



Assessment Framework

TEMPLATES AND CHECKLISTS

Template for Stage 1: Problem Identification and Prioritisation

1. Overview

1.1 Document control details

PROJECT NAME	Sunshine Coast Mass Transit Project	PROPONENT	Sunshine Coast Council
VERSION	V0.1	DATE COMPLETED	DD/MM/YYYY
CHANGES FROM PREVIOUS VERSION			
<div style="background-color: #cccccc; height: 40px;"></div>			

1.2 Prepared by

NAME		JOB TITLE		ORGANISATION	
CONTACT DETAILS	Phone	Mobile		Email	
DATE	DD/MM/YYYY				

1.3 Approved by

NAME		JOB TITLE		ORGANISATION	
CONTACT DETAILS	Phone	Mobile		Email	
DATE	DD/MM/YYYY				



Template for Stage 1: Problem Identification and Prioritisation (continued)

2. Problem/opportunity description

2.1 Nationally significant problem/opportunity statement

Please describe the problem/opportunity as a succinct statement that clearly identifies a nationally significant issue to be improved or built upon.

As a region, the Sunshine Coast is now at a critical juncture in its evolution as emerging issues challenge the region's economic growth, productivity and lifestyle, liveability and sustainability aspirations. The current region's population of 303,000 in 2016 is projected to grow to over 500,000 by 2041. In the same period, employment is projected to grow from 118,000 to 195,000. In order to support this growth, the 2017 *South East Queensland Regional Plan (ShapingSEQ)* forecasts dwellings to grow by 87,000 by 2041, and this plan requires that 62 per cent of future development in the Sunshine Coast region is to be consolidation/infill development.

Currently the region is experiencing high levels of greenfield development and take up. The location of these development areas (such as Caloundra South and Beerwah East) in relation to location of the key economic centres and job areas (namely the Sunshine Coast Enterprise Corridor, which is the coast corridor from the Sunshine Coast Airport to Caloundra) is driving high levels of car usage, resulting in high levels of road congestion throughout the region. Public transport mode share is very low, with current public transport options considered uncompetitive compared to private vehicles. Additionally, the Sunshine Coast region is one of the highest self-contained regions in the state, with intra-regional trips at over 90 per cent, correlating with the high levels of the Sunshine Coast workforce that lives locally. However, this level of self-containment of employment is under threat as the current industrial structure of the Sunshine Coast is currently not sufficiently broad, and the dominance of metropolitan Brisbane as a net importer of workers increases.

As these problems are forecast to be further exacerbated, early intervention will be critical, particularly in relation to driving alternative land use outcomes. The demand for accessibility to jobs and other economic centres within the Sunshine Coast urban area will increase, driving the urgency for a solution that can move people within this corridor, as well as induce housing demand and take-up of development opportunities. A catalytic mass transit project would increase mode share for the region and induce greater levels of infill housing to allow a greater number of residents to live closer to their places of employment, and provide easier accessibility to those economic areas.

2.2 Problem/opportunity location

Please describe and provide supporting materials such as maps, coordinates, etc. to provide an accurate description of the entire problem/opportunity area.

The Sunshine Coast region is approximately 100 kilometres north of Brisbane and covers an area from Beerburrum, the Glass House Mountains and Caloundra in the south, Kenilworth and the Conondale National Park to the west, and Eumundi and Peregian and in the north.



Template for Stage 1: Problem Identification and Prioritisation (continued)

The Sunshine Coast Council (Council) area is bounded by the Gympie Regional Council area in the north-west, Noosa Shire in the north-east, the Coral Sea in the east, the Moreton Bay Regional Council area in the south, and the Somerset Regional Council area in the south-west, as shown in the figure below.



The Sunshine Coast region is serviced by the North Coast rail line, which is located on the western side of the Bruce Highway, approximately 18 kilometres from coastal areas. Park-n-Ride facilities (of varying sizes) are provided at all rail stations on the Sunshine Coast with the largest (207 car parks) at Landsborough Station.

The Sunshine Coast Council area is already the third largest population centre in Queensland, and the 9th largest in Australia. Its population of 303,000 in 2016 grew to 320,000 in 2019¹ with an annual increase of about 8,300 residents at 2.6 per cent p.a.². The population of the region is forecast to grow to 386,960 in 2026, and to reach at least 495,000 in 2041 – a 63 per cent increase in 25 years. Recent QGSO forecasts suggest a median series projection of 518,000 in 2041³. By 2050, there could be over 600,000 people in the Council area.

¹ <https://profile.id.com.au/sunshine-coast/population>. Accessed 10 April 2019.

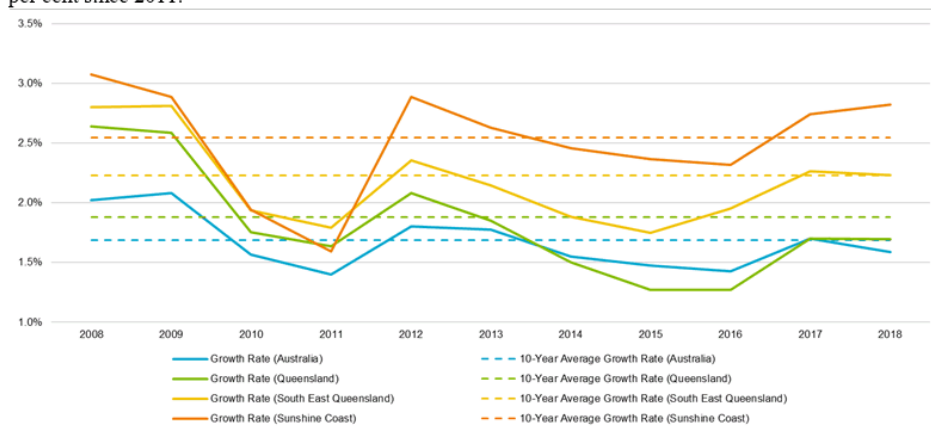
² Sunshine Coast Council 2019. Population and Household Forecasts 2016 to 2026

³ Queensland Government Statisticians Office. 2018. Projected population, by local government area, Queensland, 2016 to 2041.



