

## Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Growth and Infrastructure Committee will be held on:

**Date:** Tuesday 20 June 2017  
**Time:** 9.30am  
**Meeting Room:** Council Chamber  
**Venue:** Municipal Building, Garden Place, Hamilton

Richard Briggs  
Chief Executive

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# Growth and Infrastructure Committee OPEN AGENDA

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## Membership

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr G Taylor
Members	Mayor A King Deputy Mayor M Gallagher Cr M Bunting Cr J R Casson Cr S Henry Cr G Mallett Cr A O'Leary Cr R Pascoe Cr P Southgate Cr L Tooman Cr P Yeung

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Six weekly

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Lee-Ann Jordan  
Governance Manager

**14 June 2017**

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## **Purpose:**

The Growth and Infrastructure Committee is responsible for:

1. Guiding sustainable physical development and growth of Hamilton to meet current and future needs, through oversight of land-use planning, and aligned provision of fit-for-purpose network infrastructure.
2. Governance of efficient, safe and sustainable roading and transport, three waters, and waste management that enables Hamilton's economy and adds to the liveability of the city.
3. Governance of Hamilton's economic agenda and investment development opportunities consistent with Council's vision for the city.

***In addition to the common delegations the Growth and Infrastructure Committee is delegated the following Terms of Reference and powers:***

## **Terms of Reference:**

1. To monitor and provide advice on the development and implementation of urban growth and development strategies, land use, and spatial plans in line with national policy requirements.
2. To provide direction on strategic priorities for core city infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
3. To provide direction and monitor Council's approach to development contributions.
4. To assess proposals for Private Developer Agreements and, if appropriate, to recommend such agreements to the Finance Committee for approval.
5. To provide advice on the development and implementation of the 30 Year Infrastructure Plan.
6. To provide direction regarding Council's involvement in regional alliances, plans, initiatives and forums for spatial planning, joint infrastructure and shared services (for example, Future Proof, Regional Transport Committee).
7. To consider the impacts of land use and urban development on the environment.
8. To enhance Hamilton's economic position by promoting Hamilton as a business-friendly and business-enabled city and providing advice on strategic initiatives, plans, projects and potential major developments relating to economic and business development.
9. To provide clear direction on Council's strategic priorities to organisations and groups for which Council facilitates funding, aligned with these Terms of Reference, and to oversee those funding arrangements and receive their strategic and business plans and annual performance reports.

## **The Committee is delegated the following powers to act:**

- Approval of purchase or disposal of land for network infrastructure, or parks and reserves for works and other purposes within this Committee's area of responsibility that exceeds the Chief Executive's delegation.
- Approval of Private Developer Agreements within the budget approved under the Long Term Plan.

- Approval of any proposal to stop any road, including hearing and considering any written objections on such matters.
- Approval of funding for Business Improvement District(s) and Hamilton and Waikato Tourism.

### **The Committee is delegated the following recommendatory powers:**

- Adoption of the 30 Year Infrastructure Plan to Council.
- Approval of additional borrowing to Finance Committee.
- Approval of Private Developer Agreements for unfunded growth projects to Finance Committee.
- Approval of city boundary changes to Council.
- The Committee may make recommendations to Council and other Committees

### **Oversight of Policies:**

- *Business Improvement District (BID) Policy*
- *Connections and Charging Policy for Three Waters Policy*
- *Development Contributions Policy*
- *Earthquake-Prone, Dangerous & Insanitary Buildings Policy*
- *Growth Funding Policy*
- *Hamilton Gateways Policy*
- *Sale and Disposal of Council Land Policy*
- *Speed Management Policy*
- *Streetscape Beautification and Verge Maintenance Policy*

1.

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**1 Apologies**

**2 Confirmation of Agenda**

The Committee to confirm the agenda.

**3 Declaration of Interest**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

**4 Public Forum**

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for three minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Democracy Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Democracy by telephoning 07 838 6439.

**Committee:** Growth and Infrastructure  
Committee

**Date:** 20 June 2017

**Report Name:** Growth and Infrastructure  
Committee - Open Minutes  
– 9 May 2017

**Author:** Amy Viggers

<b>Status</b>	<i>Open</i>
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## Recommendation

That the Growth and Infrastructure Committee confirm the Open Minutes of the Growth and Infrastructure Committee Meeting held on 9 May 2017 as a true and correct record.

## 1. Attachments

2. Attachment 1 - Growth and Infrastructure Committee Minutes - 9 May 2017

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## Growth and Infrastructure Committee

### OPEN MINUTES

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Minutes of a meeting of the Growth and Infrastructure Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 9 May 2017 at 9.30am.

#### PRESENT

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr G Taylor
Members	Mayor A King
	Deputy Mayor M Gallagher
	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr G Mallett
	Cr A O'Leary
	Cr R Pascoe
	Cr P Southgate
	Cr L Tooman
	Cr P Yeung

In Attendance:

- Chris Allen - General Manager City Infrastructure
- Kelvyn Eglinton - General Manager City Growth
- Jason Harrison – City Transportation Manager
- Alice Morris – City Planning Policy Team Leader
- Nigel Ward – Communications Team Leader
- Andrew Parsons - City Development Team Leader
- Nathaniel Savage – Principal Planner
- Greg Carstens – Team Leader Growth and Funding Analysis
- Katie Batley – Senior Strategic Policy Analyst
- Helen Paki – Community Business Manager
- Nicola Walsh – Communications Advisor
- Renee McMillan – Team Leader Planning and Assets
- Julie Clausen – Strategy Programme Manager
- Jolie Humphreys – Strategic Policy Analyst

Lachlan Muldowney – City Solicitor, Tompkins Wake

Governance Advisors: Lee-Ann Jordan – Governance Manager  
Becca Brooke – Governance Team Leader  
Amy Viggers – Committee Advisor

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### 1. Apologies

**Resolved:** (Crs Macpherson/Tooman)

That the apologies from Mayor King and Cr Yeung are received and accepted.

### 2. Confirmation of Agenda

**Resolved:** (Cr Macpherson/Cr Casson)

That the agenda is confirmed noting the following:

- That Item C1 (Development Contributions Remissions Report) included in the public excluded agenda is to be taken in the open section of the agenda. The report in relation to this item will be made available to the public as appendix 1 attached to the minutes.
- There was a replacement report containing further information for Item 6 (Chair's Report) which has been circulated under separate cover.

### 3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

### 4. Public Forum

**Peter H Bos (resident) – Spoke to Item 7 (General Managers Report)** specifically in relation to Access Hamilton. He stated he would like the objective outlined on p41 of the Access Hamilton Programme of Work to say 'eliminate' rather than 'reduce' road fatalities. Mr Bos responded to questions from Elected Members concerning how he thought Council could practically eliminate all fatalities on the road given the number of factors outside of Council's control, and whether he had been in contact with NZTA concerning the National Policy in relation to this matter.

### 5. Growth and Infrastructure Committee - Open Minutes - 28 February 2017

**Resolved:** (Crs Macpherson/Taylor)

That the Growth and Infrastructure Committee confirm the Open Minutes of the Growth and Infrastructure Committee Meeting held on 28 March 2017 as a true and correct record.

### 6. Chair's Report - 9 May 2017

The Chair introduced the Item and took the report as read, noting staff would speak to some aspects of the report.

The Chair and staff responded to questions from Committee Members concerning:

- Hamilton-Auckland Passenger Rail Proposal, noting that at this stage, Council had not resolved to carry out any work on progressing passenger rail, but staff were actively investigating options and proposals for future consideration. Regional Council were looking at a process to

develop a business case for passenger rail to be reported back to the Growth and Infrastructure Committee later in the year.

- Concerns around the population projection data used by the Government to plan for growth and the inaccuracy of past projections. Staff advised that the Future Proof Implementation Committee were working on obtaining better growth projections to enable more accurate growth planning for the future.
- Complaints Process, noting further information on the process would be coming to an upcoming Elected Members Briefing for Elected Members' input and feedback.
- Ministry of Education's plans for Richmond Park School. Staff advised that there was currently no proposal or application for a plan change or resource consent regarding possible subdivision of the school. It was noted that Council may have some interest in the Hall on the site as it had financially contributed to it in the past. The General Manager City Growth was in contact with the Ministry of Education regarding this issue and would update the Committee with any information he received.

**Resolved:** (Crs Macpherson/Mallett)

That the Growth and Infrastructure Committee receives the report.

**Resolved:** (Crs Macpherson/Casson)

That the Growth and Infrastructure Committee:

- a) requests the Minister of Education halts any moves towards the sale of the Richmond Park School until such time as a genuine community consultation and forward planning process can be held and all significant future uses of the site considered; and
- b) authorises Council Management and West Ward Councillors to co-ordinate a consultation process with the Hamilton West MP, the Ministry of Education and Te Whare Kokonga (the Melville Community House).

## 7. General Managers' Report

The Chair advised that the report would be discussed in parts.

### **Paving Costs for Footpaths and Roadways:**

The City Transportation Manager introduced the paving costs section of the report, requested by Elected Members at a previous committee meeting.

Staff provided clarification and responded to questions concerning:

- the costs of paving for footpaths and roadways as outlined in the report.
- the factors that determined which material would be best for a particular environment such as cost, tree species, ground movements, traffic numbers, and noise levels for residents.
- Council's policy to help determine the appropriate type of material to be used in roading in line with the NZTA guidelines.
- cobblestone use.

### **Number of Fatal Crashes in Hamilton:**

The City Transport Manager took this section of the report as read. Staff responded to questions concerning:

- the practicality of the Access Hamilton objective being changed from 'reducing' roading fatalities to 'eliminating' them given the number of factors outside of Council control.

- alignment between Council and NZTA's national and regional objectives to reduce the number of roading deaths by promoting safe vehicles, safe drivers, and safe roads.
- Council's liability regarding fatal crashes (staff noted this was unlikely unless Council was negligent in its roading responsibilities).

**Action:**

Staff were asked to provide further information to Committee Members outside the meeting concerning the number of serious injuries resulting from crashes on Council roads, and the number of roading deaths that occurred on Council owned roads compared to NZTA owned roads.

**Central City Parking Control and Access Hamilton Taskforces:**

These sections of the report were taken as read. A site visit for Elected Members to potential parking site options around the city was organised for the lunch break of the Committee meeting.

**Hamilton to Auckland Passenger Rail:**

A report on the assessment of a Hamilton to Auckland passenger rail service had been prepared by Waikato Regional Council (WRC) and would be presented to the Waikato Regional Transport Committee Meeting on 3 July 2017. It was noted that there would be an Elected Member briefing to discuss future proofing options, including Park'n ride, for passenger rail.

**Action:**

Staff were asked to circulate previous reports and projection figures in relation to passenger rail to Committee Members.

**Resolved:** (Deputy Mayor Gallagher/Cr Pascoe)

That the Growth and Infrastructure Committee receives the report.

***The meeting adjourned (10.50am-11.00am) during the discussion of the above Item.***

**8. Growth and Infrastructure Committee 2017 Schedule of Reports**

The Governance Manager introduced the report, noting the purpose of the schedule of reports was to provide Committee Members with oversight of the planned and upcoming activities for which they were responsible for as members of the committee.

It was explained that the schedule of reports would be updated when new items arose or when timing or circumstances changed as agreed by the Chair and Principal Advisor of the committee. The schedules would not be reported back to the Committee as an item in future agendas; any changes would be notified to Elected Members via email at the same time as agenda distribution.

Staff responded to questions from Committee Members concerning individual reports/items on the schedule.

**Resolved:** (Crs Macpherson/Henry)

That the Growth and Infrastructure Committee:

- a) receives the draft 2017 Report Schedule; and
- b) notes that the Report Schedule is intended to be a living document to be updated as necessary with changes notified to Committee Members.

*Item 10 (Hamilton City Council's Draft 1 Submission to the MBIE's Discussion Document on Urban Development Authorities) was taken after Item 8 (Growth and Infrastructure Committee 2017 Schedule of Reports) to accommodate timing of the lunch break.*

## 9. Hamilton City Council's Draft 1 Submission to the MBIE's Discussion Document on Urban Development Authorities

The General Manager City Growth introduced the report, noting that this was the first round of consultation with the Government concerning MBIE's discussion document on Urban Development Authorities. Staff responded to questions from Committee Members concerning the intent of an Urban Development Authority and whether it would allow Council to do things they could not currently do under existing legislation.

Staff advised that the Urban Development Authority proposal touched on a wide range of legislation with the aim to override a number of barriers to development, and to enable and promote urban regeneration on a large scale. It would give Council much more flexibility and was a way of giving effect to the District Plan and other legislation such as Special Housing Areas.

Committee Members raised a number of points to be incorporated in Council's submission. The submission would be re-circulated to Elected Members for approval prior to being submitted to Central Government.

**Resolved:** (Crs Macpherson/Casson)

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) approves Hamilton City Council's **Draft 1** submission to MBIE's February 2017 Discussion Document on Urban Development Authorities; subject to the changes discussed at the 9 May 2017 Growth and Infrastructure Committee.;
- c) notes the approved submission will be sent to MBIE by the 19 May 2017 submission closing date; and
- d) notes the approved submission will be uploaded to Hamilton City Council's website.

**Cr O'Leary Dissenting.**

***The meeting adjourned (12.30pm – 1.35pm) during the discussion of the above Item.***

*Cr Gallagher left the meeting during the above adjournment and re-joined the meeting (1.55pm) during the discussion of the above Item. He was present when the matter was voted on.*

## 10. Rototuna Growth Cell

The City Planning Policy Team Leader introduced the item, noting that this was one in a series of growth cell reports to be discussed at the Committee. She provided a summary on the development of the Rototuna Growth Cell as outlined in the report and responded to questions from Committee Members concerning:

- various aspects of the Rototuna Growth Cell development, including clarification on areas and zones as outlined in the District Plan.
- future plans for recreational facilities and other amenities for the area (noting staff indicated these would be part of the 10 Year Plan process).

- monitoring for compliance of the District Plan and how this occurs.
- increasing traffic issues resulting from increasing development around Hamilton and what measures had been put in place to promote alternate transport modes.

It was noted that staff would respond to any need for a plan change in response to the outcome of regular monitoring. Committee Members noted that the Rototuna community were keen to engage with Council on this topic. The General Manager City Growth advised that he would raise this matter at an upcoming Elected Member Briefing.

**Action:**

*Committee Members asked that information be provided outside of the meeting regarding District Plan zone allocation to community and recreational facilities in the Rototuna area.*

**Resolved:** (Crs Macpherson/Mallett)

That the Growth and Infrastructure Committee receives the report.

**11. 2015-25 10-Year Plan Service Performance Exceptions Report - Year 2, Quarter 3**

Programme Manager Strategy introduced the report, noting that the non-financial performance measures previously came to the Finance Committee as part of the 10 Year Plan Monitoring Report. Staff responded to questions from Committee Members concerning the methodology, measurement and reporting of KPIs. In response to a question regarding how KPIs were set, staff advised this happened through the 10 Year Plan process. Council would get an opportunity to review and agree KPIs for the 2018-28 10 Year Plan, noting that a number of KPIs were required by legislation.

**Resolved:** (Crs Macpherson/Mallett)

That the Growth and Infrastructure Committee receives the report.

*It was noted in the Confirmation of the Agenda that Item C1 (Development Contributions Remissions Report) in the public excluded agenda, would be taken in the open section of the agenda. The report in relation to this item will be made available to the public as appendix 1 attached to these minutes.*

**C1. Development Contributions Remissions Report - Three Months to 31 March 2017**

The Team Leader Growth and Funding Analytics introduced the item, noting that further discussion around the Development Contributions Policy would be covered at an upcoming briefing.

The City Solicitor provided advice on the process that would need to be followed in making any changes to the Development Contributions Policy and responded to questions concerning the legality of rescinding remissions in response to a plan or consent change.

**Action:**

*Committee Members asked that information be circulated offline concerning previous remissions granted.*

**Resolved:** (Crs Macpherson/Bunting)

That the Growth and Infrastructure Committee receives the report.

**The meeting was declared closed at 3.17pm**

**Committee:** Growth and Infrastructure  
Committee

**Date:** 20 June 2017

**Report Name:** Chair's Report

**Author:** Coucillor Macpherson

<b>Status</b>	<i>Open</i>
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## Recommendation

That the Growth and Infrastructure Committee receives the report.

### 1. Attachments

- Attachment 1 - Chair's Report - Growth and Infrastructure - 20 June 2017



## Chair's Report

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### 1. 'Reading' Chokepoints

2. I am concerned that our current programme of traffic improvement measures, both in the coming year, and in the Long Term Plan, won't cut the mustard as far as combatting the growing traffic congestion in the city, and especially not on the routes coming into the city from the outside.
3. Some areas of particularly bad congestion that we need to urgently address are:
  - i. The Cambridge Road off-ramp into the city, and associated shambles and congestion at the Morrinsville Rd connection; there is a need for much better bus connections through here, and signalised intersections rather than first-come, first-served roundabouts (especially the one with the foolish direct connection into Burger King) - HCC warned NZTA some 7-8 years ago that there would be problems with this.
  - ii. The Avalon/Lincoln/Norton/Rifle Range roundabout, where traffic can be queued for up to 4kms at times, and intersections a long way from the choke point are also gummed up (another one where HCC has questioned the roundabout plan).
  - iii. Ohaupo Rd approach from the south-west, where drivers can get a great stationary view of the city from near the top of Chinamans Hill most mornings.
  - iv. Gordonton/Wairere intersection, where congestion and confusion are rapidly growing.
4. There are a number of internal chokepoints as well - Anglesea St/Bridge St intersection, where there is no connection at the corner between 2 perfectly good bus lanes; Heaphy/Boundary Rds intersection; Five Cross Rds, Davies Corner (in fact the whole bus route down Peachgrove & Hukanui is no about as big a problem as it was before Wairere Drive was completed on the east.
5. My point is that the LTP-proposed Traffic Operations Centre (TOC) is a medium-long term solution (?) to these problems, but that we cannot even wait for the LTP to start addressing these issues in a meaningful way - work needs to be done within the next year, and I think Council will have to bite that bullet. The solutions will not all be by engineering and roads either, public transport, walking and Cr Bunting cycling will also need to be part of a balanced solution.

## 6. Traffic Calming

7. A few days ago, one of the Council's regular 'contributors' - Rod Bowman - sent most of us a photograph of a very effective traffic-calming device being used in Canada (theses are also used in parts of Europe and elsewhere, I'm sure). These were very realistic 3-D photos of large potholes, placed flat in the centre of roads where speeds were often dangerously high. I have previously sent photographs of these to the HCC Transport Dept, and would like to renew my suggestion that we have another look at them.
8. After going on a Churchill Scholarship study trip to the UK & Netherlands a few years ago, I also sent through some other innovative ideas I'd seen there to our Transport Department - unfortunately these seem to have been lost in the mists of time, but Rod's email has sparked me to resurrect some of them, so staff can be expected to receive helpful suggestions from me, and other Councillors, in the near future.
9. One suggestion in particular that I remember was a series of bollards on the edge of the footpaths outside primary schools in Bournemouth that were designed to look like local schoolkids in the local school's uniform - they sure had a good effect in making drivers more careful, as they looked at first glance just like a young child waiting on the edge of the road!

## 10. Planning Processes

11. I was concerned at the process followed recently by the Council when residents of Harrowfield approached Council about their concerns around a proposed medium/high-intensity residential development in Harrowfield.
12. While I didn't want to, and don't think elected members should, get involved in arguing for a particular outcome of this application that Council was received, I did request through the GM that Council follow a process that was fair to ALL parties, particularly around the 'notification' of the application.
13. A large group of the residents asked if they could attend this meeting to present a petition about the matter, apparently signed by the overwhelming majority of Harrowfield residents; as Chair I agreed to this, and advised the GM, and asked for Democracy staff to place this matter on the list for the meeting.
14. However, Planning staff made a decision for a very limited notification in advance of the residents' petition having a chance to be presented. This may or may not have been the correct decision - I won't comment on that - BUT I strongly feel that HCC should at least have waited until the petition was presented to Council before making the process ruling.
15. I felt it was discourteous to the ratepayers and residents who have taken the trouble to become involved in the issue, and to elected members. It would not have cost HCC to have waited for the petition to be presented, to have considered what the petitioners had to say, and then make the process decision.
16. It is important that everyone working for Council, plus elected members, understand they are part of the HCC organisation, funded by ratepayers, rather than sometimes seeming to be part of a 'higher planning entity' answerable only to a grey RMA eminence in the clouds somewhere!

**17. Hamilton-Auckland Rail Service**

18. Early this month, Auckland Council voted to support "in principle" the concept of a Hamilton-Auckland passenger rail service. This is progress, as is the formal support coming from the Waikato Regional Council.
19. The actual start of such a service, if it happens, is still some way off - and it is important that Hamilton City gets high-level support from other major players, such as Auckland Council, North Waikato District Council, NZTA, the Government, Kiwi Rail and others - BEFORE it launches into detailed 'business cases', etc. The public in Hamilton and North Waikato have already shown they support the concept, in fact a large proportion think it is a no-brainer, from the feedback I get.
20. Too often, with these projects, we get technical solutions worked out before we get political and community buy-in; so I am arguing for more 'hearts & minds' before 'plans and costings'.
21. The exception to this is the need for land to be earmarked in Hamilton for future rail platforms and associated 'Park & Ride' areas - with the way commercial land is being gobbled up by growth, it is urgent that we ensure land is available for future rail services in both the north and east of the city - if such land is not used for rail infrastructure, it will still very much hold its commercial value, and be able to be on-sold, and in the meantime leased commercially.
22. So I was extremely disappointed, to say the least, when I discovered that land that was supposedly earmarked in the north of the city for future rail infrastructure (alongside the Te Kowhai Rd rail level crossing) was
  - a) Incorrectly listed on the District Plan on the wrong side of the railway line, inside an existing commercial owner's premises; and
  - b) Approved without question only last December for use as a car sales yard by planning & transport staff who seemed blissfully unaware of the potential future use for rail infrastructure.
23. Once again, there was an apparent disconnect between a lot of work that had been done by others, and the planning processes within Council. I have talked with the CEO about this, and staff are actively now looking at what other suitable land might in future be available for a north Hamilton rail 'station'. The city/south area can be serviced by the current Rail Station & parking area, while in the east there are opportunities across Brooklyn Rd from Claudelands on Council-owned land.

