

## Waka Kotahi Position on Ladies Mile

### **Issue**

The transport network is currently operating at or close to 100% of capacity across the Shotover Bridge at peak times. Additional private vehicle based development will only increase the travel demand and reduce the resilience of an already constrained transport system. Further, while the bridge itself is at capacity it currently regulates flows further east along SH6 and SH6a which is also a constrained corridor in terms of vehicle capacity.

### **Background**

Ad hoc, low density single use housing developments east of the Shotover Bridge have cumulatively placed demands on the state highway network at peak times.

In 2017 the Queenstown Lakes District Council (QLDC) amended its Lead Policy on SHA's to include Ladies Mile. To support the consideration of SHA applications the Council sought to borrow for infrastructure from the HIF fund to enable development of 1100 dwellings at Ladies Miles. This included seeking funding for transport improvements.

In August 2018 the Waka Kotahi Board (the Board) approved \$12.7M (NZTA share \$6.47m) in support of the Councils application for the Housing Infrastructure Fund. In particular Council sought funding for a 4-arm roundabout at Howards Drive, active modes underpass and footpath connections and bus stops on SH6.

The key concern from the Board was the impact of the development on the transport network and its ability to cope given the Shotover Bridge is at capacity during peak times. This bridge cannot have additional capacity added due to its design/construction.

As a result, the Board imposed two relevant conditions on the approval of funding. These conditions were built around a staged and managed approach to land release integrated with take up rates for public transport.

These were:

e) **Approved** funding, for pre-implementation and implementation of eligible transport infrastructure in each final HIF DBC, of up to:

iii. \$12.70 million (QLDC share \$6.22 million and Transport Agency share \$6.47 million) for the Ladies Mile growth area, subject to, as a condition precedent, QLDC formalising the existing policy pause to reflect the staged 450, 750 and 1100 consent thresholds, or implementing an equivalent staging mechanism as agreed in a signed Memorandum of Understanding,

g) **Delegated** to the NZ Transport Agency Chief Executive the authority to: approve funding for the Transport Agency to progress with urgency a Queenstown long term corridor and network feasibility business case, including park and ride, when satisfied that the scope will sufficiently deliver a robust understanding of the mechanisms available and appropriate triggers to implement future system capacity.

The approval conditions have not yet been satisfied as follows:

1. The three agencies agreed in principle to an MOU incorporated as part of the 'Way To Go' partnership. The details of this MoU have not been finalised.
2. A long-term corridor and network feasibility case is still outstanding. However, work towards a corridor approach is in part progressing through the Queenstown Business Case work. Further work is needed to identify potential gaps to fulfil this condition (see appendix).

**The Agencies base position remains as per the Waka Kotahi Boards HIF funding approval subject to the satisfaction of the conditions.**

### Subsequent Decisions and Activities

On 18<sup>th</sup> April 2019, the Council declined to progress three requests for SHAs on the Ladies Mile site. The district plan decisions rezoned Ladies Mile Rural Zoned land to Rural Lifestyle Zone but suggested further investigation should be undertaken to consider urbanisation with a structure plan.

Recent investigation by Waka Kotahi NZTA (pre-Covid) indicates the future demand across the network is much greater than previously predicted. A recent update to the strategic transport model shows that the network demand of the previous 2045 future year model approximately equates to the demand of the new 2028 future year model. The hold points and associated PT mode share targets that were identified in the HIF DBC may now not be adequate to avoid significant peak time congestion at the Shotover bridge.

The Council is assuming that high density, mixed use development will encourage greater mode shift. Technical advice (attached as Appendix A) based on international research indicates that a 5-6% reduction in traffic generation can be expected for a mixed-use development. PT will not

cater for all trips so there will always be a resultant increase vehicle demand across the bridge largely irrespective of the housing density or mix of development. The overall alternative<sup>1</sup> mode share across the network will need to be in the order of 40% by 2028 to maintain a functional transport network.

Additionally, a successful mode shift programme will require other incentives such as parking pricing to encourage the right behaviour.

