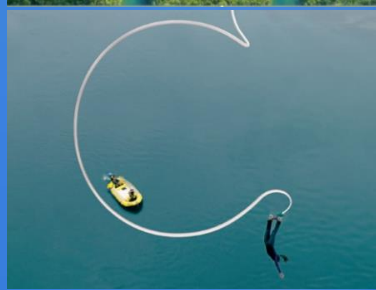
Ōpōtiki Harbour Development

The potential economic benefits of the Harbour Development Project to the local visitor industry

Opotiki District Council



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Executive Summary

The Ōpōtiki District Council is leading the Ōpōtiki Harbour Development Project by building two groynes that will create an all-weather navigable harbour entrance (the Project). In a separate project, Eastern Sea Farms Ltd (ESFL) are establishing the largest marine farm in New Zealand (3,800ha) 8.5km off shore from Ōpōtiki. Whakatōhea Iwi are the majority shareholder of ESFL.

This report assesses the potential economic benefits of the Project to the local visitor industry by estimating the direct spend from *additional* visitors to Ōpōtiki district as a direct result of the Project. The report assumes associated development of boat berthing and marina facilities. The report should be read in association with the Ōpōtiki Visitor Strategy (August 2014).

KEY FINDINGS

There are currently more than 39,440 visitors to Ōpōtiki[1] contributing approximately $21.9 million to the local economy per annum[2].

Completion of the Project and associated marina and moorings has the potential to grow the visitor economy by $6.1 million to $28 million per annum (an increase of 28% on current expenditure) by enabling a wide range of marine-tourism opportunities including recreational and charter fishing, diving trips, wildlife and scenic cruises and sailing trips. Such water-based visitor activities would complement existing land-based visitor activities -in particular Mōtū Trails cycle trail; increase the scale and diversity of local tourism products; help establish Ōpōtiki as a visitor destination; and increase visitor numbers, length of stay and spend.

As awareness of the harbour and its associated facilities becomes better known, Ōpōtiki could see an increase of:

- Approximately 26,525 additional visits per year
- Approximately 39,375 additional visitor days per year
- Approximately 16,800 additional visitor nights per year
- A direct additional visitor spend of approximately $6.1 million per year

Approximately 16,800 additional visitor nights are estimated. There is limited spare capacity at existing accommodation providers in Ōpōtiki mainly in the form of holiday park accommodation, however most of the parks are at full capacity during the peak summer period. The type of visitors that the Project will attract will be different to the current market and are likely to demand an improved standard of accommodation, hospitality and dining options. For example, serviced apartments for longer stays, quality destination motels located off the main road, small quality hotels, larger high end bed and breakfasts and holiday houses.

The Project will take four years and might be completed as early as 2020. This provides sufficient lead in time for businesses to prepare for growth and upgrade infrastructure to capitalise on this new opportunity.

[1] This figure is based on Statistics NZ Commercial Accommodation Monitor data only (year ending March 2015). It excludes holiday house accommodation and staying with friends and family. The actual figure of visitors to Ōpōtiki is therefore much higher.
[2] Statistics New Zealand, year ending December 2014

RECOMMENDATIONS

The harbour development project will provide a significant growth opportunity for the Ōpōtiki visitor industry. The following are recommendations for the next three – five years to help realise this opportunity.

- Detailed design input into developments associated with the Project from the tourism and marine recreation sectors
- Improved collaboration and organisation from the local tourism sector, upskilling, business planning and development
- Promotion to attract investment and support, for example, targeted prospectuses which outline potential business opportunities, growth areas, and gaps in service provision - especially in relation to accommodation and hospitality
- A key point of contact to liaise with the visitor and marine industries to ensure investment timing matches development activity (potentially within Ōpōtiki District Council).

The report does not include an assessment of the economic benefits from construction activities. The initial planning and construction phase of the Project will attract a significant amount of workers to Ōpōtiki and drive demand for increased food, beverage and accommodation services. A reasonably strong business case might exist for investment in hospitality and accommodation during this early and relatively low-risk growth phase. Neither does the report assess the wider boat building and servicing industry that may develop or the potential purchasing of holiday houses by yacht/ launch owners who might berth their boat at the marina.

