

TOURISM INFRASTRUCTURE FUND

FNDC APPLICATION PROCESS



Table of Contents

About the Tourism Infrastructure Fund	2
Eligibility Criteria	2
Eligible Projects	3
Land Owned by Other Government Agencies	3
Land Owned by Commercial Operators or Iwi	3
Long Term and Annual Plans	3
Health and Safety	3
Camping Grounds	4
Wharves and Berths	4
Feasibility Studies	4
Projects the Fund Doesn't Support	4
Assessment Criteria	4
FNDC TIF Process	6
TIF Project Manager	6
Budget Round Co-ordination/Funding Cycle	6
Initial Project Sources	6
Community Boards	7
Infrastructure Network Committee	9
MBIE Application	9
Application Forms	9
Additional Documents	9
MBIE Funding and Reporting	10
Attachment 1: Sample Project Report for Infrastructure Network Committee	11

About the Tourism Infrastructure Fund

The Tourism Infrastructure Fund is administered by MBIE and provides up to \$25 million annually to develop tourism-related infrastructure that supports regions facing pressure from tourism growth.

After a period of exceptional growth across the tourism sector, infrastructure is a priority for the industry and central and local government. Tourism is hugely important to the New Zealand economy and infrastructure is essential to making the most of growth in the sector.

The fund aims to protect and enhance New Zealand's reputation both domestically and internationally. Supporting robust infrastructure contributes to quality experiences for visitors and maintains the social licence for the sector to operate.

The Tourism Infrastructure Fund is open to all local councils and not-for-profit community organisations that can demonstrate support from their local council.

Eligibility Criteria

The following criteria set out which types of projects are eligible for grants from the Tourism Infrastructure Fund

- Only publicly available infrastructure used significantly by tourists is eligible.
- Projects need to be for new facilities, or enhancements. Like-for-like replacement will not be funded.
- Development of new attractions, accommodation, and commercial activity is not eligible.
- Projects must demonstrate that they do not compete with commercial activities in the region.
- Projects will not be eligible if seeking funding under \$25,000 (though a series of linked projects can be joined in one application).
- Projects already receiving funding from NZTA are not eligible.
- Councils must meet at least one of the following tests (now or within 5 years), priority will be given to councils that meet two or more of these tests:
 - Visitor: rating unit ratio >5 **FNDC**✓
 - Revenue from tourism in the region <\$1 billion per annum **FNDC**✓
 - Local Government Finance Agency lending limits have been reached.

Applicants are expected to co-fund their project to the maximum extent they are able, and to a minimum of 50%.

Eligible Projects

The Tourism Infrastructure Fund supports the development of public infrastructure used by visitors. Examples of eligible projects include:

- carparks
- toilets
- freedom camping facilities
- sewerage and water (tourism-related portion only)
- safety upgrades to public spaces (eg, footpaths)
- infrastructure for natural attractions.

Signage, rest-stop facilities, and feasibility studies may be considered on a case-by-case basis.

Land Owned by Other Government Agencies

Projects that involve building tourism infrastructure on land owned by other government agencies (eg, the Department of Conservation, Land Information New Zealand or the New Zealand Transport Authority) are eligible for funding.

Land Owned by Commercial Operators or Iwi

Projects on land owned by commercial operators or iwi may be eligible. Councils would need to own the infrastructure that the fund supports — that is, register it as a council asset.

Councils are also responsible for making arrangements with the relevant agencies for the maintenance of the infrastructure and ongoing particular land access and use.

Long Term and Annual Plans

Projects included in council long term and annual plans, or other consultation processes are eligible provided the council has not already decided to fully fund the project by itself.

The project would need:

- to be going ahead
- enable a superior solution to a problem than the solution the council can afford on its own, or
- make a vital project happen earlier.

Councils are required to demonstrate that there is community support for a project for which they're seeking funding. Projects that have been discussed with the community during consultation and/or planning processes would meet that requirement.

Health and Safety

Projects based on health and safety improvements are eligible as long as they are public mixed-use infrastructure projects that:

- address an identified problem
- meet Fund eligibility criteria, and
- will have demonstrable benefits for visitors.

Camping Grounds

Camping ground infrastructure projects could be in scope, provided the campground is council-owned.