Template for Stage 1: Problem Identification and Prioritisation (continued)

The figure below shows the relationships between growth in the Sunshine Coast local government region compared with Australia, Queensland and SEQ region as a whole. The Sunshine Coast region's annual growth rates have not fallen below 2 per cent since 2011.



The Sunshine Coast is also one of Australia's prime tourist destinations, offering a laid-back tourism experience centred around beaches, rivers and forests, all underpinned by a warm and comfortable climate.

In 2017/18 there were over 12 million visits⁴ to the Sunshine Coast local government area⁵, comprising:

- 1.5 million international visitor nights;
- 6.5 million domestic visitor nights; and
- 4.5 million day visits.

With the growth of population in Australia and in SEQ in particular, the domestic visitations can be expected to continue. International visitations are subject to a range of factors, however in 2017 the Sunshine Coast international visitor growth (8.2 per cent) topped the Australian growth figure (7.1 per cent), was higher than the overall Queensland rate (3 per cent) and higher than growth in other individual destinations such as Gold Coast (4.2 per cent), Brisbane (4.6 per cent)⁶ With the expansion of the Sunshine Coast Airport which is currently underway, it is anticipated that these visitor numbers would increase.

The Australian Government's *Smart Cities Plan*⁷ identifies that most world-class cities have invested in fast, efficient public transport systems to provide viable alternatives to private passenger vehicles. Yet although it is an emerging major city, the Sunshine Coast presently has a public transport system more suitable to a large regional town. A major upgrade of the public transport system will be needed as the region grows into Queensland's third largest city over the next two decades.

⁴ <https://economy.id.com.au/sunshine-coast/tourism-visitor-summary>. Accessed 10 April 2019.

⁵ The Sunshine Coast Regional Council LGA excludes Noosa Shire Council.

⁶ Sunshine Coast Council 2017. <https://www.sunshinecoast.qld.gov.au/Council/News-Centre/International-tourism-arrivals-jump-to-almost-300000-191217>

⁷ Australian Government. *Smart Cities Plan*. 2016.



Template for Stage 1: Problem Identification and Prioritisation (continued)

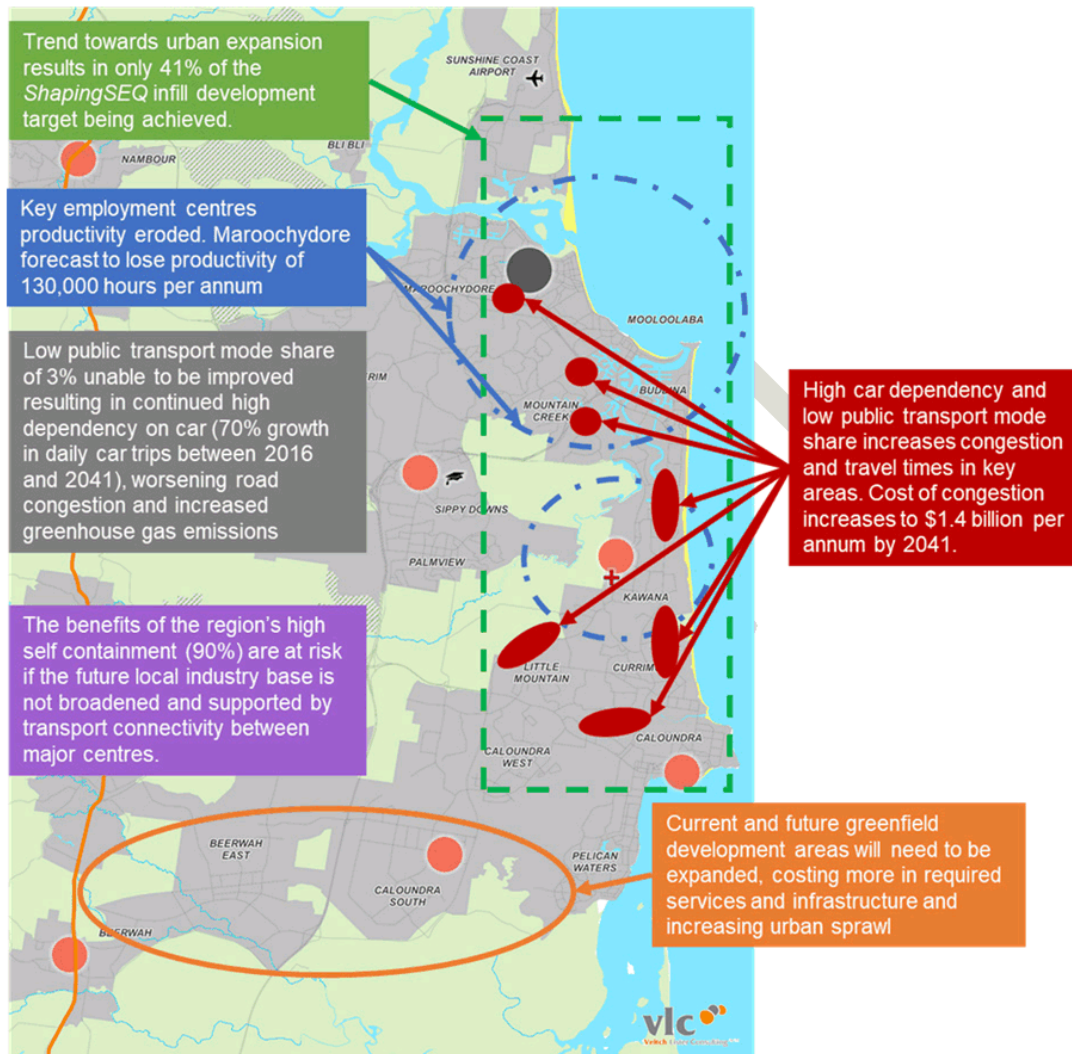
Council has led the development of a Strategic Business Case for the Sunshine Coast Mass Transit project. A Strategic Business Case is the first document in the business case suite of the Building Queensland Business Case Development Framework (BCDF). It aims to ensure the problems and service need are substantiated and effectively articulated and that the benefits sought are likely to be achieved through the proposed initiatives. The Strategic Business Case has been developed in accordance with the requirements and guidance material under:

