

Destination Rotorua Economic Development



Profile 2006 / 07

'OUR MISSION'

“Destination Rotorua Economic Development actively works alongside the wider Rotorua business and government community with the aim of creating an environment that encourages and stimulates economic growth.”

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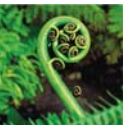
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Rotorua Today

The Rotorua District currently has a population of 70,400 which is 1.8% of New Zealand's population. It has an estimated gross domestic product of \$2 billion which is 1.4% of the national GDP. Economic growth is currently between 3 - 4% and has been at a similar level to the national average in recent years; however it has lagged behind the growth rate of the Western Bay of Plenty. In part this is because Rotorua has not experienced the rapid population growth experienced by adjacent areas such as Taupo and the Western Bay of Plenty.

Rotorua has a median household income of \$38,200 which is slightly lower than the national average of \$38,600. The unemployment rate is higher than the national average of around 3 - 4%. Rotorua's population has a median age of 33 years, younger than the national average of 35 years. Home ownership stands at 67% and the median house price of \$207,000 is considerably lower than the national average of \$305,000.

Rotorua has had a long history of Tangata Whenua settlement and of providing significant resources to the community, particularly in the provision of land for community, government, open space and recreational purposes. The ability of Tangata Whenua to contribute to growing the wealth of the area is clearly recognised.

Traditionally the Rotorua economy has been underpinned by three key industries – forestry and wood processing; tourism (including retailing); and agriculture. Whilst other emerging sectors such as the manufacturing, events and film industry have helped to broaden the base of the economy some key issues remain around the need for more skilled workers in most sectors, an increase in net population growth and reduced population churn, increased median household income and reduced income disparities, the impacts of cyclic forestry, agriculture and the visitor industry

In 2004 the BrightEconomy Strategy was commissioned to address these issues, and produce a broad and inclusive strategy that was well anchored in the Rotorua business community. Flowing from this strategy was the establishment of the Rotorua BrightEconomy Board who have brought some real focus to the truly globally sustainable economic development opportunities in Rotorua around the areas of Local Energy Generation, Lifestyle Investment & Immigration, Water, R&D, Land Use optimisation and Biomaterials. This focus has had a major influence on the creation of this plan and the resulting role of Destination Rotorua Economic Development.

Our role while not always well understood is all about identifying and building on our truly global comparative advantages and contributing to the creation of an environment from which they can become competitive advantages that the private sector can take advantage of in order to create sustainable economic growth in Rotorua. The results of this sustainable economic growth is the platform from which the quality of life of all in the Rotorua district can improve on an economic, social, environmental and cultural level.

Purpose of the Profile

The primary purpose of this profile is to communicate the roles and framework for the operations of the Destination Rotorua Economic Development over the next twelve month period beginning 1st July 2006 ending 30th June 2007.

OUR VISION

“A PROSPEROUS ROTORUA COMMUNITY”

Where people and businesses are motivated to be successful; jobs are created and rewards are shared.
He Iwi Whanui tenei e kokiri whakamua ana I roto inga take Houkura

“With a focus on the creation of a living, investing and sustainable business environment that encourages and stimulates economic growth”

OUR MISSION STATEMENT

“Destination Rotorua Economic Development actively works alongside the wider Rotorua business and government community with the aim of creating an environment that encourages and stimulates economic growth.”

Linkage to Community Outcomes

The activity areas covered within this profile contribute to Sustainable economic development, which makes some contribution to all of the Rotorua community outcomes identified in the Rotorua Long Term Council Community Plan. However we focus on the “Prosperous Rotorua Community” outcome while contributing to some of the others more directly than others.

In order to be effective Destination Rotorua Economic Development is focused on the outcomes it can influence most directly, however it is important to acknowledge and remain aware of the wider linkages.

PRINCIPAL OF OPERATION

SUSTAINABLE ECONOMIC DEVELOPMENT

Sustainable local economic development is the key to growing the Rotorua economy and the underlying principal of operation for Destination Rotorua Economic Development. Sustainable local economic development involves much more than developing land, creating jobs and revenue. The ultimate goal is not to build 'this project' or attract 'that company'; rather the goal of sustainable economic development is to improve the standard of living and quality of life of the citizens ... as such, economic development is a process, not an end product. It is a long-term approach to building community capacity. It involves the co-ordination of a variety of activities: infrastructure, employment training, business retention, the identification of new markets, the development of alternative industries, and the transfer of knowledge. Sustainable economic development seeks to create higher incomes, more or better jobs, more productive enterprises, a strong tax base, and the opportunity to alleviate poverty while contributing to better social, environmental and cultural outcomes. Successful economic development initiatives are derived from and build on a locality's inherent strengths.

