

# Public Private Partnerships for Tourism Development in Limerick: Progress and Issues

Presentation to the 8th Annual Tourism Policy Workshop

17-18th November 2018, Dromoland Castle

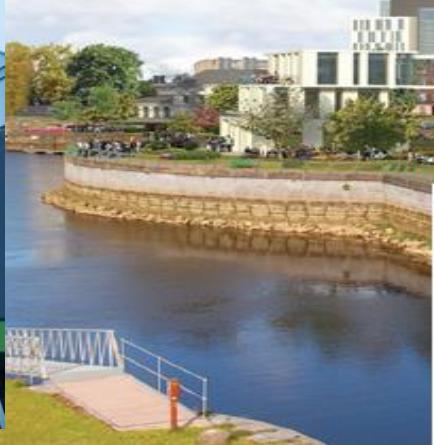
Dr. Pat Daly

Deputy Chief Executive

Limerick City & County Council

The image is a high-angle aerial photograph of Limerick, Ireland. It captures the city's layout along the River Shannon. In the foreground, a bridge spans the river, with a road leading into the city. The riverbank is lined with green spaces and some industrial buildings. The city itself is a mix of modern and traditional architecture, with clusters of houses and larger commercial buildings. The overall scene is a blend of natural waterways and urban development.

- Limerick's Strategic Context
- Tourism Profile & PPPs in Action
- Perspectives
- Policy Recommendations



- €1b Investment
- 12,000 jobs – 5,000 City Centre
- 1.4M sq.ft of enterprise space
- 4,000 new homes
- Transformational activity