**24. Electric cycles**

25. Congratulations to Cr Mark Bunting for his purchase and promotion of electric bike usage, and also to Cr Gallagher who, from what I read, also bikes into HCC on most days (although we are yet to see photographic evidence of this!). Most Crs will know that HCC has 2 electric bikes, based in the underground carpark, that are available for use by staff and elected members - see Phillip Guthrie to book these.

Councillor Dave Macpherson  
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**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** General Managers' Report

**Author:** Kelvyn Eglinton  
Chris Allen

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Hamilton Plan, Central City Transformation Plan (CCTP), Economic Development Agenda</i>
<b>Financial status</b>	<i>There is no budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendation is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To inform the Committee on topical issues, areas of concern for elected members, customers or the public.

## Recommendations from Management

- That the Growth and Infrastructure Committee receives the report;
- Approves an extension for the Central City Parking Control Task Force to December 2017 to report back to the Committee.

## 3. Attachments

- There are no attachments for this report.

## 5. Local Alcohol Policy (LAP) update (GM City Growth)

- The process of the Provisional Local Alcohol Policy (the provisional policy) was considered by Council on 8 February 2017. Council decided against continuing negotiations with three appellants in favour of going directly to a hearing and defending the provisional policy as originally adopted for consultation.
- The Alcohol Regulatory Licensing Authority (ARLA) who will oversee the hearing advised in March 2017 that the earliest available hearing opportunity for ARLA was September 2017. ARLA has since revised this advice and informed that the first week of December 2017 is the earliest available opportunity. ARLA states that it is unable to confirm hearing dates until

approximately 12 weeks prior to the scheduled date and therefore this date is not concrete. Changes instigated by ARLA to the date of the hearing are outside Council's control.

8. In preparation for the hearing staff are collating evidence to support the elements that are being challenged in the provisional policy. An exchange of evidence timetable is currently being negotiated with the appellants based on a hearing date commencing 6 December 2017. This timetable will outline dates for when parties need to provide evidence to each other.
9. The provisional policy is still in a provisional state so it has no effect on decisions of the District Licencing Committee (DLC). The DLC is therefore required to apply The Sale and Supply of Alcohol Act 2012 (the 2012 Act) when making a licencing decision until the provisional policy becomes finalised. The provisional policy cannot be finalised until it has been considered by ARLA and all the appeals are settled.
10. The 2012 Act allowed for a Local Alcohol Policy which is when Council commenced its first attempt to develop a local policy.
11. **Harrowfield Drive Petition**
12. Highview Properties Ltd applied for resource consent to establish a residential development consisting of two detached dwellings, four apartment units and eight duplexes at 29A Harrowfield Drive.
13. On 29 May 2017 Council received a petition from 125 households in Harrowfield asking that the application be either publicly notified or, limited notified to all residents of Harrowfield. The petition was verified on May 30<sup>th</sup>. Under the Local Government Act petitions are to be reported to Council either within two meeting cycles or 60 days.
14. Notification decisions are not made with input from third parties who may be interested in the proposal either for or against. This approach is consistent with best practice across Local Government and is based on the nature and extent of effects of the proposal under the Resource Management Act. This is the usual practise across all 1200 plus consent applications within the city.
15. A petition has no standing on the notification decision. As such the petitioners via their legal representation requested that the petition be withdrawn on June 6 2017.
16. Staff recognise that the conflict between the timeframes and process required by the RMA in respect to notification give rise to tension when community input is perceived to be neglected. The notification process does not in any way diminish the concerns of the residents as these should be brought forward in the appropriate appeals process now that a notification decision has been made.
17. The notification assessment concluded that there are a number of persons considered potentially adversely affected by the proposal and their consent is required for the application to be processed on a non-notified basis. The applicant advised that they wish to proceed with limited notification of the application to those persons. Limited notification of the application to the owners and occupiers of four neighboring properties took place 6 June 2017.

**18. Richmond Park School Update (GM City Growth)**

19. Recent media articles have highlighted the potential sale of the Richmond Park School, or part thereof, by the Ministry of Education.
20. Concern has been expressed around a perceived lack of consultation and the impact of city growth on the need for retaining education facilities within the southern part of the city, particularly with the potential opening of the Peacockes growth cell.
21. As such elected members have requested management to convene a meeting with the Ministry, the Hamilton West Ward MP, Hamilton City Council West Ward Councillors and Melville Community House representatives to get a understanding of the Ministry's direction and future use of the school.
22. To date the meeting arrangement of diaries has been complicated with the MP of Hamilton West confirming his appropriateness for attendance given his Associate Minister for Education role and commitments of others interested in attending.

**23. Strategic Regional Collaboration (Executive Director, Special Projects)**

24. The following is to update elected members on the Council's involvement in regional and sub-regional strategic planning partnerships.

**25. Upper North Island Strategic Alliance (UNISA)**

26. Upper North Island (UNI) Story: The story was released in late March 2017 and outlines what is happening in the UNI, including the challenges and opportunities. The story has been circulated to all councils as well as key government ministers and departments and is available at <https://www.waikatoregion.govt.nz/services/regional-services/regional-growth-and-development/regional-planning-and-forecasting/upper-north-island-strategic-alliance-unisa/>
27. UNISA Action Plan: Discussions on a potential regional port strategy are occurring and UNISA has agreed to hear directly from the port companies.

**28. Waikato Mayoral Forum**

29. The Mayoral Forum is conducting a strategic planning process to identify new opportunities for collaboration over the next three years, with a focus around projects contained in the Waikato Plan and initiatives provided by Waikato LASS. Peter Winder is facilitating this review.
30. A summary of the Mayoral Forum meetings is circulated after each meeting, and copies can be located at <http://www.waikatomayoralforum.org.nz>.

**31. Waikato Plan**

32. Following public submissions, the Waikato Plan Joint Committee has agreed changes to the draft Plan. The final Plan will be adopted on 19 June after which partner Councils will need to ratify the documents before the launch of the Waikato Plan on 21 August 2017.
33. A report will be presented at the 1 August Growth & Infrastructure Committee for ratification of the Plan by Hamilton City Council.

**34. Future Proof**

35. Draft Strategy: On 29 May 2017 the Future Proof Implementation Committee approved the draft Future Proof strategy for consultation. This is phase one of a two-phase process. The

second phase will take into account the joint housing and business land assessments being undertaken on behalf of Future Proof partners to meet the requirements of the National Policy Statement on Urban Development Capacity.

36. Consultation on the draft strategy will take place in June/July 2017. Hamilton City Council's submission will be considered at the Growth and Infrastructure Committee on 1 August 2017.
37. The draft strategy and summary document can be found at:  
<http://www.futureproof.org.nz/file/future-proof-implementation-committee-agenda-29-may-2017.pdf>.
38. District Health Board: The Future Proof Implementation Committee is investigating the best method to keep the District Health Board informed on Future Proof matters.
39. **Strategic Waters Matters**
40. Statutory requirements for HCC to provide sanitary services and cater for growth are recognised by regional and central government
41. Water Delivery Model (Waters CCO):
42. Hamilton City Council and Waipa District Council have resolved to support a shared waters management company model. Waikato District Council is still in the process of reviewing its position, and has indicated it won't formally have a Council decision until August. There are some matters to be discussed between the Councils (via the Governance Groups) prior to any public consultation occurring, which will form part of the next stage of the process. Subject to agreement being reached between the Councils, public consultation on the preferred waters delivery model is preferred for later this year, ahead of the 2018-2028 draft Long Term Plan compilation.
43. Healthy Rivers Plan Change/Wai Ora: He Rautaki Whakapaipai
44. Notification by Waikato Regional Council (WRC) of the summary of submissions is awaited. Council will review these and make further submissions as appropriate.
45. Waikato Regional Freshwater Discussion - 'Let's Talk Water'
46. At its June 2017 meeting, WRC will consider adopting the *Waikato Freshwater Strategy*, which will change the way WRC collects, uses and manages information about freshwater condition and use. This strategy will also include advocacy to central government for an increased range of provisions including access to economic instruments intended to complement the regulations presently available under the Resource Management Act.
47. A number of actions to implement the strategy will require WRC investment, which will be provided for in WRC's ten-year-plan. HCC will have an opportunity to submit on WRC's proposed ten-year plan in March/April 2018.
48. The Sub-regional Three Waters Action Plan
49. Hamilton City Council and Waipa and Waikato District Councils have finalised the *Sub-regional Three Waters Action Plan*, which will implement the *Sub-regional Three Waters Strategy*. This strategy established a framework for collaboration between the three Councils to address operational and growth issues facing the three waters in the sub-region.

50. Three actions currently underway are:

- Developing a sub-regional Water Conservation and Demand Management Plan to ensure the efficient use of water in both urban and rural areas;
- Assessing opportunities for, and the merits of, standardising, sharing or combining the three-waters models the three Councils use; and
- Developing a sub-regional approach to public health risk management for three waters activities.

### **51. Housing Infrastructure Fund update (GM City Growth)**

52. The indicative Housing Infrastructure Fund business proposals for Rotokauri, Peacockes and a combined bid were submitted as required on 31 March 2017.

53. A further request from MBIE for information was provided for on 18 April 2017.

54. On 25 May 2017, the HCC team met with members of the Selection Panel who sought greater levels of detail around the proposals and undertook a walk over of the sites.

55. Key feedback was focused on the HCC development contributions process and cost allocations, need for robust agreements with developers and the terms of reference that the advisory panel had to work within.

56. Indicatively the next steps would be formal acknowledgement of which proposals would be endorsed for the next stage of the process (end of July) and signing of draft funding agreements which would be conditional on approval of a detailed business case, Council adoption and agreement and public consultation processes. Details on each of these aspects in terms of timing and roll out are still to be finalised.

### **57. Adshel (GM City Infrastructure)**

58. Council entered into a contract with Adshel in 2001 for the exclusive right to advertise on street furniture within the local road reserve.

59. The contract was for 23 years and will end in 2024. In return for the exclusive right to advertise, Adshel has to date installed 50 bus shelters and Council has received a percentage share (12%) of the revenue Adshel receives. This is approximately \$60,000 per annum, which is put into a reserve account and it offsets Councils maintenance costs on other bus shelters.

60. Staff have recently approved a contract variation that will allow Adshel to introduce digital advertising to 10 bus shelters.

61. In agreeing to this variation the following has been agreed or clarified:

- Council has clarified that the exclusivity clauses relate to the bus shelters provided by Adshel only. Council is free to engage other third parties to advertise on non-Adshel owned furniture provided the advertising meets certain size limits.
- Council has the right to advertise not for profit issues” of any size and also has some rights to utilise the Adshel advertising space. This provision has always been in the contract for poster advertising but has to date not been utilized.

62. As part of the variation Adshel has agreed to provide some digital advertising space for HCC as above.

63. Adshel will provide 7 more bus shelters in addition to the 50 existing and this in itself will increase the amount of revenue that Council receives. Adshel have also advised that the electronic advertising could increase revenue by 30-70% which Council will benefit from.
64. Adshel has agreed to meet some costs of relocating shelters around the Transport Centre where there are safety concerns relating to the proximity of the shelters to the road.
65. Adshel have agreed to an increased revenue share of 20%, when the revenue is in excess of an agreed forecast revenue. The trigger for the increased share has been set at 10% below their advised expected revenue forecasts.
66. Staff will engage with Adshel after the first year of the revised contract to consider the future direction of advertising opportunities.

**67. Waste Hamilton Taskforce (GM City Infrastructure)**

68. The Waste Taskforce purpose is to make recommendations on the rubbish and recycling for the city by considering and providing guidance on the following projects (split into three phases):
  - Phase 1 – Housing review and Waste Management and Minimisation Plan (WMMP) (completion April 2018)
  - Phase 2 – New contract methodology and Solid Waste Bylaw. Phase 2 projects rely on a contactor being engaged, as they are required to assist in solution development and or completion of Phase 1 projects (completion February 2019).
  - Phase 3 – Service roll out communications. Phase 3 is about implementation of the new service. A communication’s plan will be developed in late 2018, with implementation of community engagement commencing in March 2019 and will run beyond the service change. (completion February 2019 with service roll out methodology and again in November 2019 with roll out outcomes)
69. The Waste Taskforce met for the first time on the 27 April 2017. At this meeting it was determined the most efficient way to progress the taskforce was to create a sub group each for the WMMP and Housing review. These sub groups would report back to the main taskforce group. External members have been invited to the WWMP sub group as subject matter experts.
70. The WMMP sub group met for a facilitated workshop on the 22 May 2017. The purpose of this workshop was to develop draft vision, goals and objectives for the WMMP for the Waste Taskforce to consider. This is on track to deliver a WMMP to Growth and Infrastructure Committee on 12 September. It was noted that all Councilors should be invited to the task force meetings, including any sub-group workshops, so they can choose to attend or not.
71. The next full Waste Taskforce’s meeting was held on the 6th June 2017. The key topics discussed were:
  - WMMP Subgroup meeting outcomes – presented with the draft vision, goals and objectives for the WMMP.
  - Housing review – subgroup meeting planned for June/July – on track to deliver information to inform the service review.
  - Site visits – planning underway.
  - Rubbish and recycling procurement process – Tender documents published 6 June 2017 – open for an 8 week period.

## **72. Valley Terrace Stormwater Remedial Works Update (GM City Infrastructure)**

73. Following on from the 4 May 2017 Council meeting where the recommendation from the 11 April 2017 Finance Committee to proceed with the Valley Terrace stormwater pipe remedial works was approved, further progress has been made towards determining a preferred technical solution.
74. A meeting to discuss potential consenting considerations for the two proposed stormwater remedial options was held at Waikato Regional Council (WRC) on 27 April. The meeting included representatives from WRC, Hamilton City Council (HCC) and CH2MBeca (HCC's engineering consultant), as well as the property owner of 12 Valley Terrace and their chosen engineering consultant (BCD). The outcome of the meeting was an improved and combined understanding of potential consenting requirements and confirmation of the possible technical solutions.
75. In preparation for technical discussion with BCD to reach alignment on the preferred technical remedial solution Beca have further developed technical concepts for the two proposed options (returning the pipe to an open channel and pipe replacement). The discussion between engineering experts representing both parties is scheduled to be undertaken in the week starting 5 June 2017.
76. Property owners at 10, 14 and 16 Valley Terrace have also been contacted and meetings are scheduled in the week starting 5 June 2017 to discuss potential options for the Valley Terrace Stormwater pipe remedial works and to seek their feedback on their preferred outcomes.
77. Feedback arising from the proposed meetings with 10,14, and 16 Valley Terrace and the outcome of the technical discussions between CH2MBeca and BDC is proposed to be discussed with the property owner of 12 Valley Terrace in the week starting 12 June 2017.
78. Engagement with the wider Valley Terrace gully community on the proposed stormwater pipe remedial works is anticipated to follow the discussion with directly affected property owners in late June.
79. Regular fortnightly updates are being provided to the property owner of 12 Valley Terrace to ensure they are kept informed of progress towards confirming the preferred technical solution, consenting processes and completion of remedial works.
80. A full report outlining the preferred technical solution, confirmation of costs and timing of physical works following the technical expert review, engagement with affected property owners and wider community is proposed to be presented at the 1 August Growth and Infrastructure Committee meeting.

## **81. Waikato District Council Southern Districts Water Supply Agreement (GM City Infrastructure)**

82. As outlined in the GM Report presented at the 28 March Growth and Infrastructure Committee, Council has had water supply agreements in place with WDC to supply areas within the Waikato District (Newstead, Tamahere, Tauwhare, Rototuna, Eureka, Te Kowhai, Stonebridge, Gordonton and Hutchison Road) since the 1980s.
83. The previous agreements have expired and WDC have indicated they would like to continue the bulk water supply arrangement to their Southern Districts under a revised agreement with Hamilton City Council.

84. Council staff have initiated discussions with Waikato District Council (WDC) staff in relation to developing a revised agreement for the continued bulk water supply to WDC's Southern Districts.
85. The principals within the proposed new agreement that are currently being discussed with Waikato District Council staff are:
- The term of the proposed agreement;
  - The pricing structure;
  - The conditions of supply;
    - Any limits to type of supply (domestic, non-domestic, restricted, full supply);
    - Area of supply;
    - Limits on Volume;
    - Agreement termination conditions;
    - Water demand management and water loss requirements; and
    - WDC keeping its FutureProof commitments
86. A report on this agreement is expected to be presented to the 1 August Growth and Infrastructure Committee meeting once the discussions currently underway with WDC have concluded and there is a confirmed scope and terms for a new revised water supply agreement.

### **87. Central City Parking Control Task Force Update (GM City Infrastructure)**

88. The Central City Parking Task Force was established by Council resolution (13 December 2016). As part of its Terms of Reference (ToR) the Task Force was to report back to the Growth and Infrastructure Committee by June 2017.
89. While the Task Force believe good progress had been made against the ToR (Refer Table 1.0) they also believe there is further work to be undertaken.
90. The Task Force is now seeking an extension to December 2017 to report back to the Growth and Infrastructure Committee.
91. Since its inception the Task Force has initiated a series of initiatives, including:
- Review of on street parking supply in the CBD (tabled at Growth and Infrastructure Committee 14 February 2017)
  - Development of Parking Principles to guide the direction of a city parking strategy
  - Reconfirm with staff the rollout of parking technology across the central city
  - Review of the proposed free 2 hour on street parking in the central city, as per the 7 March 2017 Council (Annual Plan 2017-18) resolution, and feedback to staff on the proposal included in the Annual Plan 2017-18 Consultation
92. The table 1.0 below summarises what progress has been made against each of the key activities outlined in the ToR.

Table 1.0 – Status against the Central City Parking Control Task Force Terms of Reference

Terms of Reference	Status
To review and confirm the strategic drivers for parking in the central city	<p>An initial set of parking principles have been develop to guide the direction of a city parking strategy.</p> <p>Further work is required to test and finalise these principles.</p>
To review the effectiveness of the Central City Transformation Plan parking control changes implemented on 7 November 2016	<p>To date the Task Force has received anecdotal evidence from our Parking Team and the Hamilton Central Business Association.</p> <p>The feedback arranges from people being unaware of the free before 9 free after 3 parking offering, and it appears workers are taking advantage of the free after 3pm offering around the hospitality precinct.</p> <p>The Task Force has reconfirmed with staff the rollout of parking sensors in the blue zone (i.e. London Street to Anzac Parade; Anglesea Street to the River) to allow real time data to be captured.</p>
Consider the benefit and implications of further changes to parking controls in the central city	<p>The Task Force started looking at a range of parking offerings.</p> <p>By Council resolution staff were instructed to look at a free 2 hour on street parking proposal which has been included as part of the Annual Plan 2017-18 consultation.</p> <p>By Council resolution (1 June 2017) a free 2 hour on street parking proposal with the option of paying for further on-street parking was past – to be implemented from 1 October 2017.</p>
To review the alignment of the new parking technology with any changes to parking controls that may be recommended	<p>The Task Force has reviewed the approved parking technology (i.e. sensors, App, kiosks) and proposed the inclusion of electronic chalking technology.</p> <p>Parking sensors are being rolled out across the blue zone, however this may be extended to other areas of the central city (i.e. yellow zone) and other nodes (i.e. Frankton, Hamilton East, Hospital, University) at a later date.</p> <p>As part of the recently approved free 2 hour on street parking offering (Council resolution 1 June 2017) sensors, an App, and electronic</p>

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	chalking technology will be rolled out by 1 October 2017. The task force has requested that the sensors be installed across both the blue and yellow zones of the central city
To review Councils approach to parking and traffic infringements in the central city area	Current Council processes have been reviewed against the Police practices in this area. The Task Force have asked staff to align its practices with that of the Police as well as optimise the use of issuing warnings rather than infringements (where appropriate).
To consult with the Hamilton Central Business Association	The Hamilton Central Business Association has been included in the Task Force as an 'external appointee' and have been an active participant in Task Force meetings to date.
To propose a future reporting structure for parking to Growth and Infrastructure Committee	Currently under development.  Staff are working with the Task Force to draft a reporting structure which will include the Hamilton City District Plan Monitoring Report which measures indicators for 'A Vibrant City Centre'.  Further work is required to test and finalise the reporting structure.

93. The Committee's approval to extend the duration of the Central City Parking Task Force to December 2017 is sought, with the Task Force reporting back to the Growth and Infrastructure Committee in December 2017.

### 94. School Gate Strategy (GM City Infrastructure)

95. The Central City Parking Task Force has asked that staff provide the Growth and Infrastructure Committee with an overview the 'School Gate' strategy and the associated initiatives applied around schools.

96. In general road safety is a key component of key transport strategies (i.e. Access Hamilton) already in place.

97. The City Transportation Unit has introduced a number of initiatives focused on the improvement of road safety in the vicinity of schools these include:

- The introduction of 40km/h speed limits outside schools,
- School active travel planning,
- School road safety education programs, and
- Parking compliance presence during times of high activity.

