurbishment fund this year. The Existing Trust will show a deficit for the year. Y Pier Walers will be replaced this year, with a forecast cost of \$0.9m. This asset is located within the Extension Trust area. The operational budget is insufficient to fund this project so the refurbishment fund will be utilised. Therefore, this Trust will also show a deficit this year.

3. Transport revenue is ahead of budget \$0.6m due to a delay in timing of Transport projects and properties still being available to rent out.

Appendix – Urban Regeneration Spatial Delivery Plans

These plans provide a summary of projects within each programme and provide updates on specific projects.

We will present **five location programmes per quarter** reporting cycle. These are for the quarter ending September 2024.

The link below is to the Eke Panuku board reports public information webpage which contains the full set of spatial delivery plans:

<https://www.ekepanuku.co.nz/about/public-information/>

Locations	Reporting Cycle	Regional Programmes	Reporting Cycle
1. Northcote	Q1		
2. Takapuna	Q1		
3. Henderson	Q1		
4. Avondale	Q1		
5. Maungawhau	Q1		
6. City Centre	Q2		
7. Waterfront	Q2		
8. Onehunga	Q2		
9. Panmure	Q2		
10. Manukau	Q2		
11. Old Papatoetoe	Q3		
12. Ormiston	Q3		
13. Pukekohe	Q3		
		14. Eastern Busway TODs	Q3
		15. Service Property Optimisation	Q3
		16. Corporate Property	Q4
		17. Haumarū Scope	Q4
		18. Supports Scope	Q4
		19. Regional Renewals	Q4
		20. Waterfront Renewals	Q4

NORTHCOTE

Vision A growing community with a lively and welcoming heart where business thrives, and everyone's needs are met.

PROJECTS COMPLETED

- 01 TE ARA AWATAHA - SCHOOLS EDGE
- 02 PAPA KI AWATAHA RESERVE UPGRADE
- 03 ACQUISITIONS
- 04 GREENSLADE RESERVE (HEALTHY WATERS)

MEDIUM TERM: FY 2026

- 5 ERNIE MAYS STREET EXTENSION TOWN CENTRE EDGE
- 6 COMMUNITY HUB AND PUĀWAI CADNESS RESERVE UPGRADE
- 7 NORTHCOTE CENTRAL (115 LAKE ROAD INCLUDING TOWN SQUARE)

LONG-TERM PROJECTS: FY 2027+

- 8 123 LAKE ROAD DEVELOPMENT (COUNTDOWN SITE)
- 9 COLLEGE ROAD DEVELOPMENT
- 10 KĀINGA ORA HOUSING DEVELOPMENT



Community Hub and Cadness Reserve upgrade - Developed design, consent lodgement and final business case submission for approval are all on track to be completed by the end of 2024. The Kaipātiki Local Board, stakeholders and the community are very supportive of the design of the project. The library and community groups leasing space in the building will be relocated to the old hall on the corner of Ernie Mays Street and College Road between January and June 2025. This enables ongoing service for the community while the construction of the new community hub takes place.

Northcote town centre streets - extending Ernie Mays Street, a key part of the road network. Developed design began in October 2024 and resource consent lodgement and final business case approval will happen later in the year. Construction is likely to be staged to minimise impacts on the surrounding businesses and communities. The deconstruction of three buildings will take place between February and June 2025, to enable the first stage of construction to commence in mid-2025.

Northcote Town Centre development - A new development and sales strategy for the Northcote town centre development is currently being tested in the current challenging market. The process to select a preferred development partner process has not achieved a suitable outcome.

TAKAPUNA

Vision • To make the most of Takapuna's lake and seaside setting to create a safe, accessible and vibrant town centre orientated around pedestrians cyclists