With careful planning the Project has potential to result in many non-market benefits for recreation and socialising, such as the harbour and marina being a nice place to visit, walk, cycle, shop, play and socialise.

As the Project progresses, Ōpōtiki's marketing plans should be revised to include marine-focused visitors. The basis of the visitor experience (or the value proposition) will also need to be refocused to feature Ōpōtiki's complementary land and sea experiences to establish Ōpōtiki as a visitor destination.

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Cover image: www.surteesboats.com

The Ōpōtiki Harbour Development Project

The Ōpōtiki District Council are leading a project to develop the Ōpōtiki Harbour entrance by building two groynes that will create an all-weather navigable harbour entrance. In a separate project, Eastern Sea Farms Ltd (ESFL) are in the process of establishing the largest marine farm in New Zealand (3,800ha) 8.5km off shore from Ōpōtiki. Whakatōhea Iwi are the majority shareholder of ESFL.

The Ōpōtiki Harbour Project ('the Project') is critical to establishing the marine farm operation as it will enable the industry to be serviced from Ōpōtiki and processing activities to be located in Ōpōtiki. It is envisaged that the harbour project will employ 350 people during a four year construction phase scheduled to commence in 2018. The marine farm will provide 440 full time jobs and contribute up to $55 million a year to the local economy.

When complete the harbour will also support a wide range of marine-tourism opportunities including recreational and charter fishing, diving trips, wildlife and scenic cruises and sailing trips. Such water-based visitor activities would complement existing land-based visitor activities in particular Mōtū Trails cycle trail, increasing the scale and diversity of local tourism products; increasing visitor spending and length of stay.

The planning and construction phase of the Project will have a positive impact on the visitor industry by encouraging the redevelopment of existing food, beverage and accommodation services, and identifying gaps in provision which will need to be filled in the future. Business cases for investment in additional visitor services will be more easily developed during and after this early and relatively low-risk service experience.

In 2013 the Bay of Plenty Regional Council pledged $18million to the Project, and the Ōpōtiki District Council is seeking to match this funding with support from central government.

This study considers the potential economic benefit of the Project to the local visitor industry.

For the purposes of this analysis, it is assumed that the Project will include:

1. All weather / all tides boat access
2. 120m wide harbour entrance channel, 4.4m deep (below MHWS)
3. Moorings for 20 vessels / 200m wharf / trailer launching facilities
4. Ability to cater for recreational / charter boats up to 18.3m.
5. A fully serviced marina with 100 berths and including refuelling facilities and other services (such as ice, laundry, chandlery)
6. Bar closure 28 days per year due to weather / sea conditions

Parameters of the study

This analysis estimates the new economic spend from *additional* visitors to Ōpōtiki district as a direct result of the Project, including the marina. No multipliers have been applied to estimate the indirect and flow-on effects that visitor expenditure would have.

While this study focuses on Ōpōtiki district, it is recognised that the development of the harbour, and the benefits to the visitor industry, will be felt throughout the Eastern Bay of Plenty sub-region.

The estimate does not include economic benefits from construction activities – although it is recognised that this will create additional demand for accommodation and hospitality services, adding to the viability of existing and potential businesses. The analysis also excludes the wider boat building and servicing industry that may develop.

There will also be many non-market benefits for locals from a recreation and social perspective, such as the harbour and marina being a nice place to visit, walk, cycle, shop, play and socialise. These social benefits are not included in this analysis.

The potential purchasing of holiday houses by yacht/ launch owners who house their boat at the marina is also not included in this analysis.

STUDY APPROACH

For this assessment the following methods were used:

- Desktop review of relevant reports including marina feasibility studies
- Data from Maritime NZ, Yachting NZ, NZ Sport Fishing Council, Sport Fishing Clubs (Whakatane, Waikato) and local iSITE records
- Phone interviews with private sector operators including fishing and scenic charter operators and fishing services in the Bay of Plenty and Waikato regions (such as hunting and fishing stores and bait suppliers)
- Phone interviews with recreational fishers in the Bay of Plenty and Waikato regions
- Visitor and recreation data from the Sport NZ's Active NZ Survey, the Ministry of Business, Innovation and Employment's (MBIE) International Visitor Monitor and Domestic Travel Survey, and Statistics NZ's Commercial Accommodation Monitor and Tourism Receipts Data
- Peer review by an external tourism and recreation specialist.