98. Road Safety Coordinators and Active Travel Planners frequently visit schools to develop and improve behaviour outside the school gate often accompanied by the Parking Compliance Supervisor. The focus is on upskilling and educating Principals, Teachers and Students regarding safer journeys to and from school. It is anticipated that these learnings will have a positive influence of parental driving behaviour particularly surrounding the dropping off and picking up of children.

- 99. Parking enforcement is often requested by schools. This is usually in response to comments about poor parking behaviour endangering the safety of children and other motorists at a busy time. Our Parking Team has a schedule of schools it visits each term during the AM drop off and PM pick up periods.
- 100. When monitoring schools our Parking Wardens apply a strategy of ENGAGE – EDUCATE – ENFORCE. Wardens will look to talk with drivers (ENGAGE), usually parents/caregivers and make them aware of unsafe and/or illegal parking practices (EDUCATE) giving them the opportunity to move on. Common behaviour observed includes parking on broken yellow lines, on footpaths, within intersections and over residential driveways. In the event where driver behaviour continues to create a safety hazard or is illegal an infringement may be issued (ENFORCE).
- 101. A new campaign aimed at educating parents about road safety outside schools was launched by the Council in early June 2017 (5 June) and is running for a month until 3 July 2017. The ‘Road safety around schools, that’s magic!’ campaign aims to encourage safer road behaviours around schools – especially around school pick-up and drop-off. We will be using a selection of advertising tactics, including billboards, online, radio and posters. The campaign is supported by NZ Police, Waikato Bay of Plenty Magic, local schools.

**102. Cobham Drive Underpass – Footpath Connection to Hamilton Gardens (GM City Infrastructure)**

- 103. Through the Executive Updates Council will be aware NZTA have let a contract to construct a 27-metre underpass at Sillary Street across SH1 Cobham Drive to provide a safe crossing point for pedestrians and cyclists, improving access with the award winning Hamilton Gardens and shared pathways nearby and into the city.
- 104. To help facilitate this project Council received a report from staff on 25 August 2016 seeking approval to grant an easement for NZTA to construct the Cobham Drive underpass near Grey Street. The grant was subsequently approved by Council.
- 105. As part of presenting this report staff were asked about the connection from the underpass to Hamilton Gardens. At the time staff advised that they believed the current scope of work being delivered by NZTA included a footpath connection from the underpass to the Gardens. As the project has developed it has become apparent that the final scope of work does not include a new footpath connection, and subsequent changes required to the new footpath alignment to accommodate overflow parking requirements for the Gardens.
- 106. The NZ Transport Agency have included in their scope all connections of the underpass to the existing road corridor walking and cycling facilities. While a direct connection from the underpass to the Gardens would be desirable the existing footpath network will accommodate all pedestrian movements albeit it is a longer journey to access the Gardens.

**Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure Group Kelvyn Eglinton, General Manager City Growth
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**Committee:** Growth and Infrastructure Committee      **Date:** 20 June 2017

**Report Name:** Draft Hamilton Special Housing Area Policy      **Author:** Luke O'Dwyer

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Hamilton Housing Accord Hamilton Urban Growth Strategy Partly Operative District Plan</i>
<b>Financial status</b>	<i>There is budget allocated for the creation of the policy and finalization of the policy.</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is considered to have a high degree of significance</i>

## 1. Purpose of the Report

To obtain Council approval of the Draft Hamilton Special Housing Area Policy for public consultation.

## 2. Executive Summary

3. Council approved the Hamilton Housing Accord ("the Accord") on 8 February 2017.
4. The purpose of the Accord is to improve the supply of affordable housing in Hamilton, in part, though advancing land supply.
5. One way to increase supply via the Accord is through the creation of Special Housing Areas (SHA) in accordance with the provisions of the Housing Accords and Special Housing Areas Act (HASHAA or "the Act").
6. Only the Minister for Building and Construction can authorise a SHA.
7. Prior to any SHA being declared by the Minister, a SHA policy can be prepared and adopted by Council.
8. A copy of the draft Special Housing Area Policy (the Policy) is included as Attachment A to this report.
9. The purpose of the Policy is to set out the objectives, principles and selection process and criteria for SHA selection in Hamilton.
10. In drafting the Policy, staff consulted with other councils with established Housing Accords and SHA policies, engaged with a number of internal and external stakeholders and analysed local trends and consent data.
11. The policy establishes general and targeted policy settings to enable both an increase in overall housing supply, and to also facilitate greater affordable residential land supply opportunities across the City.

12. The Policy assists with delivering the Hamilton Plan strategic goal eight: Access to Affordable Housing.
13. The Policy establishes general criteria for SHA selection; special provision for Housing New Zealand and registered Social Housing providers; and requires all private SHA developments to provide a percentage of smaller sections/dwellings to deliver an increase in the supply of comparatively affordable homes.
14. The Act is silent on consultation when preparing a SHA policy.
15. Even so, it is recommended the Policy be available for public comment to ascertain community and sector views and to conduct further targeted engagement with key stakeholders to test policy settings over a four week period.
16. It is envisaged that the Policy will be reported back to Council for final approval in August 2017, subject to any amendments based on feedback received.
17. Once the Policy is finalised, Council can then call for proposals from land owners and developers seeking to achieve SHA status, evaluate any proposals, and recommend candidate sites to Council for adoption and ultimately final approval by the Minister for Building and Construction.

### **Recommendation from Management**

That the Growth and Infrastructure Committee:

- a) receives the report; and
- b) approves the draft Hamilton Special Housing Area Policy for targeted public consultation to be completed within four weeks of commencement.

### **18. Attachments**

19. Attachment 1 - Draft Housing Accord Policy

### **20. Background**

21. [Housing Accord and Special Housing Areas Act 2013](#)
22. The Housing Accord and Special Housing Areas Act 2013 was enacted by Parliament to initially address housing affordability and supply issues in Auckland.
23. The purpose of the Act is to enhance housing affordability by facilitating an increase in land and housing supply.
24. The Act contains threshold affordability measures that enable councils to be added to the schedule of the Act. Being added to the HASHAA schedule is a precondition for the creation of a housing accord and the creation of any subsequent special housing areas.
25. Hamilton was added to the HASHAA Act schedule in 2015.
26. [Hamilton Housing Accord](#)
27. The Housing Accord (the Accord) was signed by Mayor King and Building and Construction Minister Nick Smith on 22 December 2016 and approved by Council on 8 February 2017.
28. The Accord sets targets over a three-year period (2017-2019) to give effect to assist the delivery of land supply and dwellings necessary to meet Hamilton's housing needs.
29. The Accord enables Hamilton City Council to utilise the provisions of the Act to advance housing supply via Special Housing Areas (SHAs).
30. Prior to recommending SHA sites to the Minister, Council can prepare a SHA policy.

31. The benefit of preparing a SHA policy is that it enables Council to establish clear, strategic criteria to consider suitably located candidate sites. Further, developing a robust policy framework sends a clear message to investors and the community about how such sites could be evaluated in a way that gives effect to the Accord.
32. Once a SHA policy has been finalised and SHA sites have been endorsed by Council and approved by the Minister, applications for qualifying developments can be lodged with Council that actually authorise development. Qualifying developments under the HAASHA are in effect an alternative resource consent process for SHA sites.
33. Whilst the creation of SHAs may contribute to meeting the Accord targets for housing supply, it is important to note that achieving the Accord targets includes all consenting activity and associated actions as opposed to relying solely on SHA related outcomes.

34. **What are the purpose and intended policy outcomes of the draft policy?**

35. Purpose of the draft Policy

36. The purpose of the Housing Accord Policy is to give effect to the Hamilton Housing Accord by setting out clear objectives, principles and selection process and criteria to enable SHAs of scale in Hamilton in areas of the City that are aligned with Council's plans and strategies.
37. As per the Purpose of the Accord (Section 3) the Policy sets out consistency with Council's existing plans and strategies namely, the Partly Operative District Plan, Hamilton Urban Growth Strategy, Growth Funding Policy, LTP and 30-year Infrastructure Plan.
38. The policy has also been developed to be consistent with the Waikato Regional Policy Statement, the Future Proof Strategy and to recognise our obligations under the National Policy Statement on Urban Development Capacity.

39. Intended Policy Outcomes

40. The intended outcomes of the Policy include:
  - Creating certainty in respect of Council's approach to SHAs
  - To work collaboratively with the development community to give effect to the Hamilton Housing Accord targets for land supply and housing
  - That SHAs achieve the purpose of the Policy; and
  - That SHAs have regard to the existing planning and investment framework for Hamilton.

41. **How was the SHA Policy developed?**

42. The Policy has developed with input from staff across Council and has also been informed by the actions outlined below:
43. Comparative assessment of existing Housing Accords
44. Existing Housing Accord policies in other centres have been comparatively assessed in terms of policy structure, content and settings.
45. Interviews with existing Housing Accord Councils
46. Meetings and phone interviews have been conducted with staff at Auckland Council, Tauranga City Council, Christchurch City Council and Queenstown Lakes District Council to ascertain policy lessons on Housing Accord development, implementation and operation.
47. Central Government Advice
48. Staff have spoken with representatives of the Ministry of Business, Innovation and Employment (MBIE), the lead government agency on Housing Accords, and taken advice on policy considerations and affordability criteria.

49. Initial engagement with key stakeholders
50. Staff have had preliminary discussions with representatives of the development sector (namely the Property Council), the Social Housing sector (Housing New Zealand and Accessible Properties) and representatives from Waikato Tainui.
51. To date, the initial response to the policy intent and settings outlined in the engagement has been positive.
52. Evidence base for policy settings
53. Staff have conducted research and drawn on a range of data and information to inform the proposed policy settings.
54. Data analysed includes HCC consent data, Hamilton house sales and valuation data, Ministry of Social Development social housing demand forecasts and local demographic trends and projections.
55. **Legislative considerations**
56. The Act requires that qualifying developments in SHAs satisfy certain matters, including, but not limited to being mainly for residential development; being no higher than 6 storeys in height; specifying the minimum number of dwellings prescribed; and being serviced by infrastructure or that there are agreed plans regarding infrastructure (e.g. water, wastewater, stormwater, public transport).
57. The relevant qualifying development provisions from HAASHA referenced in the Policy include criteria A1, A2, A3, A5, A6, A7, A8, A9 and A10.
58. When approving SHAs the Minister must be satisfied that adequate infrastructure either exists or is likely to exist.
59. Further, the Act also gives weight to the New Zealand Urban Design Protocol when assessing SHA developments.
60. These mandatory requirements have been included in the draft policy.
61. In addition to these mandatory requirements, Council can prescribe the following criteria in the Special Housing Area Policy to guide the local selection and assessment of SHAs; the preferred location of SHAs; any minimum SHA size and density requirements and any relevant affordability criteria.
62. The Policy includes some of these aspects as well as other matters that are important for Council.
63. **Overview of the Policy**
64. How is it structured?
65. The Policy is comprised of five sections – Background and Legislative Intent, Purpose, Principles, Intended Policy Outcomes, and the Policy Implementation Criteria.
66. Supporting the draft Policy are four schedules:
- Schedule 1 - Framework for Evaluating SHAs,
  - Schedule 2 - Areas not suitable for establishing SHAs,
  - Schedule 3 - Infrastructure requirements
  - Schedule 4 - Residential Development and Design Quality Expectations
67. Clauses 16 through to 25 of the Policy establish how it is to be implemented.

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68. Once the Policy is finalised, proposals will be sought by Council where land owners and developers can nominate sites for SHA declaration on the basis that the proposed site satisfies all of the evaluation criteria (Schedule 1).
69. It is important to note that the Policy retains the ability for Council to accept or reject any proposal.
70. Once proposals are received, there will be an initial evaluation against the policy while the proposal itself would be simultaneously publicly notified for comment from the community, Iwi and other stakeholders.
71. This initial evaluation will result in either some proposals being reported to full Council for endorsement or rejection while some may need further time to understand potential impacts and securing funding agreement before being reported to full Council and then making a recommendation to the Minister for declaration.
72. How would proposals be evaluated?
73. Schedule 1 sets out the 13 key matters for consideration. The most important criteria include:
  - Locational considerations
  - Minimum number of dwellings
  - Affordability criteria
  - Appropriate residential zone provisions
  - Infrastructure requirements
  - Demand for qualifying development
74. Locational considerations
75. In terms of location, the Policy is enabling by not specifically nominating any zones where SHAs should be located.
76. The key matters start with a consideration being how a proposal can demonstrate that it does not undermine Council's existing or planned infrastructure or are not inconsistent with Council's strategic land use planning.
77. For proposals in non-residential areas, understanding the potential impacts of a reduction in employment land will also need to be addressed.
78. For SHA proposals on employment land, Council's ability to meet its National Policy Statement on Urban Development Capacity requirements for employment land capacity (over the short, medium and long term) is a relevant and important consideration, both individually and cumulatively.
79. While expressions of interest/applications for SHAs in employment zoned land may be considered, Council would also need to be satisfied in these circumstances that there is certainty around the immediacy of the development.
80. Reverse sensitivity matters, especially for key industrial locations around the City and how the change in land use would materially impacts adjoining productive land uses where significant investment decisions may have been made, also need to be addressed.
81. Minimum number of dwellings
82. The proposed minimum number of 10 dwellings has been determined as an appropriate threshold to achieve a balance between enabling SHAs of scale and the limitations of current site availability.
83. HCC consent data and the number of suitable property parcels were analysed to determine this policy setting. A steep decline in number of available sites occurs if the minimum number of dwellings is increased beyond 10. A threshold of 10 enables, genuine larger opportunities

- for affordable housing provisions and to incentivize larger developments than can benefit from the HASHAA processes when compared to standard Resource Management Act processes.
84. Even so, to provide further incentives for genuine, bone fide affordable housing providers, there non minimum housing thresholds provision are included for registered social housing providers or for Housing New Zealand.
  85. The removal of the size restriction for social housing providers would enable social housing providers to respond to the projected demand for social housing places at a scale suited to their current development plans.
  86. Options on minimum number of dwellings
  87. The proposed criterion stipulating a minimum number of dwellings for non-social housing development is not mandated under the Act. The criterion has been proposed by staff on the basis that it provides an incentive to stimulate larger opportunities that are truly exceptional and special for consideration.
  88. Council has the option of not included a minimum number of dwellings.
  89. Affordability criteria
  90. For non-Housing New Zealand and non-social housing developers seeking SHA status, an additional affordability criterion whereby 20 percent of the dwellings in an SHA would be required to be of a smaller section and dwelling size has been included in the evaluative criteria.
  91. Under these proposed requirements SHAs would need to provide 20 percent of dwellings in the development at a size less than 150m<sup>2</sup> and/or on sections at 350m<sup>2</sup> or less.
  92. This requirement will assist with the delivery houses which are comparatively affordable, as a new smaller section and house will sell at a lower price point than a comparable new larger house.
  93. Analysis of HCC building consent data has also revealed a trend over the last decade for the construction of houses which are over 150m<sup>2</sup> in size. This analysis reveals that the market in Hamilton is currently not supplying smaller, comparatively affordable dwellings.
  94. The smaller section and dwelling provision requirement also responds to emerging demographic trends which indicate that the majority of household growth is projected to require only one bedroom (one person or couple).
  95. Whilst the HASHAA Act does not restrict the type of affordability criteria which Council can set, the proposed requirement for 20% smaller dwellings on smaller sections in an SHA development avoids the complexity and ongoing administration required for price setting and retained affordability approaches.
  96. Options on affordability criteria
  97. The proposed affordability options contained in the Policy are not mandated under the Act. As such they are discretionary matters that do not have to be included by Council and can be removed should Council decide to do so.
  98. Appropriate residential zone provisions
  99. Under the Hamilton Housing Accord SHAs must adopt the relevant residential zone provisions from the PODP to ensure consistency with the City's planning framework. This is particularly important for sites not currently zoned for residential purposes.
  100. Expanding on this, the Policy contains the ability for SHA sites already in existing residential areas to seek a different type of residential zone applying on the site to generate higher yields that existing residential zone provisions.

101. Infrastructure requirements
102. Evaluation criteria A5 and schedule 3 outline the key matters to be considered with respect to infrastructure effects.
103. Demand for qualifying development
104. Evaluation criterion A1 requires developers to demonstrate in their proposal the immediacy of development, which is defined in the Policy as being one year.
105. This time frame has been selected as the Minister under the HAASHA has the option of revoking SHA status if no consent has been applied for or granted within one year of obtaining SHA status.
106. Accordingly, staff recommends that one year is an appropriate timeframe for establishing demand. The one year timeframe may help Council to understand that any proposed SHA development is not speculative and represents a genuine development pocket of opportunity to contribute to our housing targets.
107. Options on demand for qualifying development timeframes
108. Council has the option of not specifying a timeframe or increasing it (for example, to 3 years).
  
109. **Proposed consultation**
110. The HASHA Act is silent on consultation when preparing a SHA policy
111. Council must make a judgment on whether to consult with the public on the draft policy.
112. Council’s decision on whether to consult is guided by the decision making requirements of the Local Government Act (LGA).
113. Legal advice indicates consultation is necessary in the current circumstances.
114. The LGA requires transparency and accountability in terms of Council decision making.
115. Under the LGA Council must give consideration to the views and preferences of those parts of the community likely to be affected by the policy. Consultation is the vehicle by which Council gains that understanding.
116. In addition, Council has a “Significance and Engagement Policy” which guides decisions on whether to consult.
117. Council is required to consult when the decision it is making has significance in terms of its impact on the community, or parts of the community.
118. This policy has the potential to create significant impacts within the development community, and on land owners and occupiers adjacent to SHAs. The policy creates a development framework that will enable some developments ahead of others, and may give rise to developments not anticipated in the District Plan. Once an SHA is in place, ongoing public participation is limited.
119. It is recommended that a targeted consultation, over a one month period be adopted. This will ensure Council’s process is legally robust.
120. This consultation approach will include both general and targeted approaches to consultation. Nevertheless, to meet broader consultative obligations under the LGA, and to seek community views on council activities, staff recommends that Council consult on the Policy.
121. It is proposed to make the draft policy available for public comment for 4 weeks and to conduct further targeted engagement with key stakeholders to further test the appropriateness and feasibility of the policy settings, namely the SHA selection criteria and affordability requirements.

## 122. Next Steps

123. The indicative timeline for the final approval of the SHA policy and the selection of SHAs is as follows;

- Council approval of final policy – August
- First Tranche SHA EOI proposals – August
- 1st Tranche Assessment & consultation – Aug-Sept
- 1st Tranche SHA recommended to Council – Oct
- Government approval of 1st Tranche – Oct-Dec
- ‘Qualifying development’ applications received – Dec/Jan
- First SHA consents issued – Jan/Feb 2018

## 124. Financial and Resourcing Implications

125. The development and finalization of the SHA Policy will be delivered within existing budgets from the Economic Growth and Planning Unit.

126. Any additional resource required for the selection, assessment and processing of SHA and any resulting resources consents or plan changes for qualifying SHA developments will be on a cost recovery basis in accordance with standard fees and charges.

## 127. How are we implementing the Hamilton Housing Accord?

128. Clause 23 of the Accord outlines the actions HCC committed to undertake to give effect to the accord.

129. The table below indicates the identified actions and the status of how HCC is tracking against as of June 2017. As can be seen, many actions have already commenced, some substantially since the time of the Accord being finalised.

<i>Identified action</i>	<i>Status</i>
Investigate the possible use of SHAs	Under way and the subject of this report.
Apply to government seeking Housing Infrastructure Fund allocation	Completed and awaiting in principle funding confirmation
Working actively and early with developers	Underway through targeted developer forum sessions
Undertake an Effectiveness and Efficiency Review	Project formally approved by Council on 1 June
Support collaborative urban development strategies with neighboring Council’s	Underway through our work with Future Proof
Support customer focused and streamlined resource consent processes	Underway through targeted developer forum sessions
Support collaborative efforts to work with social housing providers	Underway through separate briefing sessions on opportunities with the community and social housing sector

130. The housing target for 2017 under the Accord is 1300 dwellings. At this stage of year, it is forecast that Council is likely to consent 1262 dwellings, based on 518 actual approved building consents for new dwellings having been issues in 2017 up to the end of May 2017.

**131. Risk**

- 132. It is important that robust SHA selection criteria are included in the policy to ensure the delivery of future housing supply is not misaligned with the existing planning and investment framework of Council.
- 133. While the draft policy is enabling, it includes important policy and evaluative considerations in place to ensure existing communities can be confident new development will not adversely effects them, while also providing for appropriate measures to maintain employment land capacity and to understand any effects on our infrastructure network.
- 134. In terms of consultation, there is a risk that simply adopting the policy at this meeting will mean that Council would make a decision not in accordance with its Significance Policy.
- 135. The draft policy has the potential to enable significant changes in the urban form of the City, and getting formal written feedback from potentially interested persons and key stakeholders is important to understand and test community views.
- 136. Equally, the opportunity to formally consult will enable staff and Council to determine if the policy settings outlined in the draft are effective and will deliver on the intended policy outcomes.
- 137. The risk of not consulting is that a land owner or developer adversely impacted by the policy may seek to challenge the policy on the basis that the decision making leading up to its adoption is flawed. This will set the process back and slow the progress of the policy.