Wharves and Berths

Infrastructure connected to wharves (eg, shelters or toilets for off-and on-boarding passengers) are eligible if they provide a solution to an identified problem. However, wharves and berths themselves are generally out of scope, but will be considered on a case by case basis.

Feasibility Studies

Feasibility studies can be funded where applicants have established a tourism infrastructure problem that needs to be addressed but requires additional specialist advice on the best solution to that problem.

A separate application form for feasibility studies is available when funding rounds open.

Projects the Fund Doesn't Support

The Tourism Infrastructure Fund doesn't support:

- projects under \$25,000, although a series of linked projects can be combined to form one application. Applicants need to clearly state the priority for each sub-project in their application
- commercial, or semi-commercial facilities, infrastructure projects where central government has already dedicated investment. Examples include mobile blackspot coverage, New Zealand Transport Authority-funded land transport, or infrastructure that's not directly linked to visitor volumes (such as storm water systems)
- infrastructure projects without a substantial visitor-volume driven component
- government agencies and commercial entities
- projects receiving other central government funding. Lotteries grants are not considered to be central government funding
- cycle trails with Great Ride status. These already have a dedicated fund, so projects would need to clearly demonstrate they are not commercial in nature, and that other funding options have been investigated.

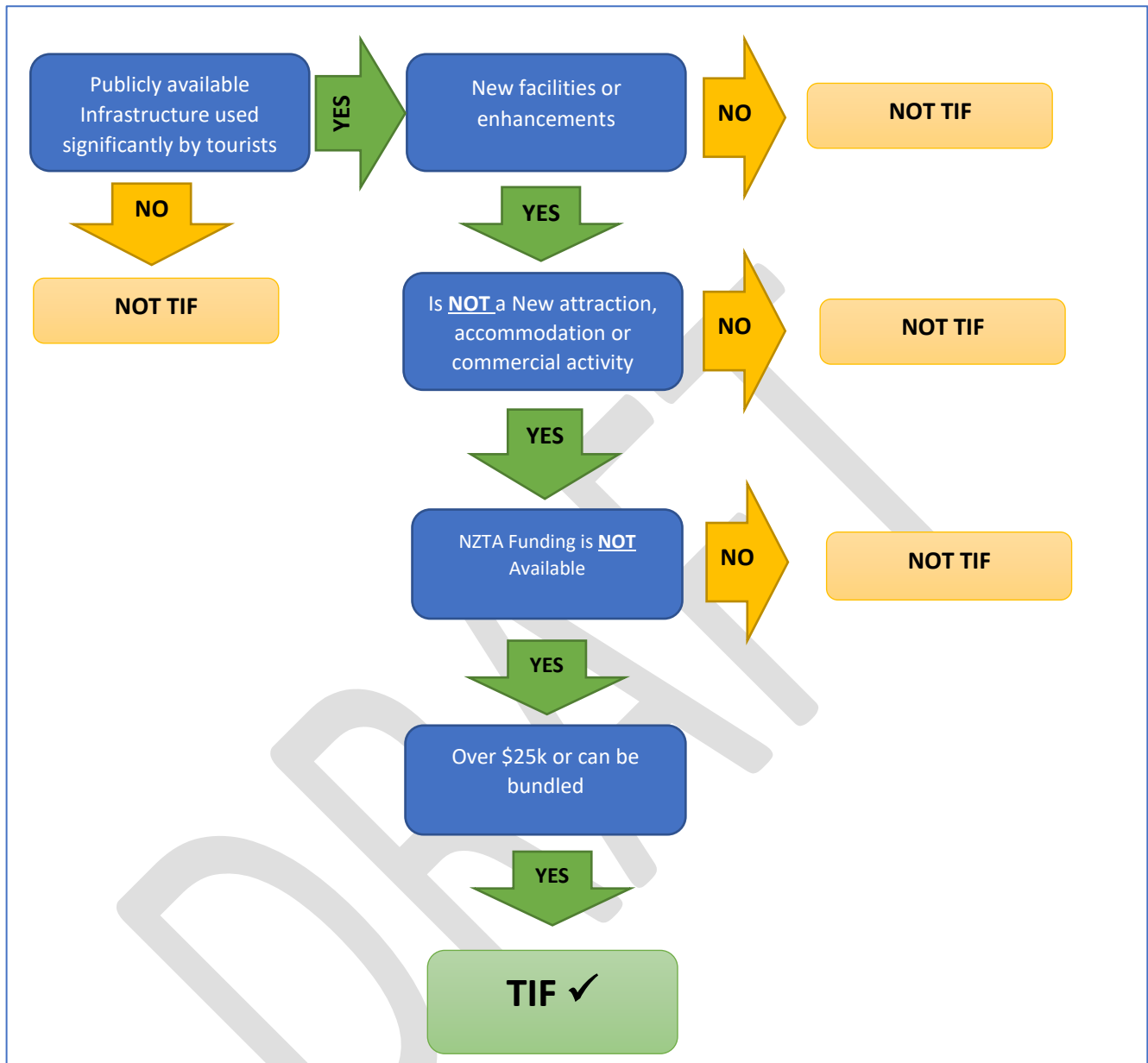
Assessment Criteria

In summary, the key assessments criteria are:

- Addresses Infrastructure capacity constraints
- Supports the attraction of visitors to a region
- Represents value for money
- Otherwise may not happen, or happen more slowly
- Other funding options have been investigated
- Applicant has maximised funding contribution
- The balance of visitor and resident demand

In addition to these criteria each round will open with a priorities statement.

Guide for TIF Eligibility:



FNDC TIF Process

TIF Project Manager

The TIF Project Manager is the primary point of contact for all matters relating to the TIF and is responsible for the following;

- Subject matter expert advice on TIF administration and criteria
- Provide TIF process presentations to stakeholders as required
