

Quarterly Performance Report

Eke Panuku Development Auckland

2024/2025 Quarter 3

For the 9 months ended 31 March 2025



Q3 – At a glance

Executive Summary

Good progress has been made on our capital projects this quarter to enable creation of new development sites, enhanced access and public realm improvements. The developed design for the **Northcote town centre streets project** is now complete and resource consent has been lodged. The planned extension to Ernie Mays Street will enable optimum development sites and address flooding risk. In **Old Papatoetoe**, works on the **Chambers Laneway** are now complete. This project delivers safer public spaces and improved pedestrian and public transport user experiences. Works have started on the **Stadium Reserve** and **Cambridge Terrace Extension**, a high-quality open space and civic amenity project that also enables new development sites. **Precinct Property** recently completed construction of an office building as part of the **Wynyard Quarter Innovation Precinct**. **Beca House** opened in March and will be occupied by 1400 staff. This is on land sold by Eke Panuku to facilitate development of the Wynyard Quarter as part of the 2012 Waterfront Plan.

SOI targets - The property portfolio surplus for the quarter is \$20.7m, this is \$8.5m ahead of budget. The public realm target of 7,000 sqm has been achieved. As reported in the Quarter 2 report, the challenging economic environment and slow property market, reflected in low demand, means the targets for asset sales and completed dwellings will not be met this year. We continue to take development sites to the market to test market appetite but any improvement in market sentiment is still to appear. Once the market improves, sales are still expected to occur but will be rephased to subsequent years.

The disestablishment of Eke Panuku and the transition of business activities into council following the governing body resolution 12 December is on track. The draft operating model and structure has been released by council for consultation 20 March 2025 and decisions on the final operating model and structure are expected on 8 May. Initiatives to ensure continuity of business activities and projects in relation to systems and processes are also on track.

Financial Performance

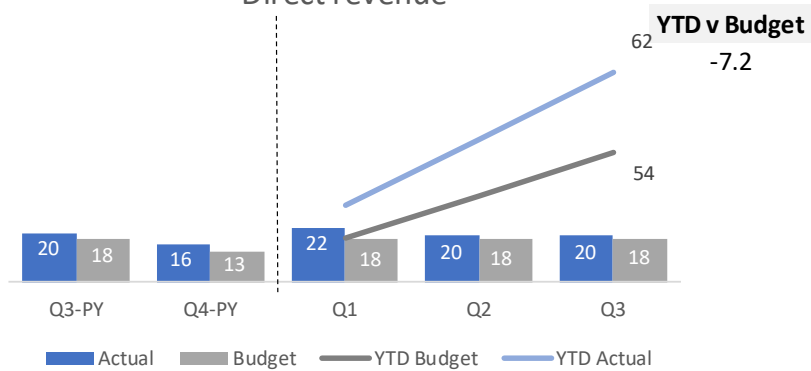
Direct revenue continues to be favourable to budget and is now \$7.2m ahead of budget year to date. This is mainly due to unbudgeted revenue of \$3.2m from a property lease recognised which would normally have been spread across the life of the lease. Additional revenue of \$2.6m has been received from properties that were expected to be sold or vacant properties remaining tenanted, and expenditure recoveries from tenants \$1.3m.

Direct expenditure is \$1.9m favourable against to year-to-date budget. **Capex is \$7.2m** below budget year to date. Significant variances relate to the Wynyard Crossing Bridge and Westhaven Seawall overspent of \$5.4m. This is partly offset by Te Ara Tukutuku Wynyard Point underspend \$3.9m and certain tenders coming in below budget estimates. The balance is made up of smaller project variances. Projects over \$5m are explained on page 12 of this report. At the end of March, **asset sales achieved** was \$8.1m. Approximately \$57m of further conditional sales are under negotiation. This is reflected in the risk sections of the quarter report.

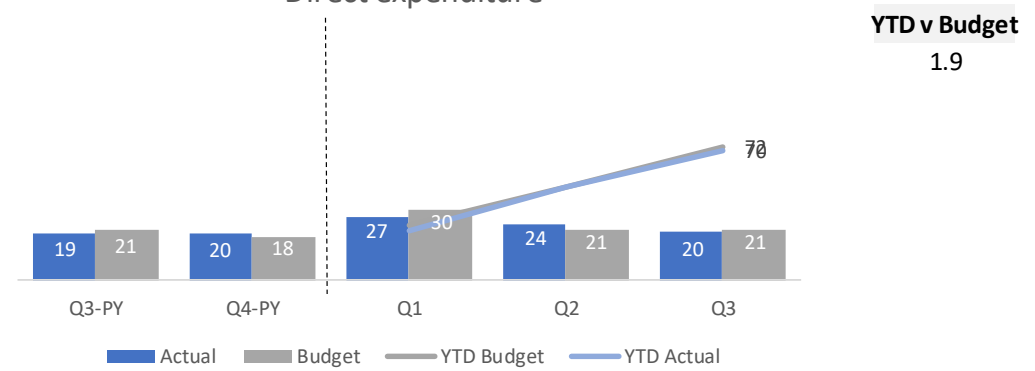
Note: for more details on financials, refer to the graphs on page 2 and financials section on pages 15 - 20