PROJECTS COMPLETED

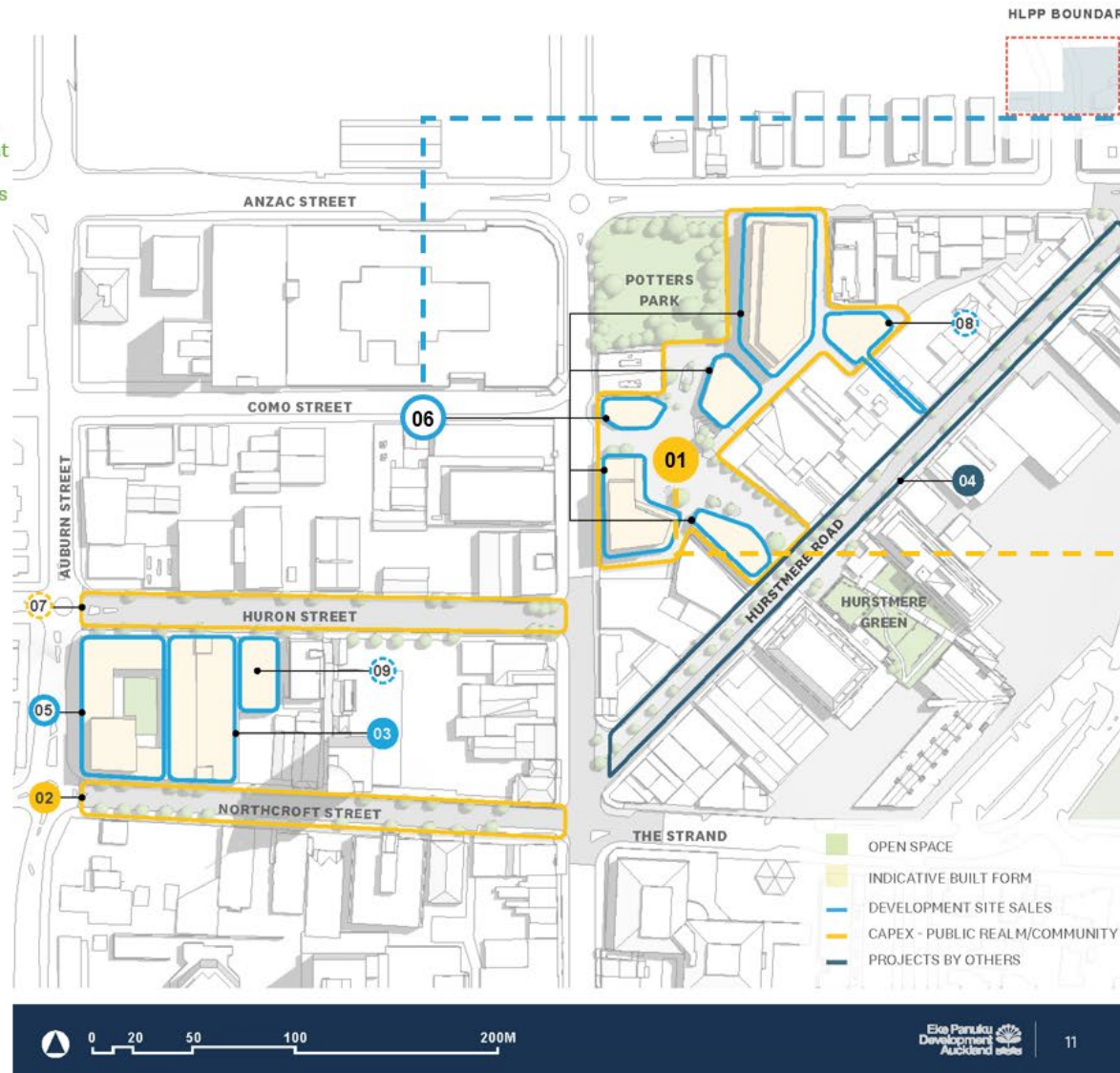
- 01 WAIWHARARIKI ANZAC SQUARE
- 02 NORTHCROFT STREETScape UPGRADE
- 03 TOKA PUIA CAR PARK
- 04 HURSTMERE ROAD UPGRADE (AT)

SHORT TERM: FY 2025

- 05 AUBURN STREET DEVELOPMENTS
- 06 ANZAC STREET DEVELOPMENT SITE

LONG-TERM PROJECTS: FY 2027+

- 07 HURON STREETScape UPGRADE
- 08 R78 & 72A HURSTMERE ROAD DEVELOPMENT
- 09 14 HURON STREET DEVELOPMENT



Auburn Street developments –
A project to deliver high-density, high-rise residential and commercial outcomes. The developer of the Auburn Street development is working to satisfy the conditions of the development agreement.

Anzac Street Development site –
Takapuna Central is the first site to be developed adjacent to Waiwharariki Anzac Square.

HENDERSON

Vision • An Urban Eco Centre enhancing the mauri of the twin streams Wai o Eke Panuku and Wai Horotiu.

