Gold Coast Light Rail Stage 3A

Broadbeach to Burleigh Heads

Preliminary Business Case Summary

February 2018
Gold Coast Light Rail Stage 3A – Preliminary Business Case Summary

This document provides a summary of the Gold Coast Light Rail Stage 3A Preliminary Business Case that has been completed by the City of Gold Coast (City) for the proposed Stage 3A extension of light rail from Broadbeach to Burleigh Heads.

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This document provides a summary of the Gold Coast Light Rail Stage 3A Preliminary Business Case that has been completed by the City of Gold Coast (City) for the proposed Stage 3A extension of light rail from Broadbeach to Burleigh Heads.
Key benefits of Gold Coast Light Rail Stage 3A

- **2,400** local jobs created in the construction phase
- **39** local jobs created in the operating phase
- **More than 25,000** extra public transport trips per day
- **Over **$273m** total travel time savings
- **Over 8,000** car trips per day removed from the road network
- **Over $1.2b** in economic benefits
- **12km** of upgraded pedestrian pathways
- **10,387** hours per day total travel time savings
- **3,950** hours per day network wide public transport time savings
Introduction

Gold Coast Light Rail Stage 3A is the next part of a bigger plan to connect light rail from the heavy rail network at Helensvale Station to Coolangatta via the Gold Coast Airport. Stage 1 of the light rail system commenced services in July 2014 and extends from the Gold Coast University Hospital to Broadbeach. In December 2017 Stage 2 commenced services, extending from the Gold Coast University Hospital to Helensvale station.

In May 2016 Council endorsed the route from Broadbeach South Station to Coolangatta via the Gold Coast Airport as Stage 3 of the Gold Coast Light Rail. The Stage 3 extension has been broken into two sub-stages:

- **Stage 3A**: from Broadbeach to Burleigh Heads
- **Stage 3B**: from Burleigh Heads to Coolangatta via the Gold Coast Airport.

The Preliminary Business Case relates to Stage 3A. Planning and consultation for Stage 3B is not likely to occur until 2019.
The Gold Coast is Australia’s largest non-capital city and the second largest city in Queensland. Its population of 576,900 (in 2016) is forecast to increase by 61% to 928,000 in 2041. With the attraction of world-class beaches and a coastal lifestyle, the Gold Coast’s coastal areas will continue to attract a large population of future residents, employees and visitors.

As a growing city, we need to ensure that future growth can be accommodated while protecting the character and lifestyle that makes the Gold Coast attractive in the first place. The provision of high-capacity public transport will allow the Gold Coast to accommodate forecast growth while preserving the attractiveness and liveability of the southern Gold Coast. It can also help to support the growth of new employment opportunities in locations that reduce car dependency and traffic congestion.
About Stage 3A

The extension of light rail to Burleigh Heads involves:

- about 6.4 kilometres of dedicated dual light rail track from Broadbeach South station to Burleigh Heads
- light rail tracks running in the centre of the Gold Coast Highway all the way to Burleigh Heads
- up to 8 new light rail stations
- up to 5 new light rail vehicles
- a light rail – bus interchange at Burleigh Heads
- 3 new signalised traffic intersections and upgrades to some existing intersections
- approximately 16 new signalised pedestrian crossings
- 12 kilometres of upgraded pedestrian footpaths
- landscaping along the light rail route and at stations
- upgraded cycle facilities along the parallel coastal street network
- underground conduit for City services and technology provision.

Preliminary Business Case

The extension of light rail to Burleigh Heads will require funding from the Commonwealth Government, Queensland Government and the City. Completion of a Preliminary Business Case is an important first step in the process to secure project funding, as the Preliminary Business Case provides government with an initial assessment of the costs and benefits of the project.

The Preliminary Business Case for Gold Coast Light Rail Stage 3A was completed by the City in December 2017. Preparation of the Preliminary Business Case involved:

- preliminary engineering design and cost estimate
- community consultation (completed in June and July 2017)
- assessment of forecast population and employment growth
- cost-benefit analysis
- financial analysis
- environmental and social impact assessments
- assessment of project risks and delivery options.

The Preliminary Business Case found that while the project requires a significant investment, the benefits of delivering the project would far outweigh the costs, meaning the project has a positive benefit-cost ratio (BCR). The City has now provided the Preliminary Business Case to the Queensland and Commonwealth Governments for their consideration.
Costs and benefits

The Preliminary Business Case completed an initial cost-benefit analysis of the proposed light rail extension from Broadbeach to Burleigh Heads.