### **Statement of Position on Ladies Mile and Next Steps**

- NZTA's current position is that of the NZTA Boards HIF funding approval in 2018, although investment decisions have been made since this time (notably NZUP) and there is now new information and QLDC is taking a new approach to investigating Ladies Mile. It remains relevant that any work on Ladies Mile Master Plan must be integrated with the Spatial Plan.
- The Partners do not have a signed MOU agreement but Central Government, QLDC and Iwi (The Partnership) are finalising a Terms of Reference in relation to an agreed urban growth partnership for the Queenstown Lakes area ).
- Further work is needed on defining how to measure mode shift as a basis for development of staging Ladies Mile to a maximum of 1100 households (as per table).
- NZTA recognises that The Partnership is now looking at other development scenario's for Ladies Mile, but with new information it remains unclear how an integrated and intensive mixed-use development can be designed so it will not adversely affect the functionality of the transport system.

### **What has changed since the NZTA Board Resolution**

Some processes decisions have moved on since the Board decision.

The NZ Transport Agency has been part of a number of workstreams relevant to the Ladies Mile Transport corridor. They include the business case development, the Spatial Plan and the Mode Shift Plan. They are operating across the planning 0 - 30-year time horizons.

### **Queenstown Spatial Plan**

The spatial plan is taking a 30-50-year view of Queenstown and includes a number of options to accommodate residential and visitor growth. This work is also underway with a draft plan anticipated by the end of

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<sup>1</sup> Alternative means alternative to single occupancy private vehicle trips and includes public transport, walking and cycling trip, ride sharing and working from home.

2020/start of 2021. It will identify key growth opportunities and constraints for the Queenstown District (incorporating influences from adjoining regions).

The spatial plan is progressing a preferred option that includes intensification of Queenstown Town Centre and Frankton and supporting growth in connected settlements including significant increases in capacity (up to 11,000 dwellings) in the Southern Corridor .

The Eastern Corridor (including Ladies Mile) has also been identified as a priority development area that might be suitable for a new transit-oriented neighbourhood offering new housing choices. It recognises that this will require a high degree of integration between the partners to deliver this. However, this has yet to be efficiently demonstrated and the Agency seeks that the LM Master Planning process does effectively demonstrate both the ability to significantly shift mode (up to 40% in the morning peak by 2028 and up to 60% by 2048) to ensure the safe, effective and efficient operation of SH6.

The Housing Capacity Assessment undertaken by Council in 2017 indicates that there is sufficient zoned land to accommodate required capacity. However, there is an identified affordability issue in Queenstown and a lack of supply of housing in the sub \$780k range.

### **Wakatipu Business Cases.**

There are a number of business cases covering the Wakatipu Basin being delivered by the Way to Go partnership. They are primarily focused on improving mode choice, pedestrian improvements within the Town Centre, an active mode network and public transport efficiency on SH6 and SH6A. The business cases all aligned with the approved programme from the Queenstown Integrated Transport Programme Business Case and also take direction from of the Queenstown Town Centre Masterplan.

The primary area of focus for the business cases is Frankton and Queenstown, however, there is an overlap with Ladies Mile to the extent they are concerned with network capacity issues on SH6 across the Shotover River – and the scope of the Kawerau Bridge to Grant Road DBC was extended to include the Ladies Mile and subsequently rolled into the Frankton to Queenstown and QT Town Centre SSBC .

### **NZ Upgrade Programme**

The NZ Upgrade Programme provides \$90 million of direct Government grant to build on the success of the Orbus service by funding a range of

public transport and active mode projects on SH6 and SH6A, between Ladies Mile, Kawarau Falls Bridge and Queenstown's town centre. Bus lanes will be built to prioritise travel by public transport on the southern side of SH6 and bus priority measures along SH6A. These will be supported by a new bus hubs on SH6 at Frankton and on SH6A in Queenstown CBD

The investment also includes a new roundabout at Howards Drive (Lake Hayes Estate access), an upgrade to the SH6/SH6A intersection and a pedestrian underpass at Ladies Mile to provide better cycling and walking connections.

