

STAFF REPORT

TO: Chairman and Members, Engineering Services Committee

FROM: Dugald Ley, Development Engineer and Bike Rider
Finisher of the Central Otago Rail Trail

DATE: 30 November 2009

REFERENCE: R858

SUBJECT: **ENDORSEMENT OF CYCLE RAIL TRAIL - TASMAN**

PREAMBLE

Most Councillors will be aware that once the 50+ year age bracket is reached we start compiling a “bucket list” of things we must do. Well one of these has just been ticked off my bucket list.

The “Otago Centennial Rail Trail” (OCRT) is indeed a “must do” for all ages especially those in the 36-50 year age group. This report will outline the benefits that can be achieved for the district if such a “rail trail” was envisaged for Tasman.

The Otago Central Rail Trail was established in February 2000 through a cooperative effort between the Department of Conservation and the Otago Central Rail Trail Trust. Located in Central Otago, the 150 km recreational rail trail was built upon Central Otago’s historic railway foundations. The rail trail (west from Middlemarch) travels along the Taieri River and through the Maniototo Plains; crosses the Rock and Pillar, North Rough, and Raggedy Ridge ranges; and passes through Ida Valley and Poolburn Gorge along the Manuherikia River.

A trip along the entire 150 km length of the Otago Central Rail Trail may begin at either end of the trail, at Clyde or Middlemarch, and cycled in approximately 4 days, walked in approximately 6 days, or experienced by any number of shorter Station to Station trips. The OCRT’s highest point is near the township of Wedderburn, 618 m above sea level, with gentle descents in either direction. Whether engaged in a multi-day excursion or a one day trip, a large selection of accommodation providers, restaurants, and other businesses support rail trail visitors both in communities adjacent to the rail trail and at nearby off-trail locations.

Otago Central Rail Trail recreation facilities include 14 trail side ganger’s sheds which contain interpretive panels (inclusive of maps, colourful photographs, and educational material), 12 toilet facilities, and directional signs. Activities include visiting historical sites, wildlife viewing, and competitive events, as well as opportunities for golfing, curling, fishing, wine touring, camping, and visiting museums and art galleries. Information can be obtained from the Otago Central Rail Trail Trust’s website <otagocentrailtrail.co.nz> ,

COMMENTARY

My short excursion down south is typical of the “normal” user of the rail trail, ie four people (two couples), riding over 3-4 days, minimum four nights stay at various locations, stop at each pub/café located at 10km intervals, stay on for the full week, total of nine days away. Good weather, light winds. (You can buy a passport).



Such a rail trail located in Tasman would have immense benefit to local businesses and thus the local economy and with Tasman’s good climate it could be a year-round activity. Note – Otago generally operates from November to May (only seven months).

On our first day (Sunday, 15 November) we passed 30 cyclists going in the opposite direction and at the first drinking “hazard”, 21 bikes were lined up outside. I would guess that most of the establishment’s clientele were “rail trail users” and in fact at the Waipiata “rest area” which is eight kilometres from any main road, the new publican was just completing hotel extensions to cope with the increase in visitors.



The innkeeper at Wedderburn also spoke of the increase in rail trailers with 28 staying for dinner that night (Monday). On a good day he said over 500 cyclists could be on the track.

Also at this location relocatable one-bedroom units were being installed for the “drivers” of the large groups stopping at the facility.



I spoke with “Trail Journeys” the cycle rental firm at the Clyde end of the trail and they advised that they are busier than ever and at times ran out of cycles from their stock of 500 available for hire (Note – they are one of three companies hiring cycles for the trail). They also mentioned that the overseas market is just now being tapped into.

Rail trails, both in New Zealand and overseas, are proving to be a real bonus to the local communities and are in line with recent Government policy aimed at developing a national cycle/walkway network.

The ideal loop for our area is Richmond to the Spooners (24 km) to Tapawera (21 km) to Tui (21 km) to Kawatiri (20 km) to St Arnaud (23 km) to Kohatu (41 km) and return to Richmond (35 km). With variations and nearby routes, this totals approximately 185 km. Note – most cyclists would ride between 40-50 km per day (10 km per hour).

Last year the OCRT completed its second trends survey (first survey was carried out in 2005, five years after the opening of the 150 km route). The 27-page report is available on-line however a brief summary is set out below.

In 2005, the Otago Central Rail Trail Charitable Trust developed a survey questionnaire to measure the economic impacts of the Rail Trail on businesses established in communities on the fringes of the trail. In 2008 the Trust repeated the effort to learn more about the successes and problems of businesses and communities affected by the Rail Trail, and administered a second survey to a similar sample in the same area, i.e. the Rail Trail's Middlemarch – Clyde corridor, including the greater Maniototo and Strath Taieri areas. The results of this survey are presented here and, where possible, compared with results obtained in the previous research.

The survey administered in 2008 assessed the trends and economic impact of the Otago Central Rail Trail on businesses in the areas most affected by the OCRT, and was based on the questionnaire used in 2005. However, in 2008 two different distribution methods were utilised: 1) online questionnaires were distributed to businesses with available email addresses and 2) hard-copy questionnaires were posted along with self-addressed, postage-paid return envelopes to businesses without known email addresses.