Source: Economic Development Functional Plan, Metropolitan Planning Commission of Nashville and Davidson County, Tennessee State (cited in Bevin, 1999)

OUR TWO CORE ORGANISATIONL VALUES

- "We focus on activities that we can actually contribute to and have influence over."
- "Everything we do is underpinned by maintaining or generating credibility in the wider Rotorua business community."



OUR ROLE - DESTINATION ROTORUA ECONOMIC DEVELOPMENT FOCUS'S ON

1. Information Provision:

- Providing public access to timely, accurate and relevant Rotorua economic information.

2. Facilitation:

- Facilitating private sector access to economic and business development initiatives, networks, funding programs and activity within Rotorua, such as NZTE, FoRST and the BMNZ programs.
- Working with the key economic sector groups to develop an environment that will stimulate growth.
- Building partnerships between key local, regional and central government agencies and the Rotorua business community ensuring that the private sector have input into relevant council and government business and economic development related issues.
- Facilitating the introduction of perspective residents, business and investors to Rotorua.

3. Marketing:

- Marketing Rotorua as a great place to live, work, learn, invest and do business nationally and internationally

4. Project Management:

- Rotorua BrightEconomy Advisory Board:
 - Support the BrightEconomy Advisory Board in the implementation of the BrightEconomy Strategy and their nine point framework for growth.
- Rotorua Employment Skills Project:
 - Working with the local industry to implement the Rotorua Cluster Development program with the aim of improving communication between key stakeholders and developing employer lead solutions that will contribute to addressing some of the key issues around minimising the impact of skill shortages on their business and the Rotorua economy.
 - Young Enterprise Scheme
- Rotorua Skilled Migrant Attraction and Settlement Support Programme:
 - Marketing, facilitating and supporting the settlement needs of immigrants looking at Rotorua as their future living and working destination of choice.
- Film Volcanic:
 - Promoting and facilitating Rotorua as a location for world class screen production
- Rotorua CBD Retail Strategy:
 - Supporting Retail Rotorua and driving the implementation of the Rotorua CDB Revitalisation Project
- Industrial Land:
 - Facilitating the opening up of more business land in the Rotorua District

WE PERFORM OUR ROLE SO THAT WE CAN CONTRIBUTE TO THE ROTORUA ECONOMY ACHIEVING THESE OUTCOMES.....



- The wider Rotorua Business community¹ that has access to relevant, timely and accurate local, regional, national and international economic and business development information to assist them in their decision making.
 - Rotorua becomes a destination of choice nationally and internationally to live, work, learn, invest and do business resulting in value added business and population growth
 - The number, size and value of business increases, generating quality employment and career options
 - The regions competitive advantages are emphasised to create an environment that attracts and stimulates specific types off business investment
 - Rotorua becomes well connected with central government business development and research and development initiatives and funding programmes
 - Rotorua's key stake holders have a shared understanding of the direction of the economic development in the district
 - Rotorua's CBD is vibrant making it a leading shopping, dining and leisure destination
 - Industry has access to the skilled employees required to maximise business and employee potential
 - There is enough business land to facilitate business relocations and growth
- The Rotorua business community has input into council decisions on economic development issues
 - To ensure that Destination Rotorua Economic Development has a credible, customer service driven reputation within the relevant networks
 - Government is aware of the needs and priorities of the district, reflected through partnership, funding, advocacy and a relationship whereby Rotorua is able to engage with and is influential in changing Government Policy
 - The relationship and communication channels between the Rotorua business community and local and regional government are strengthened resulting in an understanding and focusing of activities and budgets into areas that support and stimulate the economic development of the region.
 - The wider Rotorua business community are aware of and have the opportunity to be involved in the strategic framework and resulting outcomes set out in the nine point BEAB framework
 - Rotorua is seen as a leading NZ location filming destination through the association with the CNI based Film Volcanic initiative
 - Rotorua is seen as a destination where skilled Immigrants settle and integrate into the community in a proactive manner.

¹ The term "Wider Rotorua Business Community" includes the business community as well as the local and central government agencies and associated not for profit stakeholders within the Rotorua district and the wider BOP region.