The Ōpōtiki visitor industry

VISITOR NUMBERS AND SEGMENTS

There are more than 39,440 visitors to Ōpōtiki per annum[3]. The i-SITE alone receives approximately 14,000 visitors per annum. Visitors staying in Ōpōtiki have fluctuated over the years, with a peak of 43,716 arrivals in recent years (2010), declining steadily until the end of 2012, and recently stabilising and showing signs of growth (over the past three years).

The length of stay for visitors in the Ōpōtiki district is an average of 2.82 days, fluctuating between 2.2 and 2.9 days over recent years.[4]

Current visitors to Ōpōtiki principally include:

- New Zealand families camping at Ōpōtiki beaches during the peak summer period, staying an average of ten days
- The retired New Zealand market travelling mainly in the shoulder seasons, often by campervan, touring around the East Cape, and generally staying the night in Ōpōtiki
- A small but growing number of cyclists/ mountain bikers coming specifically for the Motu trails – Couples and some families from New Zealand, day trippers and overnighters, and a very small and emerging group of Australian mountain bikers tagging on Motu trails to their Rotorua mountain biking weekend (not staying overnight in Ōpōtiki)
- A small amount of touring Europeans (backpackers and campervans mostly from Germany)
- Seasonal workers – projected to grow by 60% over the next 4 years
- People who come for recreational fishing – freshwater trout fishing, and beach and boat based sea fishing.

ACCOMMODATION

Accommodation in the Ōpōtiki district is made up of:

- Motels/ hotels – there are a few motels and one basic hotel, with only one property truly servicing the visitor industry. All motels are located on the main road (ie not destination motels)
- Holiday parks – there are five holiday parks located within ten minutes of Ōpōtiki, one in town and four on the coast. They are only at capacity for a few weeks after Christmas
- Bachs – there are quite a few privately owned holiday homes available for rent in the Ōpōtiki district. Book-a-bach alone has 10 properties listed in Ōpōtiki and a further 12 in Te Kaha.

Current commercial accommodation in Ōpōtiki reports:[5]

- An annual occupancy of 10% (National average is 40%)
- 18 establishments (included in the survey), equating to 1323 stay units per day
- An average length of stay of 2.8 days (National average is 2.03 days)
- Total nights of 111,152 (up 18,385 on previous year, 19.8%)
- Arrivals of 39,440 (up 6254 on previous year, 18.8%).

The overall average annual occupancy rate for Ōpōtiki district appears low. This is due to the relatively large number of holiday parks in the Ōpōtiki district dominating the data. The parks have high year round capacity and relatively low average annual occupancy (with the majority of stays in the peak summer months).

[3] This figure is based on Statistics NZ Commercial Accommodation Monitor data only (year ending March 2015). It excludes holiday house accommodation and staying with friends and family. The actual figure of visitors to Ōpōtiki is therefore much higher.

[4] Statistics NZ Commercial Accommodation Monitor, year ended March 2015 (Ōpōtiki has between 16 and 20 establishments supplying data to the monitor)

[5] Statistics NZ Commercial Accommodation Monitor, Year ending March 2015, (excludes B and Bs, holiday homes and private accommodation)

Of the total 42,780 stay units[6] available on an annual basis, the majority, 36,921 units, are at holiday parks and 2,449 stay units are Motels. The average annual occupancy rate for Motels alone is much higher, at 42.13%, with an average length of stay of 1.8 days.

CONTRIBUTION TO THE ŌPŌTIKI ECONOMY

The visitor industry currently contributes approximately $21.9 million to the Ōpōtiki district per annum. This has remained relatively stable over the past five years. Fuel is the main category of expenditure ($12.1mill), followed by other retail ($4.7mill) accommodation ($3.1mill), food and beverage ($1.3mill), other tourism products ($0.49mill), and other passenger transport ($0.16mill). The majority, $19.23 million, is from domestic visitors, and $2.7 million from international visitors.[7]

VISITOR EXPERIENCE[8]

The Ōpōtiki district has a wealth of natural and cultural assets attractive to visitors.