- Development of project plans and estimates
- Management of the application process
 - Community Board Recommendation
 - Network Infrastructure Committee Approval
 - MBIE Application
- Point of contact for MBIE
- Co-ordination of monthly reports for FNDC
- Approved project oversight
- Progress reporting to MBIE

The TIF Project Manager contact details are as follows:

TBA

Budget Round Co-ordination/Funding Cycle

TIF requires a 50% project value funding commitment from Council in order to be approved by MBIE. It is however difficult to fit the TIF budgeting requirements into the annual plan at a detailed level due to the two separate rounds of applications in March and August.

In order to remain responsive to emerging TIF needs and to facilitate funding in accordance within the annual plan process the following will be implemented;

1. TIF Project support funding of \$200k per ward per annum (means \$400k worth of projects) is to be allocated to each Community Board through the annual plan process.
2. Additional projects and studies need budgetary detail approved by August each year in order to meet the requirements of the annual plan process.

Initial Project Sources

Concepts for TIF funded projects can come from a variety of sources and wide consultation is encouraged. All projects regardless of source still have to meet the qualifying criteria. Typical project concept sources;

FNDC

Projects included in council long term and annual plans, or other consultation processes are eligible provided the council has not already decided to fully fund the project by itself.

Projects may also be identified through FNDC studies and surveys.

Community Groups

Community groups such as Rotary, Lions, Focus Groups and Iwi leadership have good insight of the issues facing their communities and provide valuable input to the TIF process.

Industry Groups

Tourism organisations such as NZ Motor Caravan Association and other Tourism focused organisations can provide both data and feedback on infrastructure issues from the tourism industry perspective.

Peer Organisations

Northland Regional Council and the Department of Conservation also have responsibilities in the district which are impacted by tourism. The TIF fund will provide funding for projects where FNDC supports other organisations.

Community Boards

The Far North District has three community boards,

[Te Hiku Community Board](#)

[Kaikohe-Hokianga Community Board](#)

[Bay of Islands-Whangaroa Community Board](#)

