

# dockLINES

THE NEWSLETTER OF HALF MOON BAY MARINA  
[www.hmbmarina.co.nz](http://www.hmbmarina.co.nz)



HALF  
MOON  
BAY  
marina

## *A Time to Celebrate!*

### **This month we celebrate.**

It is 40 years since the first boats arrived at the Marina – in November 1970 - and 30 years to the month, September 1980, since the Auckland Maritime Foundation became owner of Half Moon Bay Marina.

THE AUCKLAND  
MARITIME  
FOUNDATION



This issue of Docklines is devoted to a glance back at where we have come from, noting many of the milestones along the way, the occasions, and the people, and taking stock of where we are today. The exciting part is looking to the future because the track record shows that it's a winning way!

**30th**  
ANNIVERSARY



**Inside**

The Early Days • Milestones • Old Hands • Facts & Figures • Maintaining Values



# THE EARLY DAYS

## The first ten years

**After years of planning and approvals Fletcher Construction started work in the summer of 1969.**

The job to construct Half Moon Bay Marina was won with a tender of \$268,000 and the project was completed in 1970. If you bought a section in the surrounding subdivision, you got a marina berth free! Sections were \$3500.

The first berth prices were \$600 – whether it was 30 feet or 50 feet! Demand for berths grew slowly but before long the marina was fully taken up.

The Marina became a wholly owned subsidiary of the Broadlands Group and for the next ten years Half Moon Bay Marina Limited ran all the operations.

Not just the haul-out and hardstand, but a boat brokerage, the chandlery, a marine wholesaler, a boat builder and engineering shop. And the commercial zone was developed – the modern marina shopping experience - the 'one-stop shopping centre'.

## Marina for sale

**In 1980 when Challenge Corp decided that Broadlands should divest its 'surplus' property interests, Half Moon Bay Marina was available for sale.**

A small group of interested individuals, all boat owners with marina berths, led by the Chairman of HMBM Ltd, Mr (later Sir) Earl Richardson and including Owen Piper, Doug Walker, Dick Hillary and Harvey Sheppard formed an investigating committee to fund the agreed price of \$4.4million.

The answer they came up with was to offer berth holders a smart deal. A lump sum in advance calculated around a pre-payment of license fees for the first 15 years, offered two benefits – a perpetual licence – concessional licence fees for 15 years - until 1995.

The increasing value of marina berths, the advantage of avoiding the impact of 12-15% inflation of the time and the opportunity to purchase a berth licence in perpetuity won the day for 185 out of the 500 berth licence holders. A cheque for \$2million was handed to the Directors of Broadlands on 1<sup>st</sup> October 1980 and the deal was done. An active demand from berth holders for more perpetual licences saw further offers made over the next few years. By 1985, 350 berths had perpetual licences. By 1995 virtually all had been converted.





# THE EARLY DAYS

## How they bought a marina

**Like perpetual berth licences, Charitable Trust Ownership is a somewhat different structure for marinas.**

But the men of the day were far-sighted. Of the many possible business entities they could have formed, such as a public company, a co-operative or an incorporated society, they chose a Charitable Trust.

There were two main reasons. The first was finding the money. A Charitable Trust offered the advantage of retaining the maximum amount raised through its non-taxable status. This was crucial to get the project off the ground.

Second, was the fear of developers with ulterior motives. We all remember the Eighties when the financial world was awash with corporate entrepreneurs. A lifestyle investment could easily be dashed by the brash operators of the time.

A Trust also offered the security of a body that could not be manipulated by outsiders for purposes of quick financial gain. Safety from financial and property speculators was assured. A perpetual berth needed long-term care! So a Charitable Trust it was. They called it Auckland Maritime Foundation.

## And it worked!

**Our Charitable Trust deed demands that the Marina be run in a 'proper and businesslike manner'.**

We believe the berth holders have had the protection and security the Trust promised back in 1980 when they bought-in to the idea of a perpetual licence.

And as well, they have had an entity focused on presenting a marina with the highest standards and managing and maintaining it in a professional manner, of which we can all be proud.

**30 years on we can certainly say the formula has worked, and will continue to work - to the benefit of us all.**



### 1980, the Foundation takes ownership. The deal is done!

L to R: Doug Walker (deceased): Trustee, E D O Clark: Broadlands, Ian Baillie (deceased): Exec. Director Broadlands (Property), Don Clark: Managing Director, Broadlands, Trustees: Harvey Sheppard\*, Owen Piper\* & Dick Hillary\* (deceased), Sir Earl (L E G) Richardson\* (deceased), John Wiles.