- Long sandy beaches with no obvious signs of development
- Rivers
- Large tracts of native bush managed by DOC
- Natural harbour

Visitor products and services are still in their infancy. Core products and experiences currently include:

- Motu Trails Cycle trail
- Bush walks
- Museum and the 'Historic Heart'
- Mōtū Challenge (annual event)
- The Pacific Coast Highway touring route (SH35 around 'the coast')
- The Waioeka road journey
- Recreational fishing – land based and boat sea fishing, and freshwater river fishing
- Events: for example, Mōtū Challenge, The Dunes Dash, Ōpōtiki Charity Concert, Muriwai Tournament (Pa Wars), Silent Film Festival, Fibre & Fleece, Rodeo, Big Three, Trash & Treasure, Delemare Cup, Ōpōtiki Show jumping
- State Highway 35 (Pacific Coast Highway) of which 140km is within the Ōpōtiki district, with a select range of accommodation and eating options.

The Ōpōtiki district currently has only a few dining and evening socialising options - many with inconsistent service, limited opening hours, and a lack of variety in cuisine options.

[6] A stay unit is a bookable unit at an accommodation provider (eg a camp site, cabin, motel unit, backpacker bed)
[7] Statistics New Zealand, year ending December 2014
[8] Reproduced from Opotiki Visitor Strategy 2014, for Opotiki District Council, prepared by TRC Tourism

Foundation information as a basis for the estimates by craft / visitor type

Section 5 provides estimates on the number of potential harbour visitors and their associated economic benefit. This section provides information that formed the basis of these estimates. It is based on secondary research and phone and email interviews with relevant parties. It should be noted that some of the information can be contradictory, and the authors of this report have filtered these data where relevant.

PARTICIPATION IN WATER ACTIVITIES

Participation in water activities by holiday visitors

A large number of New Zealanders participate in boating and fishing in general while on holiday in New Zealand. Marine activities are also a very important component of international visitors' holidays in New Zealand.[9] Overall boating activity appears to be on the increase.

Table 1 — Participation in water activities by New Zealanders on holiday[10]

Activity	Year	Number of visits
Boating in general	2011	423,401
	2012	517,736
Fishing	2011	1,536,556
	2012	1,417,860

Table 2 - Participation in water activities by international visitors to New Zealand[11]

Activity	Year (ended sept)	Number of visits
Fishing and Hunting	2013	154,245
	2014	173,643
Scenic boat trip	2013	544,687
	2014	796,059
Other boating	2013	103,618
	2014	328,250

Recreational participation in water activities by New Zealanders

Sport NZ undertake a national survey of sport and recreation participation (Active NZ Survey). The recreational activities of fishing and sailing are included in the survey and provide an insight into the popularity of these activities.

Fishing (marine and freshwater) is the fifth most popular active recreational activity in New Zealand (19.5% of NZ adult population participated over the year 2013/14, 646,000[12]). This shows a slight increase in participation as the 2007/08 survey identified fishing (marine and freshwater) as the sixth most popular activity (19.3% of NZ adult population, 633,769; Marine only: 16.6%, 539,446).

Fishing tournaments are ranked as the third most popular active recreational event among New

[9] Note that the International Visitor Survey is undertaken at Auckland and Christchurch international airports and therefore does not include visitors accessing New Zealand by boat.

[10] Domestic Travel Survey – note, these data are currently being reviewed by the Ministry of Business Innovation and Employment (MBIE) and should be used with caution

[11] International Visitor Survey – MBIE

[12] No breakdown between Fresh and Marine fishing published for the 2013/14 survey

Zealand men (3.5% over 12 months, or 2.2% for the entire population).

Participation in *yachting and sailing* by New Zealanders appears to be in decline. In 2001 five percent of all kiwi adults participated in yachting/ sailing. In 2007/08 it dropped to 2.4%, and in 2013/14 down further to 2.1%.

Recreational participation in water activities by New Zealanders in Bay of Plenty and Waikato

Regional participation data from Sport NZ is only available from the 2007/08 Active NZ Survey.

The level of participation in fishing (marine and freshwater) in the Bay of Plenty was higher than the national average with 23.5% of the region's population fishing (48,838 people), making it the fifth most popular active recreation or sport pursuit. For men in the BOP, fishing was the third most popular activity (37.5% participating), and for women it was the tenth most popular activity (10.4% participating).