- Queensland Treasury's Project Assessment Framework (PAF)
- Building Queensland's Cost Benefit Analysis Guide – Supplementary Guidance (December 2016)
- Building Queensland's Social Impact Evaluation Guide – Supplementary Guidance (December 2016)
- Infrastructure Australia's Assessment Framework
- Department of Infrastructure, Regional Development and Cities' Australian Transport Assessment and Planning (ATAP) Guidelines.

Various stakeholders, including Infrastructure Australia, were engaged with during the development of the strategic Business Case and were provided opportunity to review and provide feedback on a draft Strategic Business Case in January 2019.

The development of the Strategic Business Case has been led by Sunshine Coast Council because Council considers that mass transit is a city-shaping investment that helps determine not only the form of new urban development, but how people move about in it. Although the actual delivery of public transport infrastructure and services remains the responsibility of the Queensland Government, the Sunshine Coast Council is progressing the Sunshine Coast Mass Transit business case to further its objectives of guiding the development of the region on a sustainable path. The Sunshine Coast Mass Transit Strategic Business Case identified and analysed problems that the Sunshine Coast is facing currently and into the future, which are summarised in the following figure, and further discussed in the following sections.

Template for Stage 1: Problem Identification and Prioritisation (continued)





Template for Stage 1: Problem Identification and Prioritisation (continued)

2.3 Problem/opportunity root causes and forecast time period

The following table summarises the four problem statements and identified root causes for each problem identified in the Sunshine Coast Mass Transit Strategic Business Case. As the table notes, every problem is considered both a current and ongoing problem for the Sunshine Coast region.

Root cause	Time period
<p>Problem 1 – High levels of road congestion within the Sunshine Coast region</p> <p>Root Causes:</p> <ul style="list-style-type: none"> • The rate of population and employment growth in the region impacts accessibility and connectivity • High levels of private vehicle ownership in the region drives high levels of dependency and congestion • The perception around the high cost of public transport in South East Queensland (SEQ) can make trips by car seem less expensive, in particular, shorter trips (i.e. less than 10 kilometres) • Unplanned incidents worsen existing peak congestion and increase the potential for gridlock • Unreliable travel times for road based public transport make it a less attractive alternative to car use 	2018 and beyond
<p>Problem 2 – Accelerating trend towards urban expansion</p> <p>Root Causes:</p> <ul style="list-style-type: none"> • There is currently a market dominance of greenfield development on the Sunshine Coast due the level of greenfield development areas established in the region • High property prices along the east coast of Australia, particularly in Sydney and Melbourne, means that investors and residents are looking for affordable housing in other areas • Housing affordability has driven the high levels of uptake of greenfield housing on the Sunshine Coast • A lack of incentive, commercial barriers and industry capability means that infill development is not being private sector led • A lack of a coordinated urban infill development strategy, including incentives for infill development over greenfield development, means infill development in the region is not meeting targets • The lack of attractive public transport along infill development areas means demand for housing in these areas is not particularly strong • A lack of domestic owner-occupied medium density development styles drives demand to the developments in the greenfield housing areas 	2018 and beyond
<p>Problem 3 – High dependency on private motor vehicle transport (car) within the Sunshine Coast region</p> <p>Root Causes:</p> <ul style="list-style-type: none"> • The lack of an attractive public transport option drives a continued reliance on private vehicles for trips to key economic centres • Private motor vehicle transport is seen as the most flexible and accessible transport option for commuters given the self-containment of the region (high number of residents who work within the region), meaning even short trips within the region are taken by car • Dispersed development in greenfield areas is challenging to serve well and efficiently by public transport • High levels of private vehicle ownership in the region drives high levels of dependency and congestion 	2018 and beyond



Template for Stage 1: Problem Identification and Prioritisation (continued)

Root cause	Time period
Problem 4 – Future local industry base not broad enough to support continued high levels of employment self-containment Root Causes: <ul style="list-style-type: none">Decline in industries including agriculture and manufacturingAutomation of some local jobsPotential lack of industries to replace the employment opportunities lostLack of connectivity between the major activity centres of the region for business-to-business interaction (reduced agglomeration and clustering opportunities)Lack of reliable access to local workforce	2018 and beyond

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Infrastructure Australia

2.4 Information about the problem and opportunity

Transport and economic modelling for the Strategic Business Case was undertaken for two time periods, being 2016 and 2041. As such, the quantitative evidence for each problem is presented under a 'Current' heading (2016) and 'Longer term' heading (by 2041).