\$m

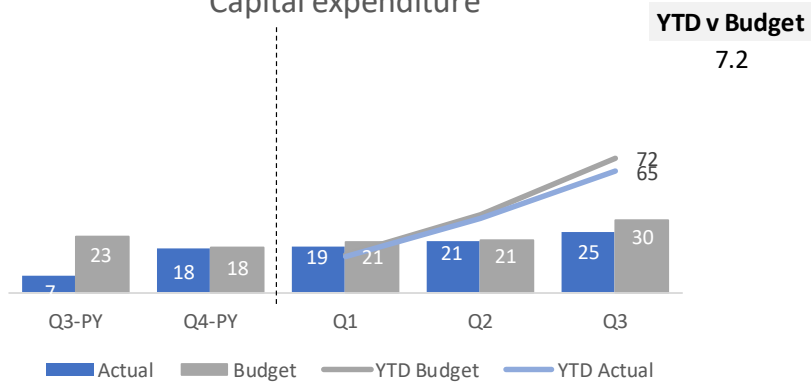
Direct revenue



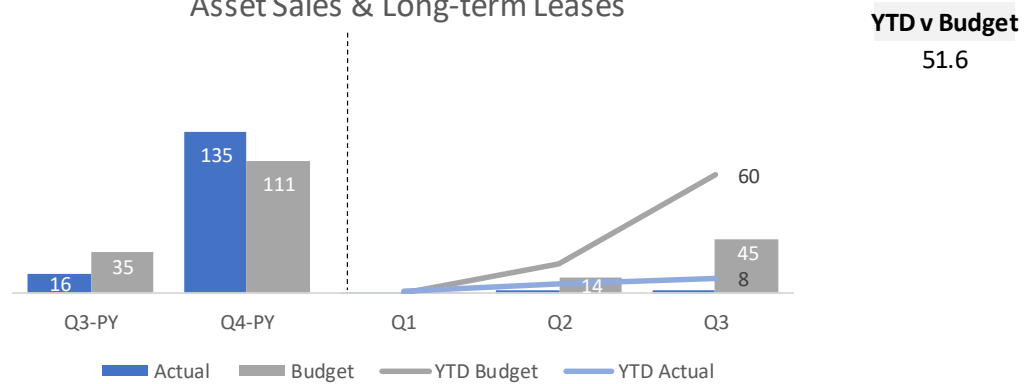
Direct expenditure



Capital expenditure



Asset Sales & Long-term Leases





Highlights

- **In Northcote** the developed design for the **Northcote town centre streets project** is now complete and resource consent has been lodged. This project to extend Ernie Mays Street is a key part of the road network, creates optimum development sites and addresses flooding risk. It will become Northcote's main street and bus route. Resource consent has also been lodged for the Northcote community hub and Puāwai /Cadness Reserve upgrade. Detailed design is now underway for this project. Both projects are key to the success of the redevelopment of Northcote's Town Centre.
- **In Old Papatoetoe**, works on the **Chambers Laneway** are now complete. This project provides an upgraded accessway to new housing developments and open space amenities, making it safer and creating an enhanced pedestrian and public transport-user experience. Works have also started on the **Stadium Reserve** and **Cambridge Terrace Extension**, a high-quality open space and civic amenity project which will revitalise the town centre and support the use of the Allan Brewster Leisure Centre and housing developments in the local area.
- The **Westhaven Marina** has been awarded the prestigious five Gold Anchor accreditation by the Marina Industries Association. A globally recognised beacon of excellence, the Gold Anchor assessment is based on marina services, procedures and facilities. Westhaven Marina is just the second marina in NZ to achieve this rating.



Issues/Risks

Delivery of development outcomes is affected by challenging economic conditions and property market. Inflation and interest rates have reduced but economic conditions are affecting 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 work with development partners on terms and conditions to reflect the slower market conditions for the developer to achieve presales, funding and resource consent. *(Projects affected are noted on page 6 of this report).*

We are also keeping a watching brief on the impact of the new development contribution policy that will come into effect 1 July 2025. Under the new policy, development contributions for some areas will increase significantly to recover infrastructure costs. If implemented, it will have a significant impact on land values in some locations, that may flow-on to increase cost of new dwellings.

CCO reform and property review - The Governing Body resolved to disestablish Eke Panuku, move business activities into council and for the new operational model to start from 1 July 2025. The short timeframe to design and operationalise the new operational model can have an impact on the delivery of services and programmes. Monthly updates on the Transition Programme and risks are provided to the Governing Body. While resource has been diverted to the transition, Eke Panuku remains focussed on delivering the current programmes and activity set out in the SOI.

Key Performance Measures

Of the 12 SOI performance measures, 1 measure has met target, 6 performance measures are on track to be met by year end based on year-to-date results, 3 are off track and 2 are measured at the end of the year (surveys). The targets off track are the transform and unlock asset sales, asset recycle sales, and new dwelling numbers, all affected by the depressed property market.

Strategic performance priorities	Achieved / Ontrack	Not Achieved / Off track	Not reported this quarter	Total
Urban regeneration	2	3		5
Property and marina management	2		1	3
Sector leadership	3		1	4
TOTAL	7	3	2	12

Note: for details on performance measures, please refer to the Performance measures section – Pages 13 - 14

Strategic alignment and key policies

Climate change and sustainability

Projects and initiatives advanced in the quarter included:

- **Planning and delivery of deconstruction projects to enable redevelopment** – In Papatoetoe, deconstruction of the former bowling club was completed to deliver new public open space as part of the wider masterplan. Deconstruction was also progressed on buildings in Avondale to make way for Te Hono, the new Avondale Library. Deconstruction of the Norman King building has commenced in Northcote to enable the extension of Ernie Mays Street, a key connection and enabler of development. Preparation is also being made for deconstruction of the dockmaster office in Westhaven as the building has passed its useful life. In all of these projects where appropriate materials of value are identified and salvaged for reuse.
- **Supplier diversity targets** – Works on upgrading historic Te Pae Mahara Roulston Park, improving safety and accessibility, to meet the needs of a growing and more diverse Pukekohe are progressing. This project was awarded to Lite Civil, an Amotai registered Māori business, as main contractor. Clear site, another Amotai business, have completed the deconstruction of Onehunga Wharf Shed E which is at the end of its life and no longer required. It will be replaced by a hard stand space for rental.
- **Climate related disclosure** – We have been working across the business and with Council family to further embed climate considerations in our work, including in business case processes and risk management. We have been mapping climate hazards such as flooding and urban heat island effects across our neighbourhoods. We have adopted a tool to undertake an assessment of the embodied carbon of capital works projects to enable carbon impacts to be assessed through the design phase.
- **Blue green networks and community engagement** – Te Whakaorangao te Puhinui is involving ongoing work to engage and empower the community through this stream regeneration project and associated activities. Work is underway to scope a Blue Green Network Strategy for the City Centre as part of the delivery of the City Centre Action Plan.

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)** – Following a competitive process, a developer has been selected for the North Wharf site in Wynyard Quarter. The developer has committed to partnership with an Iwi and the delivery of outcomes for Māori through procurement and cultural representation through the design of the development.
- **Engagement (Kia ora te Hononga)** – Eke Panuku Chief Executive and leadership team met with Iwi Mana Whenua Rangatira and their delegates in a Governance Forum in February to discuss organisation updates that impact iwi. David Rankin as both CE of Eke Panuku and Transition Director updated governors of the CCO Reform programme. This initiated a request for Council CE Phil Wilson to meet with iwi to discuss the changes with iwi.

- **Culture and identity (Kia ora Te Ahurea)** – Eke Panuku embeds the culture and identity of iwi mana whenua of Tāmaki Makaurau into its projects. Eke Panuku is working with nine iwi mana whenua groups on the Central Wharves masterplan programme to understand their aspirations for the wharves. Key focus areas include the need to restore and regenerate the natural environment including the Waitematā.
- **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 its projects and programmes. Eke Panuku presented to iwi, the indicative business case for the residual land vested by Eastern Busway alliance along Tī Rākau Drive in Pakūranga. Eke Panuku worked with the Eastern Busway mana whenua alliance to understand key considerations of which the natural environment and response to stormwater design was a focus.

Statement of performance expectations

Urban Regeneration

Other highlights

- **In the Waterfront – the Te Ara Tukutuku (Wynyard Point)** public engagement on the concept plan was completed last quarter and enabling works started in late March 2025. Works are progressing ahead of schedule on the **Precinct Stage 3 office development** by Precinct Property as part of the **Wynyard Quarter Innovation Precinct**. The new Beca House office building, targeting 6 Greenstar, was recently opened and will be occupied by 1400 staff. Works are continuing on the Flowers building. The third building will be home to a brand-new Generator site which will open later in 2025.
- **In Ormiston** – the go to market deliverable has been completed. The development site at **65 Haddington Drive** was taken to the market by way of Deadline Private Treaty and bids closed in April 2025.
- Resource consent has been granted for the construction of the **Panmure Lagoon Edge Reserve** enhancements and the **Manukau Osterley Way** Civic Streetscape projects.