**Signatory**

Authoriser	Kelvyn Eglinton, General Manager City Growth
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First adopted:	XX XXXX 2017
Revision dates/version:	Version 7
Next review date:	May 2018
Engagement required:	Yes
Document Number	D-2422095
Associated documents:	Hamilton Housing Accord
Sponsor/Group:	General Manager City Growth

## DRAFT - Hamilton Special Housing Areas Policy

### Background and Legislative Intent

1. The New Zealand government recognises housing affordability as a significant social and economic issue which impacts community well-being and productivity, particularly in areas experiencing high population growth.
2. Housing affordability is affected by the rate and extent of land and housing supply.
3. In response to this issue the Housing Accords and Special Housing Areas Act 2013 ("HASHAA") came into force on 16 September 2013. The purpose of the HASHAA is to enhance housing affordability by facilitating an increase in land and housing supply in certain regions or districts, listed in Schedule 1 of that Act, identified as having housing supply and affordability issues.
4. Hamilton City is one of the areas listed in Schedule 1 of the HASHAA.
5. HASHAA achieves its purpose by providing an alternative and "fast track" means of creating zoned residential land, known as Special Housing Areas ("SHAs"), as compared to the standard track process under the Resource Management Act 1991 ("RMA").
6. HASHAA also requires any new development enabled under it to have adequate infrastructure provision and to ensure design quality (as articulated in the New Zealand Urban Design Protocol) is delivered. For HCC, this is achieved in the Policy by using the existing relevant urban design provisions in the Partly Operative District Plan as a policy consideration. The Partly Operative District Plan is also relied on to assist in appropriate residential zone selection for SHA sites not currently zoned for residential purposes.
7. The legislative intent of HASHAA is to speed up the process of bringing to market additional residential land beyond that currently zoned in the Partly Operative District Plan. Through this additional land supply, and in combination with other economic factors, the overall supply of affordable housing within Hamilton City will be enhanced.
8. The Ministry of Business Innovation and Employment (MBIE) calculates that the median house price for Hamilton is 6.8 times the value of median income and therefore deemed unaffordable. While this policy does not set a target price point for SHAs, it seeks to achieve comparative affordability outcomes by encouraging smaller section sizes and gross floor area standards.
9. The first step towards establishing an SHA is for Council to enter into a 'Housing Accord' with the Minister for Building and Construction ('Minister'). On 22nd December 2016 Council entered into the Hamilton Housing Accord with the Minister ('Accord').
10. The Accord includes agreed aims and targets related to land supply and dwelling consents. The Accord also acknowledges a number of other actions to improve housing affordability and sufficient land supply.
11. With the Accord in place, the next step is for Council to consider the options for proposed SHAs. Once Council has decided to support a proposed SHA, it must make a recommendation to the Minister for consideration and if appropriate, approval.
12. If the Minister accepts the Council recommendation the SHA will be established by way of order in Council.

### Purpose

13. The purpose of this Policy is to establish the process and evaluation criteria that will guide Council in making decisions on whether to accept a proposal for an SHA and recommend to the Minister that a proposed SHA be established.

### Principles

14. The principles that will be promoted by Council implementing this policy are:
- a. Council will openly engage with the community on the identification of the identification of potential areas in the City for consideration as SHAs.
  - b. Council will work with Waikato-Tainui to give effect to the co-management arrangements under the Joint Management Agreement in the context of SHAs and will consider effects on the unique tangata whenua relationships, values, aspirations, roles and responsibilities with respect to areas identified for consideration as an SHA.
  - c. Council will work collaboratively with private housing providers ('PHPs'), social housing providers ('SHPs') and the Government to increase housing supply and opportunities for affordable housing
  - d. Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, and is generally consistent with Council's strategic land use planning.
  - e. Council will enable land within SHAs to be used to deliver a range of housing types to the market at different price points in order to achieve the purpose of HASHAA.
  - f. SHAs must be serviced by and integrated with Council's strategic infrastructure networks.
  - g. Where Council's strategic infrastructure networks are unavailable to an SHA for any reason, including but not limited to lack of network capacity or connectivity, all necessary infrastructure will be provided and funded by the developer at no cost to Council.
  - h. Development within SHAs will be consistent with the evaluation criteria and objectives set out in the schedules to this Policy. Priority will be given to establishing SHAs that are consistent with the strategic direction set within the Partly Operative District Plan ('PODP').
  - i. Development within SHAs will occur as quickly as practicable.
  - j. Development of SHAs will achieve high quality urban design outcomes.

### Intended Policy Outcomes

15. The intended outcomes from Council implementing the Policy are:
- a. Create certainty in respect of Councils approach to SHAs which assists the development community in making investment decisions;
  - b. In collaboration with the development community, give effect to the Hamilton Housing Accord and its targets for land supply and housing.
  - c. The creation of SHAs that achieve the purpose and principles of this Policy.
  - d. Ensure SHAs are generally consistent with and have regard to the relevant provisions of the PODP.

### Policy implementation criteria

16. Council will, from time to time at its discretion, call for proposals from land owners and developers seeking to become a SHA. Proposals can be made by any party, including Council.
17. Council will process and assess all proposals for SHAs in the manner set out in this Policy.
18. The evaluation criteria which council will apply to its assessment of a proposal are set out in the

Schedules to this Policy. Proposals will need to demonstrate how they satisfy all of the mandatory and discretionary criteria attached to this Policy.

19. In its assessment of a proposal Council staff will apply the evaluation criteria set out in the Schedules of this Policy, and have regard to the purpose and principles set out in sections 13 and 14 of this Policy.
20. While the evaluation criteria set out in the schedules of this Policy will guide Council's decision making, Council reserves itself the discretion to accept or reject a proposal for recommendation to the Minister.
21. Upon receipt of a proposal, Council staff will undertake an initial evaluation of the proposal to determine its level of consistency with this Policy. At this stage, full Council will determine, at its sole discretion, whether to continue with the evaluation or to reject the proposal.
22. If the evaluation proceeds to detailed stage beyond this point, Council will:
  1. Seek public feedback including from statutory agencies and relevant Iwi;
  2. Seek comment and evaluative input from relevant council departments;
  3. Fully assess the proposal in accordance with this Policy, and in particular the purpose and principles and Schedules of this Policy ;
  - 23.4. Receive staff recommendations; and
  - 23.5. Decide whether to reject the proposal, or accept the proposal in principle.
23. If a proposal is accepted in principle, Council will then enter into negotiations with the proponent to secure, through a development agreement, the delivery of the outcomes set out in the proposal and any other outcomes required by Council, including the provision of any necessary infrastructure required to service the proposal.
24. If negotiations lead to a legally binding development agreement, on terms acceptable to Council, Council will, at its discretion, then consider accepting the proposal for recommendation to the Minister.
25. If a proposal is accepted under section 23 of this Policy, Council will then collaborate with the proponent in making the recommendation to the Minister that the proposed SHA be established.

### References and Relevant Legislation

- Housing Accord and Special Housing Areas Act (HASHAA) 2013
- Hamilton Housing Accord dated 22 December 2016.
- Resource Management Act 1991
- National Policy Statement on Urban Development Capacity 2016
- Local Government Act 2002
- Hamilton Partly Operative District Plan
- Operative Development Contributions Policy
- Operative Annual Plan and Long Term Plan
- Operative Growth Funding Policy
- Waikato Regional Policy Statement (WRPS)
- Hamilton Urban Growth Strategy (HUGS)
- Future Proof Sub-Regional Growth Strategy
- Regional Land Transport Plan
- Operative Waikato-Tainui Environmental Plan

### Schedule 1 – Framework for Evaluating SHAs

The suitability of a proposal received from a private housing provider (PHP) or a social housing provider (SHP) to qualify as a Special Housing Area (SHA) will be assessed against the following performance standards and performance criteria, where relevant:

Framework for evaluating SHAs	PHP	SHP
A1 Demand for Qualifying Development	Yes	n/a
A2 Demand for Housing	Yes	n/a
A3 Predominantly residential	Yes	Yes
A4 Location	Yes	Yes
A5 Adequate infrastructure	Yes	Yes
A6 Affordability	Yes	N/A
A7 Building height	Yes	Yes
A8 Minimum number of dwellings	Yes	N/A
A9 Design quality	Yes	Yes
A10 Application of partly operative district plan	Yes	Yes
A11 Appropriate residential zone provisions	Yes	Yes
A12 Other Matters	Yes	Yes

#### A1 Demand for a Qualifying Development

The Council is satisfied that there is evidence that the proposed qualifying development/s in the SHA will deliver new residential housing that supports the aims and targets of the Accord within 1 year of being declaration of SHA status.

#### A2 Demand for Housing

The Council is satisfied that there is evidence of demand for a range of housing types that could be developed within a SHA.

The Council is satisfied that a variety of dwelling sizes and dwelling ownership or tenure arrangements are not ruled out by any proposed terms and conditions or covenants that would apply within the SHA.

#### A3 Predominantly Residential

A qualifying development within a proposed SHA will be predominantly residential and have the primary purpose of supplying dwellings to the market. Any non-residential activities should be ancillary to the residential development and negotiated with the Council including reserves and open space areas, and commercial or community activities before the recommendation for a SHA is made to the Minister for Building and Construction.

#### A4 Locational considerations

Proposals for SHAs will be considered for their suitability for development in all zones (other than those exceptions identified in Schedule 2) subject to the following locational criteria:

- a. In accordance with Principle 14(c) of this Policy, Council will enable SHAs that achieve the purpose of HASHAA provided they do not compromise or undermine Council's existing or planned infrastructure, nor materially alter or compromise Council's strategic land use planning. SHAs proposed for locations outside areas zoned residential in the PODP are more likely to conflict with Principle 14(c) than those SHAs proposed within a residential zone. Accordingly, Council will require a proportionate approach to the supply of supporting evaluative evidence addressing the matters set out in these schedules, depending on whether a proposal is located within or outside an existing residential zone. Less evidence will be required for a proposal within a residential zone than for one outside a residential zone.
- b. Consideration of proposals in non residential zoned areas under the PODP such as the industrial zone will be required to have provided evidence that they have consulted with, addressed

reverse sensitivity and materiality of effect on established land uses in both existing and adjoining zones.

- c. A proposal should demonstrate that it is consistent with Council's strategic land use framework set out in the PODP and does not limit the Council's ability to meet its National Policy Statement on Urban Development Capacity (NPS-UDC) requirements for employment land. Council will evaluate all impacts on future employment land capacity both individually and cumulatively.
- d. For all proposals Council would also need to be satisfied that there is an immediacy to the development to meet proven demand and the proposal is of a suitable scale and able to be serviced in accordance with section A5 below.
- e. Schedule 2 identifies zoned land and land identified on the features legend to the planning maps to the PODP that have high environmental values and or constraints that make them no suitable for the development for SHAs.

#### **A5 Adequate Infrastructure**

The Council is satisfied that either:

- a. Adequate infrastructure exists to accommodate the likely additional individual and cumulative demand from a qualifying development in the area; or
- b. Infrastructure can and will be provided and funded by the landowner or developer at no cost to, and without unforeseen or adverse financial or environmental costs on the Council or other relevant infrastructure providers.

The Council will assess the infrastructure requirements of a proposed SHA against the matters listed in Schedule 3 to this Policy.

#### **A6 Affordability**

To achieve the targets in the Accord to deliver more dwellings, the Council will negotiate housing outcomes for each SHA and/or qualifying development on an individual basis.

The delivery of more affordable housing options within qualifying developments will be assessed against the need for development to remain profitable and commercially viable.

Council will require a certain proportion of qualifying developments to comprise small subdivision allotments and/or dwellings to deliver more affordable private housing.

The delivery of more community housing will be encouraged by promoting collaborative schemes with Housing New Zealand and Registered SHPs and partnerships between the public and the private housing sectors.

These housing outcomes will cover:

- a. The type and size of dwellings to be built by PHPs: in all SHAs at least 20% of dwellings will comprise two bedroom dwellings of 150m<sup>2</sup> gross floor area or less unit size.
- b. The size of sections created by PHPs: PHPs will be required to provide at least 20% of the allotments at smaller sizes of 350m<sup>2</sup> or less.
- c. The minimum 20% provided by PHPs shall apply to the total potential yield of the qualifying development or each stage of the qualifying development.
- d. The nature of any covenants (or similar restrictions) imposed on sections shall be agreed and recorded on titles;
- e. The potential for a development to target specific housing need e.g. first home buyers, the rental market or social housing;
- f. A requirement that the PHP engages with the Housing New Zealand or a Registered SHP to explore options to provide social housing, and where appropriate, to provide an acceptable legal mechanism for dwellings to be retained as social housing (freehold or rental).
- g. The Council is open to proposals that address affordable housing through other mechanisms that

are consistent with the principles set out in section 8 of this policy but retains preference for the registered SHP involvement as per A6 f. above.

- h. The potential for a PHP to spread or mix the type and size of sections and dwellings to be developed throughout the proposed SHA.

When a SHP partners with a PHP to develop a SHA and Council is satisfied that sufficient evidence has been provided of genuine partnership and intention to develop the land then the Proposal will be assessed solely against the applicable policy for SHPs.

#### **A7 Building Height**

The maximum calculated building height for a qualifying development in a proposed SHA will be determined as part of the declaration of that SHA. It will be determined by the Council in discussion with the landowner/ developer with reference to:

- a. The characteristics and the existing built environment of the land in the SHA and land directly adjoining;
- b. The maximum height provided for in the zone of under the PODP that applies to the land and the land directly adjoining in question;
- c. The maximum height provided for in the Act: 6 storeys (or any lesser number prescribed) and a maximum height of 27 meters (or any lower maximum calculated height prescribed).

#### **A8 Minimum Number of Dwellings**

The minimum number of dwellings required in a proposed SHA provided by a PHP to constitute a qualifying development is 10 units in residential, greenfield, future urban or appropriate non-residential zoned areas as determined under the PODP.

Dwellings described by housing typology shall be calculated at a minimum average net site density of at least 16 dwellings per hectare or otherwise as in accordance with the relevant zone rules of the PODP, whichever is the greater.

There is no minimum threshold if the SHA is a Housing New Zealand or Registered Social Housing Scheme.

#### **A9 Design Quality**

A SHA proposal shall have regard to the height, bulk and scale of development within the existing residential zone where appropriate and any relevant design criteria in the PODP.

#### **A10 Application of PODP**

For the purpose of clarifying the effect of sections 15(8) and 34(1)(d) of the Act, any reference to the PODP will be a reference to the objectives, policies and rules for the appropriate residential zone or other provisions including overlay Policy Areas that apply to the area.

#### **A11 Determination of Appropriate Residential Zone Provisions**

For sites zoned General Residential in the PODP, Council will support proposals for SHAs that seek medium density or intensified residential development where it can be demonstrated that the development can comply with the performance standards and can meet the assessment criteria for those respective operative zonings.

A SHA proposal shall have regard to the height, bulk and scale of development within the existing residential zone where appropriate and any relevant design criteria in the PODP.

For sites not currently zoned residential, the matters that will be considered when determining the appropriate residential zone provisions to be applied in the proposed SHA in regard to the PODP include:

- a. The characteristics and the existing built environment of the land in the SHA and land directly adjoining;
- b. The development proposal and its overall site layout, building design and external appearance including connections to and integration with adjoining land uses and transport network, the

extent to which over dominance is minimised and the extent to which reverse sensitivity effects can be avoided, remedied or mitigated;

- c. The appropriateness of the partly operative zoning for the delivery of a qualifying development/s;
- d. Whether another zone or other zone provisions in the PODP might be more appropriate for the delivery of a qualifying development/s;
- e. The purpose of the Act; and
- f. Delivery of the targets in the Accord.

For consideration of a-b above, information requirements commensurate with the scale of the SHA proposal for a Subdivision Concept Plan shall be provided as set out in Section 1.2.2.2 of the PODP.

#### **A12 Other Matters**

The Council's operative DC Policy and operative Growth Funding Policy is the default approach to all qualifying developments. However, alternative approaches to infrastructure funding may be considered and potentially applied during the life of the Accord.

All Council staff time and other costs of considering and processing proposals for SHA selection and resource consent applications including negotiating SHA developer agreements will be on-charged to the landowner or developer in accordance with the Resource Consent and Engineering Fees and Other Charges Schedule adopted by Council.

#### **A13 Delegation**

The General Manager City Growth and Economic Growth and Planning Manager and their successors are delegated to enter into negotiations with landowners/ developers interested in promoting a SHA in accordance with this Policy.

### Schedule 2 – Areas not suitable for the establishment of SHAs

- All Special Character Zones (excluding Peacocke Terrace Area)
- All Recreational Zones
- Significant Archaeological, Historic and Cultural Sites
- Electricity Transmission Corridors
- Natural Hazard Areas
- Special Heritage Areas
- Special Natural Areas
- Large Lot Residential Zone

### Schedule 3 – Infrastructure Requirements

The relevant infrastructure includes:

- Stormwater
- Wastewater
- Water
- Transport (including impact on state highways, impact on local roads, public transport, provision of public transport facilities, under passes, cycling and walking facilities, trails and tracks etc.)
- Parks and Reserves
- Social and Community Infrastructure
- Education
- Network utilities (electricity, gas and telecommunications).

For Council-related services of water supply, wastewater, transport, stormwater and reserves the Council is satisfied:

- a. That infrastructure exists and has sufficient ability to accommodate the likely additional individual and cumulative demand from qualifying development/s in the SHA or infrastructure is planned or programmed in the Council's LTP and DC Policy in timeframes that align with the qualifying development/s timing, and/or
- b. That infrastructure would be provided and funded by the private sector ahead of the LTP programmed time at no additional cost to Council, and/or
- c. Where not planned or programmed in the Council's LTP and DC Policy, infrastructure would be fully provided and funded by the private sector at no cost to Council and can connect to existing infrastructure that has sufficient ability to accommodate the likely additional individual and cumulative demand from -qualifying development/s in the SHA, and
- d. For stormwater, mitigation and offsetting will comply with the conditions of any relevant consent held by the Council or such other relevant engineering standards that are applicable as determined by Council, and
- e. That infrastructure will be designed and constructed in accordance with the relevant requirements of the Council's Infrastructure Technical Specifications, and any other specific design, specifications and plans for infrastructure works (including approved Integrated Catchment Management Plans) arising from any consent or infrastructure requirements set by Council and
- f. That all assessments of infrastructure (e.g. effects, funding, levels of service) are based on a whole of life assessment, and
- g. That the qualifying development/s does not adversely impact on minimum levels of service and existing or planned infrastructure investments, and does not result in poor safety outcomes, and
- h. Is in accordance with Council's Growth Funding Policy.

For non-Council infrastructure such as state highways, government facilities (e.g. schools), or network utilities (e.g. electricity, gas and telecommunications), evidence needs to be provided to Council that satisfies that the infrastructure exists or is planned by the relevant service provider with additional capacity to accommodate the likely individual and cumulative demand generated from a qualifying development/s in the SHA.

## Schedule 4 – Residential Development Quality Expectations

### Hamilton Partly Operative District Plan

The following provisions (objectives and accompanying policies) will be used as a guide to assess the consistency of proposals with the following planning provisions:

#### Volume 1

##### Chapter 2 Strategic Framework –

Towards a Sustainable City Objectives 2.2.1 and 2.2.2

Urban Design Approach Objective 2.2.3

Central City, Business and Industry Objective 2.2.4

Residential Development Objective 2.2.6

Tangata Whenua: Waikato Tainui Objective 2.2.8

Integrate Land Use, Transport and Infrastructure Objective 2.2.13

##### Chapter 4 Residential Zone Objectives 4.2.1 – 4.2.9

##### Chapter 25.15 Urban Design Objectives and Policies 25.1.2

#### Volume 2

Appendix 1 – Assessment Criteria 1.3.3

Appendix 1 – Relevant residential design guides in Appendix 1.4.1 – 1.4.9

Appendix 2 – Structure Plans (Peacocke, Ruakura, Rotokauri, Rototuna)

#### **Note:**

This is not an exhaustive list but key objectives, policies and assessment criteria relevant to the consideration of design quality for qualifying SHA sites.

**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** HCC's Draft 1 Submission to the NZTA's Draft Land Transport Rule: Setting of Speed Limits [2017]

**Author:** Robyn Denton

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Access Hamilton Strategy.</i>
<b>Financial status</b>	<i>There is no budget required for this submission.</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance.</i>

## 1. Purpose of the Report

- To seek approval of Hamilton City Council's **Draft 1** submission to the New Zealand Transport Agency's Draft Land Transport Rule: Setting of Speed Limits [2017].

## 3. Executive Summary

- The New Zealand Transport Agency (NZTA) is seeking feedback on the (yellow) Draft Land Transport Rule: Setting of Speed Limits [2017], which determines how speed limits are set in New Zealand.
- The proposed Rule will revoke and replace Land Transport Rule: Setting of Speed Limits 2003, and is designed to contribute towards a better and safer travelling experience in New Zealand. It will introduce a modern and consistent approach to managing speeds across the country, which includes:
  - Replacing a methodology developed in the 1960s with an approach that uses new technology and data to help assess and understand risk on the road.
  - Encouraging Road Controlling Authorities to target speed management to areas with the highest safety and efficiency benefit opportunities.
  - Enabling a maximum speed limit of 110 km/h to be set on our very best roads, recognising some modern roads can safely be driven on at this speed.
  - Introduction of flexibility to requirements on the placement of repeater (or reminder) speed limit signs.
  - Allowing for emergency speed limits following a crisis, such as an earthquake or storm. This will enable immediate speed limit changes when there is a risk to the public.