Problem	Qualitative description	Quantitative evidence	Monetised cost \$m, real 2018
Current (2016)			
Problem 1	High levels of road congestion within the Sunshine Coast region	<ul style="list-style-type: none"> 2016 modelling demonstrates that traffic flows are already restricted along major Sunshine Coast arterial routes, with a volume to capacity ratio of 0.7 – 0.85, which indicates a reasonably restricted level of flow. Approximately 40,000 hours lost in 2016 peak traffic periods due to traffic congestion 	<ul style="list-style-type: none"> \$530 million per annum real economic cost for the entire Sunshine Coast LGA due to congestion <ul style="list-style-type: none"> Inclusive of \$46 million in externality costs \$340 million per annum real economic cost for the urban corridor from Maroochydore to Caloundra \$163 million per annum real economic cost for the urban corridor from Maroochydore to Kawana
Problem 2	Accelerating trend towards urban expansion	<p>Research suggests that the following costs are attributable to urban expansion⁸:</p> <ul style="list-style-type: none"> Non-urban land consumption – with less non-urban land being available for productive uses such as agriculture, recreational, environmental and aesthetic uses. Infrastructure connection costs – particularly with respect to transport and utilities infrastructure but also potentially in terms of social infrastructure service provision. Transport congestion costs – as greenfield residents are distantly located from jobs and services, lengthy commuting times and distances result, causing significant social and environmental costs. Labour force productivity costs – as agglomeration economies and human capital benefits are thwarted by spatial dislocation and congestion. Reduced housing choice – as constrained infill housing options fail to match the latent demand for inner and middle ring suburban living, with prospective residents prepared to trade-off private space with improved accessibility to jobs and services. 	<ul style="list-style-type: none"> Based on available analysis, it could be costing the Sunshine Coast community up to \$95 million in additional infrastructure costs for every 1,000 new greenfield houses built in the region⁹. <i>The current costs associated with this problem are planned to be further assessed and monetised in future project stages</i>
Problem 3	High dependency on private motor vehicle transport	<ul style="list-style-type: none"> Public transport usage on the Sunshine Coast is currently in decline, falling by 2 per cent between 2013 and 2016. This is reflective of the region's high private motor vehicle usage 	<ul style="list-style-type: none"> A real economic cost of greenhouse gas emissions of approximately \$10 million in 2016

⁸ Promoting informed debate around infill housing in Australian cities, 2015, SGS Planning and Economics, p2

⁹ https://www.propertycouncil.com.au/Web/News/Articles/News_listing/Web/Content/News/National/2016/Infill_could_save_Per_th_billions.aspx

Template for Stage 1: Problem Identification and Prioritisation (continued)

<p>(car) within the Sunshine Coast region</p>	<p>which sits at 85 per cent for all trips. In addition, 93 per cent of journeys to work in the region are taken by car.</p> <ul style="list-style-type: none"> The current mode share for public transport on the Sunshine Coast is currently around 3 per cent in total, however less than 2 per cent of journeys to work are taken on public transport Analysis shows that the “average” bus on the Sunshine Coast has around 5 people travelling while the average bus in SEQ more broadly has approximately 14 people travelling, further reflecting the region’s high private motor vehicle usage. 	<ul style="list-style-type: none"> The current high dependency on motor vehicles in the region is also directly linked to the cost of congestion under Problem 1
<p><i>Problem 4</i> Future local industry base not broad enough to support continued high levels of employment self-containment</p>	<ul style="list-style-type: none"> The Sunshine Coast has the highest level of self-containment in South East Queensland, and the majority of journeys to work are to locations within the Sunshine Coast Urban Corridor. As an example, over 50 per cent of Maroochydore residents work within the Maroochydore region, with a further 17 per cent travelling to Kawana for work, and 21 per cent travelling to other areas within the Sunshine Coast region. Significantly, only 3 per cent of Maroochydore residents are traveling to Brisbane, 2 per cent are travelling to the Noosa LGA and less than 1 per cent are travelling to Caboolture. Compared to other regions, there are benefits resulting from the Sunshine Coast’s self-containment, as shown by the relative differences in emissions compared to a location such as Noosa, which has only 59 per cent self-containment and 62 per cent higher emissions than the Sunshine Coast. In contrast, the Gold Coast LGA’s high self-containment and high public transport mode share has resulted in the significant reduction in journey to work emissions of 35 per cent compared to the Sunshine Coast. This difference is attributable to the recent investments made in alternative transport modes on the Gold Coast, such as light rail, thereby encouraging journeys to work to be taken by public transport as opposed to car. Given the comparable self- 	<ul style="list-style-type: none"> The current costs associated with this problem, including the lack of agglomeration and costs of commuting are planned to be further assessed and monetised in future project stages



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		containment levels, this demonstrates a significant opportunity for investment in public transport on the Sunshine Coast to encourage intra-regional commuters away from private motor vehicles and onto public transport to reduce greenhouse gas emissions and deliver significant long-term environmental benefits to the region.	
Longer term (by 2041)			
Problem 1	High levels of road congestion within the Sunshine Coast region	<ul style="list-style-type: none"> The 2041 projected levels of traffic congestion on key arterial routes are greater than volume to capacity ratio of 1.3 Approximately 130,000 hours lost in 2041 peak traffic periods due to traffic congestion Research suggests that increasing road congestion can negatively impact tourism numbers¹⁰ 	<ul style="list-style-type: none"> \$1.44 billion per annum real economic cost for the entire Sunshine Coast LGA due to congestion by 2041 \$1.05 billion per annum real economic cost for the urban corridor from Maroochydore to Caloundra by 2041 \$486 million per annum real economic cost for the urban corridor from Maroochydore to Kawana by 2041
Problem 2	Accelerating trend towards urban expansion	<ul style="list-style-type: none"> The South East Queensland Regional Plan (ShapingSEQ) has set dwelling supply benchmarks for consolidation within Sunshine Coast region (excluding Noosa) in 2041 at approximately 62 per cent¹¹ (centred on brownfield or infill development) and the remaining 38 per cent to be expansion development (through new greenfield dwellings)¹². However, given the number of major urban expansion developments either underway within the Sunshine Coast region (such as Caloundra South and Palmview), as well as planned development at Beerwah East, the region could be at risk of not meeting these land use targets for consolidation. ShapingSEQ identifies the geographic area similar to the Sunshine Coast Urban Corridor as being the location for the majority of future infill development, and take-up analysis shows 	<ul style="list-style-type: none"> Studies show that in a rural setting, the 30-year settlement cost of greenfield developments was approximately \$58,000 per site, compared to infill developments of approximately \$39,000 per site¹⁴. Analysis found that the upfront costs of infrastructure were approximately \$50.5 million per 1,000 dwellings for infill development and approximately \$136 million per 1,000 dwellings for greenfield development. The 15-year net present value of transportation costs (calculated as functions of vehicle kilometres travelled, covering all

¹⁰ See for example *Congestion affecting the dynamic of tourism demand: evidence from the most popular destinations in Spain*, 2018, I.Albaladejo

¹¹ The dwelling supply benchmarks for the Sunshine Coast are 87,000, of which 53,700 are consolidation, being 61.72 per cent (i.e. 62 per cent) of the benchmarks). A 63 per cent ratio is for the Northern Sub-Region that comprises both the Sunshine Coast and Noosa local government areas.