PROJECTS COMPLETED

- 01 TE ARA PŪHEKE - NEW ROAD
- 02 21 HENDERSON VALLEY ROAD (HAUMARU PROGRAMME)
- 03 23-27 HENDERSON VALLEY ROAD
- 04 FALLS CARPARK, 14 EDMONTON ROAD
- 05 2-6 HENDERSON VALLEY ROAD (CORPORATE PROPERTY)

SHORT TERM: FY 2025

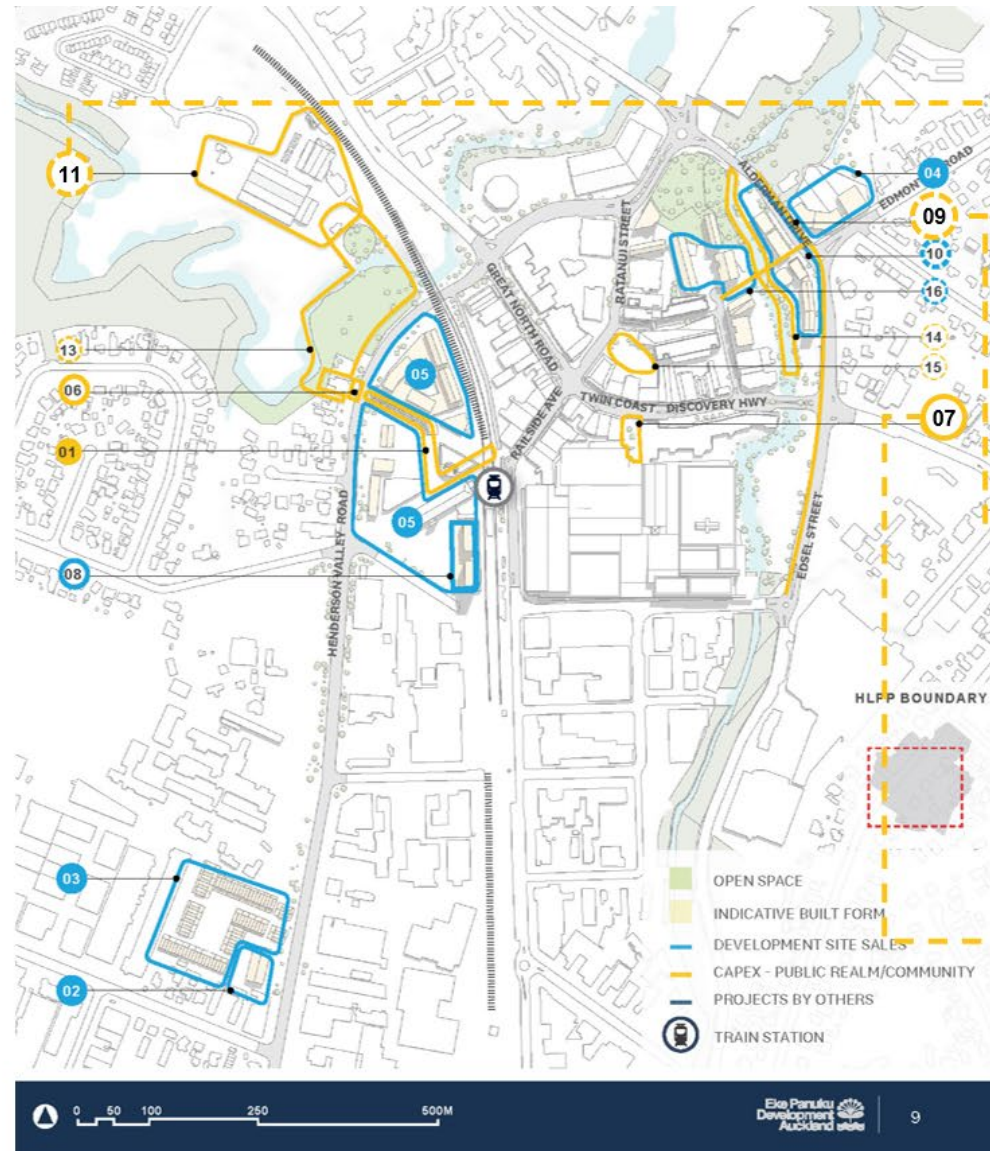
- 06 HENDERSON VALLEY ROAD ENHANCEMENT
- 07 CATHERINE PLAZA UPGRADE
- 08 1C SMYTHE SITE SALE

MEDIUM TERM: FY 2026

- 09 WAI HOROTIU CYCLEWAY AND BRIDGE CONSTRUCTION
- 10 ALDERMAN CARPARK SUBDIVISION AND SITE SALE
- 11 HENDERSON CORBAN ESTATE ACCESS AND ENHANCEMENT WORKS

LONG-TERM PROJECTS: FY 2027+

- 13 OPANUKU LINK - BRIDGE, RESERVE
- 14 HENDERSON TWIN STREAMS ENHANCEMENT
- 15 HEART OF HENDERSON - TOWN SQUARE WORKS
- 16 ORATIA PRECINCT REDEVELOPMENT



Corban Estate Access and Enhancement Works – The project is progressing well, and we have been working collaboratively with Community Facilities. The scoping phase is now being worked on.