The level of participation in fishing (marine and freshwater) in the Waikato region was also higher than the national average with 26.5% of the region's population fishing (79,802), also making it the fifth most popular active recreation or sport pursuit for the region. For men in the Waikato, fishing was the second most popular activity (40.3% participating), and for women it was the seventh most popular activity (13% participating).

Fishing (marine and freshwater) was on the 10th most popular activities list for women in the Bay of Plenty and Waikato regions, but not on the list for New Zealand women.

TRAILER BOATS

Local trailer boats

Some local Ōpōtiki residents with trailer boats, especially those with larger boats, currently launch their boats outside of the Ōpōtiki district. As a result of the harbour development many will launch at Ōpōtiki adding to the Ōpōtiki economy by keeping their spend in the district rather than elsewhere.

Some, mostly smaller private recreation, boats are happy to launch off the beach and do not go outside the region anyway.

Regional trailer boat numbers (wider Bay of Plenty incl Rotorua, Waikato)

The following figures provide an indication of the number of trailer boats nationwide, and more importantly, in proximity to Ōpōtiki. [13]

Boat trailers currently registered in New Zealand:

- 34,891

Boat trailers currently registered in Bay of Plenty:

- approximately 3,448

Boat trailers currently registered in Waikato:

- approximately 5,115

Boat trailers currently registered in Auckland:

- approximately 9,986

A survey undertaken by Research New Zealand on behalf of Maritime NZ[14] also provides an indication of where power boat owners live – in the vicinity of Ōpōtiki. The findings indicate that there is a strong percentage of boat ownership in the Bay of Plenty and surrounding regions.

Table 3 — Area where boat owner lives[15]

Region in the vicinity of Opotiki	Power boat under 6mtrs (base = 91)	Power boat over 6mtrs (base = 48)
Bay of Plenty	11	21
Waikato	13	11
Auckland	18	33
Other	58	35
Total	100	100

The survey also provides an indication of frequency of use by recreational vessel type. The majority of power boats under and over 6 metres tend to be used at least once every couple of weeks during the period when they are most active (eg summer).

[13] New Zealand Transport Agency, Motor Vehicle Registrar, 26 May 2015

[14] Research New Zealand 2013, rates in participation in recreational boating, unpublished report for MNZ

[15] Research New Zealand 2013, rates in participation in recreational boating, unpublished report for MNZ

Table 4 — Frequency of vessel use for recreational purposes

Frequency of use when most active	Power boat under 6mtrs (base = 128)	Power boat over 6mtrs (base = 73)	All power boats (base = 199)
Less than once or twice per year	13	9	8
Once every two or three months	17	23	17
About once per month	21	13	19
Once every couple of weeks	25	34	34
At least weekly	24	16	24
Don't know	0	4	1
Total	100	100	100

The survey also indicates that there are approximately double the amount of owners with powerboats under six metres, than there are with boats over six metres.

The majority of powered boats tend to have at least two – three others on board in addition to the skipper.

Table 5 — Number of people who go out on the boat[16]

	All powered boats (Base – 139)
Usually go out on my own	1
One other person	10
Two or three others	50
Four or five others	34
More than five others	5
Other	0
Total	100

Regional trailer boat potential to relocate to Ōpōtiki

In a survey undertaken by the Whakatane District Council (counting boat trailers in the car park between the hours of 11am – 1pm), it was estimated that at least 13,000 trailer boats cross the Whakatane bar per year. Whakatane based fishing businesses estimate that on a busy weekend there would be at least 150 boats of 4-8 metres from the wider Bay of Plenty and Waikato (including Rotorua and Taupo). Ōpōtiki would likely attract some of these recreational boaties, mainly in the 6-8 metres boat size.

A number of smaller boat owners in Whakatane have indicated that they would not launch at Ōpōtiki as an alternative to the Whakatane bar, mainly due to:

- they are used to the bar conditions
- their boat being moored or in a boat shed in Whakatane
- there is a coastguard that mans the bar providing an additional safety net (eg not on call as is the case with many other coast guards)
- Whakatane has good fishing.

The exception would be if the fishery in Ōpōtiki was the attraction (ie as a benefit of the aqua farm). However, many boat owners from Whakatane would continue to buy their fuel and supplies at Whakatane before driving over.