## Progress:

- Over 11,500 jobs created in Limerick since 2013
- €1.6 billion in investments





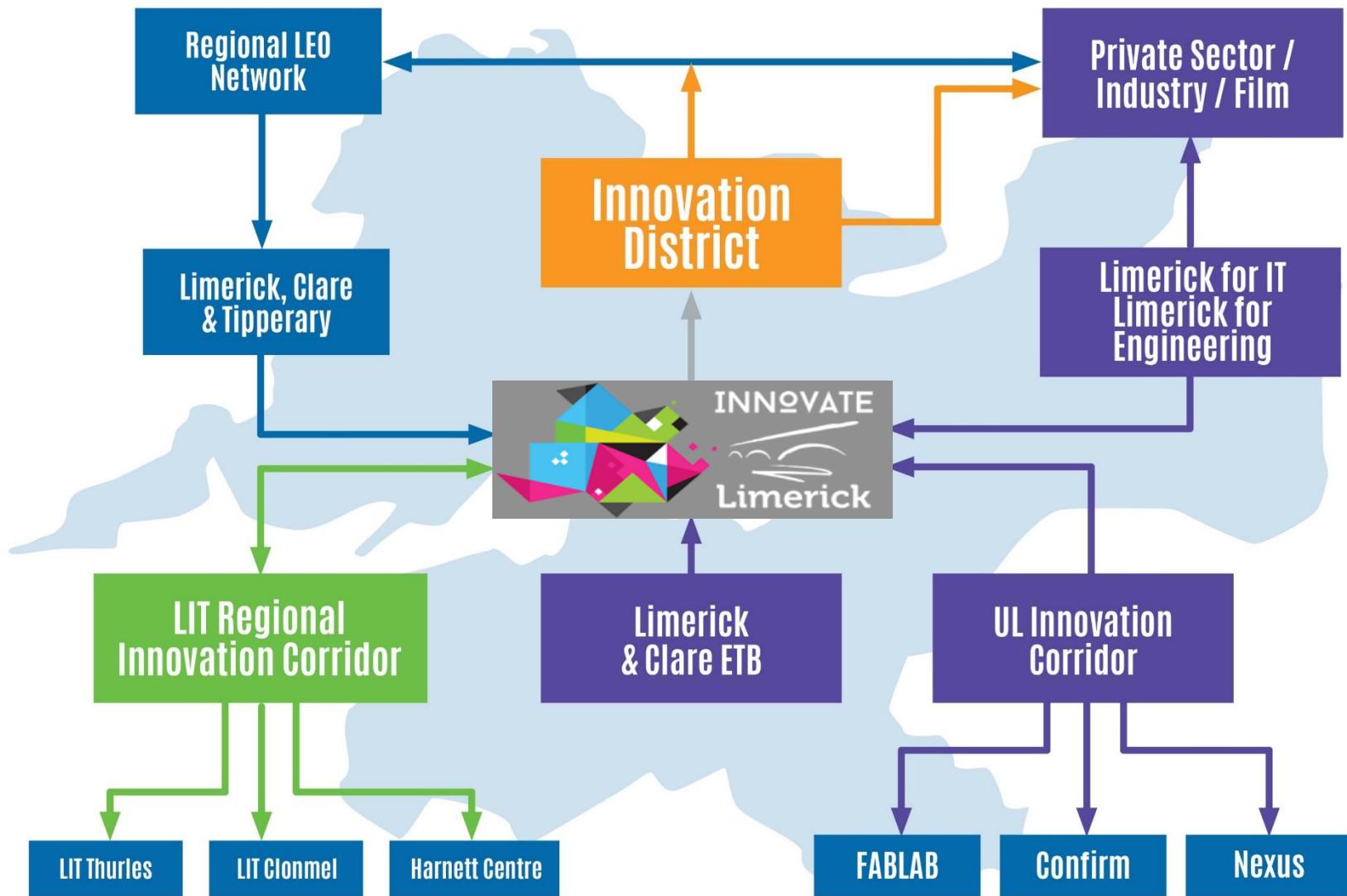
## Limerick Twenty Thirty

Cleeves Riverside Campus, 8 acres and 100,000 sq ft of existing space

550,000sq ft Opera Site, Rutland Street

112,000 sq ft Gardens International Office on Henry Street

340,000 sq ft Troy Studios Film Hub





# LIMERICK'S TOURISM ECONOMY



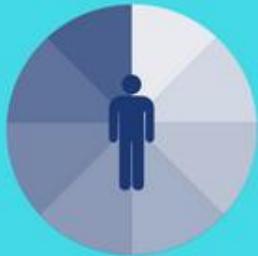
**800,000**

Total Visitors 2015



**€224m**

Total Visitor Revenue 2015



**8,000**

Employed



**850**

Enterprises



**€200m+**

Current Investments

# NEW TOURISM INVESTMENTS



**Adare Manor**  
**€200m**



**World BBQ  
Championships**



**Engage Rugby  
Museum** **€10m**



**Food Truck  
Festival**



**International  
Conference Centre**



**Cannonball  
Festival**



# National City of Culture 2014

**€10m investment in 2014**

**€44m generated for the local economy**

**3000 events with 156 Made in Limerick projects**

**2500 Limerick artists involved**

**European Capital of Culture Bid City 2020**





# Shannon Region Conference & Sports Bureau

## Free one Stop Shop

Official event planning resource for Ireland's Midwest Region, which offers a completely free service to help you plan your next conference, incentive or sports event in our inspiring region.

Supported over 30 events in 2016.



# Limerick Marketing Company

- Established similar to a private sector model
- Unsuccessful PPP
- Key learnings: how to successfully develop future PPPs
- Outcome: Communications/Marketing Unit within the Economic Development Directorate established
- Limerick.ie website: Recently named as one of the Top 25 Tourism Websites in the World

# Recreation & Culture Joint Ventures

- Adare Heritage Centre
- Grove Island Leisure Centre
- Askeaton Swimming Pool
- Rathbane Golf Club
- NCW Swimming Pool
- Belltable/Friars Gate/LimeTree
- Great Southern Greenway
- Sports grounds – Murroe
- Athletics Track, Newcastle West