Wai Horotui Henderson Connection – A project which includes a bridge over Oratia Street and elevated connection in Newey’s Reserve. An updated valuation of the West City carpark land has been received and Eke Panuku has endorsed additional land acquisition costs alongside reduced construction costs. These changes will result in minimal traffic disruption and allow retention of the flush median. The Detailed Business Case approval is targeted for late October 2024 with developed design expected to be approved in December 2024.

Catherine Plaza upgrade – A project to support the vitality of the town centre businesses. Resource consent for the enhancement works was granted in September 2024. Construction is expected to start in February 2025.

AVONDALE

Vision • To create a strong vibrant centre in which a growing community want to live, work and play.

PROJECTS COMPLETED

- 01 CRAYFORD STREET WEST
- 02 PUBLIC CAR PARKING FACILITY TO SUPPORT THE AVONDALE LIBRARY & COMMUNITY HUB
- 03 24-26 RACECOURSE PARADE (SET APARTMENTS, OCKHAM RESIDENTIAL)
- 04 TRENT STREET/WHAKAWHITI LOOP (HOUSING FOUNDATION/EKE PANUKU)
- 05 AROHA APARTMENTS (OCKHAM RESIDENTIAL & MARUTŌAHU IWI)
- 06 1971-1987 GREAT NORTH ROAD - ACQUISITION
- 07 AVONDALE 18 ELM STREET (KĀINGA ORA)
- 08 26 ELM STREET (ANSON HOUSING DEVELOPMENT)
- 09 NEW LYNN TO AVONDALE SHARED PATH (AUCKLAND TRANSPORT)
- 10 WATERVIEW SHARED PATH (AUCKLAND TRANSPORT)

SHORT TERM: FY 2025

- 11 AVONDALE CIVIC PRECINCT (AVONDALE TOWN SQUARE, CRAYFORD LANE, AND PLAYGROUND)
- 12 TE HONO LIBRARY & COMMUNITY HUB (AUCKLAND COUNCIL)
- 13 Highbury Triangle - Housing for Older People (Kāinga Ora)

MEDIUM TERM: FY 2026

- 14 AVONDALE CENTRAL, 6 & 10 RACECOURSE PARADE

LONG-TERM PROJECTS: FY 2027+

- 15 93-99 ROSEBANK ROAD SITE SALE (CURRENT LIBRARY & COMMUNITY CENTRE)



Avondale Central, 6 & 10 Racecourse Parade – A significant mixed-use residential development on a critical site that has been vacant for many years. We continue to work through reaching agreement on essential design outcomes with the development partner.

10 Racecourse Parade – Deconstruction works on the 42 homes is progressing well and is nearing completion.

‘Dale’, Avondale’s resident spider has been removed from his site in central Avondale and placed in storage. This was agreed with its owners, the Avondale Business Association.

Te Hono - Avondale community hub and town square - The detailed design for the town square was completed in August 2024 and construction procurement has commenced.