- 6. Further detail on the proposal, including Q&As, can be found via the following link: <https://www.nzta.govt.nz/about-us/consultations/setting-of-speed-limits-rule/>
- 7. Staff requested and were granted an extension from NZTA to the official 16 June 2017 submission closing date through to 21 June 2017 to enable the draft HCC submission to be considered and approved at the 20 June 2017 Growth and Infrastructure Committee meeting.
- 8. A draft HCC submission (**Draft 1**) was developed by staff and circulated to Elected Members for feedback on 31 May, with comments due back by 7 June 2017.
- 9. As no feedback was received, **Draft 1** remains unchanged (refer Attachment 1).
- 10. The key focus of **Draft 1** is in regard to the continued use of the Bylaw process to set speed limits due to the time and cost. Development of a Speed Management Plan has been put forward as an alternative method for completing the consultation required via the Local Government Act, while providing increasing flexibility by allowing the introduction of speed limit changes via Council Resolution.
- 11. The opportunity to reduce administration costs and ensure that there are nationally consistent records available to the public and the transport industry is also promoted via the introduction of a national speed limits register.
- 12. A number of specific notes are included in **Draft 1**, which relate to the technical content of the proposed Rule.

### Recommendations from Management

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) approves Hamilton City Council’s **Draft 1** submission to the NZTA’s Draft Land Transport Rule: Setting of Speed Limits [2017];
- c) notes the approved submission will be sent to the NZTA by 21 June 2017; and
- d) notes the approved submission will be uploaded to Hamilton City Council’s website.

### 13. Attachments

- 14. Attachment 1 - HCCs Draft 1 Submission to the NZTAs Draft Land Transport Rule: Setting of Speed Limits 2017 (20 June 2017)

### Signatory

Authoriser	Sean Hickey, General Manager Strategy and Communications
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**DRAFT 1**

**Submission by  
Hamilton City Council**

**DRAFT LAND TRANSPORT RULE: SETTING OF SPEED LIMITS [2017]**

**20 June 2017**

**1 INTRODUCTION**

- 1.1 Hamilton City Council (HCC) appreciates the opportunity to comment on the New Zealand Transport Agency's Draft Land Transport Rule: Setting of Speed Limits [2017].
- 1.2 HCC also thanks the New Zealand Transport Agency (NZTA) for providing us with an extension to the official 16 June 2017 submission closing date through to 21 June 2017, so as to allow this submission to be considered and receive formal approval by HCC's Growth and Infrastructure Committee on 20 June 2017.
- 1.3 HCC is supportive of the new methodology that has been developed for the management of speeds across the country and captured in this revision of the Speed Limits Rule and the Speed Management Guide released by NZTA in late 2016.
- 1.4 We acknowledge that there has been a complete rewrite of the document, but recognise that has largely been in the form of reorganising the information into more logical groupings and order.
- 1.5 HCC supports the fact that the Governance responsibility remains with councils for local roads, noting that additional guidance is being provided by NZTA in regard to the determination of safe and appropriate speeds and resources provided to assist with the prioritisation of speed management activities to achieve the best safety outcomes for the network.
- 1.6 We support the new methodology which utilises key evidence based information that is readily available.
- 1.7 We also support the One Network Road Classification (ONRC) so that a nationally consistent approach to speed management is able to be achieved.

**2 SPECIFIC QUESTIONS ASKED BY NZTA IN THE DRAFT TRANSPORT RULE**

2.1 *What impact would the proposals have and on whom? The agency is interested in costs of implementing the proposals.*

**2.1.1 Continued Use of the Bylaw Process to Set Speed Limits**

- 2.1.2 The use of the bylaw process to effect the speed limit changes is time intensive and costly. HCC has regularly reviewed its speed management processes and made changes to the network via speed limit changes and supporting physical works.
- 2.1.3 While this is a cost that HCC has budgeted for in the past and will be able to do so in the future, this may not be the case for many of the smaller rural authorities who have traditionally undertaken few, if any, changes.
- 2.1.4 The bylaw process does not provide for timely responses for changes on the network, especially for a growing city. HCC would like to see an option included in the Rule that enables Road-Controlling Authorities (RCAs) to develop a Speed Management Plan as an alternative method of consultation with key stakeholders and the community (as required by the Local Government Act 2002) in regard to speed management activities, including speed limit changes.
- 2.1.5 The Speed Management Plan would set out the proposed speed management activities (including ongoing education and engagement, engineering works and speed limit changes) that an RCA proposes to undertake for a three year period. A set of 'principals' for dealing with new streets (eg arterials where the 50km/h default speed would not be applicable) or changing situations (eg new schools) would be included in the plan.
- 2.1.6 The three year period would link into the Long-Term Plan (LTP) development process and consultation would be undertaken with this document such that funding for these activities would be planned for and captured into the LTP. The RCA would then complete the necessary work throughout the three year period and implement the speed limit change via a council resolution.
- 2.2 *Would any groups or individuals in particular being disadvantaged by the proposals and how?*
- 2.2.1 None have been identified at this stage
- 2.3 *Would any groups or individuals in particular benefit from the proposals and how?*
- 2.3.1 RCA's such as HCC will benefit from the NZTA providing key data (safe and appropriate speeds (Section 4.3(1)) and information to assist in prioritising where to achieve safe and appropriate speeds (4.3(2)). Currently, there are costs associated with the collation of data to comply with the Speed Limits NZ requirements (including speed surveys and rating sheets) which will no longer be required.
- 2.4 *Implementation or compliance issues that would need to be considered?*
- 2.4.1 **Speed Limit Register - Maintenance and Availability of Records for Seven Years**
- 2.4.2 HCC has over the years implemented a large number of speed limit changes which are all captured in the Speed Limit Bylaw and its associated Schedules. The whole city is defined as an 'Urban Traffic Area' and hence any speed limits other than 50km/h have to be captured in the schedules.
- 2.4.3 The introduction of over 390 permanent 40km/h speed limits in Hamilton's local residential areas, and variable 40km/h speed limits for all schools, has meant that HCC's bylaw is now 52 pages in length. This document doesn't currently capture all of the speed limits that have been superseded by these new limits, which would in turn result in an approximate doubling in the document's page length.

- 2.4.4 While a copy of this bylaw is maintained on the HCC website, it is unlikely that many members of the public are aware of it or would make use of this facility. In addition, every RCA holds this data in different formats and in different locations.
- 2.4.5 The impending arrival of self-drive vehicles will require the need for a centralised national register that provides a better level of service for the NZ Police and the public, while also ensuring that we have key information in a format that is up-to-date and accurate for the future needs of this type of information.
- 2.4.6 Greater use of Gazette Notices for Approving and Setting Speed Limits**
- 2.4.7 Related to the comments above, it is noted that this rule change will result in an increasing number of Gazette Notices being issued for speed limit changes e.g. emergency limits and approval for use of 70km/h, 90km/h, 110km/h and variable speed limits.
- 2.4.8 While this information is in a very public format, it is not likely that members of the public or the NZ Police would look at this location for their information, and it wouldn't be reflected in the Bylaw either. Again, this reinforces the need for this type of information to be captured in a National Register.
- 2.4.9 Specific Notes at a Technical Level**
- 2.4.10 Section 2.5(5) of the Draft Rule states that "A road controlling authority must retain an existing speed limit if that speed limit is the safe and appropriate speed limit for the road". Clarification is sought in regard to the intention of this clause. It is noted that safe and appropriate speeds will be provided by NZTA, but often within the growing city we have new roads which do not have data available for NZTA to determine the safe and appropriate speed, or the RCA may have major improvements projects planned which will significantly change the roading environment.
- 2.4.11 In these cases, the RCA will need to work through a process to determine a new speed limit that may be different to the previously determined safe and appropriate speed. Therefore, some flexibility for the process to determining what the safe and appropriate speed and resulting speed limit may be is required. This clause could be amended by adding "*following a review and determination of that speed limit with NZTA*".
- 2.4.12 Section 5.1 of the Draft Rule - 'Variable Speed Limits'. HCC seeks clarification regarding the use of variable school speed limits (40km/h) in accordance with Traffic Note 37 and the associated Gazette Notice.
- 2.4.13 HCC does not want to have to seek NZTA approval for each of these changes and currently there is no requirement to have this approval for the variable 40km/h school speed limits, as long as they are established in accordance with Traffic Note 37 and associated Gazette Notice. It is therefore requested that an exemption for variable 40km/h school speed limits be added to this section to avoid unnecessary paperwork.
- 2.4.14 Section 5.2 of the Draft Rule – '70 km/h and 90 km/h Speed Limits'. HCC supports the restricted use of 70km/h and 90km/h speed limits, with the aim being to have a streamlined range of speed limits in 20km/h increments for the higher speed ranges. This is in line with the Speed Management Policy that HCC adopted in November 2012.
- 2.4.15 For temporary speed limits as outlined in Section 6.2(2) (b) (ii), HCC supports the opportunity to have a 10km/h reduction only when the permanent limit is 50km/h or less,

as this provides a practical solution for the large number of 40km/h speed limits operating in Hamilton. This is particularly so where the previous requirement for 20km/h increments resulted in an impractical 20km/h temporary limit having to be imposed.

- 2.4.16 HCC supports the introduction of the limits outlined in Section 7 of the Draft Rule relating to Emergency Speed Limits, but would like to see the length of the restriction determined on a case by case basis in consultation with NZTA and the Commissioner, rather than defaulting to six months. If it is necessary to make the new 'emergency speed limits' permanent, six months is a very tight timeframe for an RCA to work through the full bylaw process, noting that that the RCA would be likely to take this opportunity to include other speed limit changes in the process in order to minimise costs.
- 2.4.17 Section 9.2(2) outlines the issue of repeater signs. HCC supports this change due to the cost-saving that will result in many situations. We would like to see the opportunity for assessing the need for the repeater signs to also apply to Emergency Speed Limits, which by their very nature are probably self-explaining and operating at speeds that are within 10% of the speed limit.

### 3 FURTHER INFORMATION

- 3.1 Should the NZ Transport Agency require clarification of the points raised in this submission, or further information, please contact Jason Harrison (City Transportation Unit Manager) on 07 838 6904, email [Jason.Harrison@hcc.govt.nz](mailto:Jason.Harrison@hcc.govt.nz) in the first instance.

Yours faithfully

**Richard Briggs**  
**CHIEF EXECUTIVE**

**Committee:** Growth and Infrastructure Committee      **Date:** 20 June 2017

**Report Name:** HCCs Draft 1 Submission to the NZTA's Draft Long-Term Strategic View      **Author:** Jason Harrison

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Access Hamilton.</i>
<b>Financial status</b>	<i>There is no budget required for this submission.</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance.</i>

## 1. Purpose of the Report

2. To seek approval of Hamilton City Council's **Draft 1** submission to the New Zealand Transport Agency's April 2017 Draft Long-Term Strategic View.

## 3. Executive Summary

4. In April 2017, the NZ Transport Agency (NZTA) released their Draft Long Term Strategic View (the Draft View) inviting feedback from key stakeholders to help refine the View.
5. The Draft View has been developed in response to feedback following the development of the National Land Transport Programme 2015-2018. It brings together the NZTA's understanding of the transport network and is the first step towards developing a shared, comprehensive view of transport in New Zealand.
6. It aims to capture current pressure points and the key economic, environmental, population, and technological factors that will shape our transport system for the future. It does this by bringing together information already available from a number of significant pieces of work, including the Regional Land Transport Plan, Spatial Plans, Statistics NZ, MBIE's Regional Economic Activity Report and Business Cases.
7. There are four areas of strategic focus:
  - Strategic context.
  - Inter-regional journeys.
  - Growth centres.
  - Regional Economic Development areas.
8. Attachment 1 includes the relevant sections of the Draft View for the Hamilton and Waikato context.

9. Feedback/submissions on the Draft View are due by Friday 30 June 2017.
10. In August 2017, the next stage will be released, incorporating feedback received from staff and stakeholders.
11. Overall, HCC supports the development of a shared view of the transport system that will allow the sector to work more effectively together to shape the future of the transport system. The key comments in our **Draft 1** submission are:
  - Under the section ‘Growth Centre: Hamilton’, we’ve highlighted that the Regional Land Transport Plan and Access Hamilton sets out the basis for Hamilton’s transport planning and investment, and needs to be acknowledged and outlined in the ‘Growth Centre: Hamilton’ section of the revised Long Term Strategic View.
  - We’ve noted that the Regional Economic Development (RED) region for the Waikato was not included in this release and we expect to have a future opportunity to provide feedback/comments on the Waikato RED section of the Long Term Strategic View once it is made available and released.
  - We have made several comments in regard to passenger rail between Auckland and Hamilton, particularly relating to the Upper North Island.
12. HCC’s **Draft 1** submission is attached (Attachment 2).

**Recommendation/s from Management**

That the Growth and Infrastructure Committee:

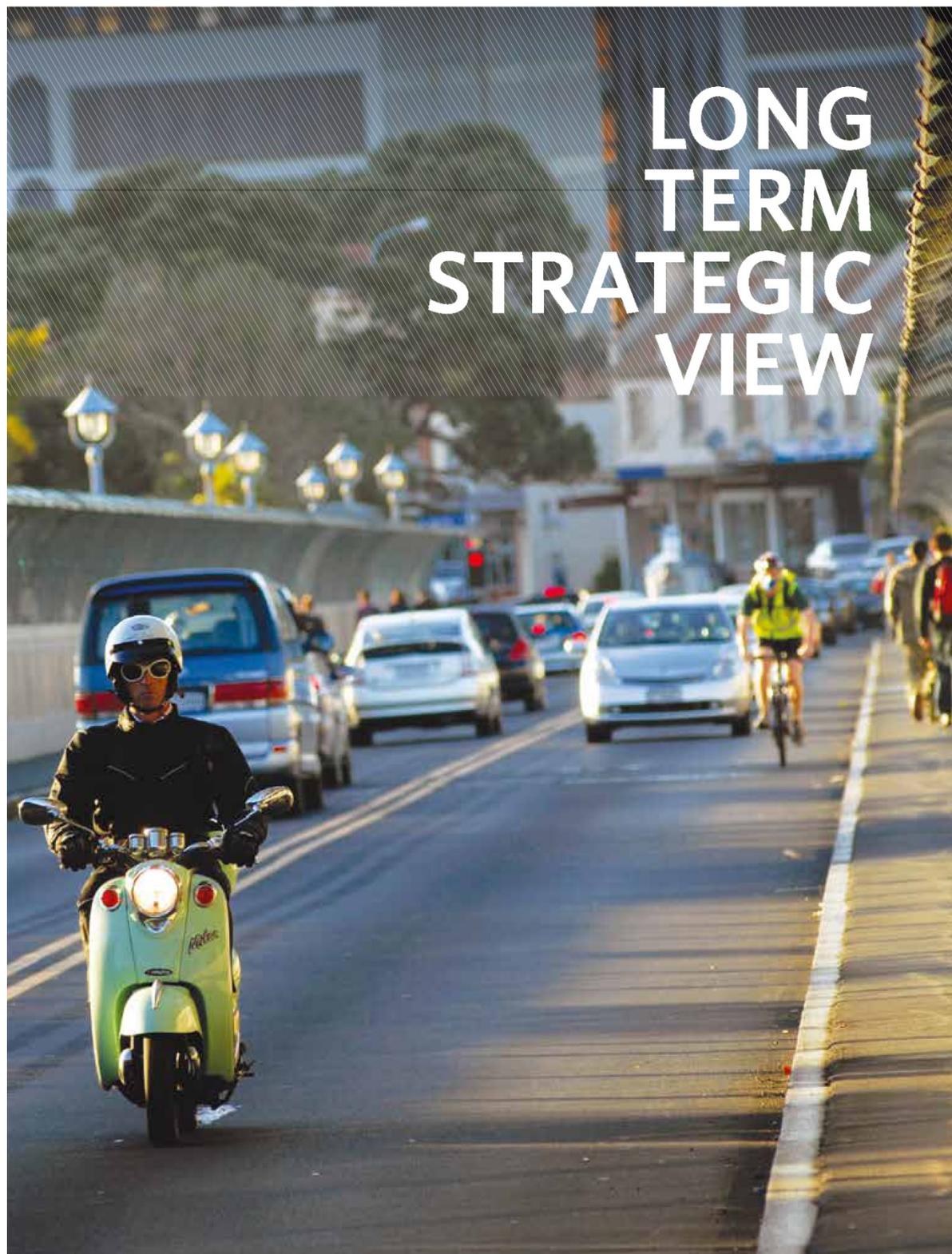
- a) receives the report;
- b) approves Hamilton City Council’s **Draft 1** submission to the NZTA’s April 2017 Draft Long-Term Strategic View;
- c) notes the approved submission will be sent to the NZTA by the 30 June 2017 submission closing date; and
- d) notes the approved submission will be uploaded to Hamilton City Council’s website.

**13. Attachments**

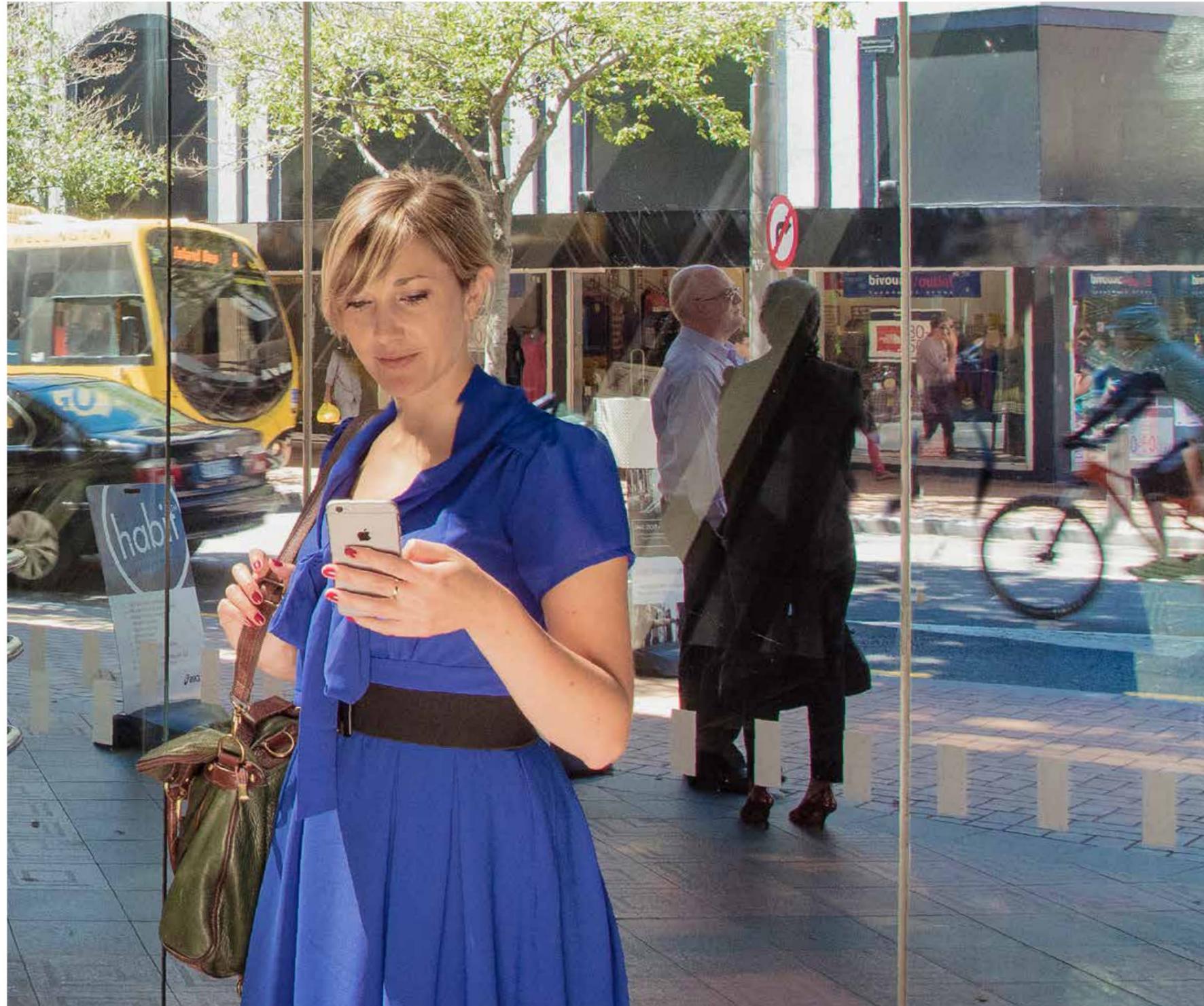
14. Attachment 1 - Relevant Sections of the NZTAs Draft Strategic View for Hamilton and the Waikato
15. Attachment 2 - HCCs Draft 1 Submission to NZTAs Draft Long Term Strategic View

**Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure
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## FOREWORD

An effective transport system is critical to the wellbeing of New Zealanders, connecting people with the destinations where they live, work and play. The New Zealand Transport Agency's role is to contribute to an effective, efficient and safe land transport system in the public interest. This means a land transport system that responds to current and future demand for access to social and economic opportunities; a system that is resilient to shocks, provides transport choices and is increasingly free of death and serious injury; a system that considers the environment and delivers value for money. The world in which the Transport Agency performs its role is changing, presenting us with new and significant challenges and opportunities.

We expect continuing population growth in key urban areas, particularly Auckland and the Upper North Island. This will place pressure on the transport system and increase the importance and desirability of alternatives, such as public transport, walking and cycling and new mobility services.

We are living in the midst of a technology and information explosion, which is rapidly building momentum and changing what our customers want and need. Customers and business are more connected than ever – they want faster, easier, real-time and more personalised transport services. Electric vehicles are here, autonomous vehicles are being trialled and personal mobility services are on the rise. The paradigms that shape how customers can access transport services are shifting.

At the same time, the Government expects us to steward a safe and efficient land transport system that delivers value for money, uses resources wisely and supports New Zealanders living well.