¹² *ShapingSEQ – South East Queensland Regional Plan*, 2017, Department of Infrastructure, Local Government and Planning (now Department of State Development, Manufacturing, Infrastructure and Planning), p120

¹⁴ *Financial costs of settlement patterns in rural Victoria: Final Report*, 2013, SGS Economics and Planning, p30



Template for Stage 1: Problem Identification and Prioritisation (continued)

	<p>that under current projections and without intervention, the ShapingSEQ consolidation target of 53,700 by 2041 falls well short, with JLL forecasting only 22,450 new dwellings taken up within the corridor 13. This leaves a deficit of around 31,250 dwellings, meaning that additional housing requirements to support the forecasted population growth for the region will likely be provided by greenfield developments.</p>	<p>private, public and external costs) was around \$169 million per 1,000 dwellings for infill development, and \$335 million per 1,000 dwellings for greenfield development¹⁵</p> <ul style="list-style-type: none"> • <i>The future costs associated with this problem are planned to be further assessed and monetised in future project stages</i>
<p><i>Problem 3</i> High dependency on private motor vehicle transport (car) within the Sunshine Coast region</p>	<ul style="list-style-type: none"> • Without intervention to more sustainable transport modes and reduced car dependency, an additional 830,000 daily vehicle trips are forecast on the Sunshine Coast transport network by 2041, which represents a 70 per cent increase from 2016 • Council has a 2041 public transport mode share target of 10 per cent for the region. 2041 modelling for a public transport mode share of 10 per cent equates to approximately 205,000 trips taken by public transport per day on the Sunshine Coast each day. This analysis shows that a 399 per cent increase in daily public transport ridership will be required by 2041 to meet the 10 per cent mode share target, representing an approximate required compound annual growth rate of 6.6 per cent to 2041. • Car parking demand is currently forecast to grow strongly on the Sunshine Coast in the future, correlating with the forecast growth in car usage in the region. Council's Local Area Parking Plans have identified that there are requirements for an additional 300 parking bays in Caloundra and 900 parking bays in Maroochydore over the medium term. It is likely that given the 2041 traffic forecasts described above, that parking will become more of a constraint over this period. It is important to note that spaces dedicated to parking can have a significant opportunity cost, and that this land may have a higher value use. 	<ul style="list-style-type: none"> • A real economic cost of greenhouse gas emissions of over \$14 million by 2041. • The forecast high dependency on motor vehicles in the region is also directly linked to the cost of congestion under Problem 1 • <i>The opportunity costs relating to future car parking investment are planned to be further assessed and monetised in future project stages</i>

¹³ Sunshine Coast Light Rail Preliminary Market Assessment (Draft), 2018, JLL, p35

¹⁵ The Costs of Urban Sprawl – Infrastructure and Transportation, 2010, R.Trubka, P.Newman, and D.Bilsborough, p5



Template for Stage 1: Problem Identification and Prioritisation (continued)

<p><i>Problem 4</i></p>	<p><i>Future local industry base not broad enough to support continued high levels of employment self-containment</i></p>	<ul style="list-style-type: none">• The Sunshine Coast economy is vulnerable to external pressures. The region's current core industries, construction, retail and tourism, presently account for approximately 37 per cent of total employment. These are typically lower value-adding industries and are highly exposed to volatility in visitation and population growth.• The region needs to create 100,000 jobs over the next 20 years and is focused on growing higher-value industries• Without the development of the 'game changer' projects, and the other employment attracting initiatives, the Sunshine Coast region's self-containment and the benefits associated with that are at risk. This in turn may decrease local wage growth, reduce local productivity and employment opportunities and create an increased demand for people to either travel to different areas for employment (such as Brisbane) or to move to those areas (which will reduce demand for core industries and further reduce local employment opportunities thus creating a negative, self-reinforcing cycle of economic downturn).	<ul style="list-style-type: none">• <i>The future costs associated with this problem, including the lack of agglomeration and costs of commuting are planned to be further assessed and monetised in future project stages</i>
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2.5 Stakeholder impact

The Sunshine Coast Mass Transit Project will undoubtedly draw the interest of a range of stakeholders. Furthermore, the construction and operation of a new mass transit system will have a range of impacts on various stakeholders, including government agencies, property owners, local businesses, road users and public transport users.

The table below identifies each stakeholder group, and the impact that the Sunshine Coast Mass Transit Project may have on each stakeholder, or their likely interest in the project.