MAUNGAWHAU

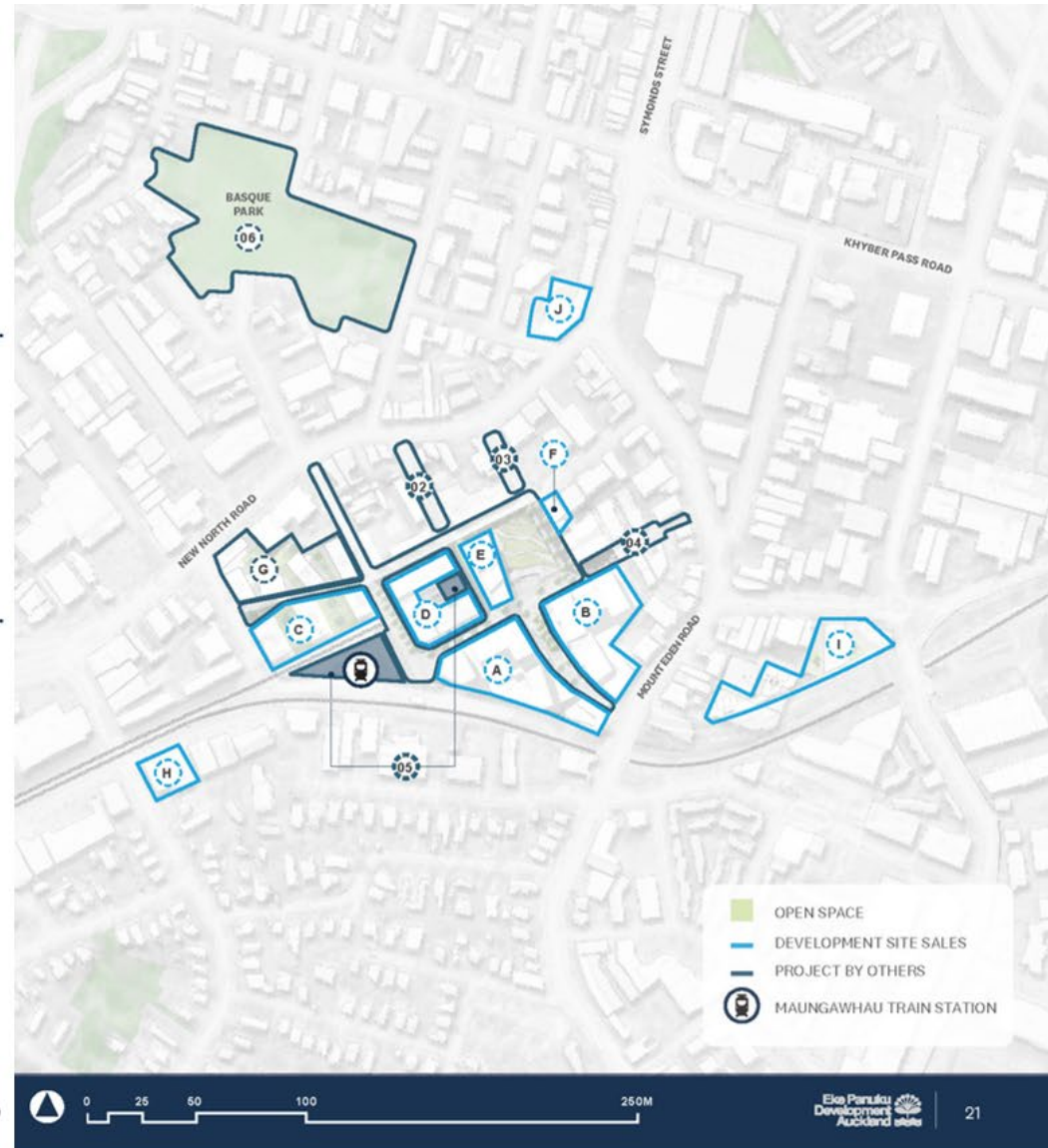
Vision • For each precinct to become one of the best-quality, high density urban villages in the country, which is highly accessible to all parts of the Auckland region. It will be highly sought after, contemporary, sustainable, resident-led, mixed-use urban village.

MEDIUM TERM: FY 2026

- 01 CRL - PUBLIC REALM AND STREETS
- 02 AT - STREETS UPGRADE: KORARI STREET
- 03 AT - STREETS UPGRADE: FLOWER STREET
- 04 AT - STREETS UPGRADE: SHADDOCK STREET (EAST)
- 05 CRL - MAUNGAWHAU STATION AND INFRASTRUCTURE

LONG TERM: FY 2027+

- 06 AC - BASQUE PARK UPGRADE
- A BLOCK A - MAUNGAWHAU CENTRAL
- B BLOCK B - MAUNGAWHAU CENTRAL
- C BLOCK C - MAUNGAWHAU CENTRAL
- D BLOCK D - MAUNGAWHAU CENTRAL
- E BLOCK E - MAUNGAWHAU CENTRAL
- F BLOCK F - MAUNGAWHAU CENTRAL
- G BLOCK G - 98-110 NEW NORTH ROAD, KĀINGA ORA
- H BLOCK H - 1-3 FENTON STREET
- I BLOCK I - WATER STREET AND BOSTON ROAD
- J BLOCK J - 257-259 SYMONDS STREET & 1 NEW NORTH ROAD



Sites for mixed-use development - Discussions are being held with City Rail Link Ltd to determine the information required and the works needed to be completed before the transfer of the sites to Auckland Council. Once determined, the right of first refusal process can begin with Whenua Haumi Ltd Partnership on the three development sites.

A draft plan to agree the transitional use of the development sites post CRL project completion has been drafted. The plan sets out how the sites should be left to ensure that the precinct works well when the station opens.