Major construction and development projects in Palmerston North and the Manawatū region

Summary

Major development and construction projects announced for Palmerston North and the Manawatū region amount to at least $2.5 - $3.0 billion of construction activity over the period to 2030. Some projects are still waiting for final approval, the largest being the MidCentral DHB investment plan. There are several projects under development where values have not been put on the final value of the project, such as the construction of the new KiwiRail freight hub.

New capital projects and renewals in the Palmerston North City Council and Manawatū District Council 2018-28 10-year plans total 877 million. The Palmerston North plan proposes that $125 million (18%) of the capital budget of $687 million will be funded externally. The Manawatū District plan proposed capital expenditure is $190 million, primarily on roading and water supply, wastewater and stormwater projects.

Key projects identified in the region are:

2. $282 million MidCentral DHB investment plan (2016 – 2026) – timing of investment still to be confirmed, subject to Ministry of Health and Treasury approval
4. $150 million Powerco (Manawatū and Tararua) - $60 million over next 5-7 years on growth and security projects, $90 million renewal programme over five years
5. Redevelopment of the Hokowhitu Campus – 130 housing lots over three stages, with an estimated value of $90 - $135 million - resource consent approved and work started to remove some of the existing buildings
6. $110 million Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade. Construction scheduled for 2024/25 to 2026/27
7. $58 million Te Manawa Upgrade - Option A. Construction scheduled for 2023/24 to 2027/28
8. $47.5 million urban growth projects to cater for increased residential and non-residential growth in the City. Projects planned throughout the 10-year plan
9. $41 million wastewater, stormwater and water supply renewal and growth projects in Manawatū District 2018-28 10-year plan
10. $40 million BUPA retirement village, Napier Road – construction has started and a second revised building consent approved in April 2018

11. $39 million Food HQ – consents lodged in July 2017, work started in 2018

12. $29.1 million City Centre Streetscape upgrade. Projects planned throughout the 10-year plan


14. $20 million Westmount School and place of worship – construction in progress

15. KiwiBuild - prior to the election the government committed to building 149 houses in Palmerston North as part of its commitment to build 100,000 houses nationally

16. $20 million - Toyota parts distribution centre expansion and strengthening of existing buildings – initial building consent approved in March 2018

17. Countdown Supermarket – resource consent approved

18. $8.9 million - AgResearch Grasslands - demolition and replacement of PC2 containment glasshouses and partial refurbishment of Lionel Corkill building – resource consent sought, building consent approved in March 2018

19. Massey School of Aviation Facility ($4.3 million consent received and construction started) and accommodation – development proposal, funding to be confirmed

20. Pedestrian/cycle bridge and path to Linton - $10 million, construction started

21. Rangitāne o Manawatū Investment Trust and Wallace Development Ltd hotel on the former Blair Tennant hostel site

22. $6 million – Sports House at CET Arena

23. Conversion of old FMG tower into a hotel

24. $20 million - construction of new Manukura School on Massey University campus

25. Major regional roading investment:

   a. Whirokino Trestle and Manawatu River Bridge contract is $70 million. While this is just outside the Manawatū region, local businesses may be involved in this project. Work started mid-2017 and is expected to be completed in 2-3 years

   b. Palmerston North rural ring road - the initial stage will improve two sections of State Highway 3, between Kairanga and Bunnythorpe, and Napier Rd, from Keith St to Whakarongo. Construction was expected to begin in early 2018. Total project estimated to be around $200 million
c. Manawatū Gorge Road replacement – option 3 chosen – provisional estimate of $450-$500 million – construction expected to begin in late 2019

d. Otaki to north of Levin highway – more than $100 million

e. Manawatū District Council 10-year plan - $95 million


27. KiwiRail regional freight hub

28. Multiple consents already received and expected for earthquake strengthening and refurbishment of buildings for schools, the Plaza, All Saints Church and other commercial buildings in the City.

**Background Information for Key Projects**

**Defence Regeneration Plan 2016 – 2030**

**Linton indicative five-year programme**

- Drinking Water Network (<$3 million)
- Multi-purpose Unit Facilities (<$10 million)
- (Ammo) Hanger and Offices (<$5 million)
- Ammunitions Storage Facility (<$5 million)
- Logistics Warehouse (<$15 million)
- Camp Workshop (<$20 million)
- Camp Centre Multi-purpose Building (<$25 million)
- Vehicle Shelters (<$1 million)

**Ohakea indicative five-year programme**

- Hangar Fire Suppression Deluge Tank (<$3M)
- Hazardous Waste Storage Facility (<$1M)
- Refuelling Section Facility (<$1M)
- Temporary Multi-Purpose Office Accommodation (<$3M)
- Covered Tanker Park (<$3M)
- Taxiway Replacement (<$20M)
- Air Terminal Freight Loading Area (<$1M)
- Aircraft Safe Arming Area (<$3M)
- Additional Taxiway Apron Entry/Exit Point (<$3M)
- Warehouse (<$10M)
- General Equipment Workshop (<$5M)
- Flight Rations Store (<$3M)
- Base Chapel Relocation (<$1M)
- Base Multi-purpose Administration Building (<$20M)
Physiotherapy and Medical Facilities (<$15M)

**MidCentral DHB Draft Investment Plan**

The Indicative Business Case for the Palmerston North Hospital Campus redevelopment will be further developed into a full business case over the next 12 months

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‘Hot Floor’ building

**Massey University Capital Plan**

$184 million over the next ten years. The projects which have been identified are:

- Walter Dyer Hall $4.4 million consented in November 2016
- Refectory $9 million
- Remainder of vet upgrade and expansion $50 million
- College of Sciences $11 million
- Building rationalisation from the Hokowhitu Campus $18 million
- Social Sciences Tower upgrade
- Whare Kai $650,000

**Palmerston North City Council Draft 10-year Plan (current dollar values)**

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of which funded externally

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% funded externally

20% 13% 11% 19% 13% 14% 7% 18% 27% 46% 18%

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1 MidCentral DHB propose to build a “Hot Floor” of theatres, procedure rooms, a critical care unit (CCU), cardiology interventional services, Sterile Support Unit (SSU), Emergency Department (ED), emergency radiology, and telephony within a new facility that meets seismic compliance.