



Clutha Gold Great Ride

Project overview

Name of the project	Clutha Gold Great Ride
Region	Otago
Tier and type	Tier 3: Infrastructure – Cycle trails
Applicant	Clutha District Council
Total project value	\$ ^{Commercial Information}
Amount of funding sought from the PGF	\$ ^{Commercial Information}
Financial instrument recommended	\$1.5 million grant
PDU recommendation	Approve

42. Clutha District Council is seeking \$^{Commercial Information} from the PGF to enhance and extend the existing Clutha Gold Cycle Trail.
43. The requested funds would extend the existing 73 km Clutha Gold Great Ride by an additional 63 km, from Lawrence to Waihola via Milton. The extension would consist of 47 km of new trail (including about 2 km of boardwalk / raised embankment through Lake Waihola wetlands) and 14 km on gravel roads.
44. An extended Clutha Gold Trail will create additional value by allowing existing trails to connect into the Coastal Otago area. The applicant states that the number of visitors using the Clutha Gold Trail is expected to more than double by 2031, and visitor growth for multi-day visitors is expected to increase due to the creation of a loop that encourages longer multi-day visits.
45. The existing Clutha Gold Trail is one of five Great Rides in the Otago region (out of 22 nationally). The Great Rides of the New Zealand Cycle Trail network are known as premier trails that showcase the best of New Zealand – our landscapes, environment, culture and heritage.

Local support

46. 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. 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.

Governance

47. The governance body is an extension group of the Clutha Gold Trail Charitable Trust. Support for the extension group (and the Trust itself) is provided through the Clutha Development agency and the Clutha District Council.



48. Day-to-day issues during the construction phase of the project will be managed by a project control group, which will report to a group containing two delegated trustees, the project manager (with support from the master trail builder), Treasurer, and the land access manager. This is the same governance structure that successfully created the first Clutha Gold trail.
49. The future ownership and operational management of the project has not yet been outlined by the applicant.

Benefits

50. The project is intended to contribute economic, social and environmental benefits to the Clutha District and surrounding areas. This project is estimated to create an additional [redacted] jobs during the 3 year construction phase and [redacted] jobs over the [redacted] years of operation. It provides the community with an asset whose use works to improve physical well-being and creates an alternative, low carbon transport route, linking the communities of Lawrence, Waitahuna, Glenore, Milton, Milburn and Waihola.

Costs and funding sources

51. The applicant is seeking government funding for [redacted] per cent of the total project costs - \$[redacted] Commercial Information and \$[redacted] Commercial Information from the PGF.
52. However, based on the PDU's assessment and the number of jobs created we consider a smaller contribution from the PGF could be appropriate. We recommend \$[redacted] Commercial Information is an appropriate amount of funding on the basis this is matched by the Commercial Information and Clutha District Council is able to obtain the balance of funding from other sources.

NZCT funding

53. MBIE's Tourism Investment Management and Performance team is responsible for management of the government's National Cycleway Fund. Eligibility criteria for the National Cycleway Fund: Enhancement and Extension include that the applicant must be an existing Great Ride, and that there is matching local co-funding, although in exceptional circumstances local co-funding may comprise less than [redacted] Commercial Information per cent of the total costs. All applications for National Cycleway Funding are assessed by an Evaluation Panel made up of representatives from MBIE, New Zealand Transport Agency, the Department of Conservation and New Zealand Cycle Trail Incorporated (NZCT).
54. The NZCT Evaluation Panel supports the concept of extending the existing Clutha Gold Trail from Lawrence to Waihola, and is satisfied with the level of detail and investigation that has gone into identifying a viable route, the tourism potential, user experience and the estimated costs of the project.
55. NZCT intend to recommend to the Minister of Tourism that \$[redacted] Commercial Information be approved, matching the local contribution, on the basis that the Clutha District Council can obtain the balance of funding from other sources. Should more local co-funding be secured, [redacted] Commercial Information could lift their funding to match the local contribution.



56. NZCT **Commercial Information**. The PDU recommends that PGF funding is conditional on Clutha District Council being able to obtain the **Commercial Information** from other sources.

PDU assessment of the project

57. This section needs to provide an overview of PDU's assessment against the PGF eligibility and assessment criteria.

Assessment against PGF criteria

Criteria	Rating (1✓ to 5✓)	Comment
Sustainable regional economic development	✓✓	This project will provide a much needed boost to the economy in the form of economic growth and jobs creation.
Productivity and innovation	✓✓	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.
Increased employment, training or work readiness for the sectors workforce	✓✓✓	This project is estimated to create an additional Commercial Information jobs during the Commercial Inform construction phase and Comme jobs over the Commercial Information of operation.
NZ's ability to meet climate change commitments	✓✓	The proposal creates an alternative, low carbon transport route, linking the communities of Lawrence, Waitahuna, Glenore, Milton, Milburn and Waihola.
Māori aspirations for utilising land and other resources and achieving cultural objectives		Not addressed in the application.
Additionality	✓✓✓	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



Criteria	Rating (1✓ to 5✓)	Comment
		lakefront and wetlands.
Connections and alignment with regional priorities	✓✓	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.
Environmental sustainability and/or productivity of natural assets	✓	The extension of the cycle trail will allow greater, lower impact, and more sustainable access to the natural assets of the area.

Agency comments

TPK

58. Confidential advice to Government

59. TPK consider that engagement with Iwi and Ngāi Tahu Tourism could highlight a number of areas and activities that could become opportunities for iwi, hapu and whānau that currently are not demonstrated in the application.

60. Confidential advice to Government

DOC

61. DOC support this project, which aligns with their stretch goals around visitor experience. It provides opportunities for people to experience nature along the route including, potentially, wetlands where threatened species are present, Ngāi Tahu sites of interest and showcasing significant conservation work achieved by community groups in the vicinity of Lake Waihola and Lake Waipori. The construction of the trail on the railway alignment, especially the use of Mt Stuart Tunnel, will enable a regionally significant heritage story to be told. The DOC Central Otago District Office has worked with the Clutha Gold Trail Charitable Trust on the completed section from Alexandra to Lawrence. The Trust has proven to be capable and delivered on their commitments.

62. Commercial Information

Impacts on the Lake Waihola wetlands from the proposed boardwalk, and any public



conservation lands the trail crosses, will need to be fully considered as part of the design process. Early engagement will be required to ensure effective design.

63. Confidential advice to Government

64. DOC considers that ongoing funding and responsibility for maintenance will need to be considered in future.

Minister of Conservation comments

65. Confidential advice to Government

66.

Risk assessment

67. The following risks have been identified:

Type of risk	Mitigation
Commercial Information	PGF funding will be subject to Commercial Information

Recommendations and next steps

68. The PDU recommends that you approve \$^{Commercial Information} of funding from the PGF as a grant towards the Clutha Gold Great Ride, subject to:

- i. Commercial Information of co-funding
- ii. Clutha District Council being able to obtain the balance of funding from other sources
- iii. The applicant engaging with local Iwi to explore opportunities to incorporate the cultural history of the area as part of the project
- iv. An Assessment of Ecological Effects is signed off by the Department of Conservation for the boardwalk through the Waihola wetlands.