Together, these improvements will provide a more reliable and efficient bus service into Queenstown's town centre, and safer, upgraded walking and cycling facilities, helping reduce reliance on private vehicle use. However, at some point they may not be sufficient to cater for growth of more than 1,100 dwellings at Ladies Mile. There is also work needed to understand possible staging and timing of development to meet the Boards conditions on approval for HIF funding.

### **Covid-19 Update**

Queenstown has been heavily affected by the pandemics associated economic downturn because of its reliance on tourism. It is also heavily reliant on net migration for population growth. The border closures will reduce immigration, slow growth and negatively impact on the construction sector. Population growth is expected to slow at least in the short to medium term. Employment levels will remain below pre-covid levels until at least 2025. However, employment and population are expected to grow over the longer term. QLDC is utilising projections that demonstrate that by 2048 Queenstown would have growth to levels projected pre Covid 19. These projections have not been endorsed by the Transport Agency.

The impacts of Covid-19 information is however reflected in research undertaken by Waka Kotahi and reflected in the Agencies *Arataki* document, our ten year view for the land transport system.

<https://www.nzta.govt.nz/planning-and-investment/planning/arataki/>

### **Mode Shift Plan**

The Queenstown Lakes draft Mode Shift Plan was developed in 2020 and while it has been endorsed by ORC it has not yet been endorsed by QLDC.

The Mode shift plan takes a three-pronged approach shifting mode. Through shaping urban form, improving active and shared modes and influencing people's travel choices. Initiatives to reshape existing urban form and locate new urban development will be outlined through the Queenstown Lakes District Spatial Plan. The greatest contribution to mode shift will come from a significant investment in public transport infrastructure and services in the Wakatipu Basin and subsequent increases in the PT LOS. Influencing travel choices, also known as travel demand management, will include the promotion of active and shared mode options and parking management (supply and pricing) at key centres. Implementation of the plan will require ongoing support from the public, business and commercial sectors.

### Next Steps

1. Further analysis on what work is needed to provide a corridor investigation to determine whether it meets the Board's expectations
2. Determine how to quantify mode shift to give effect to the Board's requirement for HIF funding.

### **Discussion on the FtQT&QTTC SSBC and integration with LM**

The major work of the FtQT&QTTC SSBC does not solely focus on the Ladies Mile corridor but will take a broader strategic approach to development in Queenstown.

The spatial plan in turn looks across a number of subject areas including land use and housing, natural constraints, other infrastructure etc. This work will address a number of the issues and will be cross referencing between the land use, environmental, social/economic and transport reports.

There exists now an opportunity to investigate other land use development options at Ladies Mile, with a greater ability to integrate timing, density and the mix of uses with network improvements and with the aim of shifting mode **significantly**.

QLDC is now progressing a Masterplan of Ladies Mile with a view to notify a plan change early in 2021. This is being undertaken by the Ladies Mile Consortium comprising Studio Pacific, Brown & Company and Candor3. NZTA are contributing to this project through the Project Working Group and the Programme Control Group.