Issues and Risks

- **A challenging property market has affected the sale of several development sites** – In Panmure it has been difficult to reach agreement with development partners in relation to three development sites. This includes the Lagoon Drive development site, where marketing has been delayed until interest is received, or the market improves. The development agreement for the Takapuna Auburn Street site is unlikely to go unconditional this financial year.
- **Development contributions** – The deliverable of achieving a conditional development agreement for the Hobsonville Wasp Hangar and YDL development sites is at risk. The substantial increase in development contributions signalled by Auckland Council is creating uncertainty and making it difficult to reach agreement on value.

- **Site acquisitions to enable urban renewal** - Only one of the four Onehunga Waiapu Precinct sites has been acquired to date. Due to the timing of court hearing dates and negotiations with the remaining parties, it is unlikely that the conditional sale and purchase agreements will be in place for all four sites this financial year.

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. Following last quarters release of a revised development strategy for the Northcote town centre development, negotiations are continuing with three potential development partners across three sites.</p> <p>Developed design which began in October 2024 for the Northcote town centre streets project is now complete and resource consent has also been lodged. The Final Business Case is expected to be approved in April 2025, which is the final item needed to complete this deliverable.</p> <p>The Northcote community hub and Puāwai / Cadness Reserve upgrade is progressing well. Resource consent was lodged in December 2024. Detailed design is now also underway. The Final Business Case is expected to be approved in April 2025 which is the final item needed to complete this deliverable.</p>
Takapuna	Delayed	<p>The development agreement for the Auburn Street site is unlikely to go unconditional this financial year. The development partner is currently working to satisfy the conditions of the development agreement. Progress has been slowed due to the challenging property market.</p>
City Centre	On track	<p>Three deliverables are on track, and one is at risk. We continue to facilitate and deliver on our development opportunities in the three key sites in the City Centre. The sale of the Downtown carpark is unconditional. The Symphony Centre development agreement terms are being worked through to enable settlement. The developer of the Bledisloe House has started remediating the exterior facade and removing internal fit out. It has yet to secure tenancies to finalise its design concepts for the remodeling.</p> <p>The update of the City Centre Action Plan was endorsed by council group Steerco last quarter. Work on the precinct regeneration plans is also ongoing. Workstreams and Programme realignment confirmed, and implementation is underway. A review of the City Centre Action Plan is currently scheduled for 1 July 2025, with a view to complete by 30 June 2026. This will help inform the next LTP (2027-2037).</p> <p>We continue to work across the council group to maximise benefits of CRL. This quarter, the CRL Station precinct Integration mapping was completed. Gaps and opportunities in the group's work programmes are being reviewed. A Crime Prevention through Environmental Design (CPTED) assessment has been completed for Maungawhau. Works to maximise benefits of CRL is at risk due to Watercare works delays on Queen Street. This is due to sewer alignment and condition. Mitigations are being explored. The Watercare works is also causing a risk of a 3-6 month programme delay to the Te Ha Noa - Victoria Street, a project to provide more trees, seating, walk and cycle access to green space in the city centre. This requires further assessment and additional mitigation measures.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
Waterfront	On track	<p>Four project deliverables have been achieved, one is on track, and one remains at risk.</p> <p>Works are progressing ahead of schedule on the Precinct Stage 3 development and are now due for completion in August 2025. The new Beca office building was recently opened and is now occupied, with works continuing on the Flowers building.</p> <p>The project deliverable of securing a long-term lease for the North Wharf development site remains at risk. A process to seek potential interested parties in securing a long-term lease is underway. A developer has been selected recently as part of this process.</p> <p>The swimming facility at Karanga Tidal steps opened to the public in December 2024. The pool's design incorporates safe swimming zones and lanes, a jump platform, and facilities that ensure a comfortable visit for everyone.</p> <p>The Westhaven seawall upgrade was completed ahead of schedule in January 2025.</p> <p>Te Ara Tukutuku (Wynyard Point) design deliverable to complete public engagement on the concept plan was achieved last quarter.</p> <p>Enabling works started in late March 2025.</p> <p>The Central wharves masterplan project deliverable of initiating the master planning process has been achieved. The project is underway.</p>
Avondale	Delayed	<p>One project deliverable has been met, and one is at risk at this stage.</p> <p>The Avondale Central mixed-use development deliverable to progress the implementation of the development agreement is at risk. Discussions are ongoing with the developer, Marutūahu Ockham regarding the development agreement and master plan for the site.</p> <p>The detailed design deliverable for Te Hono - Avondale community hub and town square was completed in August 2024. Further enabling works will start late April 2025 with main works anticipated to start in October 2025.</p>
Henderson	On track	<p>One project deliverable has been met, and one remains on track. The Developed Design deliverable for the Wai Horotiu Henderson connection (formerly Oratia Link cycleway) was approved in December 2024 and the Final Business Case deliverable was approved in February 2025.</p> <p>The deliverable for construction works to start on the Catherine Plaza is on track to begin by June 2025.</p>
Onehunga	On track	<p>One deliverable has been met, two deliverables remain on-track, and one is at risk.</p> <p>The conditional development agreement for the Waiapu Lane and Selwyn Street development sites for a new supermarket was executed in June 2024. Integration of works agreement is now complete and the developer has recently applied for resource consent.</p> <p>The Waiapu precinct enabling works are still on track to start in June 2025.</p> <p>The four Waiapu Precinct site acquisitions needed to enable urban renewal are progressing, but only one of the four sites has been acquired so far. Due to the timing of court hearing dates and negotiations with the remaining parties, it is unlikely that the project deliverable of conditional sale and purchase agreements being in place for all four sites will be completed this financial year.</p> <p>The Final Business Case for the Onehunga Wharf public space was approved last quarter.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
Panmure	Delayed	<p>Three of the four project deliverables, all relating to reaching agreements with development partners remain at risk primarily due to the challenging property market. Basin View Lane has received some interest and will be taken to the market in May but is unlikely to achieve a conditional agreement before the end of this year.</p> <p>Lagoon Drive development site marketing has been delayed until interest is received, or the market improves.</p> <p>Following the developer's withdrawal of the conditional agreement for the 3 Kings Road residential site, we are progressing with a resource consent application for a revised development scheme for the site. The property will then be taken back to the market.</p> <p>Construction works for the Lagoon Edge Reserve enhancements remain on track to start this financial year. Resource consent has been granted, and tender procurement is underway with proposals expected in mid-April 2025.</p>
Maungawhau	On track	<p>Both project deliverables are on track. The statutory process with Whenua Haumi Ltd Partnership is progressing and we expect a decision on the property transfer and disposal of the sites from the Governing Body in March. Once received, discussions will be held with the Whenua Haumai Ltd Partnership.</p> <p>A final workshop to conclude the plan for the transitional use of the development sites post CRL project completion is being held in April 2025. Auckland Transport is underway with wayfinding plans for the area.</p>
Manukau	On track	<p>One deliverable has been achieved, and the remaining three deliverables are on track.</p> <p>Development sites are being progressed including preparation of go to market strategies for board approval noting the property market challenges.</p> <p>The Osterley Way Civic Streetscape - Tree owner and resource consent approvals have both been achieved this quarter. We continue to collaborate with Auckland Transport on the design. Preparation of tender documents is also underway.</p> <p>The Hayman Park wetlands resource consent was lodged in April 2024. We continue to work with Auckland Council to obtain the resource consent to achieve this project deliverable and proceed with project implementation.</p> <p>The Puhinui Regeneration – Te Aka Raataa Stage 1 Raataa Vine deliverable of completing the procurement process has been achieved. Works are now underway and are expected to be completed in FY26.</p>
Papatoetoe	On track	<p>The three deliverables relating to public realm projects have now been achieved. One development site deliverable remains on track.</p> <p>The development partner on the St George Street residential development Piko Toetoe is experiencing challenging market conditions. We continue to work with the developer on milestones and time frames.</p> <p>Cambridge Terrace extension and car park construction start deliverable was achieved in November 2024 with works expected to be completed in June 2025. This project will help streamline travel between Puhinui Road, Stadium Reserve and the town centre and create additional development sites for new housing.</p> <p>The Stadium Reserve works construction contract awarded deliverable was achieved in January 2025. Works started in February and are expected to be completed in December 2025. This high-quality open space and civic amenity project will revitalise the town centre and support the use of the Allan Brewster Leisure Centre.</p>