Capital cost

The expected cost of constructing the Stage 3A extension is estimated to be $670.5 million. The cost is based on an indicative construction timeframe of 2020–23. The cost includes all construction costs, project management and delivery costs, property acquisition, contingency and escalation. The cost is preliminary only and will be revised once detailed engineering design is completed as part of the detailed business case. Project funding will be sought through a combination of Commonwealth Government, Queensland Government and City of Gold Coast contributions.

Operational cost

Analysis also considered the operating costs of the extension. This includes staff salaries and overheads, light rail operations, maintenance of infrastructure and maintenance of light rail vehicles. The analysis identified that there will be the opportunity for revenue from public transport fares to offset a large portion of these operational costs.

Benefits

The Preliminary Business Case identified a range of benefits including:

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<th>Transport benefits</th>
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<tr>
<td>Travel time savings</td>
<td>10,387 hours per day total travel time savings for light rail, bus and private vehicle car users. This includes 3,950 hours per day network wide public transport time savings.</td>
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<td>Reduced congestion</td>
<td>More than 8,000 car trips per day removed from the road network.</td>
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<tr>
<td>Increased public transport use</td>
<td>Public transport usage increase by more than 25,000 extra public transport trips per day.</td>
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<td>Public transport user benefits provided by light rail</td>
<td>As well as travel time savings, public transport users benefit from the improved quality of service.</td>
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<tr>
<td>Reduced vehicle operating costs</td>
<td>Reduction in the cost of vehicle operation because of increased public transport usage.</td>
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<td>Active transport</td>
<td>More people using light rail means more people walking and cycling to and from the light rail stations, helping to increase levels of walking and cycling. The Stage 3A extension would provide 12 kilometres of upgraded pedestrian pathways as well as upgraded cycle facilities.</td>
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<td>Reduced crash costs</td>
<td>Reduction in road crashes because of increased public transport usage.</td>
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**Economic benefits**

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<tr>
<th>Benefit to the economy</th>
<th>More than $1.2 billion in economic benefits.</th>
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<td>Jobs</td>
<td>The project would create approximately 2,400 jobs during the construction phase and 39 additional jobs during operation.</td>
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<td>Economic benefit of travel time savings</td>
<td>Travel time savings equate to an economic benefit of $273 million.</td>
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<td>Wider economic benefits</td>
<td>Improved transport accessibility enables a range of flow on economic benefits including productivity, market efficiency and labour supply.</td>
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<td>Increased land values</td>
<td>There are benefits to the economy from increased land values. Land values increase because of the improved accessibility provided by the light rail system.</td>
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**Environmental benefits**

| Reduced environmental impacts vehicles | Increased public transport usage will reduce the negative environmental impacts of private vehicles. |
Community consultation

As part of the development of the Preliminary Business Case, the City completed community consultation in June and July 2017. The consultation sought community feedback on the proposed Stage 3A extension as well as feedback on two options for the location of the Burleigh Heads station. The consultation highlighted strong support for the project as well as a preference for the Burleigh Heads station to be located on the Gold Coast Highway.  

Previous consultation completed by the City in 2015 also found strong support for the extension to Burleigh Heads. It considered a number of possible light rail routes in southern areas of the Gold Coast. Of the 3606 people who responded to the survey, the highest level of support was for extending the light rail to Burleigh Heads and the Gold Coast Airport via the Gold Coast Highway. About 79 per cent of people strongly supported light rail from Broadbeach to Burleigh Heads.

Possible impacts

The Preliminary Business Case identified some possible impacts that will have to be managed.

- Loss of on-street parking in some areas where the Gold Coast Highway is too narrow to accommodate the new light rail tracks and stations, two lanes of vehicle traffic and car parking.
- Some changes to traffic movements to allow the light rail to operate safely and efficiently in a busy road environment.
- Some land acquisition requirements.
- Some business disruption during construction.

Possible project impacts will be minimised during detailed design and throughout the construction phase. Learnings from the delivery of Stages 1 and 2 can help to minimise impacts.

1. The Gold Coast Light Rail Stage 3A consultation report is available at gchaveyoursay.com.au/lightrailtoburleigh
Project timeline

The Preliminary Business Case identified that Stage 3A could commence passenger services by 2023.

Next step – Detailed Business Case

Together the City of Gold Coast and the Queensland Government have committed funding to complete a Detailed Business Case in 2018. The Detailed Business Case process will include further community consultation on the detailed design of Stage 3A, likely to be undertaken by the Queensland Government in mid to late 2018.
For more information

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