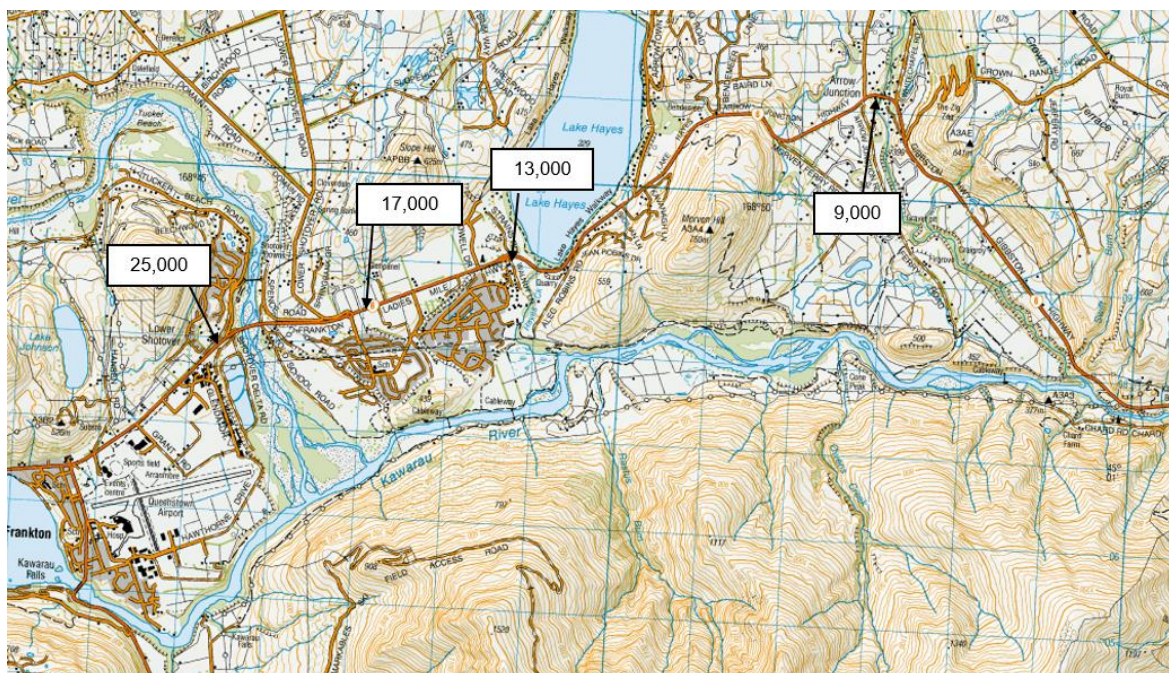
The Council has recently purchased land on the Ladies Mile and has expressed an interest in developing a Park and Ride, and community facilities in this location.

Current work will provide the following improvements to the network

### Ladies Mile improvements

<b>Description</b>	<b>Activity</b>	<b>Comment</b>	<b>timing</b>
<b>Ladies Mile Bus Priority</b>	Improve Public Transport	Provide bus priority for services along Ladies Mile including from the future Park and Ride	2021
<b>Increase Bus Service</b>	Improve Public Transport	Direct peak time service from Lake Hayes Estate to Queenstown	2020
<b>Plan Change</b>	Urbanisation of the northern side of SH6 on the Ladies Mile	Will provide further opportunity to integrate planning and transport	Possibly next 6-9 months
<b>Park and Ride</b>	Improve Public Transport	Potential to further develop into a multi modal hub.	Next 2 years
<b>Spatial Plan</b>	Develop Draft Plan	Will consider spatial pattern for Queenstown including Ladies Mile.	By end of 2020 / start of 2021
<b>NZUP – Roundabout and pedestrian / cycle underpass</b>	Improve safety. Provide better cycling and walking connections	Will provide further opportunity to integrate planning and transport	Start at the end of 2021

## Approximate 2018 ADDTs on SH6



### What is the further work needed to satisfy the Board's Corridor Investigation condition?

The network east of Frankton is at capacity at peak times. This includes not just the Shotover bridge; but some of the connections within the Frankton Flats. QLDC has been working on options for development of Ladies Mile which have moved from the proposal as approved by the Board.

Waka Kotahi is progressing its understanding of the Corridor opportunities and constraints through both land use planning transport planning activity as outlined above. While a specific comprehensive corridor study has not been undertaken, the expanded scope of the Kawarau Falls to Grants Road DBC to include Ladies Mile and now incorporated into the Frankton to Queenstown Town Centre DBC largely covers this.



What is needed going forward is for the Ladies Mile master planning process to incorporate further corridor investigation and modelling of potential land use scenarios and to clearly demonstrate (through modelling results and staging) an integrated approach to land use and transport planning for the areas and in a way that maximises the people moving capacity of the corridor, results in a significant mode shift and shows how the SH6 corridor can function effectively efficiently and safety into the future and clearly outlines the investment in infrastructure and services required to achieve this and how these might be funded.

**Determine how to quantify mode shift to give effect to the Board’s requirement for HIF funding.**

Appropriate mechanisms need to be determined to give effect to the Board’s requirements below<sup>2</sup>.