# LIMERICK TOURISM DEVELOPMENT AND MARKETING STRATEGY

2017-2023

Prepared by

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*dba*



# Key Themes and Ambition

01

WATERWAYS



THEME 1

**INTO THE BLUE**

02

ACTIVITIES



THEME 2

**ENERGY UNLEASHED**

03

HERITAGE



THEME 3

**MEDIEVAL  
STRONGHOLDS**

FOUR NETWORKED CLUSTERS

04

ARTS &  
CULTURE



THEME 4

**ALIVE AND KICKING**

**1.1 million,**

generating €360.6 million in revenue  
and creating in the region of  
3,378 new jobs



# Perspectives & Policy Recommendations





## Innovate Limerick & Limerick Twenty Thirty

- Examples of successful PPPs & good template for future PPPs
- Innovative around how LCCC interacts with private enterprise
- Boards consist of public and private partners
- Key Innovate Limerick projects include: Limerick Innovation Hub, The Engine, Troy Studios, Rathkeale & Kantoher Enterprise Centres.
- Key Twenty Thirty projects include: Gardens International Office Development, Cleeves Riverside Campus and the Opera Site.

# Review of the Capital Plan

## 2016 - 2021

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### Building on Recovery

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#### Progress Report & Update on Public Investment Priorities

### 3 Phases of PPPs:

- Transport
- Health
- Education
- Housing
- Justice



- ❖ Projects
- ❖ Bundles
- ❖ Concessions

August 2017

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#### 8.8 Examination of PPP and EIB Options to Increase Public Investment

The exploration of these options discussed in Chapter 7 to secure increased investment in public infrastructure and a higher level of capital expenditure in priority areas is ongoing to ascertain the extent to which they could be accommodated within existing fiscal parameters and would not require the provision of increased funding resources from General Government or impact on the achievement of current fiscal targets.

# Public Private Partnerships in Tourism

The Irish Tourist Industry Confederation has called on increased levels of state support for the sector in the Government's capital expenditure plan. **Building on Recovery: Infrastructure and Capital Investment 2016-2021** provides €106 million for tourism over the 6 year period (just 0.4% of State's Capital Investment spend)

**Table 2.3: Distribution of Funding Under the Tourism Capital Grant Programme, 2016-2022**

Delivery Channel	Total (€m)
Grants Scheme for Large Tourism Projects	€66m
Strategic Partnerships (with OPW, NPWS and Coillte)	TBC
Experience Development Plans*	TBC
Direct Investment (initiatives led by Fáilte Ireland)	TBC
<b>Total</b>	<b>€126m</b>

\* Area-based tourism development strategies and small grants.

According to ITIC: Capital allocation for tourism development should be in the order of €350 million over a 6 year period → generate €7billion annually in overseas earnings by 2025 and provide a 50,000 jobs. *PPPs & Strategic Finance Options to Bridge Gap??*

# ITIC Recommendations for a Sustainable Tourism Sector

## Recommendation 1

**Increase capital expenditure for tourism to circa. €350 million over the next 6 years, from only €106 million currently.**

## Recommendation 2

**Assign multi-annual capital funds to the sector reflecting timelines and planning cycles.**

## Recommendation 3

**Use of Public - Private - Partnership to leverage and maximise exchequer funds.**

## Recommendation 4

**Improve Ireland's comparison to other nations in terms of tourism capital investment.**

## Recommendation 5

**Review and improve the grant scheme dispersed by Fáilte Ireland, to enable it to deliver more targeted capital supports.**

## Recommendation 6

**Increase resources and evaluation techniques within the dispensing body, Fáilte Ireland.**

## Recommendation 7

**Prioritise enabling tourism infrastructure such as airport rail link, town renewal and broadband.**

## Recommendation 8

**A Tourism Product Development Forum to be put in place operating under the strategic direction of Fáilte Ireland, and including the tourism industry and key stakeholders.**