\*All berth-owners/boats at marina.



# MILESTONES

- 1967** Planning begins.
- 1968** Subdivision development.
- 1969** Fletcher Construction commences work.
- 1970** Construction completed - first boats arrive November.
- 1971** First marine Travelift machine operating in Australasia.
- 1973** Administration building completed.
- 1976** Shopping Centre opened.
- 1977** First landscaping of car parks and surrounds.
- 1980** Auckland Maritime Foundation purchases HMB Marina.
- 1980** Mr Malcolm Fisher appointed Marina Manager.
- 1982** Boatyard Security Tower constructed.
- 1987** Boat Builders shed constructed.
- 1987** Three new tenancies constructed on hardstand.
- 1989** Extension completed to boat paint facility.
- 1994** Floating wave attenuator installed at fuel jetty.
- 1994** Security Tower constructed.
- 1994** Marina refurbishment - replacement of floating structures (\$2.3m) with concrete Unifloat system.
- 1995** Head lease and seabed license due for renewal. Provisional berth fees set to meet commercial charges.
- 2001** 6-year dispute between Manukau City and Ports of Auckland resolved and new rental fees set.
- 2002** Paint Shed built.
- 2003** Boat builder and stainless workshops built.
- 2005** Rigging shop built.
- 2004** Replacement of pier gates, bridges commenced.
- 2005** New identification and directional signage installed.
- 2005** Mr Mark Hollier appointed Marina Manager.
- 2007** New pier gates and bridges completed.
- 2007** New footpaths completed.
- 2009** Stage 1 Compass Building completed.
- 2010** Stage 2 Anchor Building completed.



## Marina Facts & Figures

- 491 berths
- 117 trailer parks
- 17 Marina staff (full & part time)
- 33 original perpetual berth licenses from 1980 remain
- 1st Travelift in Southern Hemisphere
- 8 different model Travelift's used over 38 years
- 106,000 Travelift vessel movements
- 34 commercial tenancies onsite
- 9 boatyard trades tenancies
- 25 shopping centre tenancies
- Fuel jetty tank capacities:
  - Diesel 50,000 litres
  - Premium 91, 40,000 litres
  - 3 Diesel pumps
  - 2 Premium 91 pumps
- Over 30 CCTV security cameras onsite
- \$200 annual peppercorn ground rental - up to 1995
- \$295,000 annual land lease now
- \$100 annual peppercorn seabed rental - up to 1995
- \$198,000 annual seabed rental - up to 2009 (reducing by 25% p.a. to zero over 4 years from 2009)

# OLD HANDS

## Some have been here from the beginning

Tenants, employees, berth holders, there are many categories in our family of connections. We brought together a small group of people who have spent the best part of a lifetime at Half Moon Bay. Some have been here since the first boats arrived in November 1970, others from the formation of the Foundation. All are dyed-in-the-wool Half Moon Bay-ites!

**Here are nine people and a boat...**



L-R: John Daly, Malcolm Fisher, Wayne Kidd, Peter Millen and Bryce Probyn.

### Keith & Bruce Macleod - BURNSCO

When Broadlands sold the Marina in 1980, the Auckland Maritime Foundation bought the operation but not the other assets – like the brokerage, the marine wholesaler, the engineering shop. Mr Keith McLeod bought the chandlery to add to his BURNSCO business and made the Half Moon Bay store his Head Office.



The company is now New Zealand's largest marine and motorhome accessories operation. Keith's son Bruce took charge of the 10-store chain in 2006 and recently moved into the new Anchor building.

### Peter Millen – Boat builder

Another of the other businesses Broadlands sold in 1980 was the boat builders. Broadlands had, just a year before, persuaded Peter to work for them at Half Moon Bay and he grabbed the opportunity to be owner. The half double garage shed he took over has grown into one of Auckland's best and most successful boat building facilities. Although his yachting days are fewer Peter still finds time to hook a marlin now and then!

### Wayne Kidd - Broker

Wayne's is another case of Broadlands employee becoming business owner and tenant of Auckland Maritime Foundation. The Broadlands marina world back then included what was known as 'The Showroom' in the Administration building. Wayne was selling boats and outboard motors and many boatie things. When the broking business was for sale – he grabbed it.

