

**Mr D Hinman
Principal Adviser,
Strategy and Planning Group,
Christchurch City Council
PO Box 237
Christchurch**

16 April 2007

Dear Sir,

Thank you for the opportunity to make a submission to the City Council's "City Mall" project with particular regards to the proposed tram track extension.

Christchurch Tramway is part of The Wood Scenic Line Limited which also operates the Christchurch Gondola Limited - two of Christchurch's iconic tourist attractions with a combined annual patronage of 330,000 visitors.

The company is also a shareholder in Punting on the Avon Limited which has annual patronage of 40,000 visitors.



1. The Proposed Route

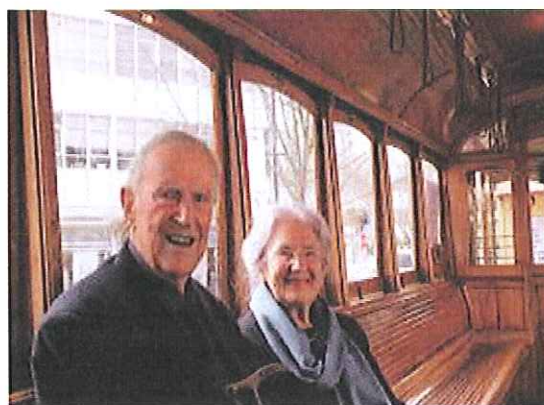
We appreciate that the Council has taken on board our earlier submission to avoid by-passing the Square with the current proposal extending via Oxford Terrace, Cashel Mall, Cashel Street, Manchester Street, High Street, High Street Mall, Colombo Street and Cathedral Square to then continue on the existing route. The proposal to extend the tram route is fully supported as it extends the attractions for the city's visitors. The extension allows extended views of the Avon River along the Oxford Terrace Strip, will increase numbers for the city's retail outlets and assist with the inner city revitalisation plan.

If the route is confirmed the area in Manchester Street will require traffic separation where the tram turns into High Street and this has been covered in the safety assessment. Likewise the trams have operated in Christchurch for almost fourteen years without creating any major traffic problems co existing with buses, taxis and private vehicles and a proper traffic plan will resolve any potential hazards that could arise.

With regards the tram route on entering Cathedral Square both proposals have benefits and areas that require further investigation in line with the safety recommendations.

We believe from an economic perspective the new area that is proposed to be served will benefit by up to 160,000 more people visiting each year. The tram is now an internationally recognised icon of Christchurch and without doubt the new areas served will benefit from the image and publicity the trams receive.

The trams play an important part with inner city events that Christchurch hosts, both local and international. Over the last six months the trams have played a part in a number of initiatives. We had the pleasure of having a team of huskies pull a tram with the Sir Edmund and Lady Hillary onboard during the Christchurch Antarctic Festival and have worked with the Festival of Flowers team in 2008.



We now regularly have a music tram operating each Sunday with live Dixie music playing to enhance the tramway experience. The trams and their staff successfully got into the 'spirit' of Christmas in 2007 with decorations and carol singers. Having received nothing but positive feedback will certainly ensure this takes place every Christmas season. The trams have a role to play in the "Garden City" image and the proposed extension is only going broaden the number of opportunities for participation in local and international events.



The extension will assist in local residents making more use of the tram circuit. Currently our annual pass for locals now has a data base of 6,000 members who regularly use the Tram and Gondola services.

We understand that there may be a future need to extend the tram lines down High Street towards the Roman Catholic Cathedral, the Music Centre, and Christchurch Polytechnic. Our preference for the proposed route fits in with this longer term possibility.

We believe there will be demand for the track to extend further than the route proposed, we would recommend that it is better to consider this in small steps that can be well managed. As has been shown with the current route it did take time to develop a viable business from which the city now benefits.



2. City Mall Proposal

We are pleased to support the proposal to include \$550,000 to meet the cost of including tram rails in the current redevelopment of City Mall and to vary the City Pedestrian Mall Special order to allow for operation of trams through the mall.

Trams operate in city malls through out the world and are accommodated by pedestrians, cyclists, the disabled and the general public alike. These add vitality to the community by providing movement and transportation at a gentle pace.



3. Cashel Mall Air Bridge

As was discussed at the earlier public consultation meeting it is desirable that the footbridge structure in Cashel Street be removed.

Whilst there is sufficient lateral clearance to pass through the northern portal, the height clearance is not consistent with the design specification of the trolley wire and by allowing the footbridge to remain it will stop the future operating of double deck trams. We see the operation of a double deck tram as being a significant draw card for tourists in the summer season as well as local community inner city events.

We also prefer the track to proceed in a straight line through the mall as any change in direction does add to wear and tear of track and equipment and would also require slightly more complex overhead wiring.

4. Cost Issues

Extending the tram route will mean increased operating costs in addition to the need for capital expenditure.

OPEX - extra staff and vehicle operating costs will be required in proportion to the tram extension.

STORAGE- the company's current "Tram Barn" at 7 Tramway Lane has insufficient storage to accommodate the two extra trams we believe an expanded tram route would require. Suitable storage capacity along the route will need to be located.

CAPEX – the need for extra vehicles so as to maintain an approximate 10 minute frequency of service (the extra length of track is approximately 1.3 km and is expected to add 15 minutes to each circuit of the tramway.). This would mean a 40 minute circuit as opposed to the current 25 minute experience for our customers.

Overall we believe an extension of the tram route, including the Oxford Terrace Strip, the City Mall, and beyond would be a positive move both for the city and for the Tramway.

Discussions with the Christchurch City Council will be required in regard to the above cost issues and license arrangements.

We support this Council initiative and would welcome the opportunity to speak to our submission.

Yours sincerely,

Michael Esposito
Managing Director
Christchurch Tramway Limited