These challenges and opportunities mean that we are at a pivot point. To deliver our value statement of 'Great journeys to keep New Zealand moving', the Transport Agency, working with partners, will need to take a wider view of the transport system as a whole and the different interventions available to shape it. We see transport as a complex, dynamic system that is far wider than the physical infrastructure and modes traditionally associated with transport. Within this system, we and our partners have a wide range of existing and new tools that can influence and shape how the transport system works. It is more important than ever that we work together.

Our approach to planning and investing in the land transport system will need to shift from being fragmented and infrastructure based to one where key transport and delivery partners have an aligned view on the pressures facing the transport system, the state the system needs to be in to address those pressures and what the best set of responses are to deliver for customers and for citizens.

This Long Term Strategic View (the View) sets out the Transport Agency perspective on the future demands and pressures that are likely to shape the issues and opportunities facing the land transport system. It identifies the material impacts they will create, and sets out how we believe we will need to respond to those impacts over the near and longer term.

In developing the View, we have focused on those parts of the country that reflect current government priorities of facilitating economic growth and productivity, enabling urban development and supporting regional economic development.

The View will enable the Agency to work more effectively with our partners to shape the future of the transport system and the contribution it makes to wider social and economic outcomes across New Zealand.

It is our aim that by 2022, New Zealand will have a shared view, with our partners, of the land transport system, the issues and opportunities it faces, and the interventions required to enable New Zealand's aspirations. This document is the first step towards that.

There are few people whose lives are not touched in some way by the land transport system. Whether we are investing in or working with others to deliver transport solutions, we will continue to ensure that our focus remains on meeting the needs of our customers, the people of New Zealand.

**Fergus Gammie,**  
Chief Executive, New Zealand Transport Agency

## INTRODUCTION

**The New Zealand Transport Agency's purpose is to contribute to an effective, efficient and safe land transport system. Put simply, we focus on building a better transport system for New Zealanders. This is because transport has a major part to play in the country's economic growth and productivity, the smooth functioning of our communities, and the quality of life of our citizens.**

The future of New Zealand's transport system will be influenced by an interconnected set of shifts in our demographics, economics, technology, and social trends. Some of these changes have already begun to take shape, while others are yet to emerge.

To be successful over the long term, we need to form a view on these future influences on the transport system and the challenges and opportunities they will create. We then need to respond appropriately to optimise transport's contribution to New Zealand's success.

This Long Term Strategic View will set out how we will respond to ensure that we continue to deliver a transport system that supports greater prosperity, security and opportunities for New Zealanders.

It is the Transport Agency's intent that this document is the first step towards a shared sector view of the land transport system, the priority issues and opportunities it faces and the interventions needed to enhance it. We will engage widely with our transport sector partners to test and improve it over time.

*Data on the different pressures impacting on the transport system and the issues and opportunities they create was sourced from a wide variety of providers including Statistics New Zealand, the Ministry of Business, Innovation and Employment, the Parliamentary Commission for the Environment, Ministry of Transport, local authorities and the Transport Agency.*

## ROLE OF THE TRANSPORT SYSTEM

The Transport Agency takes a wide view of the transport system. It is a complex, dynamic system of people, businesses, infrastructure, vehicles of all types, data and processes – and they are all increasingly connected. The transport system also includes statutory, regulatory and policy tools that can limit or unlock the potential of the system for customers. When taking a whole of system view, we're thinking about all these things.

While the transport system is broad and complex, so is its role. New Zealand's transport system is a key enabler of journeys. It connects people doing business, provides access to our communities and ensures that we get our goods to international markets, thus helping New Zealand to thrive.

The transport system is a key enabler of economic growth and social cohesion and is vital to create a competitive, high productivity, high wage and sustainable economy. Investing in the transport system returns significant benefits to New Zealanders.

From connecting our children and young people with schools, sport and recreational events, to transporting products from our primary industries to our export connections, the transport system meets a vast variety of needs for an equally diverse variety of customers.

Transport networks and modes are a critical component of the wider transport system. We need multiple modes of transport to meet the different needs of our customers and to provide them with choices in movement of people, goods or services.

Each mode has a role to play in the transport system.

The road transport network is critical to connecting communities, enabling the movement of goods and facilitating journeys to work, school and recreation. It also allows tourists to get around the country easily and safely.

An efficient and effective public transport network is a key element of an integrated transport system. In the major urban centres, public transport plays a critical role in moving people, particularly large numbers of people during peak periods. It enhances network efficiency as it reduces the numbers of vehicles on congested urban corridors.

Walking and cycling for shorter journeys also helps to enhance the effectiveness of the transport system by increasing the capacity of the transport network and by providing transport choice.

Rail and coastal shipping are particularly well suited to the movement of freight over long distances both to and from major ports and between production centres and ports. Approximately 30 percent of New Zealand's exports travel to port by rail.

For New Zealand to prosper, strong links between road, rail, shipping and aviation are vital. Each mode has its role to play in the transport system and our customers expect all parts of the transport sector to work together to support a top performing economy and to ensure their quality of life. Maintaining and improving the transport system is therefore vital to New Zealand's social and economic future.



## THE IMPORTANCE OF TRANSPORT TO NEW ZEALANDERS

The government's work on regional economic potential has highlighted a number of key contributions that transport can make to New Zealand's economic and social wellbeing.

### A safer system

Despite significant progress over the last 30 years, New Zealand still lags behind many other countries in road safety. The risk of death or serious injury is twice that of similar OECD countries. The level of death and injury suffered by young people on our roads is especially high. Many lives are lost and ruined in what are mostly preventable crashes.

Road crashes have an economic impact – the annual social cost of crashes is estimated to be \$3.8 billion. But the figures do not show the human impact of these crashes on families, the wider community and the health system.

The government's road safety strategy (2010-2020), *Safer Journeys*, has a vision of 'a safe road system increasingly free of death and serious injury', with a range of interventions founded on the Safe System approach. This approach focuses on safe roads and roadsides, safe speeds, safe vehicles and safe road use. Despite this approach, the levels of deaths and serious injuries have plateaued over the last year or two.

We need to keep our eyes on the Safe System approach, and do some things better, faster or differently if we want to see meaningful change.



### The importance of a safe system for one New Zealander

#### Police Officer

An officer who regularly attends serious accidents

#### Major pain points

- Witnessing poor driving by people who are impatient, inconsiderate or distracted
- Attending crash scenes and witnessing the devastation caused
- Having to tell families that a loved one has been killed in an accident

#### What they value or wish for

- Drivers who make good decisions and drive to the conditions always
- Safer vehicles
- More forgiving road and roadsides, particularly at accident blackspots

### An effective urban system

As New Zealand's urban population grows, particularly in Auckland and the upper North Island, levels of service for our customers will slowly deteriorate. This will result in customer journeys that are no longer predictable, disrupting those travelling on the road network and via road-based public transport. In our urban areas, customers and businesses are facing challenges getting where they need to go, on time and reliably.

While provision of new infrastructure is beginning to address past under-investment, urban areas cannot continue to build their way out of transport challenges. Increasingly, infrastructure provision must be balanced and integrated with optimisation and demand management approaches that help transport providers make better use of the system, and that help customers manage their transport needs more effectively.

As transport demand and customer expectations increase, transport choice and mobility services will become more important for users.



### The importance of an effective urban system to one New Zealander

#### Suburban-urban commuter

Employed solo parent of two – one primary school child and a pre-schooler

#### Major pain points

- How close she cuts it with her schedule, out of necessity
- Constant worry that she will be late
- Life stress – she is constantly stretched and in a hurry
- Delays and congestion that are unpredictable and that she doesn't know anything about – how long, why, etc.
- Coordinating multiple trips to meet different schooling needs of children

#### What they value or wish for

- Reliable journeys at peak times
- Affordable costs of running a vehicle

### Better connectivity

People and society are more connected than ever. Transport connectivity is now about much more than being able to get from A to B.

Good physical transport connections remain critically important. Our economy relies on good transport links. Our primary production centres need efficient connections to our international markets and major centres, while the service sector relies on the transport connections between themselves and the customers they serve. Tourists are seeking safe and reliable routes between their arrival points and New Zealand's tourist attractions.

The transport system also enables social connectivity by providing people with ready access to places of education, employment and recreation. Holding a driver licence is for many people a passport to being able to participate fully in education and employment.

Transport connectivity is also about reliable, real-time and customised information that helps customers to manage their transport needs on the go, when they want it, seamlessly. The information and data available from increasingly smart and connected infrastructure and vehicles, combined with information from those using the system in real-time, can be used to improve how the system works.

Increasing the transport connectivity across all these fronts, for citizens, communities and businesses – locally, regionally, nationally and internationally – is a critical role New Zealanders need the transport system to play.



### The importance of connectivity to one New Zealander

#### Struggling shift worker and family

Bad health and unreliable work keeps them in poverty

#### Major pain points

- Has no money to afford a car
- Public transport services are not convenient and are expensive. It takes her a long time to walk to the bus stop and then wait for the bus to arrive. It takes all day to get into the city to pick up a food parcel
- Has to travel to social services to meet appointments
- Lack of reliable and accessible transport makes her feel isolated
- Lack of reliable transport reduces opportunities for employment

#### What they value or wish for

- Less isolation from services
- Reliable and accessible transportation

## A resilient system

As our transport system ages, and with growing impacts of climate change, we anticipate an increase in resilience-related issues. If current trends continue, we expect to see many areas of the country experience increases in the frequency and severity of storm events – placing increased pressure on areas more prone to flooding, areas in low-lying coastal geography and areas with unstable geology.

New Zealand is also located at the convergence of two tectonic plates. As such, the nation is susceptible to earthquake and volcanic events.

Changing climate patterns and tectonic events pose a range of economic and social consequences and potentially reduce the transport system's ability to keep New Zealand connected and moving.

Elements of the transport system need to be made increasingly resilient to endure shocks. Customers also expect us to quickly restore access to the transport system in the face of unplanned events, so that they can complete their journeys safely and reliably.



### The importance of a resilient system for one New Zealander

#### Tourist-dependent business customer

Manager of a hotel and conference centre in the country

Her business depends on large volumes of tourists or visitors being able to travel to her region easily and safely. She worries about losing business to other conference destinations that are attractive, interesting and more accessible

#### Road use

- Depends on tourist and conference buses that bring customers to her

#### Major pain points

- Trades on the unique qualities of a region that is remote enough to be considered a retreat, but struggles with the quality of the roads that can't easily and safely handle large buses
- She has lost repeat business because customers complained about the quality of the journey – scary and nausea-inducing
- If things keep going the way they are she may have to call it a day with her job – it's getting too stressful to get the numbers
- More 'linking' transport options between end of the train line and destinations within the region

#### What they value or wish for

- An alternative commercial route to bring large volumes of visitors to her conference centre
- Protection of the unique aspects of the region that make it attractive to visitors

## Key inter-regional journeys

There are a number of critical journeys between our regions that sustain our economy and link key areas of production to our international ports and other gateways. We need to provide a strong, inter-modal system to support economic growth, and to provide confidence for investment.

These routes are critical to the movement of goods and people between key urban areas, centres of production, freight hubs (ports, airports, inland ports, distribution centres) and key tourism destinations.

We have identified five key journeys within this Long Term View.



### The importance of effective inter-regional journeys to one New Zealander

#### Freight operator

Transport professional whose livelihood depends on the use of the network to transport goods on High Performance Motor Vehicles (HPMVs)  
Business that depends on timely completion of journeys, with no margin for error

#### Road use

- Schedule and time critical
- Inter-regional journeys
- Constant road use

#### Major pain points

- Keeping his people safe on the road and giving them as much comfort as possible – it's a demanding job
- Making critical delivery times and not being penalised for late deliveries
- Business viability
- Roads are highly variable – some are too narrow or windy for the size of trucks
- Alternative routes are limited and have an adverse effect on delivery times and therefore on business
- Public perception that truckers are unsafe and unconcerned about the safety of others

#### What they value or wish for

- Understanding – acknowledgment that this is a challenging business and he needs all the help he can get
- Be on my side – I am doing the right thing by making an honest living and providing this for others
- Partnership – working with him to enable his business and valuing his experience of using the road
- Infrastructure that supports commercial activity – alternative routes that cater for freight trucks safely and consistently with consistent width and visibility, and convenient places to stop for drivers to have a rest
- Confidence that the advice he receives is enabling his business
- Information about road conditions that gives him as much planning time as possible and enables considered decision-making

## Regional economic development (RED) areas

New Zealand's economy is made up of diverse regions, each specialising in different activities depending on their natural resources, infrastructure and demographic profile. While they differ, each region has the potential to attract further investment, raise incomes and increase employment opportunities. The Government is looking to ensure this potential is more effectively leveraged.

The first tranche of RED regions (Northland, Bay of Plenty, Gisborne, Hawke's Bay, Manawatu/Whanganui and West Coast) have been incorporated into the LTSV.



### The importance of a strong rural transport system to one New Zealander

#### Rural dweller

Farmer – mid-size sheep farm close to a small town, wife and 4 children

Lives and works in rural location – business relies on a number of vehicles to operate and enjoy his lifestyle, travels on roads to carry out farm work, move stock, move tractor, takes wife and children into town for work and school and collects them every afternoon

#### Road use

- Personal, business, leisure
- Local or regional primarily
- Shares road with HPMVs – forestry and log trucks
- Shares road with non-farmers who have moved out to lifestyle blocks

#### Major pain points

- Gravel roads reduce productivity and are unsafe when conditions are not optimal
- Multiple uses for the road that require different speeds – often moves stock by road, as do neighbouring farmers
- Multiple vehicle types sharing narrow roads with limited passing lanes – HPMVs, tractors that drive 'on and off' the road, commuter cars, utes, stock, etc.

#### What they value or wish for

- Understand my business and be on my side
- Well maintained roads that are reliable in all conditions
- Wide roads that enable multiple traffic and vehicle types to co-exist without issues
- Good access to ensure my farm goods can get to market, and to improve productivity of my farming activity
- A joined up transport system to make transport of my stock and goods more efficient, and therefore increase profitability of my farm

For the second tranche of RED regions (currently Waikato, Canterbury and Southland) the Transport Agency will continue to work with government and sector partners to identify the role that transport can play in supporting economic development. These regions will be incorporated into the LTSV as their Action Plans are confirmed.

Regional economic development is part of the government's wider ambition for New Zealanders to live well, economically, socially and sustainably. Government is clear, in this context, that while the land transport system has a significant role to play in supporting economic growth and productivity, it can also play a significant role in supporting wider outcomes for customers, communities and New Zealand. Our engagement in regional economic development planning helps us to identify where transport can play its best role in supporting our regions.

## DRIVERS OF CHANGE/ THE EMERGING CHALLENGES WE NEED TO RESPOND TO

As we move towards the future, we need to ensure our transport system is able to adapt to the evolving demands and changing needs of our customers. To achieve that we need to really understand the drivers of change that are shaping our future and what emerging challenges and opportunities these will create.



### Population and social change

Growth in transport demand is tied to population growth. A growing population will mean an increased number of trips to access employment, services and amenities. There will also be an increase in the number of freight and business trips required to service the increasing population.

By 2045, we expect another 1.2 million people to live in New Zealand. This increase will not be evenly spread across our country. Much of this growth will be in the Upper North Island, with 60 percent occurring in Auckland.

Auckland's growth projection over the next 30 years will place considerable pressure on an already congested road network, and there will be demand for transport infrastructure to service new houses in whole new communities. Achieving an effective and efficient transport system for Auckland is central to improving the city's contribution to the national economy.

In contrast to Auckland and other growing urban areas, some areas of New Zealand are forecast to experience slow, low or negative population growth. By 2043, 25 of New Zealand's 67 territorial authorities are projected to have fewer residents than they did in 2013. Regions projecting decreases are primarily rural areas that do not contain a main urban centre. Rotorua, Whanganui and Hutt City are less common examples of major urban centres that are forecast to experience a declining population.

In these areas, the land transport system is likely to play an even more critical role in supporting the economic and social well-being of people, business and communities. But there will be challenges. A declining population means a reducing rates base, making it more difficult for regions to pay their 'local share' of necessary transport investment. At the same time, the nature of transport demand in these areas is likely to shift, particularly as local populations age and the shape of local economies evolves. We have an important role to play in understanding the changing nature of transport demand in these

areas, and ensuring that the land transport system can respond appropriately.

New Zealand's population is also ageing due to declining birth rates and better health care, leading to people living longer lives. The median age is projected to increase from 32.8 years in 1996 to 42.7 years in 2043. Again, this increase will not be distributed evenly.

In a number of territorial authorities the percentage of population aged over 65 is projected to be over 35% by 2043. These include K piti Coast, Thames-Coromandel, Horowhenua, Tasman and Central Hawke's Bay. Conversely, the percentage of the population over 65 in some of our larger centres including Auckland, Hamilton and Wellington is projected to remain below 20 percent.

An ageing population is likely to result in more households on fixed incomes. Over time this may impact on some councils' ability to raise revenue required to maintain infrastructure and services, particularly in areas where an ageing population is forecast to coincide with an overall decrease in population. Councils will need to continue to work to manage the impacts of de-population and aging populations over the medium to long term.

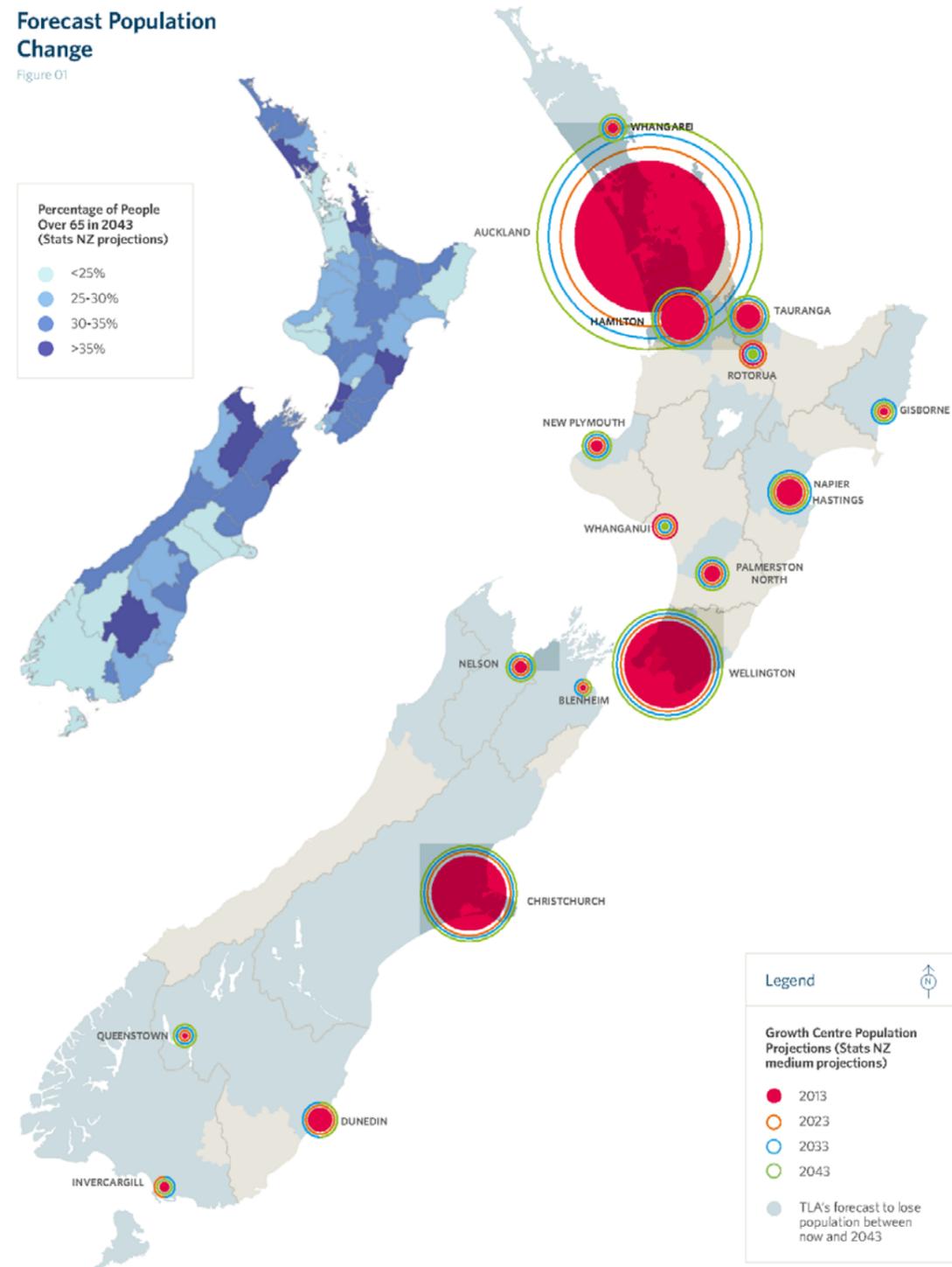
Our research tells us that there is a significant decrease in overall travel at age 65 as travel to work declines (both in terms of time spent travelling and kilometres travelled). There is a further sharp decrease in overall travel (time and distance) for those aged over 75. Many of the communities experiencing an ageing population are within small territorial authorities with limited scope for alternative transport services.

There are trends that might be expected to change the current travel patterns of those age groups over 65. With the population remaining healthier for longer, there is a growing number of people in the 65-74 age bracket who are choosing to continue working. The arrival of new, affordable and more flexible mobility services (such as autonomous vehicles) could also result in an increase in travel demand for those older age groups.



### Forecast Population Change

Figure 01



### Economic change

The economy is both shaped by, and a shaper of, our transport system. Economic fluctuations impact wages, consumer demand, and the prices of raw materials. Higher income growth usually signals higher consumer spending, leading to increased business spending which results in increased demand for goods and services. This increases demands on the transport system. Equally, reductions in the performance of the transport system can impact on the efficiency with which businesses are able to bring goods and services to market.