Stakeholder	Interest/Impact
Sunshine Coast Council, including <ul style="list-style-type: none"> • Mayor and Councillors • Council Chief Executive Officer and organisational groups: <ul style="list-style-type: none"> ○ Customer Engagement and Planning Services ○ Economic and Community Development ○ Business Performance ○ Built Infrastructure ○ Liveability and Natural Assets 	<ul style="list-style-type: none"> • Ability of the project to achieve regional economic, land use and transport planning aspirations • Impact of project on community members • Ensuring value for money from business case development • Funding outcomes for project, including opportunity for innovative funding solutions such as private investment and value capture • Impacts and/or relationships with other Council projects and initiatives • Ongoing role of other government agencies
Queensland Government, including: <ul style="list-style-type: none"> • Cabinet Members, including Premier, Deputy Premier, Minister for State Development, Manufacturing, Infrastructure and Planning, and Minister for Transport and Main Roads • Local Members of Parliament, including members for Caloundra, Kawana, Buderim and Maroochydore. • Government agencies, including: <ul style="list-style-type: none"> ○ Department of Transport and Main Roads ○ Queensland Treasury ○ Building Queensland ○ Department of State Development, Manufacturing, Infrastructure and Planning ○ Department of Premier and Cabinet 	<ul style="list-style-type: none"> • Ability of the project to achieve regional and state-wide economic, land use and transport planning aspirations • Impact of project on community members • Funding outcomes for project, including opportunity for innovative funding solutions such as private investment and value capture • Impacts and/or relationships with other Queensland Government projects and initiatives • Ensuring alignment of business case to key guidelines and frameworks • Ongoing role of other government agencies
Australian Government, including: <ul style="list-style-type: none"> • Ministry Members, including Prime Minister, Deputy Prime Minister and Minister for Infrastructure and Transport and Regional Development, Treasurer, and Minister for Cities, Urban Infrastructure and Population • Local Members of Parliament, including members for Fisher and Fairfax • Government agencies, including: <ul style="list-style-type: none"> ○ Department of Infrastructure, Regional Development and Cities ○ Infrastructure Australia ○ Department of Prime Minister and Cabinet 	<ul style="list-style-type: none"> • Ability of the project to achieve regional and nation-wide economic, land use and transport planning aspirations • Impact of project on community members • Funding outcomes for project, including opportunity for innovative funding solutions such as private investment and value capture • Impacts and/or relationships with other Australian Government projects and initiatives • Ensuring alignment of business case to key guidelines and frameworks (including the Infrastructure Australia submission templates) • Ongoing role of other government agencies



Template for Stage 1: Problem Identification and Prioritisation (continued)

Stakeholder	Interest/Impact
Sunshine Coast residents	<ul style="list-style-type: none"> • Potential uplift to demographics and regional economic position due to a new transport system and resulting impacts to development • Impacts on accessibility within the region during construction of a new mass transit system • Impacts on accessibility within the region once new mass transit system is operational • Opportunities for employment during construction and/or operational phases • Perceptions around use of ratepayer monies to fund studies for the project • Wider public transport network impacts, including accessibility and integration with other transport modes.
Affected land holders within the mass transit corridor	<ul style="list-style-type: none"> • Potential land acquisition requirements for the project • Disruptions (such as access restrictions, noise, vibrations, dust etc.) during project construction • Liveability once project is operational (noise around stations, tram noise etc.) • Impacts to land values due to the project • Changes to Council planning schemes
Potential participants in the development of the project	<ul style="list-style-type: none"> • Opportunities for roles to participate in project development
Public transport industry groups	<ul style="list-style-type: none"> • Implications of a new mass transit system for all public transport networks, including bus and active transport • Ensuring project solution caters for complementary active transport opportunities, such as cycling and walking
Rail industry groups	<ul style="list-style-type: none"> • Implications of a new mass transit system for rail industry in Queensland • Ensuring safety regulations and standards are upheld • Opportunities for employment for members
Motoring industry groups	<ul style="list-style-type: none"> • Implications of a new mass transit system on road network and private car users
Tourism operators	<ul style="list-style-type: none"> • Impact on tourism forecasts due to project • Impacts to operators during construction of a new mass transit system • Accessibility to/from key tourism areas on Sunshine Coast once a new mass transit system is operational • Connectivity of Sunshine Coast Airport
Public transport operators	<ul style="list-style-type: none"> • Impacts to transport operations during construction (route changes etc.) • Impacts to operations once operations commence (service contract changes etc.)



Template for Stage 1: Problem Identification and Prioritisation (continued)

Stakeholder	Interest/Impact
Property developers	<ul style="list-style-type: none"> Interest in operations contract opportunities for the new mass transit network Impact of project on current or planned developments within the Sunshine Coast region Outcomes of any reviews of planning provisions as a result of a preferred project solution Opportunities for incentives for urban renewal type redevelopments Implications of any value capture initiatives on future developments

2.6 Problem/opportunity alignment with relevant government policy objectives, strategies and other problems/opportunities/programs

Please provide details and evidence describing how the identified problem/opportunity is consistent with relevant government policy objectives and other projects.

The service needs and benefits sought identified as part of the Sunshine Coast Mass Transit Project are consistent with the policies and plans from all three levels of government. The table below summarises these key policies and the relationship with the project.

Government Policy/Plan	Alignment with the Sunshine Coast Mass Transit Project
<i>Australian Infrastructure Plan</i> (Infrastructure Australia)	<ul style="list-style-type: none"> The <i>Australian Infrastructure Plan</i> identifies the Sunshine Coast as a key region of Australia, alongside the eight capital cities and other key regions such as Newcastle, Wollongong, Geelong, and the Gold Coast. A key recommendation from the <i>Australian Infrastructure Plan</i> is that the Sunshine Coast should be supported by governments, businesses and local communities to grow its population and economy. Access to new or upgraded infrastructure will be important in enabling these cities to develop strong economic and employment links with bigger cities The Sunshine Coast Mass Transit Project will improve the economic viability of the Sunshine Coast by improving connectivity between key economic areas to foster agglomeration through easy movement of people and knowledge. The project will also facilitate links to existing public transport networks, such as the North Coast rail line, to improve connectivity between the Sunshine Coast and Brisbane.
<i>Smart Cities Plan</i> Department of the Prime Minister and Cabinet)	<ul style="list-style-type: none"> The <i>Smart Cities Plan</i> highlights the challenges facing cities around economic transition, jobs, housing and transport. Businesses have an incentive to locate in areas with access to the largest numbers of potential employees. Likewise, people have incentives to settle where they can access the greatest number of employment opportunities. As economic activity becomes more concentrated, demand for housing and land in nearby areas rises. The Plan references the success of the Gold Coast Light Rail network to promote higher levels of public transport usage in the region, as well as the expected reduction of congestion and stimulation of urban renewal and jobs in the emerging health and knowledge precinct and tourism sector.