Key Programme	Status	Progress towards key project deliverables set out in the SOI (pages 19-28)
		The Chambers Lane accessway upgrade and open space amenities deliverable of completing construction was achieved in February 2025. Works began in August 2024 to provide upgraded accessway to new developments and open space amenities.
Pukekohe	On track	<p>One deliverable has been met, one is on track, and one is at risk.</p> <p>Discussions with the preferred development partner for the Edinburgh superbloc development site are continuing.</p> <p>Market Precinct capital works to upgrade Roulston Street, Devon Lane and enhance the town square to support development sites, and markets and events are progressing. Consultation with Community Facilities and Parks Planning teams has been completed this quarter. We remain on track for the deliverable of consent lodgement to be achieved by June 2025.</p> <p>The Roulston Park construction commencement deliverable was achieved last quarter. The park and playground upgrade is integrated with the adjoining double intersection works, which together make this park more accessible and supports new developments.</p>
Regional programmes	On track	<p>One of the four deliverables have been achieved, one is on track and two are at risk.</p> <p>65 Haddington Drive, Ormiston deliverable to take the site to market has been achieved – The site was taken to the market by way of Deadline Private Treaty. Bids close on the 9 April 2025.</p> <p>Dominion and Valley Roads, Mount Eden site deliverable to progress design and approvals as required by the development agreement is progressing. Precinct Residential resource consent application will be considered at a consent hearing taking place in early April 2025.</p> <p>Wasp Hangar and YDL development sites deliverable of achieving a conditional development agreement is at risk. The substantial increase in development contributions signaled by Auckland Council is creating uncertainty for both the developer and Eke Panuku as to values if the policy is implemented.</p> <p>Construction works continue to progress well on Pump Station 6 (PS6) wastewater upgrade works and are on track to be completed by the end of June 2025. The asset will then be handed over to Watercare Services.</p>

Note: for maps of the locations, please refer to Appendix – Urban Regeneration Spatial Delivery Plans – Pages 21 - 26

Property and marina management

Highlights

- The Property Portfolio and Marinas net surplus year to date is \$21.9m, \$7m ahead of budget.
- The Westhaven Marina has been awarded the prestigious five Gold Anchor accreditation by the Marina Industries Association.
- The Silo and Viaduct Marina team have relocated the marina office to the former Karanga Kiosk in February 2025. This new location will provide a more central location for staff interactions with existing customers and increase the potential to engage and sign up new customers.
- Westhaven's L pier renewal began in Q3 and is on target to be completed in Q4.

Issues and Risks

- **Failure or prolonged unavailability of infrastructure assets** – short-term controls include asset inspections, maintenance, and renewals to manage immediate risks. Long-term initiatives include working collaboratively with the Council Group Asset Management Committee (CGAMC) on the review and update of Asset Management Plans (AMPs).

Key Programme	Status	Progress towards key deliverables
Renewals	Delayed	<p>One of the three deliverables has been achieved, one is at risk and one deliverable has been rescope.</p> <p>The Wynyard Crossing Bridge remediation works are now complete, and the bridge returned to service in December 2024.</p> <p>The Manukau Harbour/ Wairopa Channel Works completion deliverable is at risk. Works commenced in April 2025; however they may extend beyond June 2025.</p> <p>The project to undertake construction to repair Shed E on Onehunga Wharf has been rescope. The project business case concluded that bringing the asset up to a leasable standard to maximise rental revenue during the hold period did not justify the level of investment required. Instead, based on the cost benefit analysis, a decision was made to demolish the shed and deconstruction has been completed. Rental revenue will still be achieved through the rental of the hard stand space.</p>

Capital budget milestones and variances

The total capital budget for the year is \$98.9m. This funding supports the delivery of a range of projects across the regeneration and renewal programmes. To provide additional information on progress, we are reporting on six projects that have a budget of more than \$5m each and collectively make up 48% of the annual capital budget. The mix of projects reflect the range and complexity of projects across the programmes and the wide range of factors and dependencies that can affect a project including the scope, budget, risks and time frames. Material variances are managed at a programme and portfolio level.

Capital Projects greater than \$5m

	Notes	Full year	2024/25 YTD		
		Budget	Actual	Budget	Variance
6-10 Racecourse Parade (Avondale Central)	1	13.0	12.8	13.0	0.2
Te Ara Tukutuku – Wynyard Point	2	10.0	3.6	7.5	3.9
PS6 Wastewater Upgrade Works Hobsonville	3	7.6	4.9	4.9	0
Cambridge Terrace Extension and Carpark	4	6.0	2.3	4.3	2.0
Wynyard Crossing Bridge	5	5.4	8.7	5.4	(3.3)
Westhaven Seawall Upgrade	6	5.0	7.1	5.0	(2.1)
Total		47.0	39.4	40.1	0.7

1. 6-10 Racecourse Parade – this is an acquisition of land in Avondale from Kāinga Ora to create a consolidated development site primarily for new housing. Settlement was made at the end of March.
2. Te Ara Tukutuku - physical enabling works to support the mixed-use development were expected to have started on site, however, there have been some delays due primarily to the need to complete certification of decontamination work with a third party. The project which is now underway is therefore tracking behind planned spend and is forecast to be underspent.