EXAMPLES OF OUR CONTRIBUTION TO THE OUTCOMES

- www.rotorua-living.com
- Generating over 300 business and relocation inquiries and responding to 95% within three working days
- Attracting and maintaining 60 clients in the Rotorua Business Mentors NZ program
- Generating of 354 UK skilled migrant relocation enquiries- Rotorua Skilled Migrant Attraction and Retention Programme

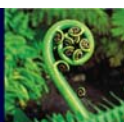


- Completing the development of the Rotorua BrightEconomy Strategy
- Establishment of the private sector based BrightEconomy Advisory Board to advise council on economic development issues and lead the implementation of the BrightEconomy Strategy
- Contributing to launching the Film Volcanic initiative generating 20 live screen production enquires within the region
- Having over 250 Rotorua businesses involved in the Rotorua Employment Skills cluster program
- Having 62 students involved in the Lion Foundation Rotorua Charitable Trust Young Enterprise Scheme
- Leading the development of the Rotorua CBD Action plan- physical CBD redevelopment plan
- Attracting over 130 attendees with a 95% satisfaction rate to the inaugural Rotorua Economic Forum
- Leading the development of the “Nanjing Rotorua Town” project in China
- Drafting and lobbying for a change to the Easter Sunday Trading Act on a national level

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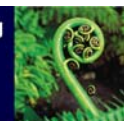


STRATEGIC DIRECTION – ROTORUA BRIGHT ECONOMY STRATEGY

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The operations of Destination Rotorua Economic Development are guided by the Rotorua regional economic development strategy known as the BrightEconomy Strategy, developed in December 2005 through a comprehensive program of research and consultation with key Rotorua business people and organisations. The plan allows for a more strategic, focussed and co-ordinated approach to public and private sector funding of Rotorua’s economic development, from a local, regional, central government, and industry perspective.

The key outcome of the strategy was the establishment of the **BrightEconomy Advisory Board (BEAB)** with a brief to drive the implementation of the Rotorua BrightEconomy Strategy. The board has four key roles of leadership, communication, advice and evaluation, and facilitation.

The main purpose in establishing the Board is to ensure ownership and anchoring of the strategies, and action implementation with the business community, and for it to act as an advisor to the Council in particular Destination Rotorua Economic Development.

Since the board’s establishment in September 2005, they have been through a rigorous facilitated critical thinking process called the “Rotorua future insights process 2005 – 25”. This critical thinking process identified nine major drivers of change that will have significant impact on the global, national and Rotorua economies over the next 20 years.

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From the identified drivers, the board have identified a credible nine point framework articulated below which will assist both council and the wider district in gaining some clarity and focus around the future of the district's economic growth and development over the next twenty years.

This framework has robustness, differentiation and global sustainability as it builds on our natural comparative advantages and focuses on turning them into sustainable global competitive advantages. Three of these points are simply building off the base of the existing primary regional industries, but the remainder are somewhat less obvious opportunities that the future insights process has unearthed.

The nine point economic development framework the BEAB has developed for the Rotorua District is:

Existing business:

1. ***Adding value to the existing mature Tourism industry*** in a way that will generate more sustainable high value visitors staying for a longer period of time
2. ***Adding value to the existing mature Agriculture industry*** in a way that will generate more sustainable high value agriculture returns to the sector & community
3. ***Adding value to the existing mature Forestry industry*** in a way that will generate more sustainable high value utilisation of the natural resource and strengthening Rotorua's position as the NZ centre of excellence in the forest & wood processing sector.

New opportunities:

4. ***Bio Materials*** through Rotorua becoming recognised as the Australasian and ultimately the global Bio materials R&D and commercialisation hub
5. ***Local energy generation*** through Rotorua utilising its natural energy generation resources to become 100% renewable energy Rotorua.
6. ***Water*** through Rotorua becoming known as a destination where the sustainable use of the water resource leads to more business, lake health, R&D, lifestyle advantages and opportunities to generate pure water retailing businesses.
7. ***Research & Development*** through providing access to R&D leverage funding programs, and the raising of the awareness of R&D as a SME business development tool designed to provide differentiated sustainable business growth opportunities.
8. ***Land Use Optimisation*** driven by achieving a balance between sustainable commercial and non commercial uses so as to maximise the overall well being of the community.
9. ***Immigration & Lifestyle Investment*** through selling the regions unique lifestyle attributes as a driver to generate a more highly skilled workforce with a growing higher income population base.