Template for Stage 1: Problem Identification and Prioritisation (continued)

Government Policy/Plan	Alignment with the Sunshine Coast Mass Transit Project
<p><i>State Infrastructure Plan</i> (Department of State Development, Manufacturing, Infrastructure and Planning)</p>	<ul style="list-style-type: none"> • The Sunshine Coast Mass Transit Project aligns with the <i>Smart Cities Plan</i> by providing a more efficient and resilient transport system to improve accessibility and connectivity within the Sunshine Coast to promote and foster regional economic growth. • A mass transit solution on the Sunshine Coast will also assist with achieving the concept of a '30-minute city' for the Sunshine Coast by delivering a high-frequency service connecting key education, employment, tourism, residential and recreation centres. • The <i>State Infrastructure Plan</i> sets out the Queensland Government's strategic direction for infrastructure by identifying what is required from infrastructure (objectives) and how these objectives can be best achieved (directions). These objectives and directions seek to address the high-level challenges Queensland will face over coming decades. • Specific to the transport infrastructure requirements in Queensland, the <i>State Infrastructure Plan</i> outlines the strategic responses and priorities to the key objectives. This is to enable Queensland Government departments and industry to align their activities in response to these priorities. The responses include <ul style="list-style-type: none"> ○ focusing on maintenance and rehabilitation of existing infrastructure to reduce the long-term cost of repair and improve network resilience ○ unlocking the potential of critical supply chains by identifying and improving the freight network ○ seeking innovation and technology solutions to create a better performing and lower emissions transport system ○ seeking public transport solutions, including demand management, to address the strong growth of South East Queensland (SEQ) ○ digitally connected smart infrastructure to improve capacity, safety and security ○ connecting regional communities with access to essential services and opportunities. • The Sunshine Coast Mass Transit Project supports the key objectives of the <i>State Infrastructure Plan</i> and has considered its principles to ensure transport outcomes support the wider public transport network and land use opportunities. • The Sunshine Coast Mass Transit Project also addresses a range of cross-government and transport responses contained in the <i>State Infrastructure Plan</i> including: <ul style="list-style-type: none"> ○ providing a coordinated land use and public transport planning solution that connects areas of high growth and high productivity ensuring infrastructure investment is maximised ○ undertaking robust analysis to fully define the infrastructure needs of the Sunshine Coast region, and facilitating cross-government coordination to optimise government investment ○ seeking public transport solutions to address the strong growth of SEQ and the Sunshine Coast region by a more effective public transport network plan to move more people and connect communities with access to essential services and opportunities.
<p><i>ShapingSEQ – South East Queensland Regional Plan</i> (Department of State Development, Manufacturing, Infrastructure and Planning)</p>	<ul style="list-style-type: none"> • <i>ShapingSEQ</i> provides a framework for managing the South East Queensland's region's growth over the next 25 years and sets a vision for the next 50 years. Its development has included significant consultation with state and local governments and the community in response to the region's expected changing population. • The Sunshine Coast Mass Transit Project supports the 50-year vision for South East Queensland with good public transport network integration and connectivity, and frequent, reliable services to connect people with jobs, education, health facilities, tourism and recreation opportunities, reducing reliance on private car travel and encouraging urban development and consolidation. • <i>ShapingSEQ</i> makes specific reference to the need to use land and infrastructure efficiently by focusing density in and around appropriate locations along the urban corridor from



Template for Stage 1: Problem Identification and Prioritisation (continued)

Government Policy/Plan	Alignment with the Sunshine Coast Mass Transit Project
	<p>Maroochydhore to Caloundra, and in areas with superior access to public transport, employment and services.</p> <ul style="list-style-type: none"> • <i>ShapingSEQ</i> also identifies a proposed passenger transport corridor between Maroochydhore and Caloundra as the catalyst to provide a cohesive corridor of distinctive, high-quality urban environments that are typically 'Sunshine Coast' in character and optimise access to future passenger transport services. Mixed-use development opportunities, and housing choice and affordability, will also be maximised.
<p><i>Draft South East Queensland Regional Transport Plans 2018</i> (Department of Transport and Main Roads)</p>	<ul style="list-style-type: none"> • The North Coast Regional Transport Plan identifies key challenges for the north coast region including high reliance on private vehicles, congestion, dispersed settlement pattern, mobility and accessibility for an ageing population and road safety • The Sunshine Coast Mass Transit Project best aligns with the Plan's priority of - <i>A transport system that supports a consolidated and sustainable urban structure</i> • In addition, there is specific provision for: <ul style="list-style-type: none"> ○ Maroochydhore City Centre; represents a once in a lifetime opportunity to establish a new capital city for the Sunshine Coast. Key to its development will be the establishment of an efficient and effective multi-modal public transport system and connections to the existing road network. ○ Beerwah to Maroochydhore high-frequency public transport corridor; a passenger transport trunk corridor from Maroochydhore to Caloundra and on to Beerwah has been identified in <i>ShapingSEQ</i>. Further investigation will be undertaken which will feed into the feasibility and business case for the high-frequency and high-capacity public transport project.
<p><i>Sunshine Coast Regional Economic Development Strategy 2013-2033</i> (Sunshine Coast Council)</p>	<ul style="list-style-type: none"> • The <i>Sunshine Coast Regional Economic Development Strategy 2013-2033</i> provides a 20-year vision and blueprint for sustainable economic growth. The Strategy seeks to ensure the Sunshine Coast region realises its full potential, with a confident future and as an active participant in the global economy, which in turn will deliver the lifestyle and opportunities for local residents and businesses alike. • The Sunshine Coast Mass Transit Project supports the vision of the <i>Sunshine Coast Regional Economic Development Strategy</i> through the proposed improvement of the transport system in the region, and the land use outcomes that the project is seeking to achieve. • The Strategy notes that enhancing the connectivity between urban centres in the Sunshine Coast Enterprise Corridor will also be essential to support future investment and planning prospects.
<p><i>Sunshine Coast Integrated Transport Strategy</i> (Sunshine Coast Council)</p>	<ul style="list-style-type: none"> • The <i>Sunshine Coast Integrated Transport Strategy</i> was in late 2018, after a draft was released in the middle of 2018 with community consultation undertaken. • The <i>Integrated Transport Strategy</i> identifies a number of transport challenges which need to be managed to protect the distinctive lifestyle and values of the Sunshine Coast, including: <ul style="list-style-type: none"> ○ A growing and aging population ○ High car dependency and congestion ○ Decline of public transport trips ○ Road safety ○ Climate change ○ Fiscal constraints. • A mass transit solution (namely light rail) features heavily in the <i>Integrated Transport Strategy</i>, including as a potential solution to providing high-frequency public transport connections between key centres to ensure adequate capacity to accommodate growth and deliver travel time competitiveness.