After some years he resold it and it changed hands a number of times in different names. Wayne continues in the boat sales action for Alan Keane in the Half Moon Bay Marina Brokerage.

### Malcolm Fisher – Marina management

Another Broadlands original. Malcolm really has 'lived his life' at Half Moon Bay Marina. The marina Administration Manager from 1975 – and in 1980 appointed Marina Manager by the Foundation. Malcolm remembers who did what and when over the years and with the all numbers at his fingertips knows marina management inside out. In 2005 after 25 years service he moved on to other duties - the Travelift part of the Foundation's business and the Administration Manager.

### 'Fantasy' and Les & John Daley

Fantasy is a McGedy design, 35 ft kauri-planked saloon-deck launch. It's on berth F 11. It's ALWAYS been on F 11. It cruised into Half Moon Bay Marina with a small group of boats in line astern in November 1970 – the very first boats to arrive at Half Moon Bay Marina.



The owner was Les Daley.

Today, Les' son John and his family still love that boat. Those kauri planks are still sturdy and tight. And it's the only one left of its kind - same boat on the same berth – for 40 years!

### The Probyn's of Howick Upholstery and Covers

Dennis Probyn moved his upholstery business from Howick into the Half Moon Bay Marina 'shopping centre' in February 1981. Another stalwart tenant, Howick Upholstery is now run by Dennis' son Bryce moving to brand new premises in the Eastern carpark area in 2006. You can recognize Bryce by his distinctive ute and his outstanding bulldog!



# MAINTAINING VALUES

## A perpetual advantage

**The trigger point in the establishment of Auckland Maritime Foundation and the purchase of the marina was getting the 1980 marina users to 'buy-in' to the fund-raising concept - thanks to 185 that did!**

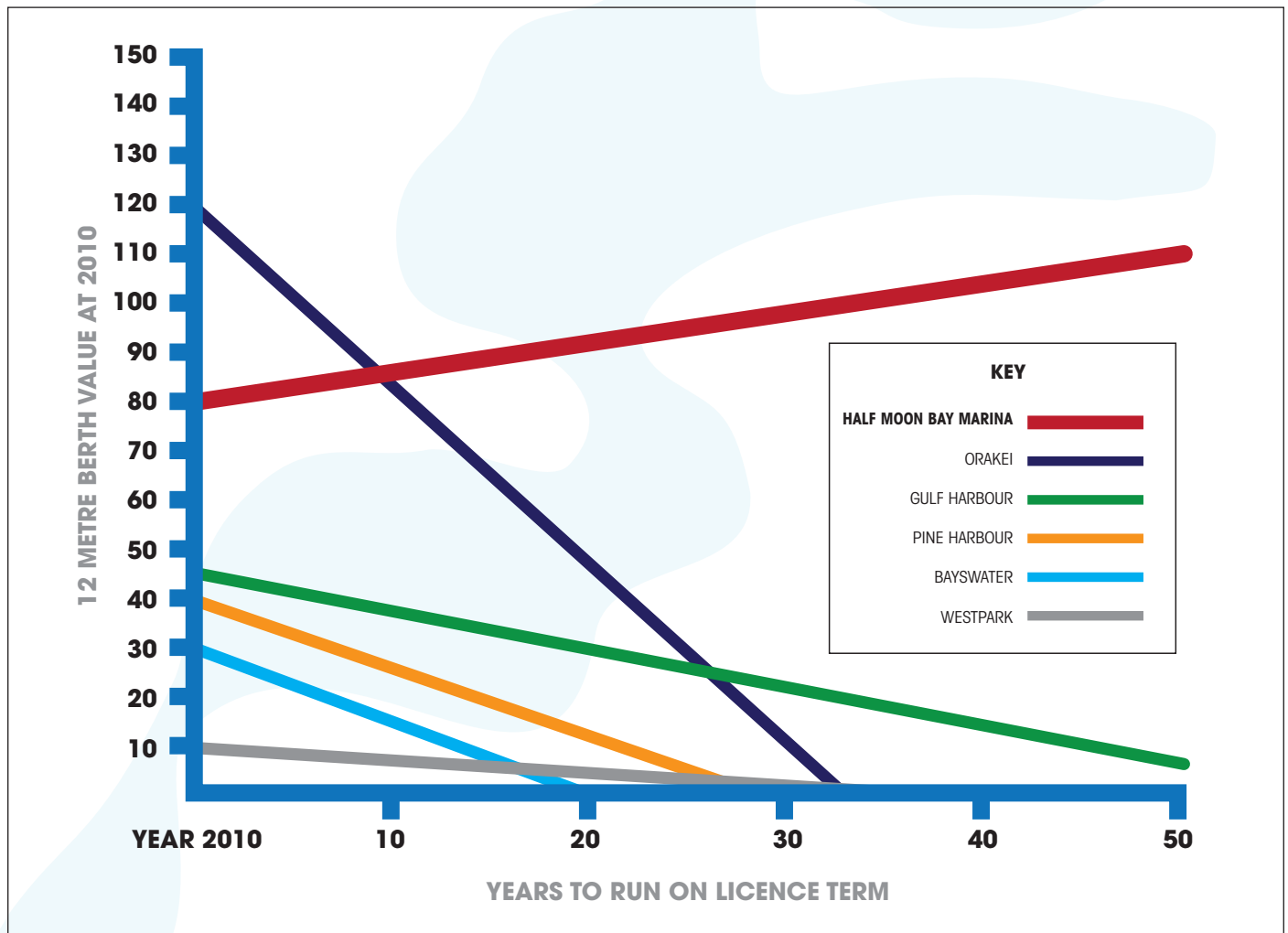
It all happened because the deal offered was too good to turn down. The boaties quickly worked out the value of a perpetual licence with concessionary fees for 15 years – and liked it a lot.

