

Background summary of proposed Queens Wharf mooring dolphin

Current cruise ship facilities do not adequately provide for the requirements of the cruise industry to operate a quality, efficient and safe service when visiting Auckland. This means the potential benefits associated with the cruise industry including those arising from economic gain to Auckland are compromised.

Auckland, due to the nature of the city and the presence of New Zealand's main international airport, is the primary cruise hub for New Zealand. The currently available wharf facilities do not provide for the safe berthing of cruise ships larger than 330m. With cruise ships of up to 348m (Quantum class ships) already visiting Auckland and anticipated future visits by ships up to 362m (Oasis class ships), there is a need to provide for extended berthing length to cater for these larger cruise ships.

The length of vessel that can berth safely at the primary cruise terminal on Queens Wharf is limited to 294m. Cruise ships between 294m and 330m are required to berth at Princes Wharf, where the current infrastructure provides a poor quality of facilities for passenger exchange visits. The efficiency and quality of visitor experiences are reduced and the resulting economic benefits are adversely impacted.

Council's preferred long-term initiative for cruise ship and terminal facilities is the redevelopment of Captain Cook Wharf but it is likely to be at least 10-15 years before this is available.

The Project will allow for berthing of cruise ships up to 362m on Queens Wharf. This is the primary cruise terminal, where there are appropriate facilities to cater for exchanges visits.

The project

The project involves the construction of upgrades to the existing Queens Wharf cruise ship berth involving:

- The construction of two new mooring dolphins centred at 49m and 82m north of the northern end of Queens Wharf, with associated fendering, bollards, bull rails and capstan on each mooring dolphin;
- A gangway between the mooring dolphins and Queens Wharf;
- Strengthening of the southern end of Queens Wharf;
- Seven new additional wharf bollards on the eastern side at the southern end of Queens Wharf; and
- Additional fender cluster on the eastern side at the chainages 90m and 290m of Queens Wharf.

The need for the project

The cruise industry contributes a significant and growing economic benefit to Auckland and to the rest of New Zealand. This is growing at a faster rate than any other tourism sector.

There has been a considerable increase in both ships, ship visits and passenger numbers. In the 2002-2003 season, there were 43,000 cruise passengers visiting New Zealand, rising to 65,000 in 2006-2007, and 174,000 in 2011-2012. The number of passengers has also grown in the last few years to 275,000 in the 2017-2018 season and is forecast to increase to around 349,000 this season. This growth is largely attributable to six larger ships making multiple calls, the *Ovation of the Seas*, *Majestic Princess*, *Celebrity Solstice*, *Golden Princess*, *Norwegian Jewel* and *Radiance of the Seas*.

Cruise ship expenditure in New Zealand in 2018 was \$434.0 million, up 18.3% from 2017; Auckland was the most visited port, and Auckland spend totalled \$131.4 million up 11.2%. Those regions that have ports capable of berthing large ships the spend has been:

- (a) Bay of Plenty \$65.8m;
- (b) Hawkes Bay \$23m;
- (c) Wellington \$41.7m;
- (d) Otago \$49m; and
- (e) Marlborough \$18m.

The inability of Auckland to accommodate cruise ships will not only impact those who are directly employed in the industry and those whose businesses benefit from spending by cruise ship passengers in Auckland but will disproportionately impact the economies of regional New Zealand.

Issues with current cruise infrastructure in Auckland

Current cruise infrastructure in Auckland is not able to berth ships alongside a wharf longer than 320m (330m in favourable weather conditions) and this is resulting in cruise lines being denied bookings by Ports of Auckland. For those ships which can berth alongside Princes Wharf, current terminal facilities are constrained for the full operation of ships which wish to home port in Auckland. For those ships which are too long they are only able to moor in the Harbour at the discretion of the Harbourmaster, and the need to tender passengers ashore reduces the potential economic benefit to Auckland.

Ships longer than can currently berth at Queens Wharf are becoming the norm. CLIA research indicates that of the 105 ships to be delivered by 2027, 42 are longer than 300m, around 30 are longer than 320m, and only 10 are ships between 200 and 300m long, the length that has been most common in Auckland for the last two decades. These longer ships will replace the medium size ships in this region as nearly half of the existing ships will be over 25 years old by 2025 and will be retired.

If these longer ships are not able to visit Auckland, and by extension the rest of New Zealand, then the industry will plateau or decline.

Planning for cruise infrastructure

Queens Wharf was Auckland secondary cruise berth prior to its sale to Council and the Crown in 2009. The wharf was purchased to enable the cruise facilities to be upgraded to become Auckland's primary cruise berth, which occurred in 2013, as well as to be a venue for major events and to enable the connection of the city to the water.

Successive Council strategic documents for the development of the city and the waterfront including the Waterfront Plan, the City Centre Masterplan and the Downtown Framework, include these three functions in their descriptions of Queens Wharf and these uses are incorporated into the Unitary Plan. None of the functions have primacy over another.

The Waterfront Plan indicates an intention that Queens Wharf would be modified to accommodate longer ships.

In recognition that the importance of the cruise industry to the Auckland economy and the speed of its growth, Council has endorsed progress for this project to improve Queens Wharf for longer cruise ships and for the future development of Captain Cook Wharf for a dedicated cruise terminal.

The development of the project

Council recognised that the timeframe to achieve the future development of Captain Cook Wharf for a cruise terminal would fall behind the growth in the size of cruise ships wanting to visit Auckland and resolved to proceed with the project that is the subject of this application.

The process to identify a location which was able to be realised in a realistic timeframe and a berthing method which would be fit for purpose for these large ships has been extensive and has involved technical experts from New Zealand and overseas. Mooring dolphins are common methods of retrofitting existing infrastructure to accommodate a range of shipping.

The current project was endorsed by Council in November 2017 on the basis that it will be fit for purpose for the large ships which currently visit, including those ships which currently berth at Princes Wharf but are constrained by the facilities available, for those large ships that want to visit but can't because the infrastructure is not available, and for those large ships which the cruise industry indicate will visit in 5 to 7 years' time.