This framework is captured in the BEAB's simple vision statement "**Leading Prosperity Naturally**"

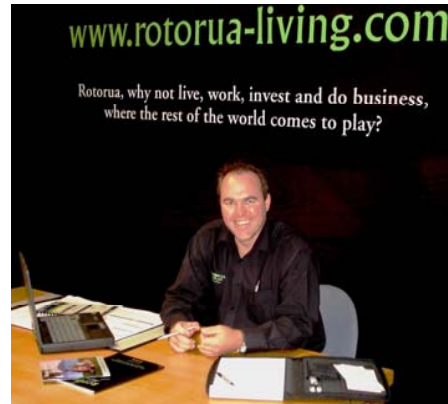
Bryce Heard
Chairman
BrightEconomy Advisory Board



THE TEAM



Director, Environmental Services
Nigel Wharton



General Manager –
Mark Rawson



Rotorua Employment Skills Coordinator
Joanna (Jo) Gargiulo



Economic Development Project Officer
Chris Heywood

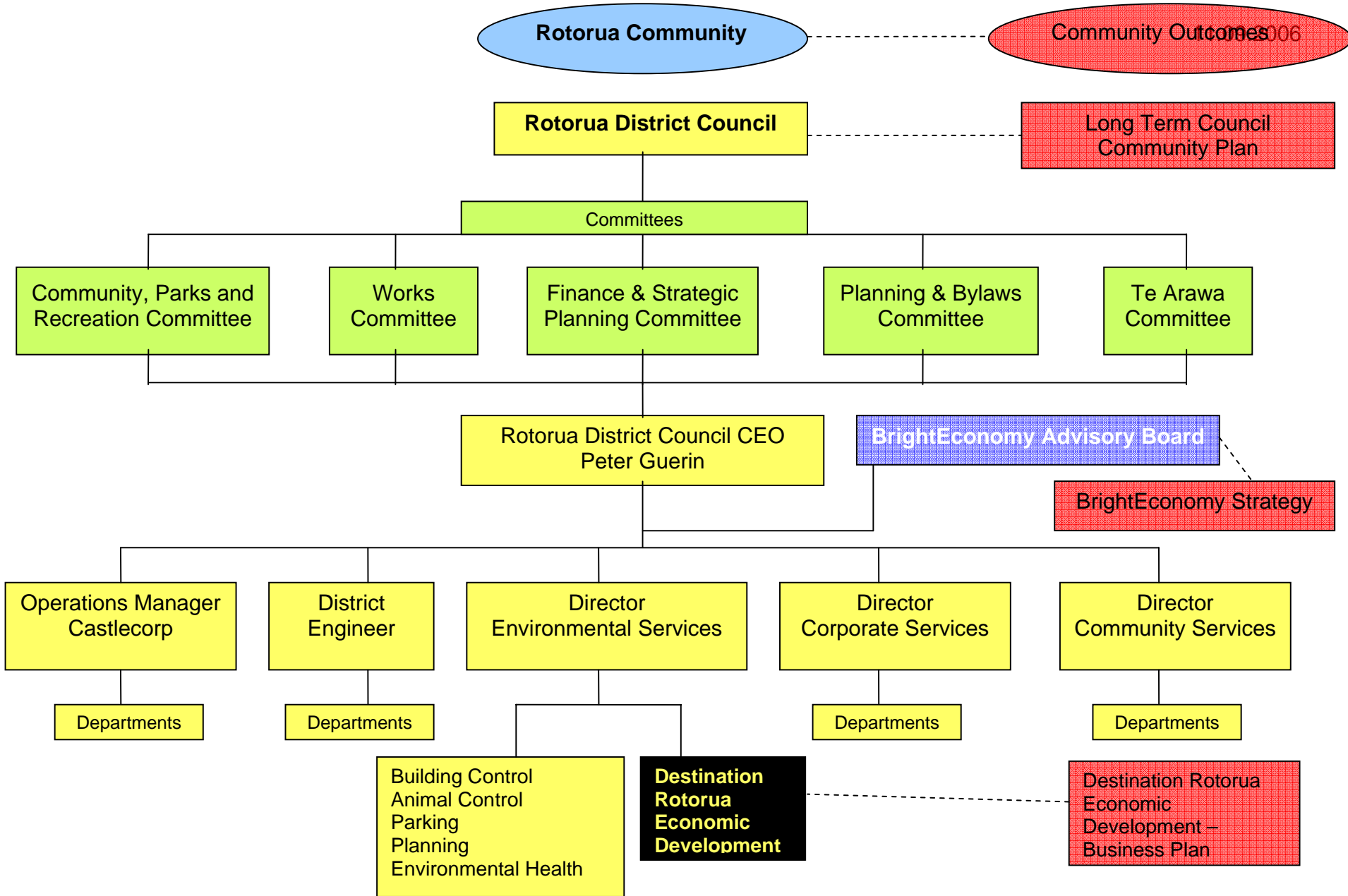


Settlement Support Co-Coordinator
Heather MacAllister



Administration Assistant
Amanda Gooding

Destination Rotorua Economic Development Structure & Strategic Positioning



BUSINESS PLAN OVERVIEW			
Information Provision	Facilitation	Marketing	Project Management
Action Areas	Action Areas	Action Areas	Action Areas
<i>Provision of relevant up to date economic and business development information in a Rotorua context</i>	<i>Facilitation of public access to economic development initiatives, networks and activity within the Rotorua Region including business community interaction with RDC, relevant regional and central government agencies.</i>	<i>Marketing of Rotorua locally, nationally and internationally as a great place to live, work, learn, do business and invest in. “Why not live, work, learn, invest and do business where the rest of the world comes to play?”</i>	<i>Project Management of strategic economic development projects that are focussed on the creation of an environment in Rotorua that will encourage and stimulate economic growth. With a strong influence on the BrightEconomy Advisory Board nine point framework.</i>
Produce monthly Rotorua economic monitor & business newsletter “Strictly Business”	BEAB – Research & Development Rotorua Research & Development profile raising campaign Improving access to R&D and business funding and development programs in Rotorua Promote and provide access to relevant NZTE & FORST programs	BEAB – Lifestyle Investment & Immigration Rotorua working, living, learning, doing business and invest marketing strategy. <ul style="list-style-type: none"> Rotorua living, working, learning, doing business and investment perception survey. An integrated Rotorua marketing strategy focussed on these areas.	BrightEconomy Advisory Board – Focus: Provide support for the BrightEconomy Advisory Board (BEAB)
Produce annual Rotorua economic profile, with quarterly updates			Review & monitoring of BEAB implementation ²
Produce ½ yearly Rotorua Business Confidence Survey			Host Rotorua Economic Forum

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Development and maintenance of a Rotorua business database	BEAB – improved regulatory & planning consent processing - Building a stronger relationship internally with key RDC departments to ensure efficient and effective responses to inquiries, particularly the planning and engineering divisions.	Promotional Publication “Rotorua where life is for living”	Locally Generated Energy Produce a Rotorua current position & Opportunities analysis.