Template for Stage 1: Problem Identification and Prioritisation (continued)

Government Policy/Plan	Alignment with the Sunshine Coast Mass Transit Project
<i>Sunshine Coast Planning Scheme 2014</i> (Sunshine Coast Council)	<ul style="list-style-type: none"> The <i>Integrated Transport Strategy</i> also discusses how integrated transport and land use outcomes can be achieved on the Sunshine Coast, including how a more compact urban form focussed around high-frequency passenger transport corridors will reduce car dependence, congestion and impacts of development and transport on the natural environment. The <i>Sunshine Coast Planning Scheme 2014</i> is a policy in place to regulate development on the Sunshine Coast and the way the land, buildings and structures are used. The Planning Scheme informs Council's intention for future development in the planning scheme area until 2031. The Planning Scheme discusses a long-term vision, where places on the Sunshine Coast are well connected and efficiently served by an integrated transport system which provides a framework for prosperity and community wellbeing. The Sunshine Coast is connected by a fully integrated and accessible transport system that serves community needs. The integrated transport system provides the structure for future development, including the 'game changer' projects and the establishment of a high value economy. The Planning Scheme references the Maroochydore to Caloundra Priority Transit Corridor, which connects major business, tourism, education and population centres within the Sunshine Coast Enterprise Corridor. Development is designed to increase walking and cycling, minimise dependency on private motor vehicle use and contribute to greater levels of regional self-containment. An extensive network of walking and cycling paths are connected to the efficient and safe public transport system. It is clear that a mass transit system can form part of the integrated transport system referenced in the planning scheme. Given the clear relationship between transport and land use outcomes that will be analysed as part of the Sunshine Coast Mass Transit Project, the Planning Scheme will become an important guide for this analysis. Material updates to the Planning Scheme may also be required as part of the Sunshine Coast Mass Transit Project.
<i>Sunshine Coast Environment and Liveability Strategy 2017</i> (Sunshine Coast Council)	<ul style="list-style-type: none"> The <i>Sunshine Coast Environment and Liveability Strategy</i> provides long-term strategic direction to shape the region by guiding growth and delivering the transformational change required to maintain a healthy environment and liveable Sunshine Coast in 2041 for future generations. The Sunshine Coast Mass Transit Project aligns with the <i>Environment and Liveability Strategy</i> as the project is aiming to fundamentally improve the long-term liveability of the Sunshine Coast region through the delivery of a mass transit public transport system. The strategy notes the majority of Sunshine Coast residents live in large detached low density housing with a reliance on private car travel and limited access to frequent public transport, which is placing significant pressure on finite resources and existing infrastructure. The Strategy explains that an emphasis on infill development on the coastal areas of the region, supported by appropriate infrastructure (such as a light rail system) can create a new way of living and minimise impacts on the natural environment. The sustainability of the ultimate mass transit solution and its impacts on the natural environment and liveability of the Sunshine Coast region will be a key consideration, and will be assessed in detail in future project feasibility phases.

In terms of key related projects, there are a number of transport and land use/economic development projects on the Sunshine Coast including:

- Transport:
 - Southern Sunshine Coast Public Transport Strategy
 - North Coast Connect
 - North Coast Line Upgrade – Beerburum to Nambour



Template for Stage 1: Problem Identification and Prioritisation (continued)

- Mooloolah River Interchange
- CoastConnect
- Land Use and Economic Development:
 - Maroochydore City Centre Priority Development Area
 - Caloundra South Priority Development Area
 - Sunshine Coast Airport Expansion Project
 - Sunshine Coast International Broadband Network Cable
 - South East Queensland City Deal.

The Sunshine Coast Mass Transit Project is considered to be complementary to the identified projects. In relation to the transport projects, the key related public transport projects are focused on inter-regional travel and freight improvements, which complements the intra-regional travel objectives of local mass transit. The Mooloolah River Interchange and CoastConnect are local road and bus transport projects, both of which will support any local mass transit network. The land use and economic development projects would all be well supported by the Sunshine Coast Mass Transit project as it would offer greater accessibility to key areas such as Maroochydore and Caloundra and support the accessibility of the local employment base that projects like the International Broadband Network Cable and the Sunshine Coast Airport Expansion Project will foster. Furthermore, it is expected that transport projects being considered for the South East Queensland City Deal will focus on transforming regional connectivity and the Sunshine Coast Mass Transit project may be included in these considerations.

3. Confidentiality

Confidentiality

Please identify if any of the information provided to Infrastructure Australia in this template is confidential. Please provide a brief explanation of the reasons for the request of confidentiality.

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Xx SCC to confirm xx