The **aqua farm** will undoubtedly enhance the fishery at Ōpōtiki. The Coromandel mussel farm acts like a natural reef, attracting king fish, snapper, and trevally. Coromandel town went from a few trailer boats visiting per weekend to 250-300 boats per weekend. Many of these visitors travel to Coromandel the night before from Auckland Tauranga or Hamilton and stay for the weekend. Coromandel town is now a fishing destination.

Waihau Bay is renowned as a premium game fishing destination due to its proximity to the continental shelf. As a general rule, skippers tend to launch their boats as close to their fishing destination as possible (due to the high running costs of powered boats). Therefore, displacement of boats from Waihau Bay to Ōpōtiki is not considered to be significant, unless boats are coming specifically to fish near Ōpōtiki.

[16] Research New Zealand 2013, rates in participation in recreational boating, unpublished report for MNZ

SIGHTSEEING / COMMERCIAL CRUISING OPERATORS

White Island Tours could potentially relocate parts of their business if there was a harbour that provided more reliable access (their boats can't access White Island on approximately 70 days a year, however this is not all attributable to Whakatane harbour access – there is also landing at White Island and general sea and weather conditions). This would equate to approximately 14,000 extra visitors to Ōpōtiki. Some of these visitors day trip from Tauranga/ Rotorua, but others stay one to two nights). Seventy-five to eighty percent are international visitors (mostly staying in Rotorua or Tauranga). Domestic visitors are mostly from Auckland (who currently overnight in Ohope or Tauranga), the wider Bay of Plenty and the Waikato.

With the development of quality accommodation and hospitality services, the increase in visitor attractions (eg cycle trails), and an increase in the awareness of the district and the harbour, it is hoped that Ōpōtiki can attract many of these visitors to stay at least one night.

Other commercial cruising operators may relocate from less accessible harbours, or new businesses may develop.

EXPEDITION VESSELS

Ōpōtiki has the benefit of being strategically located near a significant and iconic attraction – White Island. Currently expedition vessels (small cruise ships chartered to various travel companies) travel to White Island from Auckland or Tauranga and go on to Napier (sometimes vice versa) and link up with White Island Tours for a 3-4 hours trip to the island (eg Spirit of Enderby, Oceanic Discoverer, Silver Discoverer). Initial investigations have shown that most of these ships would be too large to enter Ōpōtiki.

COMMERCIAL FISHING CHARTERS

The quality of fishing off the coast of Ōpōtiki is already considered to be good, especially game fishing off White Island. The presence of a mussel farm or other aquaculture activity will likely have a positive impact on fishing as fish are attracted to the structures and marine growth. As a result of the mussel farm enhancing the fishery in Coromandel, there are now approximately 14-15 commercial fishing charters. Visitors on these charters are almost guaranteed to catch their snapper fishing limit making it a very appealing and popular attraction.

There are at least eleven fishing/tourism charter boat operators running out of Whakatane[17]. A few Ōpōtiki–based fishing charter operators launch at Whakatane (capacity ranging from 5-20 people), with a trip duration of day trips to a week, and going out 100 – 150 days per year). Due to the travel time to and from Whakatane from Ōpōtiki, the all-weather/ all tide access, and safer access at Ōpōtiki, many would be able to take out more trips, and some Whakatane operators would launch from Ōpōtiki permanently.

The current market for fishing charters in the region is predominantly domestic. The main growth opportunity, however, appears to be Asian markets – reflecting New Zealand tourism arrivals generally. These markets are very safety conscious; safe and reliable sea access will assist in growing this market in the region.

There is demand for snapper fishing charters. Fishing related retailers have commented that visitors often ask where they can go snapper fishing for half a day for up to six people.

There is reportedly a decline in smaller charter boat operations at present due to costs associated with compliance with Maritime Operator Safety System (MOSS) regulations.

FISHING EVENTS

Game fishing in particular is very good off the coast of Ōpōtiki and there are existing events. The game fishing club at Te Kaha had at least 600 members before there were access issues.