In the beginning, back in 1970, most berth licences were based on a finite term (there were a few perpetual licenses even then). At some stage the licence would run out. Most terms were 21 years with no rights of renewal. You had to relinquish your berth licence and re-buy it at whatever price the market demanded – bound to be a whole lot more than you paid originally.

The market builds those facts into the calculation on what your berth is worth at any point in time. As you get closer to the term expiring, the berth loses value. Any purchaser sees that there is a capital expense looming larger as years go past and that brings the value down. Not with a perpetual licence! The diminishing value factor is removed and your berth retains its value. Hence, by 1995 Half Moon Bay quickly became an all perpetual licence marina. And still the only one, not only in Auckland but in all New Zealand to offer perpetual licences!

We've made some calculations based on information available to show this effect. Taking today's market values around Auckland marinas, an average berth size and projecting them forward on known licence terms, the graph tells the story.

Aren't you glad you're at Half Moon Bay?





## MAINTAINING VALUES

### Saving for a rainy day

**We're all being told how important it is to save. Our political and financial minders are telling us we're not doing enough. Why? Well we all know that 'they' want it as a slush fund to be lent to people to help our country prosper. Availability of credit etc etc.**

But for us ordinary people we're saving for something that we know is inevitable. Retirement. Age and all that. But even if we don't, hopefully our social system will somehow make provision – at least, so far!

It's not like that in the marina world. There are inevitables. And they cost big money. And that's why HMB Marina puts something aside regularly – why we charge berth holders for a small slice over the long term on their fees to cover the unavoidable expense of renewing and replacing the expensive parts of their berth that must be maintained and kept working. It's painful but it's necessary if berth values are going to continue to climb – as the graph

elsewhere predicts. It's an unenviable part of managing a marina, any marina. We see it as our responsibility - to keep the place up to scratch for you.

Other marinas might just declare a special levy. It's not uncommon. That always comes as a shock to berth holders because it's usually a monstrous amount. We wont. We cant. Our berth licence wont let us. But you can be assured that when you pay your berth fees we are allowing for these weighty things. So at Half Moon Bay Marina you never need worry about dredging, piles, pontoons or breakwaters, the stuff that inevitably creeps up to bite us. Unless the world stops turning we've got it covered. It's called our sinking fund. It's there when we need it.

Next year we have to dredge. A \$1 million dollar job. No worries. We want you to rest easy.

**(The Sinking Fund portion in berth fees is on average just under 30%.)**

### Outside our influence – politics rule

**A co-incidence of major issues occurred and compounded over the years from 1995 to 2002. Some were good – some not so easily accepted. Reality set in!**

In 1995 the Head Lease & Licence for the land and seabed areas at the Marina became due for renewal. At the time, there was an ongoing dispute between Manukau City Council and the Ports of Auckland as to who should have authority. This dispute was fought all the way to the Privy Council and was finally resolved in 2001 – a six-year time lag waiting for what was known would be a heavy blow.

