

## Media Statement

### **Cycleway Funding process now available**

**Monday, 5 October 2009 – for immediate release**

The much anticipated funding process for Phase Two of the New Zealand Cycleway project was announced today by the Ministry of Tourism.

General Manager, Ray Salter, says there are three stages to this process with consideration of the merits of each proposal being assessed at each stage before moving to the next. They are:

- Stage one: Concept Proposal
- Stage two: Feasibility study and
- Stage Three: Business Case.

At every stage, proposals will be assessed against four main criteria: meeting market demand; showcasing the best New Zealand has to offer; meeting the overall objectives of the cycleway project and developing partnerships and stakeholder support.

“We’ll be looking for proposals that, among other things, demonstrate that they will meet a market demand. The demand for the cycleway needs to be sufficient to warrant investment in it. We’re also looking for cycleways that are truly special, that have regional and international appeal and are fully supported by communities.”

Mr Salter said he acknowledges that in some cases, substantial work has already been undertaken in preparing concept documents. However, to ensure that consistency is applied, the completion of a Concept Proposal Form is required.

“We are trying to balance consistency of approach with minimising the information necessary to make quality funding decisions.”

Concept proposals must be received by the Ministry by 18 December and those proposals going through to the feasibility stage will be advised in February.

“All information about submitting a proposal is now available on the Ministry’s website,” says Mr Salter. “These include:

- A Guide to the Funding Process: this is a document that sets out everything the applicants need to know about the process, the timeframes and assessment criteria.
- A specific form for Concept Proposals and a guide to help complete it
- Information required for a feasibility study
- And information about what is required in a final business case.”

This funding process for Phase Two of the cycleway project follows Phase One which was announced in July as the seven Quick Start projects. The Quick Start projects are currently undergoing detailed feasibility studies.

The documents for the funding process are available at:  
[www.tourism.govt.nz/cycleway](http://www.tourism.govt.nz/cycleway).

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## ***Questions and Answers***

### ***What is the purpose of this funding process?***

The funding process is for Phase Two of the cycleway project. It follows Phase One which was announced in July as the seven Quick Start projects.

### ***What is available in the Funding Process information pack?***

This pack contains all the documents needed for proposals under Phase Two of the New Zealand Cycleway Project.

The pack contains:

- Guide to the Funding Process. This provides an overview of the Phase Two funding process, including information on the timeframes, assessment criteria and decision making processes.
- Concept proposal form and guidance notes for stage one of the process
- Feasibility study guidance notes – for proposals that progress to stage two of the process
- Business case guidance notes - for proposals that progress to the third (and final) stage.
- The New Zealand Cycleway Market Research report.

### ***What is the purpose of the New Zealand Cycleway Market Research Report?***

The Market Research Report was commissioned by the Ministry of Tourism to gain a better understanding of the size, scope and characteristics of cycling market segments, both domestically and in New Zealand's key international tourism markets. The findings of the research have been incorporated into the assessment criteria of the funding process.

Following the completion of the Market Research Report, guidelines and characteristics were developed for both on and off-road cycleways. The guidelines include, for example, the preferred gradient, width and surface of trails by different users. These guidelines and characteristics can be found in Appendix Two of the Guide to the Funding Process.

### ***Is there a cycleway preference?***

Yes. The cycleway project is initially focused on developing a series of 'Great Rides'. They must:

- Meet the objectives and assessment criteria
- Complement our 100% Pure New Zealand brand and help attract international tourists; and
- Give New Zealanders another compelling reason to explore their own country.

*The Assessment Criteria requires cycleways to:*

- Meet a market demand (demand must be sufficient to warrant investment in the cycleway);
- Showcase the best that New Zealand has to offer;
- Meet the objectives of the Cycleway Project (generate economic benefits, provide high-quality assets that offer a world-class experience, deliver complementary benefits and engage the community); and
- Develop partnerships and stakeholder support.

### ***Who can apply?***

Most applicants will be local authorities – especially if Crown land is involved. However, other entities can apply as long as they can demonstrate that they meet the criteria outlined in Part 5.1 of the Guide to the Funding Process.

It is preferable that an applicant is a single legal entity, but an applicant that is more than one party, such as an unincorporated joint venture or a partnership, may be considered.

### ***Do I still need to complete a Concept Proposal form if I've already put in an Expression of Interest?***

Yes. The Ministry of Tourism acknowledges that in some cases, substantial work has already been undertaken in preparing concept documents. However, to ensure that consistency is applied, the completion of a concept proposal form is required.

### ***What is the deadline to get the Concept proposals in?***

Proposals must be submitted to the Ministry of Tourism by 18 December 2009. Proposals should be in the form of a signed concept proposal form, with relevant supporting documentation attached. The supporting documentation that should be included is listed in Section K of the concept proposal form.

### ***Will the government fund an entire cycleway project?***

No. The Cycleway Fund is a limited, contestable fund. The government is looking for proposals that reflect a strong regional partnership approach and a

commitment to co-funding. The level of funding for a specific cycleway project will be decided on a negotiated basis with the applicant.

***Who makes the decisions?***

The Funding Committee makes the decisions at each stage of the process.

The Funding Committee comprises senior officials from the Ministry of Tourism, the Ministry of Economic Development, the New Zealand Transport Agency and the Treasury.

***What is the role of the Technical Assessment Group?***

The Technical Assessment Group (TAG) comprises government officials and specialists with legal, engineering, business and cycling industry expertise. The members of the TAG were appointed earlier this year following a tendering process.

The TAG will be available to provide generic technical assistance to applicants during the Funding Process.

***How flexible is the process?***

There is some flexibility in the process. For example, the Ministry of Tourism has the discretion to relax some timeframes if it is considered necessary to do so. The Ministry also recognises that proposals are likely to include aspects that are unique to the project and that these may require the Funding Committee and Technical Assessment Group to be flexible in their approach and evaluation of each proposal.

***Who will pay for the ongoing upkeep of the cycleway?***

The Government will not own, operate or fund the ongoing maintenance of any cycleways funded from the National Cycleway Fund, except in some cases where they are located on land owned or administered by the Crown.

Long-term operational and maintenance costs must be fully met from the applicant (whether from its own resources or other sources).

***Will this be the only opportunity to put in a proposal?***

That will depend on the number, size and quality of the proposals received.

If the funding is not fully allocated by October 2010, the Ministry of Tourism may invite further proposals.