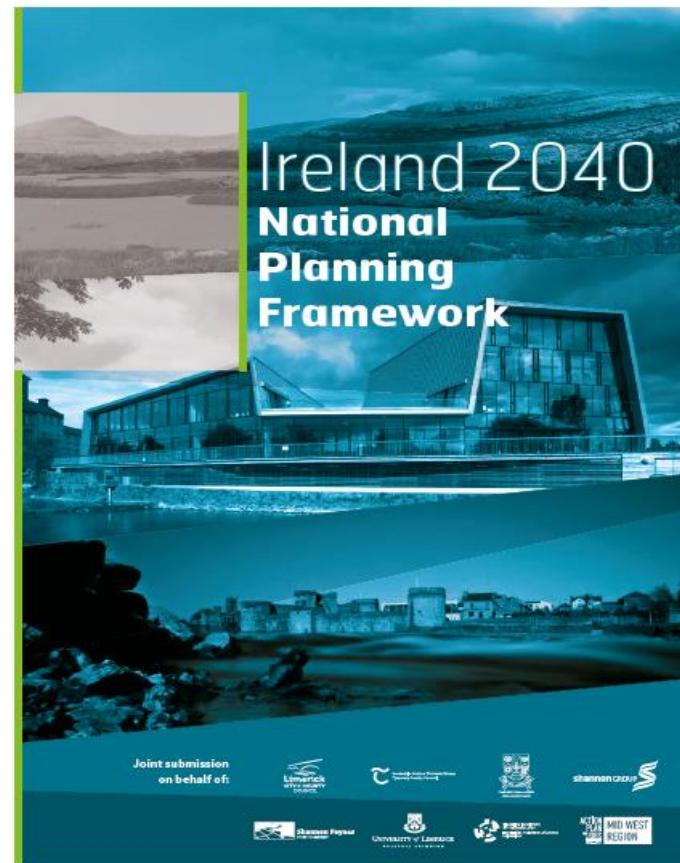
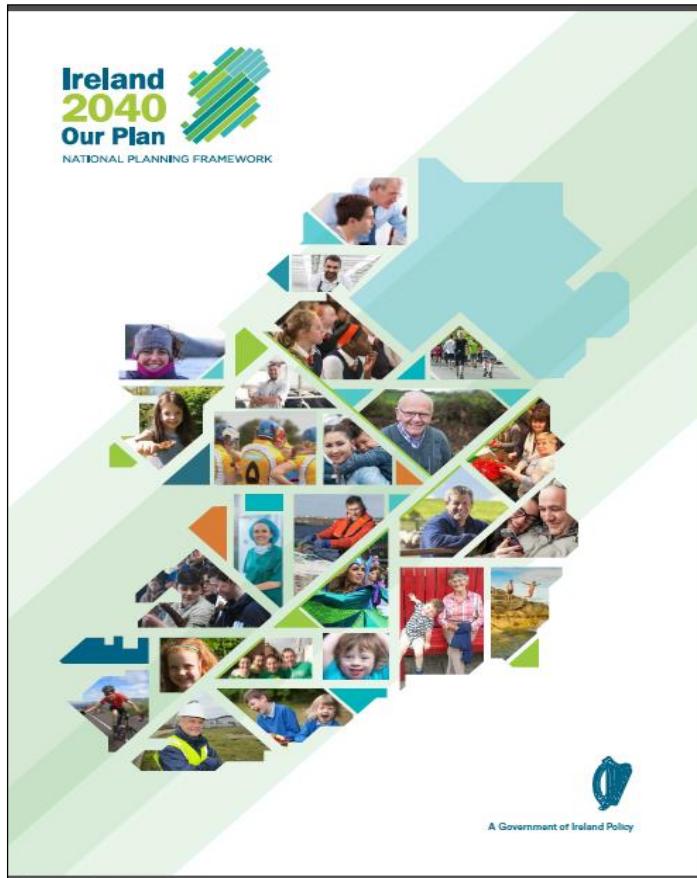
**Creative solutions required to facilitate PPPs in tourism capital investment for the development and operation of new tourism assets**