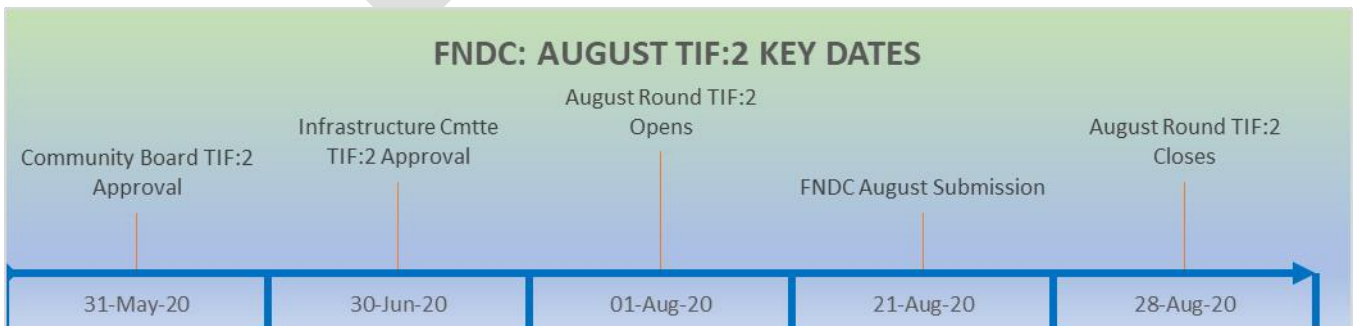
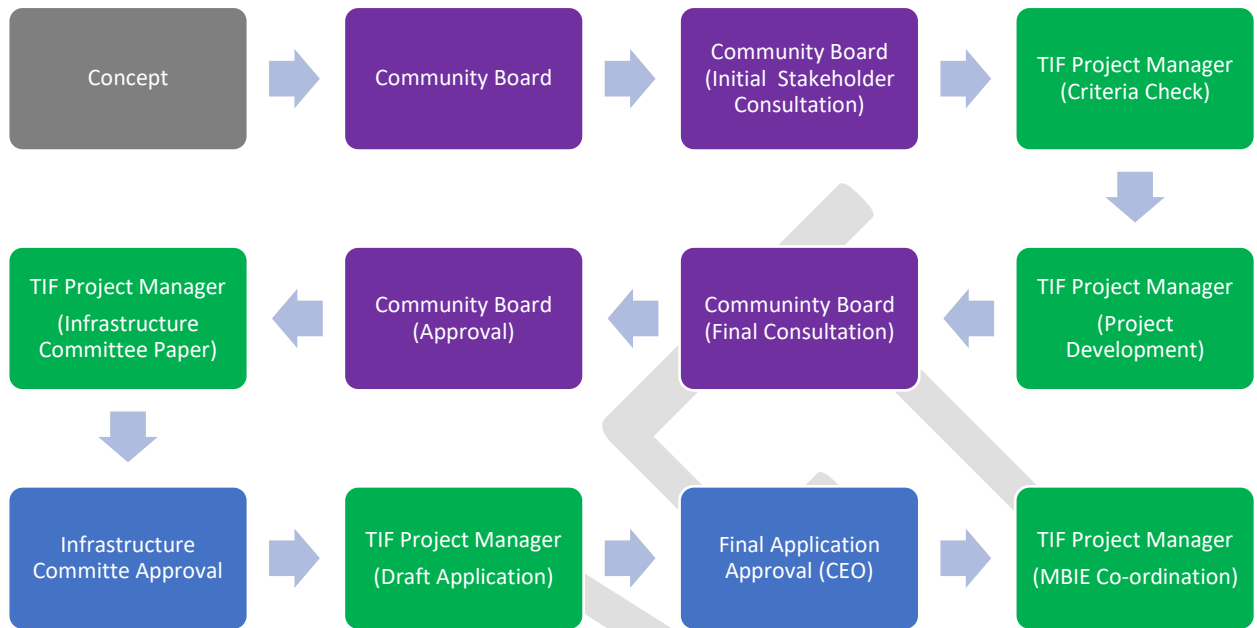
Community Boards act as an advocate for the needs of their community and also prepare an annual submission to council for expenditure within the community. TIF is a logical extension of these responsibilities and subsequently Community Boards are an integral component of the FNDC TIF Process.

Each Community Board has TIF Project support funding of \$200k per annum (means \$400k worth of projects). This funding is to support community initiated TIF applications for Tourism infrastructure within the three Community Board wards.

Community Boards are expected to consult widely with members of their respective communities to identify projects that meet the TIF application criteria and warrant ratepayer support.

- All projects are to be co-ordinated through the TIF Project Manager.
- Community Boards will formally endorse the TIF applications for their respective wards prior to the TIF applications progressing.
- Projects beyond the scope of the Community Board budgets are to be incorporated into the Council Annual plan process through the Infrastructure Network Committee.

The Flowchart below outlines the TIF process stages for Community Boards.



Infrastructure Network Committee

The Infrastructure Network Committee provides final approval of the FNDC TIF projects prior to the applications being submitted to MBIE. This is for both Community Board and FNDC central TIF applications.

