

QLDC Council  
14 December 2017

**Report for Agenda Item: 3**

**Department: Property & Infrastructure**

**Queenstown Public and Passenger Transport Facilities Indicative Business Case**

**Purpose**

The purpose of this report is to present the Queenstown Public and Passenger Transport Facilities Indicative Business Case to allow work to proceed on the preferred option within the detailed business case.

**Recommendation**

That Council:

1. **Note** the contents of this report;
2. **Approve** the Queenstown Public and Passenger Transport Facilities Indicative Business Case; and
3. **Approve** works to proceed on the preferred option within the detailed business case.

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30/11/2017

Reviewed and Authorised by:



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30/11/2017

**Background**

- 1 Property & Infrastructure are leading a multi-disciplinary team to identify and address the challenges facing the Town Centre through a Masterplan. The Masterplan is a 35-year vision that sets the direction for the future of the Town Centre.
- 2 The district is currently experiencing significant and unpredicted population, traffic, residential and tourism growth. Projected visitor growth is significant. Long

range forecasts predict that domestic visitors will double and international visitors will nearly triple by 2026.

- 3 Access to the Town Centre is a major challenge with significant congestion on the arterial routes, very low use of public transport, inefficient parking and an ad hoc approach to passenger transport contributing to a very constrained and dysfunctional transport network. The state of this network supports car domination and this is reducing the Town Centre's ability to be a walkable, social and engaging area.
- 4 The need to address public transport within the Wakatipu has been recognised since the 2007 Wakatipu Transport Study. The main access corridors to Queenstown are constrained in their size due to the land form and this means that significant mode shift must be achieved to allow the town centre to grow, without creating more congestion. Public transport services are managed by Otago Regional Council ['ORC'] but QLDC and NZTA provide the facilities to support the services.
- 5 Public and passenger transport facilities improvements will play a crucial role in improving town centre access while supporting (and benefiting from) integrated initiatives around parking reform, public realm upgrades and arterial road upgrades. All of these things combined will ensure the town centre can continue to deliver a positive experience for all.
- 6 The Queenstown Public and Passenger Transport Facilities Indicative Business Case is part of a wider programme of projects that form a Masterplan Programme for the Queenstown Town Centre. This programme brings together a set of business cases and documents to describe an integrated investment story. These are focused on the following:
  - Masterplan (Spatial Framework including Public Realm improvements)
  - Town Centre Arterial Routes
  - Parking
  - Community and Civic Facilities (the business case for the development of a Community Heart is to be developed).
- 7 The Queenstown Town Centre Parking Indicative Business Case was approved by Council in October. The Masterplan and Town Centre Arterials business cases will be presented alongside this business case.

## **Comment**

- 8 The Better Business Case framework has been followed as it provides clear investment objectives; is evidenced based and includes transparent options analysis to achieve co-investor agreement.

## **Options**

- 9 Option 1: Reject the Indicative Business Case and do nothing.

*Advantages:*

- 10 Nil, based on the recently initiated public transport/mode shift improvements.

*Disadvantages:*

- 11 Public transport will not be attractive to users if it is not efficient, convenient and well located in terms of the town centre attractions.
  - 12 Significant mode shift will not occur and congestion in the town centre will continue to increase along with resident and visitor dissatisfaction.
  - 13 ORC's Public Transport Network Review Detailed Business Case states that public transport use will decline if facilities are not provided.
- 14 Option 2: Approve the Indicative Business Case preferred option.

*Advantages:*

- 15 Improves efficiency and reliability of public and passenger transport.
- 16 Improves local and visitor experience of public and passenger transport.
- 17 Reduces congestion and allows a more pedestrian focus within the town centre.
- 18 Enhanced public space on Stanley Street with the opportunity for use of 'active edges' encouraging mixed use development around the public transport interchange.
- 19 Enables due to a reduction in private car usage due to an uptake in public and passenger transport
- 20 Aligns with the Queenstown Integrated Transport Strategy and contributes to the Town Centre Masterplan vision.

*Disadvantages:*

- 21 Capital expenditure is required.
  - 22 Delivery of the Stanley Street bus interchange is dependent on the provision of the town centre arterial.
- 23 Option 3: Further investigate the Stanley Street off-street public and passenger transport facility.

*Advantages:*

- 24 A higher capacity of public and passenger transport vehicles can be accommodated.

### *Disadvantages:*

- 25 High cost of land acquisition.
  - 26 Potential pedestrian safety concerns with crossing Ballarat Street and with reverse manoeuvring of vehicles within the site.
  - 27 Potential congestion on Stanley Street due to queuing of buses on Ballarat Street.
  - 28 Reduced ability to contribute to the Town Centre Masterplan vision.
- 29 This report recommends **Option 2** because it delivers the desired benefits without the high cost of land acquisition and safety concerns associated with the off-street facility.
- 30 This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because the proposed Public and Passenger Transport Facility will cause a significant change to the current transport networks. Together with the associated changes within the Town Centre Masterplan the overall outcome will be positive.
- 31 This matter relates to strategic risk SR1 Current and future development needs of the community, as documented in the Council's Risk Register. The risk is classed as high. This matter relates to this risk because the change to the community will result in behavioural changes to accessing the town centre, the use of public transport options and changes to transport networks.
- 32 The recommended option considered above mitigates the risk by:
- Treating the risk – through a staged approach, good communications and multi-agency integration.

### **Financial Implications**

- 33 The expected budget for the detailed business case is \$75,000 and this is provisioned for within the Town Centre Masterplan Implementation budget. The costs associated with the design, consenting and construction of the physical works will be subject to the LTP consultation process.

### **Council Policies, Strategies and Bylaws**

- 34 The following Council policies, strategies and bylaws were considered:

- Queenstown Town Centre Transport Strategy
- Queenstown Integrated Transport Strategy

The recommended option is consistent with the principles set out in the named policy/policies.

- 35 This matter is included in the 10-Year Plan/Annual Plan. Significant mode shift to public transport in particular, is a key component to reducing congestion, improving travel time reliability and increasing the liveability experience.

## **Local Government Act 2002 Purpose Provisions**

36 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by having a robust business case supporting the investment;
- Can be implemented through current funding under the 10-Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

## **Consultation: Community Views and Preferences**

37 The persons who are affected by or interested in this matter are Queenstown residents, visitors, business owners and operators.

38 In July 2017, QLDC published a community engagement document for the Queenstown Town Centre Masterplan and conducted several community engagement events encouraging feedback across a wide variety of mediums. A popular theme was that “anything convenient that gets there on time will be popular”. 72% of respondents confirmed they would use a bus and 46% confirmed they would use a ferry.

39 Consultation regarding the physical works will be dealt with under the LTP consultation process.

40 QLDC has worked in partnership with NZTA and ORC in the development of the Business Case. This partnership has been critical to alignment of passenger transport services and their associated facilities. The Public and Passenger Transport Facilities Indicative Business Case has been formally submitted to NZTA to approval to proceed to detailed Business Case.

## **Attachments**

A Queenstown Public and Passenger Transport Facilities Indicative Business Case (circulated separately)