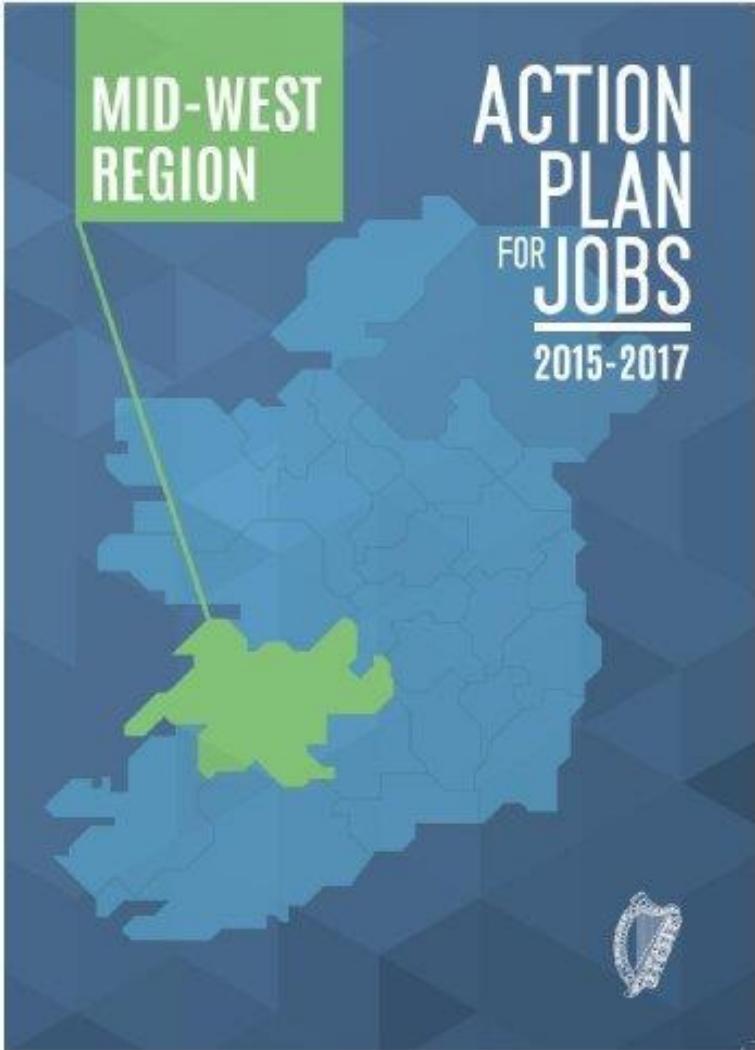
**Greater incentives for the private sector - capital grants, marketing grants, employment grants, tax incentives (EIIS schemes) ISIF PPPs?**

**New Form PPP = Public sector initiating projects with a feasibility study and upfront investment with private sector taking on operational phase - DBO/DBM/Finance Lease, etc?**

# Ireland 2040

## Draft National Planning Framework





## Contains 12 Tourism Actions (total 159)

\*PPP not identified as potential model\*

However, potentially suitable projects include:

- Route development via RSS @ Shannon Airport
- Collective regional branding & marketing
- New product developments including Sports Tourism, Agri-Tourism,
- Conference & Events facility.

# Some Policy Recommendations

- ▶ Begin to move tourism capital support away from grants to investments.
- ▶ Allow tourism become 'essential infrastructure' in Capital Plan Review to compete & attract PPPs for tourism development ( timing is good as 10 Yr Cap Ex Plan will be matched to New NPF).
- ▶ Create opportunities for Tourism Product PPP Bundles /Concessions in National Capital Expenditure Profile as per other sectors.
- ▶ Dept/FI (?) Conduct Options Study into Tourism PPP potential and possibilities.
- ▶ Inject this approach into new Tourism Plans & Action Plan for Jobs Reviews, etc.



# Thank You

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