The TIF Project Manager will draft a report detailing the individual projects for the committee's approval. The request for approval will be included in the committees meeting agenda as follows;

1. Proposed March Application Round Projects presented to Infrastructure Network Committee by 30th November (last meeting of the calendar year). Unless an early New Year meeting is confirmed in the diary for February, in which case the date will be 21 February.
2. Proposed August Application Round Projects presented to Infrastructure Network Committee by 21st July.

MBIE Application

Applications open on the 1st of March for the March round and the 1st of August for the August round. Both closing approximately four weeks later.

Application Forms

The TIF Application Forms are made available on the Tourism Infrastructure Fund website on 01 March for March rounds and 01 August for the August round. <https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-funding/tourism-infrastructure-fund/>

There are separate forms for TIF projects and for TIF Studies/Grants. *It is important to download the latest form for the round as changes and updates occur regularly to the forms.*

Additional Documents

The Attachments section of the Application form is available to attach any required evidence and supporting documents, such as letters of support. These can be in the form of a link to an online document of the actual document.

Document Links

As a minimum the following links should be included as supporting evidence:

- [Long Term Plan 2018-28](https://www.fndc.govt.nz/your-council/strategic-planning/ltp2018-28)

<https://www.fndc.govt.nz/your-council/strategic-planning/ltp2018-28>

- [Our District: a social and economic profile of the Far North](https://www.fndc.govt.nz/about-the-district/economic-development/FNDC-Social-and-Economic-Profile-August-2016.pdf)

<https://www.fndc.govt.nz/about-the-district/economic-development/FNDC-Social-and-Economic-Profile-August-2016.pdf>

Northland Inc Support

Northland Inc as seen as a key partner and facilitator of Tourism support by MBIE. Northland INC are strong supporters of the TIF process and need to be approached to provide a supporting letter, confirming they have been consulted and support he nominated projects. This letter needs to be attached in the Attachments section.

MBIE Funding and Reporting

A funding agreement is drafted by MBIE for each approved project and formalises the approval process. These agreements will have specific details for the following

- Procedure for the Project funding release
- Project status reporting templates
- Project Status reporting schedule

The TIF Project Manager will liaise with MBIE and facilitate funding release and status reporting for FNDC stakeholders.

DRAFT

 <p>Far North District Council Te Kaunihera o Tai Tokerau ki te Raki</p>	<h2>Cable Bay Car Parks</h2>	 <p>MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI</p>
<h3>Background</h3>		
<p>Cable Bay is a popular scenic beach stop off point for tourists travelling State Highway 10, with a safe sandy beach, public toilet and a store selling ice creams and takeaways. There are three car parks in the vicinity, the toilet car park, a lay-over car park on the beach front and further north a car park on the beach verge. All three are in poor condition.</p> <p>Increasing numbers of tourists are using the stop over including a significant number of campervans. The increased volume is causing damage to the grass verges near the beach. The mix of traffic movements, families accessing the beach and pedestrians crossing the state highway is an area of safety concern.</p>		
		
<h3>Infrastructure Issues</h3>		
<p>The Toilet carpark at Cable Bay is at the base of a hill and is constantly being washed out. It is in poor condition and visitors are using the lay-over car park instead. This has the potential to cause further environmental damage and create traffic and pedestrian safety issues.</p> <p>The Lay-over strip is not constructed wide enough to allow parking for any number of vehicles, let alone campervans. Motorists have been parking on the grass anyway and have informally widened the parking area by killing off the grass. Gravel is also migrating to the highway when it rains. The Lay-over needs to be curbed at the new wider parking dimensions that have naturally occurred and be sealed. Ideally long-term parkers need to be drawn off to the Northern beach carpark.</p> <p>The northern carpark is effectively gravel on grass and is in poor condition with gravel migration onto the highway and the grass reserve. Tar-seal and better signage will draw more to use it. It is also a potential freedom camping spot for the future.</p>		

Project: Cable Bay Car Parks



Toilet Carpark:

Manage the water run-off with improved drainage and a more resilient carpark surface. Seal and layout carpark markings. Improve signage to give more advanced warning of the carpark entrance.



Lay-over Carpark:

Widen the parking area where appropriate to allow safer movement of vehicles, in particular campervans. Install curbing to clearly define the parking area and actively discourage verge parking. Signage to encourage longer-term beach users to utilise the Northern Beach carpark.