3. PS6 Wastewater Upgrade Works – this is a joint project between Eke Panuku and Kāinga Ora to upgrade the wastewater system servicing new development at the Airfields in Hobsonville. The project is on track and on budget with handover of a completed asset to Watercare expected in June 2025.
4. Cambridge Terrace, Papatoetoe which will enhance access and create new development sites. Construction started at the end of October. Spend in year is forecast to be below budget as the tenders we received were under budget estimates. This reflects the competitive construction market and will result in better value outcomes.
5. The Wynyard Crossing project has been completed and the bridge returned to service in December 2024. The unplanned closure of the bridge and time constraints to get the project underway meant that comprehensive project scoping and pricing was not completed when the budget for this financial year was set. By late August a clearer picture of the extent of the corrosion and condition of the mechanical and electrical components had identified that they were materially worse than previously understood. Additional costs and scope were approved by the Eke Panuku Board to \$10.63m. Actual costs to the end of March in year \$8.7m, life to date \$10.24m out of the total budget of \$10.6m. The delivery of the project was completed within the Board approved budget envelope.
6. The Westhaven seawall upgrade started in FY24. The timing of the project costs are split over FY24 and FY25 and different to initial forecasts. More costs have ended up in this financial year. The project has now been completed and practical completion certificate issued ahead of schedule in January.

Performance measures

Performance measure (unaudited results)	Previous year result	Target	Q3 Actual	Status	Commentary
Urban regeneration programmes and projects					
Net new dwellings (housing units) – LTP performance measure	135	157	66	Off track	The challenging property market with reduced demand has meant that construction has been delayed or re-staged on some projects. The SOI target is unlikely to be met.
Public realm – square metres	20,065 sqm	7,000 sqm	8,947 sqm	Met Target	8,947 sqm of renewed public realm reached practical completion YTD.
Capital project milestones approved by the board achieved – LTP performance measure	100%	80%	47%	On track	To date we completed 7 out of 15 SOI milestones. Of the remaining milestones, 4 are at risk and 4 are on track.
Achieve board approved budgeted Transform and Unlock (T&U) sales for the financial year through unconditional agreements	\$2.5m	\$16m	-	Off track	No Transform and Unlock sales YTD. It is unlikely that the FY25 target will be met.
The asset recycling target agreed with Auckland Council	\$158.9m	\$60m	\$8.1m	Off track	Five properties have been sold with a cumulative value of \$8.1m YTD. Due to the current weakness in the property market, we will not meet the \$60m sales target.

Performance measure (unaudited results)	Previous year result	Target	Q3 Actual	Status	Commentary
Property portfolio and marina management					
Annual property portfolio net operating budget result agreed with the council achieved – LTP performance measure	\$27m	\$18m	\$20.7m	On track	The surplus for the portfolio was \$20.7m this is \$8.5m ahead of budget and is forecast to maintain or better the year-to-date result.
Monthly average occupancy rate for tenantable properties - LTP performance measure	Commercial 97.1% Residential 98.2%	Commercial 90% Residential 95%	Commercial 97.3% Residential 98.6%	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	Project Emissions Estimation Tool (PEET) has been adopted for assessing embodied carbon of designs for capital projects. Application for Eke Panuku projects is underway. This tool is also used and supported by Auckland Transport.
Sector leadership					
Creating positive outcomes for Māori Deliver ongoing or new initiatives that support Māori Outcomes	59	40	35	On track	35 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%	100%	On track	One compliant was received in February and closed with met target.

Financials – Eke Panuku Cash Flows

	Full Year Budget	Q3 Actuals	Q3 Budget	Variance	
Capital Inflows					
Selling Council's surplus property	60.0	8.1	46.0	(37.9)	The property market is challenging from a wider economic perspective with significant number of listings and developers holding unsold stock. Uncertainty over the proposed new development contribution regime making developments financially unfeasible. For example one site sale that has fallen through as it was facing a potential increase of development contributions of \$64k per household unit, Sites continue to be taken to the market to test market appetite but any improvement in market sentiment is still to appear. At the end of March sales achieved are \$8.1m.
Selling or long leasing property to reinvest in our urban regeneration locations	16.0	0.0	13.8	(13.8)	The developer for the planned sale of the Lysaght building has pulled out of the deal due to uncertainty from the CCO review as the major tenant is Tataki. The sales of properties within urban regeneration locations are not expected to make target this year.
Third party capital contributions	3.8	2.4	2.8	(0.4)	
Capital Outflows					
Investing in council group assets to support regeneration and asset renewals	98.9	64.9	72.1	7.2	Capital spend is tracking behind budget but is expected to make budget by year end.
Operational Inflows					
Revenue from property interests for Council group	66.7	58.8	50.2	8.6	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 \$2.4m. A change in Auckland Transport project timing has resulted in additional revenue for their properties as tenanted when expected to be vacant \$1.7m. Expenditure recovery from tenants is \$1.6m ahead of budget. 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	19.6	14.0	14.7	0.7	
Utilities and leases for council group owned assets we manage	6.7	4.9	5.0	0.1	
Rates on council group owned assets	7.7	7.8	7.7	(0.1)	
Maintenance of council properties	12.3	9.2	9.2	(0.0)	
Consultation, negotiation and sales processes to sell council property	4.3	2.4	3.3	0.9	Savings in year due to staff vacancies.
Leading regeneration of town centres, city centre and waterfront.	23.8	17.1	16.7	(0.4)	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 \$4.1m less than budgeted.

A: The increase in direct revenue is due to recharge revenue continuing to track ahead of budget. Staff have been able to charge more time to projects, this is expected to increase to circa \$0.8m by year end

B: Employee benefits - Tracking behind budget, due to higher-than-expected vacancies, staff turnover and uncertainty in CCO reforms, saving to date expected to be held until year end.

C: Other direct expenditure, mainly consultancy, audit and directors costs is tracking behind phased budget, there has also been a delay on some expenditure while the CCO reforms process is underway, by the end of the year \$1.0m of savings is forecast.

D: Year to date the operating grant is tracking well behind budget due to increase in other revenue and expenditure tracking behind budget. At year end the total funding required is expected to be \$4.0m under budget.

Direct operating performance					
\$ million					
	Notes	FY 25 Actual	Quarter 3 YTD Annual Plan	Variance	FY 25 Annual Plan
Net direct revenue		(13.9)	(17.9)	4.0	(24.1)
Direct revenue		15.4	14.9	0.5	19.6
Fees and user charges		0	0	0.0	-
Operating grants and subsidies		0	0	0	-
Other direct revenue	A	15.4	14.9	0.5	19.6
Direct expenditure		29.3	32.8	3.5	43.7
Employee benefits	B	25.0	27.2	2.2	36.3
Grants, contributions and sponsorship		0.0	0.1	0.1	0.1
Cost of goods and services		0.0	0.0	0.0	-
Repairs and maintenance		0.1	0.2	0.0	0.2
Outsourced works and services		0.0	0.0	(0.0)	-
Other direct expenditure	C	4.1	5.3	1.3	7.1
Other key operating lines					
Operating grants and subsidies intercompany	D	13.9	18.0	(4.1)	24.1
Depreciation and amortisation		0.2	0.2	(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 \$2.6m which is \$2.5m favourable to budget. In addition, a \$5.4m, dividend has been paid to Council's Solid Waste team from the Waste Disposal Services investment, managed by Eke Panuku.

A: Fees and user charges revenue is favourable to budget due to more income from Jellicoe St and Z Pier car parks than budgeted, after a change in fees and management company.