New Zealand's economic performance is dominated by the increasing contribution of the service sector (particularly business and financial services). The service sector accounted for around 63 percent of GDP in 2013. This is forecast to continue to grow.

In geographic terms, the service sector is closely tied to the main urban areas, and it is these areas that are expected to perform most strongly in terms of GDP growth over the coming decades.

In comparison, growth in mining, manufacturing and primary industries is currently flat and is forecast to remain so.

Current economic growth is being driven by historically high levels of immigration (and corresponding lower emigration rates) and strong tourist numbers. Both of these trends are forecast to continue.

In relation to immigration, more people create a need for more housing and a demand for more and better services. As a result, the majority of economic growth is currently in the construction industry (including the Christchurch rebuild) and the businesses that service this sector. Because immigrants tend to be drawn to the larger urban centres, particularly Auckland, economic growth (in the short term at least) is expected to be focused in these areas. Growth in employment trips, business trips and freight movement is therefore expected to be strongest in these areas.

Tourism is also forecast to grow strongly over the short to medium term. International visitor numbers are forecast to increase from 3.1 million (2015) to 4.5 million (2022). The tourism sector has very direct links to transport demand due to the requirement to move people to and from key entry points and between the major visitor centres and attractions. This will create increased demand on networks within and between the main tourist centres such as Queenstown, Rotorua, and the key overseas entry points of Auckland and Christchurch.

We have seen a shift in how tourists get around as well as increases in numbers. More tourists are choosing to drive themselves, and when they do so, they are using both the state highway and many local roads.

National and regional initiatives to create or highlight a wider range of tourism experiences to spread the visits spatially and more evenly across seasons also influence tourist flows and economic activity. There are implications for how the road network is funded as these trends continue, and demand increases.

Looking at the shape of our economy, exports contribute around 30 percent of New Zealand's GDP, driven largely by the production and export of primary commodities. Ensuring efficient access to our key import and export ports is critical to support export trade and the wider economy.

Globally there is a trend of using larger ships to move international freight. That trend is emerging in New Zealand and is expected to continue, potentially changing patterns of port use around the country as import/export freight functions (particularly containerised freight) are consolidated in fewer ports.

The impact that this trend will have on the freight system is that some types of export freight will need to move longer distances and concentrate on fewer destinations, namely larger consolidation centres and major container ports.

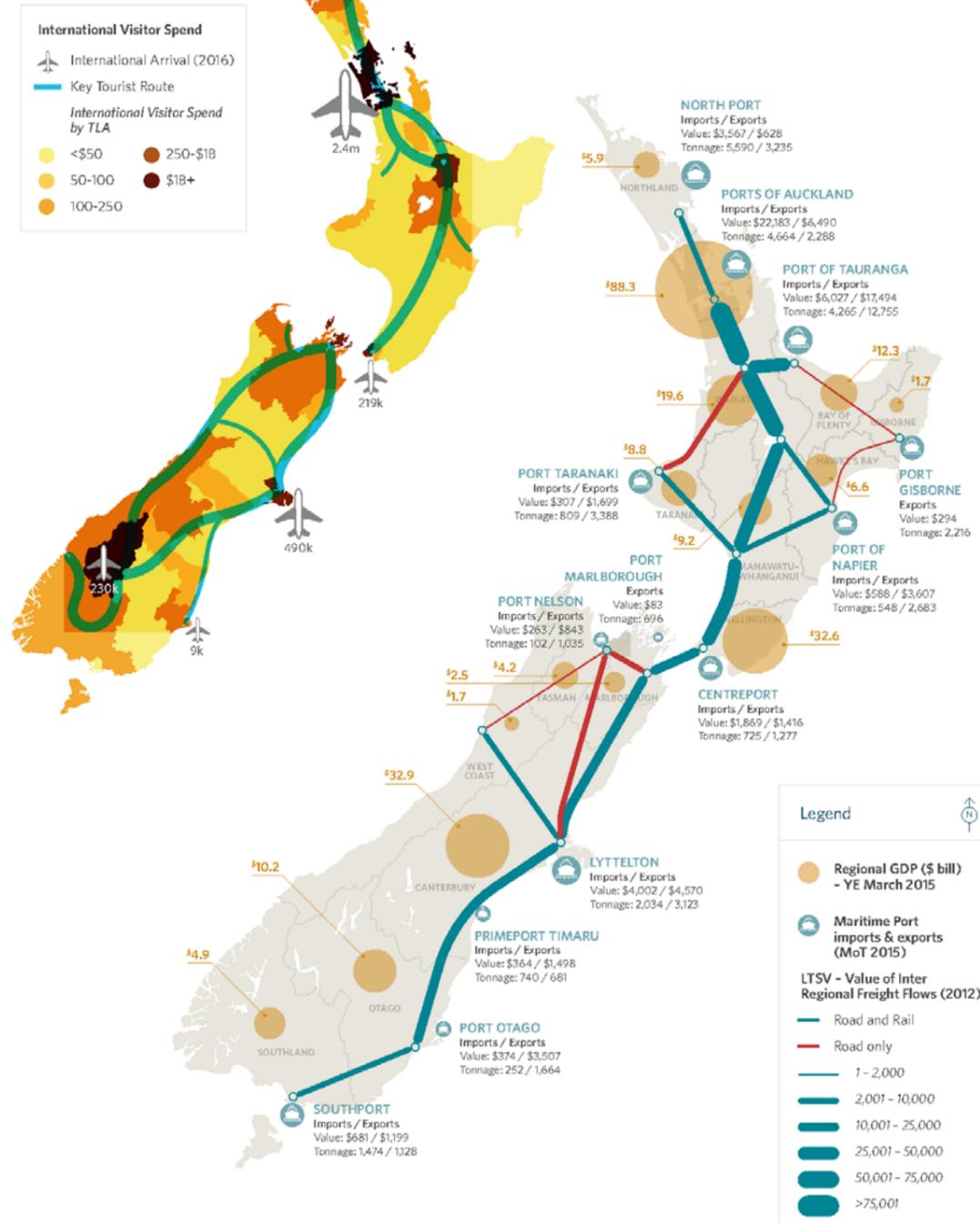
The majority of imports come into the country via the three northern most ports. This is expected to continue given these ports are closest to our trading partners, while our largest domestic markets are also in the upper North Island.

In provincial areas where primary industry makes up a large proportion of the economy, economic performance will continue to be closely tied to international commodity prices. While these regions can be expected to experience improvements in economic performance as commodity prices rise, the overall shift in the economy towards the service sector will continue.

Large areas of New Zealand are forecast to experience flat or negative population growth (often reflecting the modest economic performance of these areas). While this is likely to result in modest (if any) growth in travel demand, transport investment will still have a significant role to play in supporting efforts to improve the economic performance of these areas.

### Key Economic Flows

Figure 02



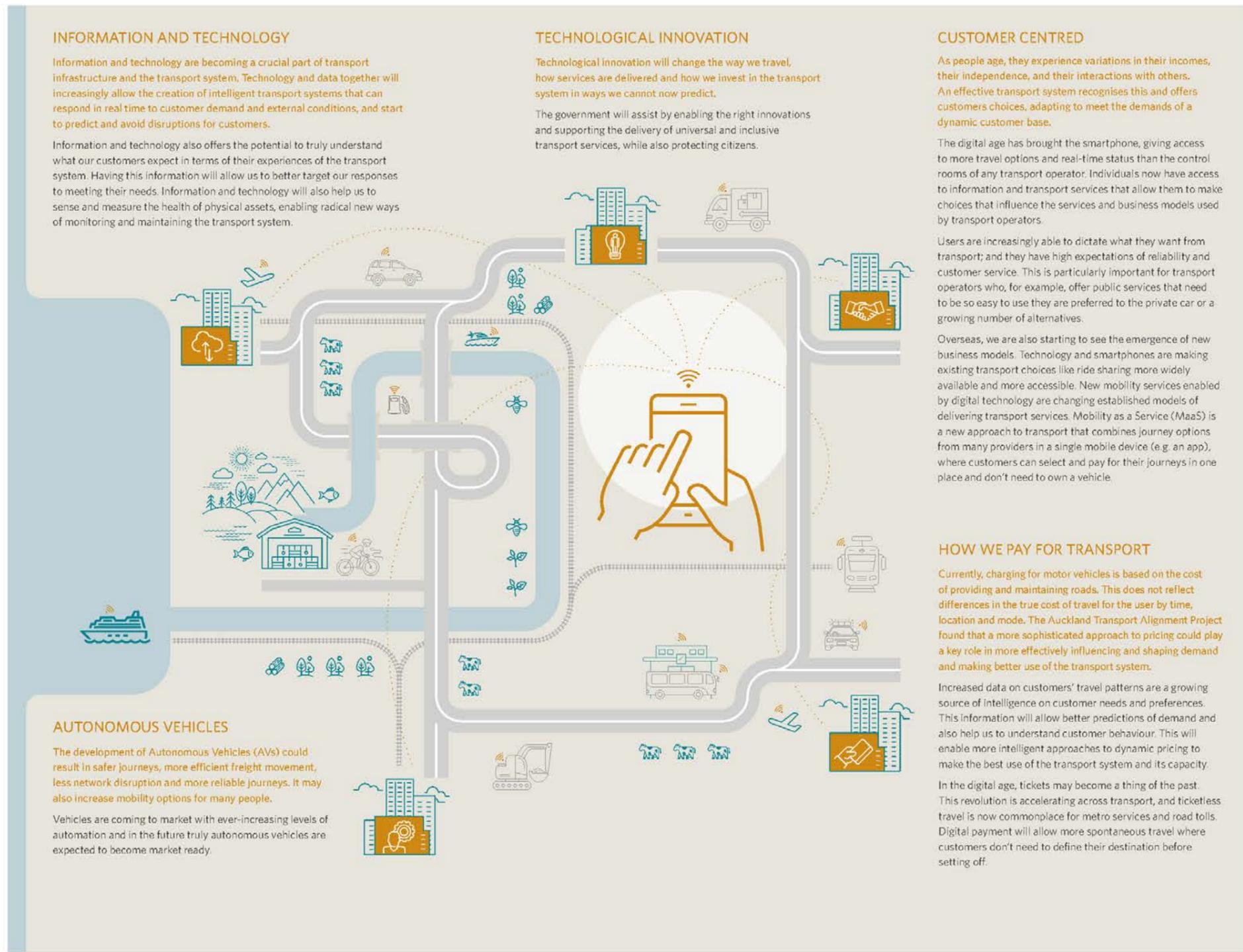
### Technological change

We are on the verge of a major paradigm shift in transport technology. New digital tools and participants in the transport system create new interactions and connections between all parts of the transport system. They realise new opportunities for transport and mobility services, and new tools for managing and regulating the system and getting the most out of it. There is a real opportunity to leverage emerging technologies to help address some of our biggest transport challenges and significantly improve the performance of the transport system for customers.

We have already seen that relatively small scale initiatives, such as improved traffic light phasing and ramp metering, have led to measurable improvements in traffic flows, for example on the Auckland network. Other initiatives, such as integrated ticketing, the greater use of Global Positioning Systems and smartphones are improving customer access to real-time travel information.

Looking ahead, emerging technologies will influence the transport system in ways that we cannot imagine and at a scale and pace that is difficult to predict. Technology presents both challenges and opportunities.

There are a number of disruptive trends for transport that offer significant potential advances, as follows:



### Environmental change

Our natural and physical environment directly influences the accessibility and availability of our transport system. Our natural and physical environment is also a major attraction for our international guests, and we need to understand that our transport system has impacts on that environment. New Zealanders and visitors expect a transport experience that is safe and reliable and increasingly resilient to hazards. They also expect that the impacts of the transport system on our environment will be mitigated and managed. Meeting these expectations as our physical environment continues to experience disruption related to climate change or other natural phenomena will present many challenges.

Most New Zealanders live no more than a few kilometres from the coast. Houses, roads and other infrastructure connecting communities have been built in coastal areas with an understanding of the reach of the tides and the recognition that storms will occasionally combine with high tides to cause flooding. With rising seas, tides, waves and storm surges will reach further inland than previously. This will cause more frequent and extensive flooding. Along some coasts, erosion will increase and shorelines will recede.

The extent of the sea level rise in the long term will vary depending on how successful the world is at reducing greenhouse gas emissions. What is clear is that action taken to reduce greenhouse gas emissions will make little difference to the rate of sea level rise for several decades. We are locked in to a sea level rise of approximately 20 centimetres by 2040. Beyond that the sea level rise is difficult to predict and could be in the range of 40-75 centimetres by 2100 depending on how much greenhouse gas emissions might reduce by.

There has been some analysis (Figure 03) looking at how different areas of New Zealand might be impacted by different levels of sea level rise. This analysis is not complete, but does give some indication of the scale of potential impacts.

The vulnerability of different coastal areas to rising seas depends on many factors. Height above sea level is one obvious factor, but it is not the only one. The shape of the coastline, the topography of the land and the seabed, proximity to the sea, the presence of barriers such as sand dunes, and other local characteristics will affect what happens in different coastal areas. It can therefore be difficult to predict which locations are most vulnerable.

In addition to sea level rise, the warming climate will also influence weather patterns in coming decades. As the atmosphere warms, it can hold more moisture – about 7 percent for every 1°C increase in temperature. As the climate changes, both the distribution of rainfall across New Zealand and its intensity are likely to change. Rainfall is projected to increase in the west of both islands and in the south of the South Island. Northland and eastern regions of both islands are projected to become drier. It is also projected that heavy downpours will become more extreme.

Increases in the amount and intensity of rainfall in some catchments raise the risk of river flooding. Areas close to river mouths can experience heightened flows coinciding with the sea pushing its way upriver at high tide. As high tides become higher because of sea level rise, such floods will become more likely.

The duration and intensity of winds drives the power of waves. As circulation patterns in the atmosphere change, westerly winds will become more prolonged and intense, especially in winter. Increased winds will lead to larger waves breaking on the shores of the west coasts of both islands.

As the atmosphere warms, storm patterns are also likely to change. The impact of storm surges will be increased by sea level rise. It is projected that cyclones that form south of New Zealand in winter will become more intense, leading to stronger winds and larger waves on shores exposed to the south. It is also projected that the intensity of cyclones elsewhere in the country will decrease.

We are already seeing increasing pressure on the transport system from shifting weather patterns and trends related to climate change. The trend for increasing expenditure on emergency maintenance and repair work is expected to continue.

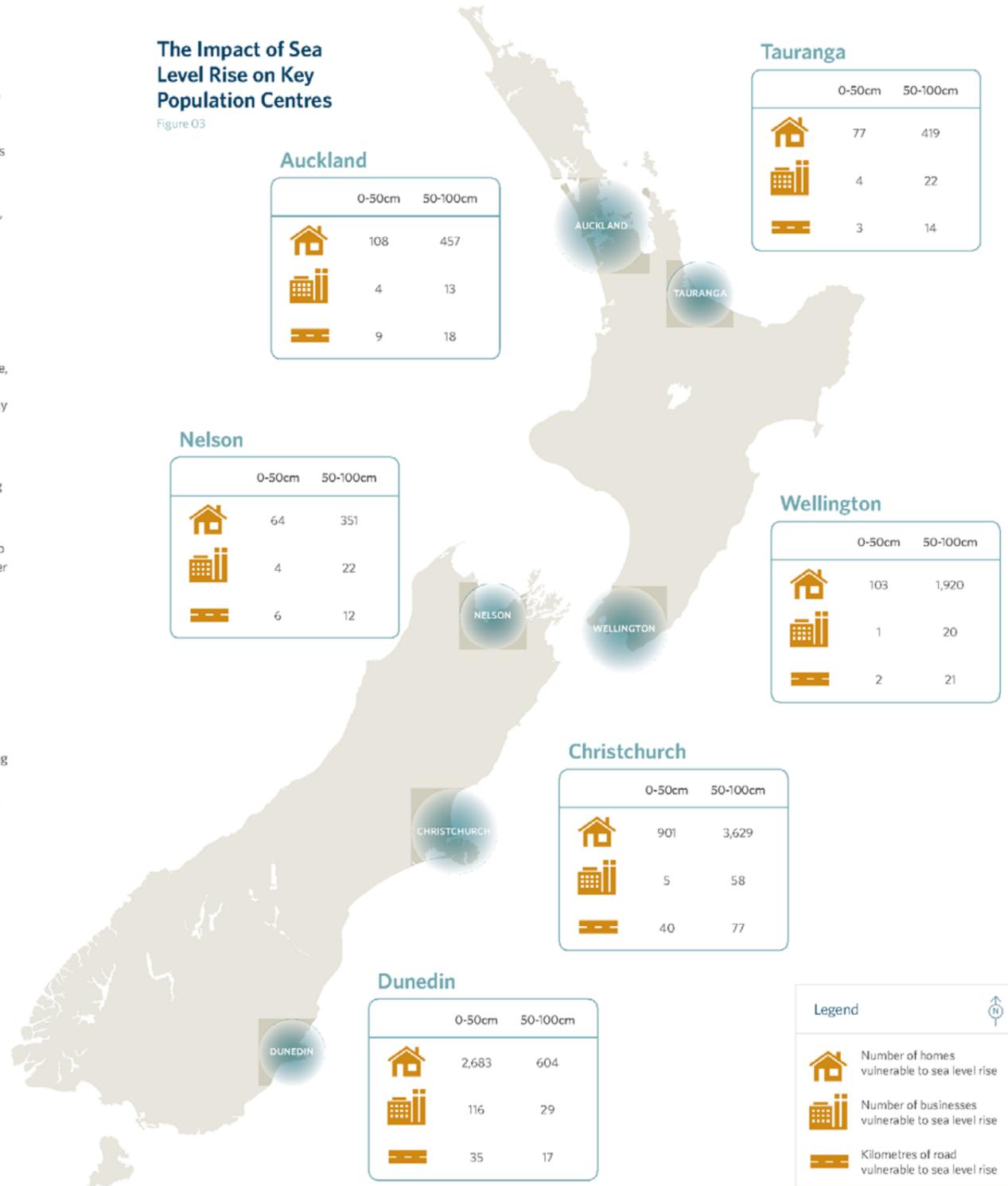
We need to increase the ability of the transport system to adapt to the adverse impacts of climate change and foster climate resilience. We need to focus on ensuring the resilience, and quickly restoring access to the transport system, in the face of unplanned events. These two dimensions – increasing the robustness of the transport system and decreasing the recovery time when things go wrong – are equally important. Both depend on having a clear understanding of those locations that are most vulnerable and then executing a plan to mitigate the risk.

Transport also has a role to play in mitigating global temperature rise and supporting public health by reducing emissions. The major contributors will be:

- Encouraging the uptake of more fuel-efficient vehicles, including freight vehicles (e.g. 50MAX)
- Enabling the uptake of new vehicle and network technologies that offer emissions reduction benefits (e.g. autonomous vehicles, electric vehicles)
- Advancing demand management approaches that incentivise modal shift to more energy efficient mass and personal transit options (e.g. public transport, walking and cycling; ride-share)
- Shaping more efficient, integrated land transport networks and associated patterns of land use
- Optimising materials selection, use and re-use in network construction and maintenance activities
- Reducing congestion in our major urban areas, to improve network efficiency, keep vehicles moving and reduce emissions.

### The Impact of Sea Level Rise on Key Population Centres

Figure 03



## AGENCY STRATEGIC APPROACH

The Transport Agency has refreshed its strategy in response to the challenges and opportunities we, our partners, our customers and the transport sector are facing.

### OUR VALUE: Great journeys to keep New Zealand moving

A great journey is easy, safe and connected. When we talk about great journeys, we mean more than the literal movement of people and goods – we mean all the connections and experiences that occur within the complex, dynamic system of people, businesses, infrastructure, vehicles, information and processes that form New Zealand’s transport system. Our focus is on working with others to provide one integrated land transport system that helps people get the most out of life and supports business.

Our strategy makes sure transport is an enabler of opportunities, not a barrier – so all New Zealanders, today and in the future, can live well.

### OUR STRATEGIC RESPONSES: The big changes we are seeking

Three strategic responses describe our new approach to addressing New Zealand’s transport challenges and delivering great value to New Zealand, in partnership with others and in a rapidly changing environment.



### One connected transport system

We aim to transform the performance of the transport system by integrating digital technology with physical infrastructure to create a safe, connected system that works for everyone.

This approach sees us building on our legacy of investment and delivery of road networks and services, to holistically considering all levers in the transport system, including infrastructure provision, transport and mobility services, regulatory and policy settings, technology, information and communications systems. We are paying particular attention to digital integration because it is the single most disruptive and transformative element in the transport system at this point in time. Digital introduces new players into the system, enables all parts of the system to interact in new and dynamic ways, creates new opportunities for transport and mobility services, and offers new tools for managing and regulating the system and getting the best out of it for customers and citizens.

### People-centred services

We aim to simplify our customers' lives and our partners' work with innovative services and experiences that make it easy for them to do what they need to.

Transport is a service, and customers are wanting more accessible, intuitive and responsive services that meet their needs. We aim to work with partners and customers to understand their needs and co-design solutions that deliver value for customers and for New Zealand.

### Partnerships for prosperity

We aim to unlock social and economic opportunities for customers, business and communities through targeted partnerships.

This approach sees us moving beyond investing for and delivering transport outcomes, to investing for and delivering wider benefits where transport can release or bring forward the social and economic aspirations of government for the people of New Zealand. This requires us to target existing and new partnerships, understand where transport initiatives and resources can make a real difference, and coordinate our efforts with others to support customers, business and communities, particularly those facing significant challenges to participating in our society and the economy.