Northern Beach Carpark:

Redefine and seal the parking surface, with appropriate design consideration for water run-off. Carpark marking to include larger parking bays for campervans. Tourist Information signage.

Cost Estimate	Benefits
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Construction	72%	\$	345,000
Project Management	7%	\$	34,500
Specialist Consultancy	4%	\$	17,250
Consents	2%	\$	10,350
Procurement	2%	\$	8,625
Project Engineer (MSQA)	4%	\$	17,250
Contingency (Risk Based)	9%	\$	43,297
		\$	476,272

FNDC Contribution: **\$ 238,136**

- Improved safety for pedestrians and vehicles
- Prevention of further damage to beachside reserve verges
- Reduction of ongoing maintenance
- Opens options for future freedom camping if desired

Stakeholders

FNDC, Local Retailers

Risks

Availability of road maintenance contractors to meet schedule. The program of works for Road maintenance contractors for build works is compact over the summer build period. Any delay would require rescheduling to the start of the summer build schedule late 2020.

Cable Bay Carparks



- ✓✓ Unity of purpose
- ✓✓✓ Environmental stewardship
- ✓✓ Partnership
- ✓✓✓ Community
- ✓✓✓ Safety and Wellbeing

PROJECT OBJECTIVES

- 1 Improve safety and reduce congestion
- 2 Prevent continued environmental damage
- 3 Enhance visitor experience
- 4 Educate and inform visitors with signage

TOP PROJECT BENEFITS

- 1 Improved safety for pedestrians and vehicles
- 2 Prevention of further damage to beachside reserve verges
- 3 Reduction of ongoing maintenance
- 4 Opens options for future freedom camping if desired

PROJECT RISKS

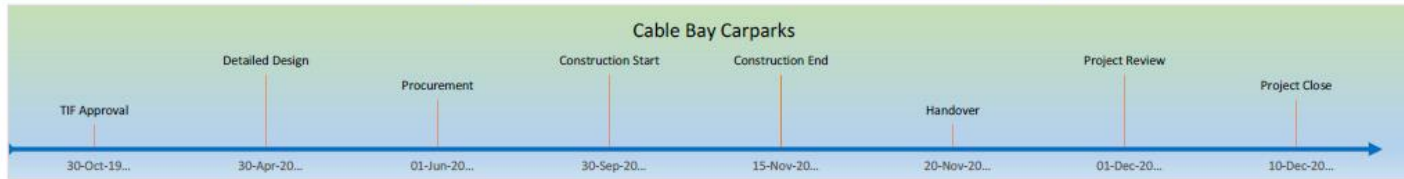
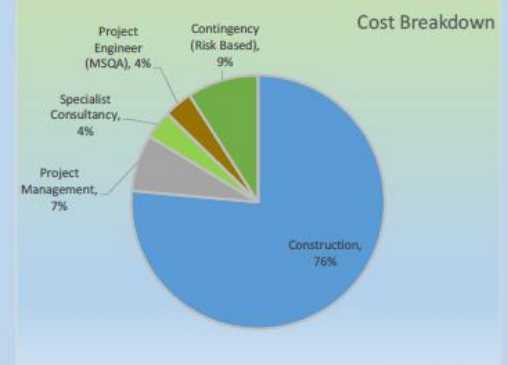
- 1 Availability of contractors to avoid peak season issues
- 2 Preparation works reveal additional complexities
- 3 Adverse weather delays construction
- 4 Project will not proceed without TIF Funding

FUNDING SOURCES

FNDC CAPEX	\$ 238,136
OTHER GOVT AGENCIES	\$ -
NZTA	\$ -
COMMUNITY CONTRIBUTION	\$ -
OTHER SOURCES	\$ -
MBIE - TIF	\$ 238,137
TOTAL FUNDING	\$ 476,273

COST ESTIMATE

CONSTRUCTION	76%	\$ 363,975
PROJECT MANAGEMENT	7%	\$ 34,500
SPECIALIST CONSULTANCY	4%	\$ 17,250
PROJECT ENGINEER (MSQA)	4%	\$ 17,250
CONTINGENCY (RISK BASED)	9%	\$ 43,298
		\$ 476,273



✓ Publicly available infrastructure used significantly by tourists



✓ New facilities or enhancement



✓ Not a new attraction or commercial activity



✓ Does not compete with commercial activities



✓ Over \$25,000

✓ No funding from NZTA