B: Other direct revenue is \$6.0m ahead of budget, a property in Northcote was long leased for 125 years and settlement has been made by the purchaser. Financial control have asked us to recognise the entirety of the lease revenue in FY25 and not spread it over the term of the lease as per budget, this \$3.2m of revenue was recognised in July. There is also additional rental received for a small number of properties that were not budgeted in year as they were expected to be sold \$2.6m. Additional expenditure recoveries in year \$1.3m. This has been offset by below budget revenue at the Marinas \$0.4m and \$0.8m of offset revenue budgeted from the Mayoral Offices contribution for Central Wharves (as Central Wharves spend to date is under budget).

C: Other direct expenditure has been impacted by accounting advice received from PWC that has confirmed the costs of sale of the Downtown Car Park that have been incurred over several years and treated by Eke Panuku as a capital expense must be treated as an operating expense \$2.6m. For Council Group accounting purposes it can be treated as capital expenditure within Auckland Transport. This has been partially offset by timing differences in a number of expenditure categories within the Commercial Property Portfolio.

Direct operating performance					
\$ million					
	Notes	FY 25 Quarter 3 YTD			FY 25 Annual Plan
		Actual	Annual Plan	Variance	
Net direct revenue		5.1	- 0.1	5.2	0.9
Direct revenue		46.2	39.4	6.7	48.3
Fees and user charges	A	2.0	1.3	0.7	1.7
Operating grants and subsidies		-	-	-	-
Other direct revenue	B	44.2	38.1	6.0	46.6
Direct expenditure		41.1	39.5	- 1.6	47.4
Employee benefits		0.1	0.0	- 0.0	0.0
Grants, contributions and sponsorship		-	-	-	-
Cost of goods and services		-	-	-	-
Repairs and maintenance		8.6	8.5	- 0.1	11.4
Outsourced works and services		0.0	0.1	0.1	0.1
Other direct expenditure	C	32.4	30.9	- 1.5	35.9
Other key operating lines					
Depreciation and amortisation		20.2	19.2	- 1.0	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	7.4	8.6	1.2

Capital expenditure

			2024/25 YTD		
	Notes		Actual	Budget	Variance
Property renewals		6.2	13.9	11.1	(2.8)
Transform and Unlock Locations					
<i>Isthmus</i>		5.6	4.1	6.7	2.5
<i>North</i>		5.5	2.1	1.7	(0.4)
<i>South</i>		10.5	9.9	13.2	3.3
<i>West</i>		2.1	14.0	16.0	2.0
<i>Waterfront</i>		25.4	13.8	16.0	2.2
Regional		3.8	7.0	7.3	0.3
Total	2	59.1	64.9	72.1	7.2

Asset sales and long-term leases

	Previous year	2024/25 YTD		
	Actual	Actual	Budget	Variance
General Asset sales for the group	158.9	8.1	46.0	(37.9)
Reinvestment - Transform and Unlock	2.5	0	13.75	(13.75)
Total	161.4	8.1	59.75	(51.65)
Waterfront long leases	0	0	0	0

Property and marina management

	Previous year	2024/25 YTD		
Notes	Actual	Actual	Budget	Variance
Auckland Council Properties				
Direct revenue	38.0	29.2	24.7	4.5
Direct expenditure	14.1	11.0	12.6	1.6
Net direct expenditure	23.9	18.1	12.1	6.0
Waterfront Public Space				
Direct revenue	0.6	0.2	0.4	(0.2)
Direct expenditure	7.1	6.1	4.8	(1.3)
Net direct expenditure	(6.5)	(5.9)	(4.4)	(1.5)
Marina Operations				
Direct revenue	16.4	12.4	12.8	(0.4)
Direct expenditure	6.8	5.4	5.4	0

	Notes	Previous year	2024/25 YTD		
		Actual	Actual	Budget	Variance
Net direct expenditure		9.6	7.1	7.4	(0.3)
Marina Trusts					
Direct revenue		7.1	5.7	5.7	0
Direct expenditure		6.6	7.0	5.8	(1.2)
Net direct expenditure	3	0.5	(1.3)	(0.1)	(1.2)
Auckland Transport Properties					
Direct revenue		6.9	4.6	2.9	1.7
Direct expenditure		3.9	2.1	2.8	0.7
Net direct expenditure	4	3.0	2.6	0.1	2.5
Business Interests					
Direct revenue (includes share of JV Profit)		7.4	5.8	5.8	0
Direct expenditure		0.6	0.3	0.6	0.3
Net direct expenditure		6.8	5.5	5.2	0.3

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 \$1.3m ahead of budget. Actual spend in year is tracking ahead of phased budget by \$1.3m.
2. Capital budget year to date at \$72.1m is \$3.1m ahead of the \$69m year to date budget reported in the Group Capital Performance Report. There is a small discrepancy in the monthly phasing between what has been incorporated within Council's financial system and that approved and reported on internally to the Eke Panuku Board, for consistency with Board reporting we have used the same phasing in this report. The budget phasing will be in line by 30 June.
3. 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 (\$1.3m), 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 pier is completed, and L pier is currently underway with costs to date of \$2.4m, 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 of circa \$0.7m.
4. Transport revenue is ahead of budget \$2.5m 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 March 2025.

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	14. Eastern Busway TODs	Q3
12. Ormiston	Q3	15. Service Property Optimisation	Q3
13. Pukekohe	Q3	16. Corporate Property	Q4
		17. Haumaru Scope	Q4
		18. Supports Scope	Q4
		19. Regional Renewals	Q4
		20. Waterfront Renewals	Q4

OLD PAPATOETOE

Vision Assisting New Zealanders into sustainable housing choices. A popular place to live, to shop, for people to meet and enjoy themselves, and to provide the services and facilities the community needs.

PROJECTS COMPLETED

- 01 89 CAMBRIDGE TERRACE
- 02 SUPERMARKET AND CARPARK
- 03 PAPATOETOE MALL
- 04 91 CAMBRIDGE TERRACE - THE DEPOT

SHORT TERM: FY 2025

- 05 CAMBRIDGE TERRACE EXTENSION & CARPARK
- 06 CHAMBERS LANEWAY UPGRADE
- 07 3 ST GEORGE STREET - ST GEORGE'S LANES
- 08 98 ST GEORGE STREET AND 15 KOLMAR ROAD SITE SALE AND INTERSECTION
- 09 PAPATOETOE STADIUM RESERVE WORKS

LONG-TERM PROJECTS: FY 2027+

- 10 COMMUNITY HUB & ARTS DEVELOPMENT (LOCATION PENDING)
- 11 27 ST GEORGE STREET (NETBALL AND GARDENS) SITE SALE
- 12 PAPATOETOE LIBRARY PRECINCT OPTIMISATION

A Karakia was held this quarter to bless and prepare the 3 public realm projects at Chambers Laneway, Cambridge Terrace Extension, and Stadium Reserve ready for delivery



Chambers Laneway – Works started in August 2024 and were completed in February 2025. This project provides an upgraded accessway to new developments and open space amenities, making it safer and creating an enhanced pedestrian and public transport-user experience. Construction completion was one of our FY25 capital milestone targets.