The Whakatane Sports Fishing club is one of the largest in the country with 3500 members. There are approximately 40 – 50 members who come from overseas (eg America, South Africa) who base themselves at their holiday homes in Whakatane or the wider Bay of Plenty for four to five months. Membership has reduced over the last couple of years (thought to have been due to bar crossing issues) but reductions have been felt by clubs nationwide and is therefore more a reflection of wider economic conditions and the cost of fuel for boats. Safety is paramount for fishing clubs and in Whakatane tournaments can be postponed due to bar and tidal conditions. A proposal is currently being put to council to remedy the situation.

[17] iSITE listings

Tournaments range in size from 70 – 500 participants, with the majority being local. Safe and reliable access at Ōpōtiki could be used as a backup or alternative for these competitions but issues of rules and weighing-in would need to be addressed as participants are currently required to come in via the Whakatane harbour and weigh their catch there. In time Ōpōtiki may establish its own club.

The Waikato Sport Fishing Club hosts a range of fishing events throughout the year, from big game fishing tournaments to family orientated fishing weekends. They currently have 257 members. They have members who regularly fish the Thames, Hauraki and Coromandel areas but rarely venture too far south down the Bay of Plenty.

YACHTS AND LAUNCHES LARGE ENOUGH TO REQUIRE A MOORING

New Zealand wide there was an estimated 22,076 keel yachts and 38,265 motor launches in 2011.[18]

Typically vessels of a size to require a mooring or marina berth are sufficiently seaworthy to cruise between regions. For example, boats moored in Auckland will cruise to the waters of the Bay of Islands or the Coromandel Peninsula. Conversely, vessels from marinas in the Northland, Waikato and Bay of Plenty regions will cruise to Great Barrier Island and the broader Hauraki Gulf. The eastern coastlines of the Northland, Auckland, Waikato and Bay of Plenty regions have 27 of the country's 45 marinas and a combined total of 9,332 marina berths representing 72% of the country's total of berths. Bay of Plenty has 8%.[19]

There are an estimated 550 international cruising yachts visiting New Zealand annually between October-December. They generally leave between May-June, have an average crew of 2-3, and they visit six marinas on average for one month. Reportedly ninety percent of these yachts enter at Opua and cruise to Nelson. Many domestic yachts reportedly cruise down and up the West Coast of New Zealand due to better winds and tides.[20]

According to sport fishing clubs and launch service suppliers, big game fishing boats (targeting tuna and marlin in this area) easily spend $200-$300 on fuel, and some of the owners will invest in holiday homes near their boat.

As indicated by the findings in the Research New Zealand survey on the following page, the majority of non-powered vessels have at least two people on board.

Table 6 — Number of people who go out non-powered vessels[21]

	All non-powered vessels (Base – 29)
Usually go out on my own	19
One other person	40
Two or three others	14
Four or five others	15
More than five others	11
Other	0
Total	100

YACHTING EVENTS

Yachting events typically attract between 50 - 200 participants. There needs to be a motivated club in order to host and run sailing events. Summer regattas that run for a number of months generally attract local participants. National sailing competitions can run for a week, and families will often accompany participants (particularly if they are youths).

[18] Maritime New Zealand 2011, cited in Auckland recreational boating study for Auckland Council, Beca, 2012
[19] Auckland recreational boating study for Auckland Council, Beca, 2012
[20] Taranaki marina proposal, BERL, 2006

[21] Research New Zealand 2013, rates in participation in recreational boating, unpublished report for MNZ

Potential economic benefits derived from visitors as a result of the Ōpōtiki Harbour Development Project

This section provides an indication of the potential economic benefits of the Project for the visitor industry.

Once the Project is complete, and awareness of the harbour and its associated facilities become well-known amongst target markets, Ōpōtiki could see an increase of:

- Approximately 26,525 additional visits per year
- Approximately 39,375 additional visitor days per year
- Approximately 16,800 additional visitor nights per year
- A direct additional visitor spend of approximately $6.1 million per year.

The following table shows the breakdown and further detail of these estimations.

