

Impact Assessment

Te Anau Downs to Cascade Creek Trail

ADDENDUM

Prepared for Department of Conservation
(Milford Opportunities Project)

18 June 2024

REVISED SCENARIOS

This Addendum to an earlier report¹ sets out a revised set of scenarios for the economic contribution that may accrue to Fiordland from a proposed trail connecting Te Anau Downs with Cascade Creek. Preparation of the Addendum was requested by the Milford Opportunities Project team in view of possible plans for an alternative route to that assumed for the original Impact Assessment.

The original assumption was that sections of the trail would run to the true right of the Eglinton River and other sections at significant distance from the road. The route currently being considered would run much closer to State Highway 94 (Milford Road), with lengthy sections immediately adjacent to, or within 100-200 metres of, the road corridor (within the bush or on the flats if feasible).

While this alignment would make the trail more accessible along its length, our assessment is that this option would be less desirable (to the market) overall, and attract a different type of cycle trail user (including fewer multi-day riders and a much higher proportion of short-trip/half- or full-day riders).

In reaching this conclusion, we have considered the following.

- As the alternative would provide access to a corridor and scenic vistas already (largely) accessible by road, the opportunity for users to enjoy a unique multi-day experience in a remote 'wilderness' environment would be diminished (if not lost entirely). This is likely to compromise the 'marketability' of the trail, and reduce its appeal to potential trail users (both domestic and international).

As a particular example, the rerouting of the trail is likely to limit prospects for the trail to achieve 'Great Ride' status and therefore to benefit from the associated profile and referral opportunities available to trails that are part of that network. As described on www.newzealand.com, Great Rides are "*rich in breathtaking scenery and must-see attractions... an unforgettable way to explore New Zealand. Mostly off-road and traversing a remarkable range of landscapes, the Great Rides offer adventures for almost every age and ability.*"

- It is probable that the trail user experience will be compromised to some degree by proximity to the road and the associated traffic noise, exposure to traffic exhaust and impact on sightlines (the degree of the compromise would depend upon how closely the trail aligns with the road and for what distance). This may impact the extent to which trail users are motivated to share their experience with others - e.g. via social channels and more traditional word of mouth - and resulting organic promotion of the trail.
- Commercial operators will be less inclined to support and promote a trail that doesn't offer potential customers a unique and compelling experience of New Zealand's landscapes, heritage

¹ Impact Assessment, Te Anau Downs to Cascade Creek Trail, Report prepared for Department of Conservation (Milford Opportunities Project), Angus & Associates, 29 November 2023

and/or culture (i.e. an experience not easily accessible to everyone, or by other means). This will affect international market potential in particular.

- While easy access to the road could attract some less confident cyclists (loathe to embark on a more remote trail), this may also add to perceived safety hazards.

The three revised scenarios now proposed are based on our review of data for broadly comparable trails in New Zealand, on confidential discussions with a number of trail managers and commercial cycle trail operators, and an assessment of how the alternative routing is likely to affect the assumptions in the original forecasts.

Notably, we have now assumed: -

- A lower overall level of demand for experiences on the trail from people visiting Fiordland/ Milford Sound Piopiotahi (reflected in lower levels of market penetration): *the new assumption is 50% of the market penetration that was originally forecast.*
- A higher proportion of domestic trail users and lower proportion of international trail users: *the original assumption was 72% international trail users and 28% domestic trail users; the revised assumption is 50% from each market.*
- Higher proportions of < 2 hour and half- to full-day cyclists and a lower proportion of multi-day cyclists: *the original weighted (domestic/international market) averages were 39% participating in less than 2 hour experiences, 38% in half/full day experiences and 23% in multi-day experiences; the revised assumptions are 42% participating in less than 2 hour experiences, 48% in half/full day experiences, and 10% in multi-day experiences.*

These revised assumptions have flow-on effects in relation to incremental visitor nights, visitor expenditure and FTE jobs as in the scenarios for 2028 below.

Scenario 2028	Cycling Visitors (#)	Incremental Visitor Nights (#)	Visitor Expenditure (\$)	FTE Jobs (#)
Higher use case scenario	37,217	28,807	\$7.4 million	65
Moderate use case scenario	29,400	22,756	\$5.9 million	51
Lower use case scenario	25,977	20,107	\$5.2 million	45

By 2040 the proposed (alternative) trail is forecast to carry more than 60,000 cycling visitors, and contribute approximately 47,000 incremental visitor nights and \$16.3 million in direct economic contribution to Fiordland (in the moderate use case scenario).

For ease of comparison, the following table outlines the **moderate use case scenario** for 2028 and 2040, considering both the original and alternative trail routes.

Moderate Use Case Scenario	2028		2040	
	Original Route	Alternative Route	Original Route	Alternative Route
Cycling visitors (#)	58,802	29,400	121,461	60,730
Incremental visitor nights (#)	60,513	22,756	125,333	47,005
Visitor expenditure (\$)	\$15.6 million	\$5.9 million	\$43.5 million	\$16.3 million
FTE jobs (#)	136	51	N/A	N/A

As per the original modelling, the scenarios for the alternative route still assume:

- a) a Grade 2 trail
- b) a high-quality experience for trail users
- c) a base level of marketing is undertaken to generate awareness of the opportunities for cycling on a new Te Anau Downs to Cascade Creek trail (both in the domestic and international markets)
- d) a base level of infrastructure is in place to support demand
- e) the Te Anau to Te Anau Downs extension of the Lake2Lake Trail is completed (so a continuous trail exists from Manapouri to Cascade Creek).