



Cornhairle Cathrach
& Contae Luimnigh

Limerick City
& County Council

Stiúrthóireacht na Forbartha Pobail
Cornhairle Cathrach agus Contae Luimnigh
Ceanncheathrú Chorpáraideach,
Cé na gCeannaithe,
Luimneach

Community Development Directorate,
Limerick City and County Council,
Corporate Headquarters,
Merchants Quay,
Limerick.

EIRCODE: V94 EH90

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17/05/2021

To: The Mayor and Each Member of Limerick City and County Council

Re: Working Capital Loan - El Travel Group/ Lazy Bike Tours – Limerick Greenway

A Chomhairleoir, a chara,

As part of Limerick City and County Council's tourism development strategy, works to develop the 40km Limerick Greenway as a key tourism attraction and local amenity are nearing completion. The Limerick Greenway is due to fully open to the public on the 1st of July 2021 and a significant marketing and promotional campaign will get underway in the coming weeks.

As part of this programme of work, Limerick City and County Council (LCCC) identified a need for an operator of scale, to specialise in bike hire with full shuttle bus service incorporated. The aim is to provide an international standard of cycle tourism infrastructure along the 40km Greenway from Rathkeale to Abbeyfeale.

Research into existing successful greenway destinations has demonstrated that a large number of patrons and in particular families, only wish to cycle all or part of the greenway "one way" and then return to their start point by shuttlebus. This requires at least one operator of scale to have bike hire and shuttle bus pick up points at multiple locations along the route.

The works currently being carried out by Limerick City and County Council will bring the Limerick Greenway up to the national standard for such amenities and on par with the greenways in other locations such as Waterford and Mayo. These existing successful greenways are characterised by having at least one large-scale operator capable of providing the level of service referenced above.



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Lazy Bike Tours/EI Travel Group have sought a working capital loan of €300,000 from Limerick City and County Council as part of their business plan. The Council is satisfied that the company in question has a robust business model to enable it repay this loan.

An initial drawdown of €200,000 will be made available subject to approval of the overall working capital loan of €300,000. There will be an option for a further drawdown of €100,000 subject to consumer demand and business performance.

Repayment of the loan will be linked to the period of the partnership and appropriate security will be put in place to protect the Council. All required documentation will be in place prior to the signing of a Chief Executive Order confirming any loan agreement approved in principle by the elected members under Section 66 of the Local Government Act, 2001, as amended.

Recommendation

A loan of €300,000 be made to EI Travel Group/Lazy Bike Tours to assist in the provision of bike hire with shuttle bus service incorporated on the Limerick Greenway at Limerick City and County Council owned properties, in accordance with Section 66 of the Local Government Act, 2001, as amended.

Sean Coughlan
Deputy Chief Executive
& Director of Support Services

Gordon Daly
Director of Service
Community Development Directorate