Table 7 - Estimated visitors, length of stay and expenditure by visitor category

Visitor category	Sub category	Est. no. of Vessels p.a.	Est. total no. of vessel launches p.a	Est. no. of pax on vessel	Est. average LOS	Total visits/visitors p.a.	Total visitor days p.a.	Total visitor nights p.a.	% Dom	% Int	Total spend p.a.
Private trailer boats	Local	15	180	2							$9,000
	Regional	100	2500	2.5	2 days	6,250	12,500	6,250	100		$1,475,000
Private larger yachts/ launches	International	50		2.5	15 days	125	1,875	1,750			$271,875
	NZ	200		3	2 days	600	1,200	600			$174,000
Commercial Sightseeing/ Cruising	White Island tours	3			1 day	14,000	14,000	3,500	20	80	$1,954,400
	Other cruising	1			1 day	1,000	1,000	250	20	80	$139,600
Commercial fishing charters					2 days	2,500	5,000	2,500	70	30	$630,500
Fishing events					2 days	750	1,500	750	100		$177,000
Yachting events	Summer regatta	40		3		120					
	One off events	50		2	3 days	100	300	200	100		$35,400
Harbour destination visitors					2 days	1,000	2,000	1,000	60	40	$257,600
Marina occupants						80					$960,000
Total						**26,525**	**39,375**	**16,800**			**$6,084,375**

General notes:

Days spent in Ōpōtiki may in reality be longer than stated for some categories, but this accounts for the nights on-board where there is no spend
Average length of stay is 1.5 days
Spend has been calculated by visitor day. Average spend per day used for international visitors is $145[22], and for domestic visitors $118[23]. These expenditure averages are considered to be conservative given that many of the potential market segments identified are higher than average spenders.

[22] International Visitor Survey, MBIE, year ended December 2014
[23] Domestic Travel Survey, MBIE, year ended December 2012

Notes by Visitor Category		
Visitor category	Sub category	
Private trailer boats	Local	$50 spend per vessel - would otherwise have gone outside the district
	Regional	From BOP/ Waikato incl, Taupo and Rotorua, and when established as a destination, from Akl too. Av boat use of 2x per month
Private larger yachts/ launches	International	Av is 30 nights per port but often stay some nights on boat = 15 nights
	NZ	Pre or post launch or night on land mid cruise
Commercial Sightseeing/ Cruising	White Island tours	Minimum, as sailing days would increase. Quarter of visitors would stay overnight
	Other cruising	
Commercial fishing charters		Stay overnight pre and/or post fishing trip
Fishing events		Includes entrants and famiies
Yachting events	Summer regatta	
	One off events	Includes entrants and famiies
Harbour destination visitors	Visitors who come for the harbour/ marina environment	
Marina occupants		Long term occupancy by non locals, excludes berthing lease costs, spend is approx $12, 000 p.a.

The additional direct visitor spend would make up approximately 22% of visitor expenditure (based on current expenditure), an increase of 28% on current expenditure.

Almost a third of all estimated economic activity relies on the potential relocation of the White Island Tours business to Ōpōtiki.

Approximately 16,800 additional visitor nights are estimated. There is existing capacity at accommodation providers in Ōpōtiki in the form of holiday park accommodation, however some of the most popular parks are already at capacity during the peak summer period (which also coincides with the peak fishing time). The type of visitor that the Project will attract will also be different to the current market and will likely require a wider range of accommodation options (eg serviced apartments for longer stays, quality destination motels located off the main road, small hotels, larger high end B&Bs and holiday houses).

Importantly, the Project will take at least ten years to complete, and while this gives Ōpōtiki a good lead to promote the planned experiences and services, the tourism environment may also be quite different to what it is today, and ongoing review will be required.

Tourism planning

The harbour development project will provide a significant growth opportunity for the Ōpōtiki visitor industry. The following are recommendations for the next three – five years to help realise this opportunity.

- Detailed design input into developments associated with the Project from the tourism and marine recreation sectors.
- Improved collaboration and organisation from the local tourism sector, upskilling, business planning and development.
- Promotion to attract investment and support, for example, targeted prospectuses which outline potential business opportunities, growth areas, and gaps in service provision - especially in relation to accommodation and hospitality.
- A key point of contact to liaise with the visitor and marine industries to ensure investment timing matches development activity (potentially within Ōpōtiki District Council).

As the Project progresses, Ōpōtiki's marketing plans should be revised to include marine-focused visitors. The basis of the visitor experience (or the value proposition) will also need to be refocused to feature Ōpōtiki's complementary land and sea experiences to establish Ōpōtiki as a visitor destination.