The eventual outcome was that Manukau City Council became the landlord for the land area and the Department of Conservation for the seabed. The Auckland Regional Council

were then given the right to set the rental for the seabed. With the parties unable to agree the matter went to Arbitration. The final result saw land ground rental go from \$200 per annum to \$295,000 and sea-bed licence fees from \$100 to \$198,000 per annum. SLAP! Half Moon Bay was the first Auckland marina to pay full commercial rates.

From 1995 the Foundation had taken precautions to protect themselves and the berth holders from the impact of these new external charges on the Marina. During those six years the Marina adjusted berth fees according to professional advice received. Fees jumped. Berth holders squirmed.

Even so, when the politicians finally set their greedy numbers the provision had proved too small – and another subsequent adjustment had to be made. Licence fees took the brunt again! It was not a happy time.

# THE FUTURE

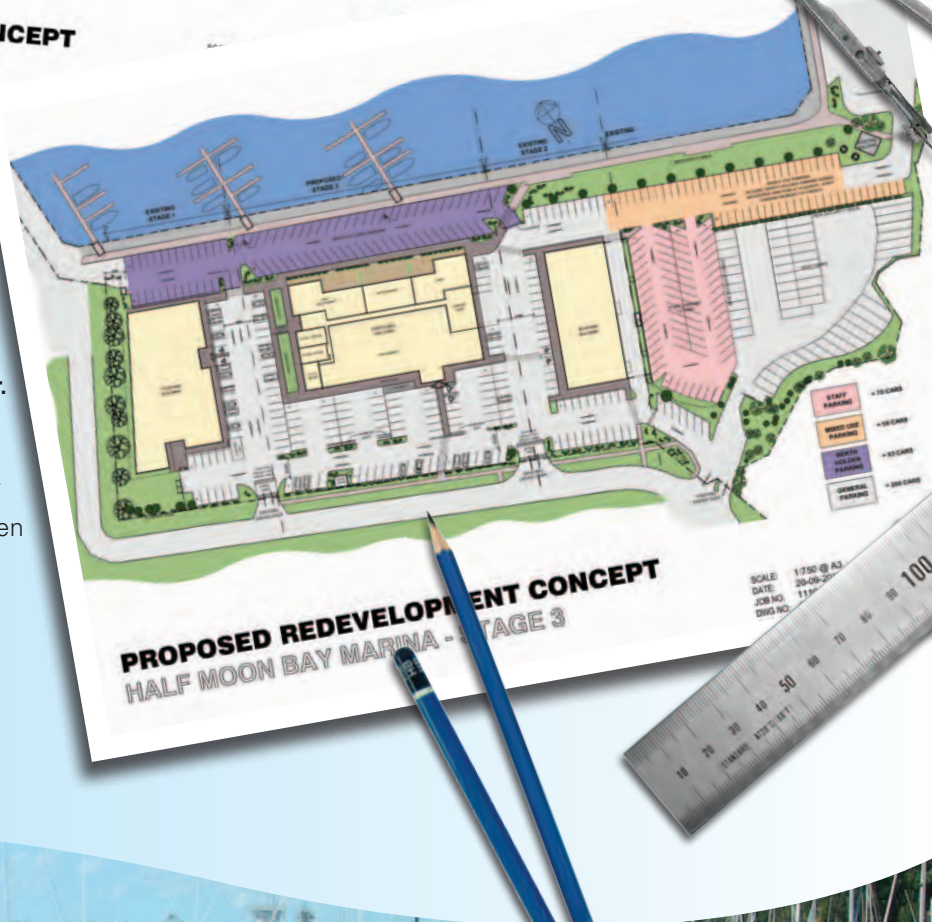


## New Shopping Centre stage 3

**Plans for the third building in the redevelopment of the Marina Shopping Centre are almost complete and work is expected to proceed before the end of the year.**

The drawings show the style of the building will be very similar to the two buildings that have now been completed. The first buildings have been given names, Compass and Anchor, and are identified by the Compass graphic on the first and the large anchor in the garden of the second.

The Stage 3 building will house a minimarket, café, bar, restaurant, some small takeaway food outlets and upstairs offices.



## Looking ahead

**Things change. Nothing stays the same. The Auckland Maritime Foundation is fulfilling the objectives for which it was established – and more.**

So we look to the future. Barring natural and economic calamities we believe we are prepared.

**Bring it on!**