A total of 109 useable questionnaires were successfully completed and returned. The 2008 overall response rate was 35.5%; with a postal response rate of 26.7% (n=30) and internet survey response rate of 41.1% (n=79). In June and July 2005, 270 questionnaires were distributed by post, with 104 useable questionnaires returned for a total response rate of 38.5%, including a 46.3% response from accommodation providers (n=51) and 33.1% from general businesses (n=53).

For the 2008 survey, the majority (68.8%) of respondents were Accommodation Providers, followed by 22% Food and Beverage, 14.7% Retail, 10.1% Tour Operators, 7.3% Transport Providers, and 3.7% representing other types of businesses, including a travel agency, post office, and service station. These results were similar to the 2005 survey results. Results also indicate that the sample comprised two main types of businesses: large businesses with a total turnover of more than \$250,000 (32.6%), and small businesses with a total turnover under \$10,000 (29.5%).

A total of 552 full-time and part-time staff were reported to be employed and a significant number of these employees are employed part-time, both during the summer and winter seasons. The majority of business staff earn between \$12.50 and

\$20.00 per hour including 235 part-time staff employed during the summer compared with 147 part-time staff during the winter season.

As expected, February and March are the busiest months for businesses on the rail trail whereas June and July are the quietest. A significant percentage (22.6%) of businesses close for four or more weeks during the year and, most commonly, during the months of July and August. However, for 72.6% of the respondents, if there was demand during winter months businesses would operate without stop. In fact, 51.1% of respondents believe that there is potential for an increase in visitor numbers during the winter season, but that more effort should go towards promoting activities and places to attract tourists during this period.

Nearly one third of respondents (29.7%) reported that the OCRT was very important in their decision to buy or start their business. However, a significant number of respondents (19.8%) affirmed that the rail trail was not at all important in their decision to initiate their business. These results may be attributed to the sample of participants, which included several businesses that are not in fact related to, or greatly impacted by, the rail trail (e.g. big supermarket and petrol station chains). Moreover, the results show that the majority of our respondents (46.2%) attribute only 0-20% of their turnover to OCRT users. Although this is still a highly significant share of business turnover, and means an improvement from the 2005 study, when this percentage was even higher (68.4%), it shows that the sample was very diversified and, again, not necessarily composed of businesses that are significantly impacted by the rail trail.

A high number of respondents affirmed that their business is growing, although numbers are slightly lower than in the 2005 survey. Reasons for this include: petrol prices, more competition, large operators monopolising accommodation, fewer overseas visitors, direct flights into Queenstown, the national economy, and others. Nonetheless, business' owners are still predicting growth for the next 5 years, when businesses, and the rail trail, will reach a growth plateau and remain similar in the years to follow.

Respondents suggested there has been a change in users' group type since the 2005 study. According to our results, rail trail users are aged between 36 and 50 years, mostly cycling the trail, in groups of 3 to 4 and coming from the North Island. Overseas visitors are apparently coming more from Australia now than they were three years ago, when most of the international tourists were expected to be from Europe and the UK more specifically.

'Word of mouth', OCRT website and businesses' own advertising were reported as the main means by which visitors contacted service providers. The 2005 study provided similar results, although there was no option of businesses' own advertising in that survey.

According to respondents, the Otago Central Rail Trail has positively impacted the adjacent communities. Greater community pride and more services and facilities were ranked as the most important positive impacts. Rubbish problems, noise and crowding were some of the few negative comments provided by respondents. The top five suggested improvements for the OCRT were: More Activities to Encourage Better

Spread of Times to Use the Trail, More Information Panels Pointing out Areas of Interest, Greater Use as an Educational Resource, More On-Trail Toilets and More Shade Trees (in decreasing order of importance). These results were very similar to the items suggested in the 2005 study, which suggests that these issues have not been properly addressed and are still in need of improvement. One other constantly mentioned suggestion for improvement, especially in the open-ended questions, was signage.

Surprisingly, only a minority (21.8%) of respondents stated that events being held near or on the rail trail are beneficial to their businesses, with most respondents (40.2%) being unsure about their benefits. Conversely, 87.5% of respondents support competitive events on the OCRT.

Large numbers of respondents were not aware of the OCRT Trust enhancement works on the trail, with the exception of the Official Rail Trail Passport, road crossing warning signs and website. The high level of unawareness of such important efforts from the OCRT Trust indicate that more informational campaigns need to be considered to improve levels of community awareness of the Trust's work for the benefit of Rail Trail businesses and users.

SUMMARY

A rail trail located away from the hustle and bustle of a roading network together with excellent climate and the provision of good accommodation and refreshment establishments would enhance the district's economy and growth. For those that haven't completed a cycle tour, the OCRT is a good starting point. I encourage Council to promote and support such an endeavour if the Tasman Rail Trail gains traction using the disused railway line from Richmond to Kawatiri.

RECOMMENDATION

THAT this report be received.

Dugald Ley
Development Engineer and Bike Rider
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