

COVER SHEET

3.3. Clutha Gold Great Ride PGF Application		For: Approve	
Tier:	3 - Infrastructure	Sector:	Cycle Trails
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Clutha District Council <p>Location:</p> <ul style="list-style-type: none"> Otago <p>Proposal:</p> <ul style="list-style-type: none"> Clutha Gold Great Ride <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$^{Commercial Information} PGF Funding: \$^{Commercial Information} Other Funding: \$^{Commercial Information} <p>Background: The Clutha District Council is seeking funding to enhance and extend the existing Clutha Gold Cycle Trail. The existing Clutha Gold Trail is one of 5 Great Rides in the Otago region (there are 22 Great Rides nationally). The Great Rides of the NZ Cycle Trail network are known as premier (predominantly off-road) trails that showcase the best of NZ – our landscapes, environment, culture and heritage.</p> <p>The objective is to extend the existing 73km Clutha Gold Great Ride by an additional 63km, from Lawrence to Waihola via Milton. The extension would consist of 47km of new trail (including about 2km's of boardwalk / raised embankment through Lake Waihola wetlands) and 14km on gravel roads.</p>		<p>We recommend that the IAP:</p> <p>a) Note that the PDU Investment Team has assessed the application and conclude that there is reasonable alignment with the PGF criteria. On that basis, the PGF recommends part funding this application.</p> <p>b) Note the applicant was seeking government funding for ^{Comm}% of the total project costs - \$^{Commercial Information}) and \$^{Commercial} from the PGF. Based on our assessment and the number of jobs created we consider a smaller contribution from the PGF could be appropriate. We recommend \$^{Commercial} is an appropriate amount of funding on the basis this is matched by the NZCT and Clutha District Council is able to obtain the balance of funding from other sources.</p> <p>c) Note Te Puni Kōiri has assessed the application and believe that the project has not engaged with the significant cultural history of the area. We recommend that the applicant engage with local Iwi to explore opportunities to incorporate that history as part of the project.</p> <p>d) Note it has been reported in the media that the Regional Economic Development Minister has pledged “strong support” for \$^{Commercial Information} of funding from the PGF to go towards this project.</p> <p>e) Note the NZCT team have assessed the application and are broadly supportive of this project subject to more information.</p>	

		f) Approve \$ ^{Commercial} from the PGF fund as a grant towards the Clutha Gold Great Ride subject to: <ul style="list-style-type: none"> Commercial Information
PGF criteria that this proposal supports:		
PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
Link with fund and government outcomes		
Creates permanent jobs	<ul style="list-style-type: none"> This project is estimated to create an additional jobs during the 3 year construction phase and jobs over the first 10 years of operation. 	✓✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> This project delivers a benefit to the community in two ways. <ol style="list-style-type: none"> It will provide a much needed boost to the economy in the form of economic growth and jobs creation. It provides the community with an asset whose use works to improve physical well-being. 	✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> Not addressed in the application. 	
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> The extension of the cycle trail will allow greater, lower impact, and more sustainable access to the natural assets of the area. 	✓
Mitigation of climate change effects	<ul style="list-style-type: none"> The proposal creates an alternative, low carbon transport route, linking the communities of Lawrence, Waitahuna, Glenore, Milton, Milburn and Waihola. 	✓✓
Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> This project fits the additionality criteria by extending the current trail and building on the natural capital of the region through improved access to existing natural attractions such as the Manuka Gorge, Mt Stuart Reserve, and the Lake Waihola lakefront and wetlands. 	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> This project will work to act as a catalyst for growth in the region through an increase in visitor numbers and nights in the region. 	✓✓
Connected to regional stakeholders and frameworks		

Alignment with regional priorities	<ul style="list-style-type: none"> The project broadly aligns with The Clutha Economic Development Strategy. In addition the application included over 20 letters of support and also support in principle from a number of landowners to allow a right of way easement for the trail. 	✓✓							
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> There is strong support from a number of local groups and stakeholders who have agreed to provide both significant co-funding and land access over properties. 	✓✓✓✓							
Governance, risk management and project execution									
Robust project management and governance systems	<ul style="list-style-type: none"> During the construction phase of the project any day-to-day issues will be managed by a project control group which will report to a group containing 2 delegated trustees, the project manager, with support from the master trail builder, Treasurer, and the land access manager. Note: this is the same governance structure that successfully created the first Clutha Gold trail. 	✓✓							
Risk management approach	<ul style="list-style-type: none"> This project will rely on the strength of their governance group to manage risks as they arise. 	✓✓							
Future ownership / operational management	<ul style="list-style-type: none"> Not outlined in application. 								
The purpose of this briefing is to consider recommending/ declining PGF funds to the:									
Risks Issues: - NZCT decline to co-fund the trail leaving a funding shortfall.									
Eligibility points of note: <ul style="list-style-type: none"> <i>Due diligence:</i> Full due diligence does not need to be completed as the applicant is a local authority. <i>Conflict(s) of interest:</i> Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further. <i>Illegal Activity:</i> Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity. <i>Alignment with Regional development plans:</i> This project broadly aligns with The Clutha Economic Development Strategy <i>Commercial funding availability:</i> Given the nature of the project which is for the creation of a free to use community cycle trail access to commercial funding is not considered a feasible option. 									
Consultation undertaken or implications:									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	NZCT – Supportive
Supporting proposal:			Yes						

Appendices:	Yes - Applications and supporting letters are as annexes
Sponsor(s):	N/A
Manager/Author of paper:	CA and RW Investment Team

PROACTIVELY RELEASED