

QUARTER PERFORMANCE

- WWL confirmed its selection of Willis Bond as preferred developer for Site 10 at north Kumutoto
- Willis Bond's redevelopment of Clyde Quay Wharf (ex-Overseas Passenger Terminal) continues on programme. The development of the public space around the area has begun. The project remains on schedule to be finished by June 2014.
- WWL concluded contract and price negotiations for the replacement of fenders on the eastern (Oriental Bay) side of the Clyde Quay Wharf with works expected to commence in early 2014.
- WWL implemented the first stage of the rollout of the integrated recycling and waste management system including the Kai to Compost (food scraps) collection system
- WWL and WCC continued to work with engineers to develop a solution to water quality issues that will enable the re-use of the Taranaki Street wharf jump platform.

YEAR TO DATE PERFORMANCE

- WWL continued its programme of R&M, completing paving and promenade surface repairs to eliminate or reduce trip hazards in several parts of the waterfront following earthquakes in July and August 2013.
- WWL implemented the rollout of QR (quick response) codes for items and places of interest around the waterfront with application of the codes in 50 different locations.
- WWL continues to work closely with the selected developer Willis Bond both in relation to development of the preliminary concept design for development of a building on site 10 and on the commercial and legal terms of the proposed development agreement. A public consultation process is set for January-February 2014 on the proposed design for Site 10 and the associated North Kumutoto public space.
- The Wellington Waterfront Motorhome Park reached 83% peak-season occupancy for the month of December.

SUMMARY FINANCIALS

(\$,000)

FINANCIAL PERFORMANCE	Q2 Actual	Q2 Budget	Variance	YTD Actual	YTD Budget	Variance	Annual Budget
Total Revenue	1,049	1,008	41	2,179	2,016	163	4,030
Operating Expenses	2,684	2,884	160	5,529	5,682	153	11,362
Net Surplus	(1,635)	(1,836)	201	(3,350)	(3,666)	316	(7,332)
FINANCIAL POSITION							
Total Assets				233,290			225,808
Total Liabilities				26,267			18,715
Equity				207,023			207,093
CASH FLOWS							
Total Net Cash Flows	836	1,237	(401)	902	627	2,401	1,065
Opening Cash	976	299	677	910	910	910	909
Closing Cash	1,812	1,536	276	1,812	1,537	3,311	1,974

- WWL had a stable quarter, recording a deficit of \$1,635k, \$201k ahead of budget. The main reason for the favourable result was a reduction in expenditure on public and commercial planning due to the timing development projects. There was also an increase (\$41k) in revenue from parking, the Motorhome Park and the Harbourside market.
- YTD the Project's loan balance is \$19,741m.

KPI DASHBOARD				
MEASURE	YTD 31 Dec 13		Trend	Comments
North Kumutoto sites 8, 9 10	<i>Target</i>	<i>Progress project to resource consent submission</i>	On track	A process of public consultation on the development proposal for Site 10 and an associated public space began in Jan 2014, and the results reported to Council in Q4. The Company continues to work with Willis Bond on a proposal for Site 9.
	Actual	Preferred developer selected	→	
Shed 1	<i>Target</i>	<i>Advance long-term solution for Shed 1</i>	On Track	
	Actual	Discussions are underway	→	
Shed 5	<i>Target</i>	<i>Complete building and public space improvements</i>	Complete	
Shed 6	<i>Target</i>	<i>Complete seismic strengthening of wharf</i>	Complete	Project was completed on time and on budget.
TSB Arena	<i>Target</i>	<i>Secure naming rights sponsor</i>	Behind Schedule	This project is now expected to be completed in Q1 2014/15.
	Actual	Work will begin on this in early 2014	↓	
Capital Raising	<i>Target</i>	<i>Sell Frank Kitts Car Park lease</i>	Complete	The sale was completed in Q2.
Frank Kitts Park Redevelopment	<i>Target</i>	<i>Complete the installation of a new children's playground</i>	Behind Schedule	The scope and scale of this project is under review. Delivery is not expected until 2014/15. Funding for this project was secured through the sale of the Frank Kitts Park car park lease.
	Actual	A preliminary concept design has been undertaken	↓	
Queen's Wharf Activity Zone	<i>Target</i>	<i>Establish a water basin activity zone</i>	Behind Schedule	The scope and scale of this project is under review. Delivery is not expected until Q1 2014/15. Funding for this project was secured through the sale of the Frank Kitts Park car park lease.
	Actual	Investigations have begun	↓	
Clyde Quay Wharf	<i>Target</i>	<i>Complete the development of Clyde Quay Wharf</i>	On Track	WWL continues to negotiate with Chafers Marina Ltd on the facilities and terms for marina berth holders. Discussions on implementing an International Artist in Residence programme in conjunction with Massey University's School of Art are progressing well. Commercial proceeds remain on track to be received starting in April 2014.
	Actual	Work on this project is progressing well and remains on track for 2014 completion.	→	
Digital Strategy	<i>Target</i>	<i>Install QR codes around the Waterfront</i>	Complete	QR codes have been installed in 50 locations around the Waterfront, including around sculpture, historic buildings and other items of interest.

ISSUES & OUTLOOK

- Change in Governance: In Q3 officers began working with the Waterfront Company on the necessary steps to bring WWL back in to Council from 1 April 2014.
- Waterfront Development Plan (WDP): The 2014/15 WDP is currently out for public consultation as part of the Draft Annual Plan. This is the final year of the 3-year WDP and there are no material changes to the work programme that was previously anticipated.
- Work continues on exploring options for relocating the Motorhome park from its current location on Site 10