Develop an electronic and physical library of local business development, economic information and networks for public access	Ensuring that the Rotorua business community have the opportunity to have input into the development of RDC policy, through networks, forums and key stakeholder meetings	Develop and implement a media publications based strategy;	Water <i>Water Quality: Work with SCION to develop up a regional “waste 2 gold” project</i> <i>Water Quantity: Produce a report that will assist to understand the current economic development capacity of the Rotorua water resources for growth</i>
	Manage and support the delivery of the Rotorua Business Mentors NZ Scheme (BMNZ)	Trade show attendance – Opportunities NZ Expo	
	Building relationships with regional & central government	Generic marketing collateral library	Biomaterials Working with key stakeholders to develop a “NZ Sustainable Wood Futures Centre” concept proposal to an investor ready state.
	Enhance the Rotorua Chamber of Commerce, Export BOP / NZ, BOP Sustainable Business Network, EDANZ & Rotorua Business SWAP relationship	Websites – www.rotorua-business.com	Land Use Optimisation Produce a study around the economics of alternative land use options for land owners in the Rotorua district that will have sustainable outcomes with a focus on the improvement of lake water quality Work with the Taupo EDA to host a regional land use forum
	Develop & enhance relationships with Rotorua Media.		
	Professional handling of relevant Rotorua business / investor and relocation inquiries	Rotorua Connect China Project - “Nanjing Rotorua Town Project”	BrightEconomy Strategy – wider projects
	To develop and implement a Rotorua		Project manage the implementation of the Rotorua Employment Skills Strategy

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	Business high growth visitation program		
			Manage the implementation of the Rotorua Trust Young Enterprise Scheme in Rotorua
			Facilitate the implementation of the Rotorua CBD Retail Strategy:
			Project manage Rotorua's contribution to the regional film initiative – Film Volcanic
			Continue to develop the Rotorua forest & Wood processing focus group
			Implement the Rotorua Settlement Support Program in partnership with the DOL
			Project manage and facilitate the provision of suitable industrial land in the Rotorua District
			Provide support to other departments of RDC in the continued development of a strategic land use plan
			Ensure the Rotorua business community have input into the Rotorua District Plan Review
			Develop relationships with adjacent areas around economic development

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DESTINATION ROTORUA ECONOMIC DEVELOPMENT – PRODUCT DIRECTORY

The following are a range of products we have developed over the last year to assist you in going your business, we welcome your utilisation of these.