3 St George Street (St George's Lane) – Known as Piko Toetoe, this project will enable the development of 120 new homes on two sites on St George Street, near the town centre. Settlement has been deferred by six months. Construction works resumed in February 2025.

The Stadium Reserve upgrade – A project to create a new accessible playground and additional parks infrastructure to encourage visitors from a wide range of age groups. Works started in February 2025 on the high-quality open space and civic amenity project to revitalise the town centre and support the use of the Allan Brewster Leisure Centre and developments. Works are expected to be completed in December 2025.

ORMISTON

Vision For the various sites to provide residential development and obtain best value for Council assets. Where possible, the sites should relate to the individual local board plans for each locality.

PROJECTS COMPLETED

- 01 ORMISTON TOWN CENTRE - BLOCKS F AND J, C, E, A
- 02 LOT 1, 66 FLATBUSH SCHOOL ROAD

SHORT TERM: FY 2025

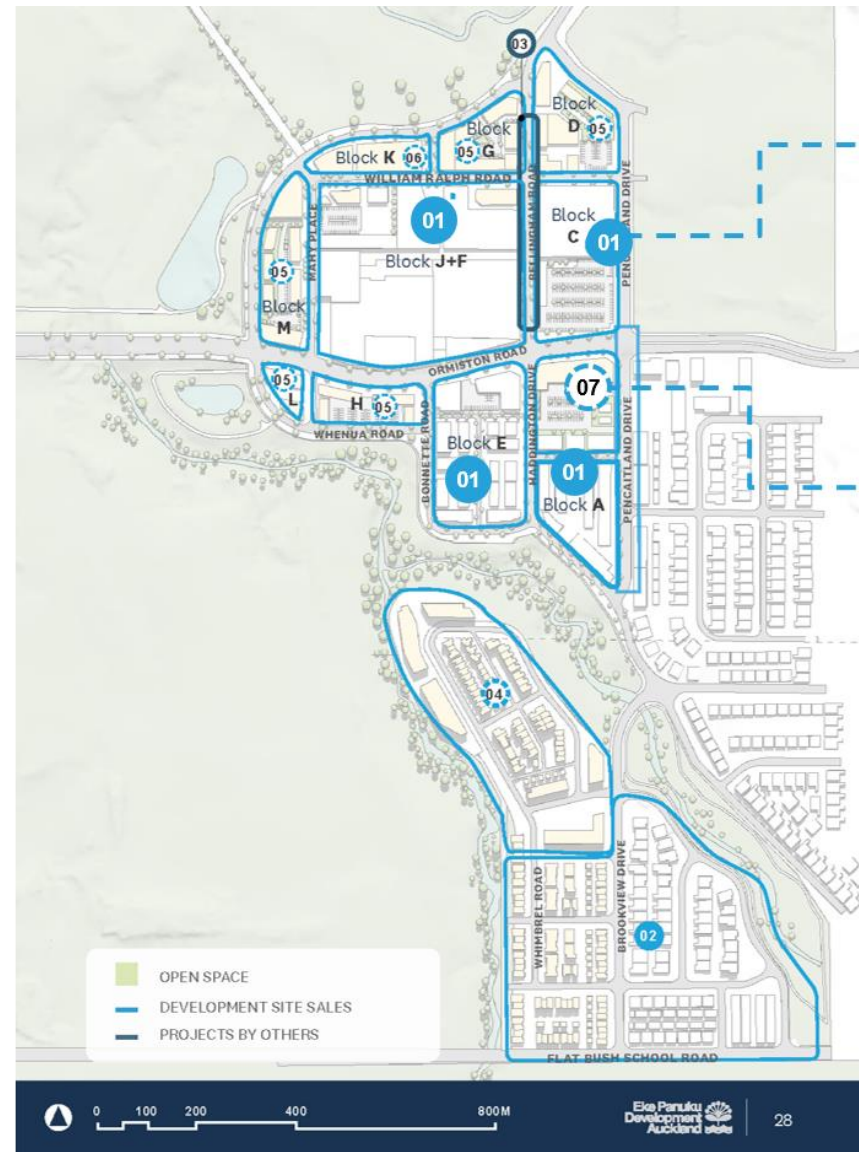
- 03 BELLINGHAM ROAD WORKS (AUCKLAND TRANSPORT)

MEDIUM TERM: FY 2026

- 04 56 BROOKVIEW RD REDEVELOPMENT

LONG-TERM PROJECTS (FY 2027+)

- 05 ORMISTON TOWN CENTRE - BLOCKS D, G, M, L, H
- 06 BLOCK K - ON HOLD
- 07 65 HADDINGTON DRIVE SITE SALE (SUPPORTS PROGRAMME)



Ormiston town centre – We have received a proposal for the development of the balance of the land in the town centre.

A decision paper will be presented to the April 2025 board meeting.

65 Haddington Drive, Ormiston –The site has been taken to the market by way of Deadline Private Treaty. Bids close on the 9 April 2025.

PUKEKOHE

Vision Our heritage and connections are strong, the land is flourishing, Pukekohe is prosperous, and our families are happy, healthy and thriving.

PROJECTS COMPLETED

- 01 SMALL T PROJECTS (ACROSS ENTIRE PROGRAMME)
- 02 SITE SALES WITHOUT DEVELOPMENT OUTCOMES
- 03 82 MANUKAU ROAD
- 04 AT UPGRADES
- 05 INTERSECTION CAPITAL WORKS 1 (MASSEY & MANUKAU RD)

SHORT TERM: FY 2025

- 06 9 HALL STREET SITE SALE
- 07 174 - 182 MANUKAU ROAD
- 08 2, 4 SVENDSEN ROAD
- 09 ROULSTON PARK UPGRADE

MEDIUM TERM: FY 2026

- 10 EDINBURGH STREET SUPERBLOCK
- 11 MARKET PRECINCT: DEVON LANE, ROULSTON STREET, AND TOWN SQUARE ENHANCEMENTS

LONG-TERM PROJECTS: FY 2027+

- 12 PARKING MANAGEMENT SOLUTIONS (ACROSS ENTIRE PROGRAMME)
- 13 ROULSTON LANE UPGRADE
- 14 CIVIC HUB ENHANCEMENTS
- 15 TRAIN STATION TO CENTRE CONNECTIONS
- 16 4 TOBIN STREET
- 17 7 MASSEY AVENUE
- 18 24 HALL STREET
- 19 22 EDINBURGH STREET
- 20 9 TOBIN STREET



Market Precinct capital works – A project to upgrade Roulston Street, Devon Lane and enhance the town square to support markets and events. The project is moving towards the Developed Design stage. A cost review has been completed and consultation with Community Facilities and Parks Planning teams has also taken place. A project update is planned to be given to the Franklin Local Board in April 2025. The Detailed Business Case is currently being drafted, and consent lodgement is targeted for June 2025.

174-182 Manukau Road site sale - The go-to-market tender finished in February 2025 and we are in the final stage of negotiating the development agreement with our preferred development partner.

EASTERN BUSWAY TODs PROGRAMME

Vision To revitalise neighbourhoods within the Eastern Busway corridor and to create healthy, sustainable and vibrant communities.