(between Lake Hayes and Shotover bridge). This MOU will apply to the development of housing described by this Detailed Business Case, up to a maximum of 1,100 homes, which is the robust limitation imposed by QLDC’s ‘Policy Clause’. It is expected that the MOU will formalise the following ten steps, expanded to include levels at which each intervention should be designed, constructed and implemented.

	Sequence	Action / Intervention	Trigger	Control Mechanism	Funding
1	Prior to first lots	Construct access Roundabout at Howards Drive	DA for Development	DA	HIF
2	Prior to first lots	Construct Bus Stops and Underpass on SH	DA for Development	DA	HIF
3	Prior to first lots	Improve PT Level of Service - Target 20%	DA for Development	MOU	ORC
4	By end of 450th lot	Construct Park & Ride East of Ladies Mile	Design @150. Construct @300.	MOU	NZTA
5	Park & Ride	Complete Improve PT Level of Service - Target 25%	Park & Ride Complete	MOU	ORC
6	By end of 750th lot	Construct Bus Priority Lane (Park & Ride to Shotover Bridge)	Design @450. Construct @600.	MOU	QLDC / NZTA
7	Priority Lane	Complete Improve PT Level of Service - Target 27%	Priority Lane Complete	MOU	ORC
8	By end of 900th lot	Implement Diversion Improvements	Design @750. Construct @825.	MOU	QLDC / NZTA
9	By end of 1,100th lot	Improve PT Level of Service - Target 29%	900 Lots	MOU	ORC
10	Prior to 1,101st lot	Future PT Infrastructure / Modal Shift	900 Lots	MOU	QLDC / NZTA / ORC

Some of this work has been superseded or progressed by other programs. That is:

<sup>2</sup> This table and the challenges with integrating land use and transport in this location was also reported to QLDC Council on the 18<sup>th</sup> of April 2019. Report for Agenda Item 1.

- Steps 1 and 2 are being delivered by NZUP
- Step 6 (bus priority lane) is being delivered by NZUP
- Step 4 is being progressed via a Council led business case

The other steps in the table are still required sequentially to keep the Shotover Bridge operating at or near capacity during peak times.

An updated Table reflecting the new funding arrangements and potential new Control Mechanisms is as follows:

NZTA Board HIF Approval						
	Sequence	Action / Intervention	Trigger	Control Mechanism	Funding	New Funding
1	Prior to first lots	Construct access Roundabout at Howards Drive	DA for Development	DA	HIF	NZUP
2	Prior to first lots	Construct Bus Stops and Underpass on SH	DA for Development	DA	HIF	NZUP
3	Prior to first lots	Improve PT Level of Service - Target 20% reduction in private vehicle trips	DA for Development	DP staging	ORC	ORC
4	By end of 450 <sup>th</sup> lot	Construct Park & Ride East of Ladies Mile	Design @150. Construct @300	DP staging	NZTA	NZTA
5	Park & Ride	Complete Improve PT Level of Service - Target 25%	Park & Ride Complete	DP staging	ORC	ORC
6	By end of 750 <sup>th</sup> lot	Construct Bus Priority Lane (Park & Ride to Shotover Bridge)	Design @450. Construct @600	DP staging	QLDC / NZTA	NZUP
7	Priority lane	Complete Improve PT Level of Service - Target 27%	Priority lane complete	DP staging	ORC	ORC
8	By end of 900 <sup>th</sup> lot	Implement Diversion Improvements	Design @750. Construct @825	DP staging	QLDC / NZTA	QLDC / NZTA
9	By end of 1,100 <sup>th</sup> lot	Improve PT Level of Service - Target 29 %	900 Lots	DP staging	ORC	ORC
10	Prior to 1,101 <sup>st</sup> lot	Future PT Infrastructure / Modal Shift	900 Lots	DP staging	QLDC / NZTA / ORC	QLDC / NZTA / ORC
	Over 1100 lots	Future PT Infrastructure / Modal Shift	?	MOUDP staging		

## Appendix A

### Ladies Mile Housing Density Research Note