SHORT TERM: FY 2025

- 01 9 MARRIOTT ROAD, PAKŪRANGA - SITE SALE
- 02 9 CHEVIS PLACE, PAKŪRANGA - SITE SALE
- 03 21 MILLEN AVENUE, PAKŪRANGA - SITE SALE
- 04 1/1 SNELL PLACE, PAKŪRANGA - SITE SALE
- 05 2/1 SNELL PLACE, PAKŪRANGA - SITE SALE

MEDIUM TERM: FY 2026

- 06 TĪ RĀKAU DRIVE
- 07 TĪ RĀKAU DRIVE VEHICLE CROSSING
- 08 PAKŪRANGA PLAZA
- 09 BURSWOOD ROAD



Pakuranga Plaza – Following the receipt of the Independent Commissioners report and recommendation on the proposal to revoke the reserve status of Council owned land at 2R Tī Rākau Drive, Eke Panuku will now seek Minister of Conservation consideration of the reserve recommendation proposal.

Tī Rākau Drive, Pakuranga urban regeneration – Eke Panuku is funding the delivery of 13 vehicle crossings along Tī Rākau Drive which are being constructed in tandem with the Eastern Busway.

2/6 Dillimore Avenue, Pakuranga – to go to market after mana whenua offer.

Eke Panuku continues to explore with a developer the opportunities for a joint development strategy on land in the project area.

SERVICE PROPERTY OPTIMISATION

Vision Service Property Optimisation will facilitate, enhance and speed up housing and town centre development activities, to release latent property values, and to achieve improved community outcomes. Where service property is optimised, the sale proceeds are locally reinvested to advance eligible projects or activities on a cost-neutral basis.

SHORT TERM: FY 2025

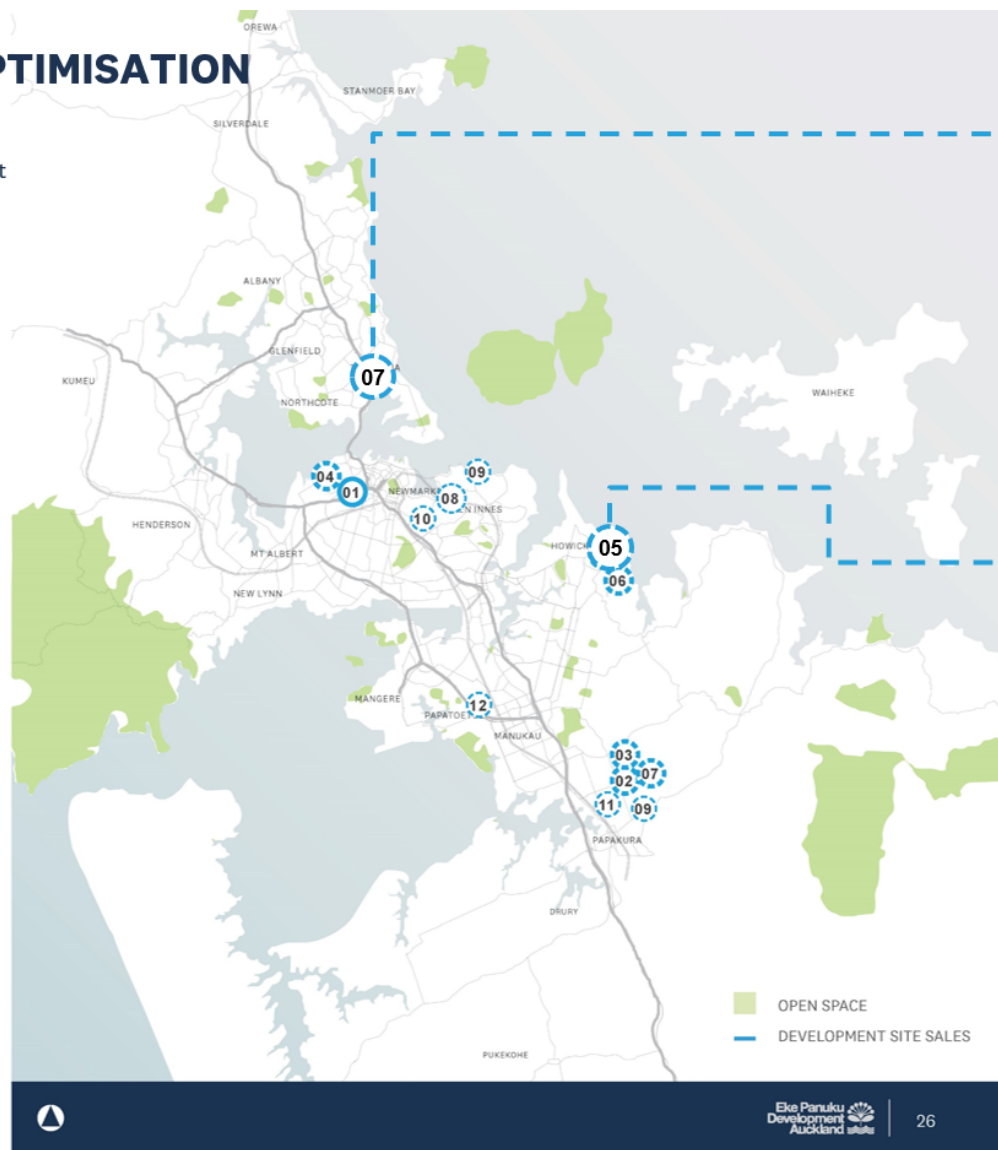
- 01 2 POMPALLIER TERRACE, PONSONBY

MEDIUM TERM: FY 2026

- 02 ARDMORE HALL, 177 BURNSIDE ROAD, ARDMORE
- 03 BELL FIELD, 587R PAPA KURA, CLEVEDON ROAD, ARDMORE
- 04 19 JERVOIS ROAD, HERNE BAY
- 05 BEACHLANDS, 17W HAWKE CRESCENT - SITE SALE
- 06 BEACHLANDS, 39R POHUTUKAWA RD - SITE SALE
- 07 3 GIBBONS ROAD, TAKAPUNA

LONG-TERM PROJECTS (FY 2027+)

- 08 ORAKEI OPTIMISATION
- 09 RED HILL, PAPA KURA
- 10 6 CLONBERN ROAD, REMUERA
- 11 8-10 AVERILL STREET, PAPA KURA
- 12 WYLIE PARK, OLD PAPA TOETOE



3 Gibbons Avenue, Takapuna – The traffic engineers' report has been received and will inform vehicle access and loading issues.

17W Hawke Crescent, Beachlands and 39R Pohutukawa Road, Beachlands – The sites were offered to mana whenua and no interest was expressed. The sites will be taken to the open market in April 2025.

Orakei open space opportunity– Eke Panuku is currently working with Council on the open space plan change for 70-74 Abbotts Way in Remuera. This follows the 2024 public consultation on the disposal of 207 Main Highway, Ellerslie and 70-74 Abbotts Way, Remuera and the subsequent Ōrākei Local Board approval for the disposal of both sites. The proceeds of sale from both properties will be reinvested into acquisition of land for open space.