Collectively, these strategic responses signal the big changes we are seeking, and how we will work with others to make sure New Zealand has one integrated transport system that serves people, business and communities really well for today, and tomorrow.

### OUR FOCUS AREAS: How we will make the changes signalled in our strategic responses

Eight focus areas direct our efforts and resources to deliver the big changes we are seeking.

#### Shape the land transport system:

Shape New Zealand's land transport system and influence its delivery.

New Zealand's land transport system has a programme of work - but it needs a plan. As a national planner, investor and deliverer of transport solutions we are uniquely placed to work with a range of partners to collaboratively develop one clear, integrated, shared and long term view of the land transport system that New Zealand needs now, and in the future.

Informed by a clear and shared evidence base, this view will identify the key interventions required to deliver a land transport system for New Zealand that is innovative, customer focused and fulfils the transport sector outcomes of safety and responsibility, resilience, efficiency and effectiveness. It will capture statutory, regulatory and policy settings and it will identify the timing and location of the major regional and inter-regional investments required to achieve specific regional outcomes. Overall, it will ensure that New Zealand's economic, social and environmental aspirations are supported.

Our aim is to collaboratively develop a view of the land transport system that is shared by key decision makers, and can be used to guide improved decision-making that is informed and coordinated. This document is our starting point.

#### Connect and develop regions:

Partner for tailored solutions that support wider outcomes for communities, regions and New Zealand.

Transport is an enabler of wider economic, social and environmental outcomes that are important to people, business and communities. Under this focus area, we will be targeting new and existing partnerships to ensure that transport solutions are integrated with initiatives that address agreed regional outcomes.

Through this focus area we will be supporting regional economic development opportunities and connections for business, freight and tourism, working and moving within and between regions. For our customers who live, work and play in the regions, we will be working with others to support social and economic outcomes where transport has a role to play. We will also be working with others to identify customers or communities facing particular social or economic challenges, and we'll co-design and deliver tailored solutions to improve their ability to live and work well. Under this focus area we will also be looking after

the land transport system for the longer term, ensuring the system as a whole is resilient, keeps people safe, minimises harm and supports multi-modal connections and transport services.

#### Target rapid growth:

Balanced solutions for customers in high growth urban areas.<sup>1</sup>

This focus area is about sharply targeting high growth urban areas that are facing significant transport challenges due to rapid growth.

We need to step up our efforts to deliver rapid and meaningful change in these areas, because our customers are being challenged by increased economic, social and environmental costs related to significant and rapid growth. We will collaborate with others to deliver technology-enabled demand management and network optimisation solutions while also providing new transport capacity. This balanced and integrated approach will enable quality residential and business growth, and manage its effects on our customers.

The balanced approach will enable people and business in high growth urban areas to manage their transport needs far more effectively. We will need to work with others to: improve the performance of the transport system and the services it enables; improve the availability and reliability of a range of transport information that is available to customers on the go; supporting MaaS; and promote new and improved transport choices.

#### Keep people safe:

Solutions that contribute to improved safety and public health outcomes and reduce environmental harms.

This focus area will take a whole of transport system view expanding from road safety to land transport system safety. It continues to address preventing and reducing deaths and serious injuries on our roads, but widens the safety focus to include all land transport modes, and human and environmental health outcomes. The Transport Agency will continue to deliver its accountabilities for road safety regulatory activities, Safer Journeys, and as the rail safety regulator.

The focus area requires us to more sharply focus on evidence-based, high impact and coordinated interventions to significantly improve safety and prevent or reduce deaths and serious injuries. It explicitly requires us to treat safety and efficiency as complementary and interdependent outcomes to support 'safe mobility' for people interacting with the land transport system. We will work with partners to enable and encourage greater use of safety technology, including in-vehicle systems, real-time safety information, and road-based innovations.

<sup>1</sup>High growth urban areas' is a term defined in the proposed National Policy Statement on Urban Development Capacity, and it's an eligibility category used by the Housing Infrastructure Fund. It means main or secondary urban areas with projected population growth (or resident and visitor growth) over the next ten years of over 10%. Current 'high growth urban areas' are Auckland, Hamilton, Tauranga, Christchurch and Queenstown.

This focus area also includes Wellington. While it does not achieve the growth threshold above, parts of Wellington nonetheless are experiencing transport challenges characteristic of high growth and demand.



More broadly the focus area enables us to consider and provide for improved health outcomes and prevention or reduction of human and environmental harm from the land transport system. In some cases our interventions may enhance either or both the built environment and the natural environment. The focus area allows us to take a much more holistic approach to delivering positive health and safety outcomes and preventing or reducing harms.

#### Improve customer experiences:

Deliver innovative services and experiences customers and citizens value.

This focus area is about enhancing and improving transport experiences for customers and citizens; it explicitly places the land transport system at the service of customers. It's about getting much closer to our customers and actively working with them to understand how they experience the transport system, and what needs to be improved to deliver better value. It involves sourcing and mining a wide range of information, including the customer voice, customer and system information and design practices, to gain deep insight into customer behaviour and experiences. We will use that knowledge to challenge, change and enhance the system.

A big part of this focus area is co-designing solutions with customers and for customers, enabling them to participate in shaping the system and its services to better meet their needs. Getting smarter and sharper with customer differentiation will mean we can tailor experiences for the needs of different customer segments.

This focus area will support a one agency model of engaging with customers and citizens. It recognises that if we want to improve customer transport experiences and achieve better outcomes for New Zealand, we must work together, and with business partners and customers to build capability and harness innovation.

### Deliver connected journeys:

Lead the integration of a digitally connected land transport system.

This focus area is about riding the technology wave in order to harness new and emerging technologies that can deliver better transport solutions and enable easy, connected and safe transport services for customers and citizens.

A key part of this focus area is creating a digital platform that connects with customers in new ways. Mobility as a Service (MaaS) is a new approach to transport that combines journey options from many providers into a single mobile service (e.g. an app), where customers can select and pay for all their journeys in one place and don't need to own a vehicle. The digital platform will enable us to work with others to design integrated solutions that get the best from the system for customers.

### Achieve organisational excellence and transform the Transport Agency

The six focus areas above will deliver the big changes we are seeking for the transport sector, for our customers and for New Zealand. They constitute a significant shift in our thinking, our behaviour, the way we work, and what we prioritise. To ensure that we are fit to deliver, we have turned the spotlight on ourselves. Two focus areas, **Achieve organisational excellence and transform the Transport Agency** address our internal capability, capacity, culture, systems and processes to ensure that we have the right people, with the right skills and tools that can deliver for New Zealand today, and tomorrow.

In delivering on our focus areas, we expect to use a range of existing and new tools and approaches to ensure the transport system delivers value for customers and citizens:

- **Statutory, regulatory and policy settings**, e.g. vehicle certification, funding, pricing, enabling new business models and technologies
- **Making better use of the existing system**, e.g. optimising key routes, harnessing new and emerging technologies to get the most out of what we've got, generating asset management efficiencies
- **Targeting investment in infrastructure, services and technology to priority challenges**, e.g. agreeing the big challenges early, considering balanced solutions addressing both supply and demand using the whole toolkit
- **Maximising opportunities to influence travel demand**, e.g. integrating land use and transport planning at national, regional and local levels, encouraging modal shift and more transport choices
- **Smarter transport pricing**, signalled by Treasury in the National Infrastructure Plan and in the Auckland Transport Alignment Project. Pricing is a powerful tool to significantly improve the performance of the transport system for customers. We will be working with partners to explore the options.

The particular mix of tools and approaches we use will be determined by the challenges and opportunities we and our partners face. The challenge will be using the right suite of tools, at the right time, in the right way - and selecting the best balance of approaches for any given situation.

### Our customer lenses

The success of our strategy depends on our ability to serve our customers well; to do that, we need to understand them.

We use four different 'customer lenses' to help implement our strategy. The first lens is our common offering, which underpins the others.

#### I'm OK

This represents most of our customers, most of the time. The service works, and when it doesn't, by the time you get round to letting someone know, it's probably been resolved. You can get on and do what you need to do easily and safely, without too much thought or planning.

#### Value my time

This highlights the times you're focused on being somewhere else. Timeliness and predictability are important. The lens covers the experience you may have as a commuter, transport operator or commercial organisation, or even racing to get the kids from school.

#### I need help to connect. My choices affect the whole community

This focuses on people and communities who need tailored support and an understanding of what's going on in their lives or business. They might be people in remote locations, poorer areas or businesses facing unique challenges.

#### It's new to me. I don't know

Sometimes our customers want to do something unfamiliar. They need to know what to do and in what order, without having to wade through lots of information. They might be new drivers, new operators, tourists, new New Zealanders or locals in new places or at new stages of their lives.

Being clear about who we serve and what's important to them is an important part of implementing our strategy. It helps us make a real difference.

We will be using these customer lenses when we collaboratively develop the long term view of the transport system with our partners.



# AREAS OF STRATEGIC FOCUS

In developing the View, we have focused on those parts of the country that reflect current government priorities of facilitating economic growth and productivity, enabling urban development, and supporting regional economic development. These are included in the View under the following headings:

## Strategic context

The descriptions of the Upper North Island, Lower North Island and South Island provide the overall context for each area. They outline the defining demographics and economic characteristics of the regions, and give a narrative of the existing transport system and the value it provides to the regions. We take this information and give a perspective on the Future Change Drivers.

## Inter-regional journeys

These are the nationally significant journeys connecting regions that sustain our economy. They link major urban areas and production centres to international ports and other gateways.

A safe, reliable and resilient network is needed to support economic growth and to provide confidence for investment.

## Growth centres

These are the urban centres that are identified in the National Policy Statement for Urban Development Capacity as being the highest priority for urban growth. They are the centres that are forecast to experience medium (5-10%) or high (>10%) population growth over the period from 2013-2023. The View considers the range of transport interventions that will be required in each centre to support and enable growth, including transport choice, demand management, network optimisation and new infrastructure and services.

## Regional Economic Development areas

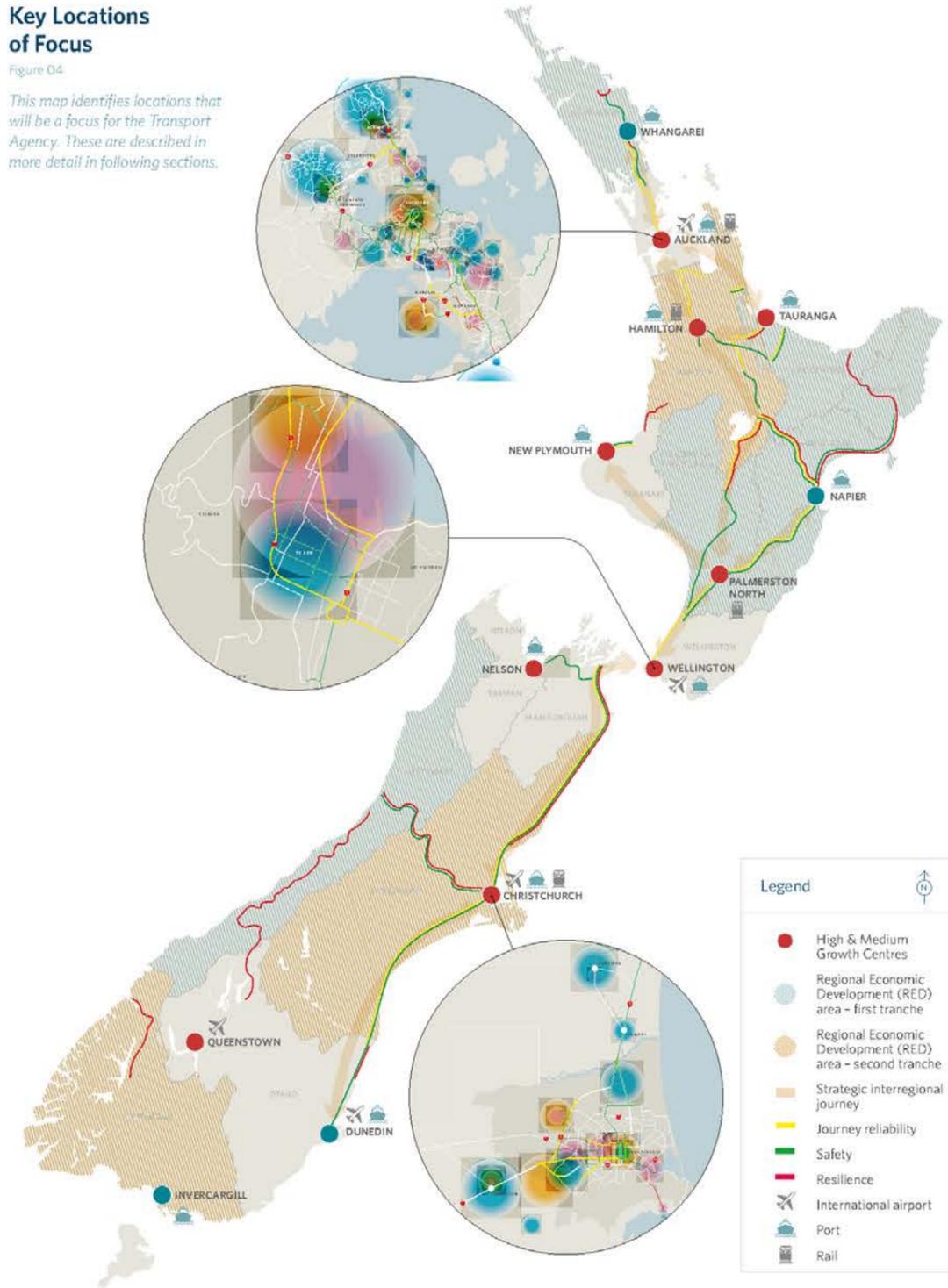
Through the Regional Growth Programme the Government has partnered with a number of regions to identify potential growth opportunities and help increase jobs, income and investment in regional New Zealand. The View considers the opportunities for transport to support and enable economic growth and productivity in these regions.

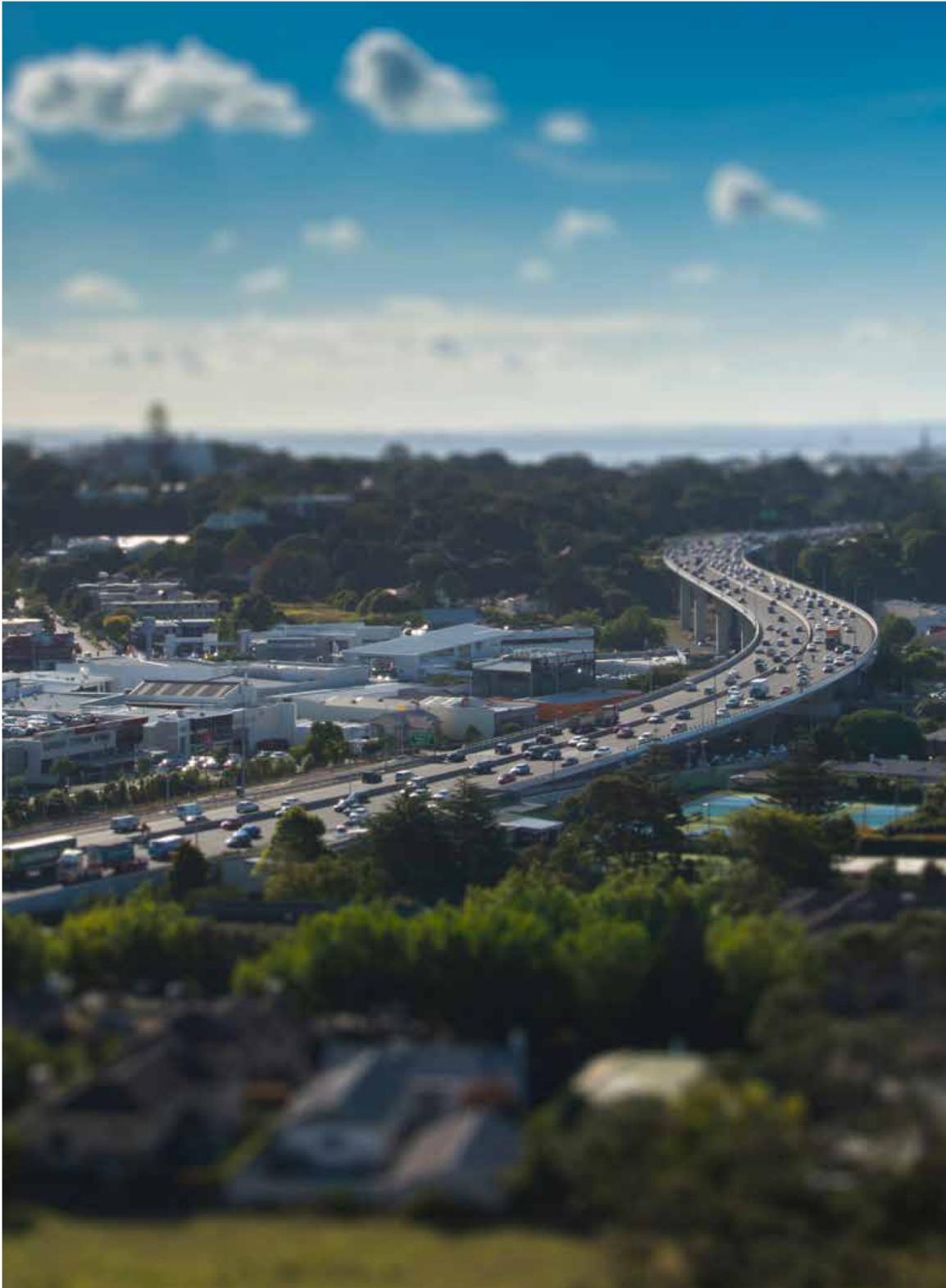
As part of the View engagement with stakeholders we will assess if there are other issues or areas that need to be represented in the View. The criteria for inclusion will include whether an area is experiencing (or is forecast to experience) levels of growth that are nationally significant, or if there are emerging strategic transport issues or opportunities that are not currently captured in the View.

## Key Locations of Focus

Figure 04

This map identifies locations that will be a focus for the Transport Agency. These are described in more detail in following sections.









## STRATEGIC CONTEXT: UPPER NORTH ISLAND

The upper North Island is made up of the Northland, Auckland, Waikato and Bay of Plenty regions. More than 50 percent of New Zealand's population live in the upper North Island.

Auckland city, New Zealand's largest city with a population of 1.4 million dominates the area both economically and in terms of forecast population growth. Hamilton with a population of 180,000 and Tauranga with 126,000 are the other centres of significant scale within the upper North Island. Whāngārei which is the largest centre in Northland has a population of 54,000.

In the main urban centres, and in particular Auckland, the economies are driven by the service and construction sectors, with pockets of specialist manufacturing. Outside of the urban centres, production and processing tied to the primary sector dominate, with dairying prominent in Waikato and Northland, forestry in Northland and Bay of Plenty, and horticulture in the Bay of Plenty.

Tourism is also significant with over 70 percent of New Zealand's international visitors arriving at Auckland Airport. Key tourist destinations in the upper North Island include the Bay of Islands, Waitomo, Matamata (Hobbiton) and Rotorua which all make important contributions to the local economies.

While Auckland, Hamilton and Tauranga are relatively close together, their economies are largely independent. There is little commuter movement between the three cities, with freight movements between Port of Tauranga, distribution centres in the Waikato, and the Auckland markets being the most significant connection between the three centres.

However, with growth pressure and house prices in Auckland increasing sharply in recent years, economic activity and population is beginning to extend beyond Auckland into areas such as Tūākau and Pōkeno in the northern Waikato.

Hamilton is emerging as a major distribution and logistics centre, with access to both road and rail networks, and strategically located to service Auckland, the Port of Tauranga and markets to the south.

Northland has been identified as a Regional Economic Development area as part of the government's business growth agenda.

Over the last 10 years, real GDP growth has been well below the national average (1.6 percent per annum versus the national rate of 2.2 percent). Other indicators including real GDP per capita, labour productivity and median household income are also well below national averages. Improvements to road and rail connections between Northland and Auckland have been identified as opportunities to maximise investment in the region and generate further opportunities.

### The Upper North Island Transport System

The transport system in the upper North Island is centred on the three largest urban centres of Auckland, Hamilton and Tauranga and the key corridors that link them. The country's highest traffic volumes are found in and around these cities, and the road and rail freight routes between Tauranga and Auckland (via Hamilton) form the country's most significant freight corridor.

While each city experiences capacity pressure points to some degree, Auckland as the country's largest city, experiences the most severe pressure due to its relatively constrained urban road and rail networks, strong population growth and dispersed land-use patterns.

Transport networks across the upper North Island are relatively comprehensive (compared to the lower North Island and South Island) and resilient, with most areas and communities having multiple route choices in the event of closure.

The connections that link Auckland to Northland are important as they provide a lifeline and support social and economic outcomes in the Northland Region. The connections between the upper North Island to the lower North Island are also of national significance, due to their importance in enabling the movement of goods to market.

In provincial areas away from the main urban centres, the traffic volumes drop significantly. The networks in these areas are generally fit for purpose, with sufficient capacity, although parts of the networks are subject to safety and resilience issues.

In transport terms the upper North Island and lower North Island are relatively independent, separated by the central North Island mountains and plateau. Due to the challenging terrain, the transport linkages between the upper and lower North Island are limited and experience journey times that are comparatively slow.

The transport corridors that pass through the central North Island provide part of New Zealand's economic lifeline, enabling the movement of people and goods between key centres of production, consumer markets and freight distribution hubs.

Movement of freight is a critical part of the upper North Island transport task. Over half of New Zealand's freight movements move within and between the upper North Island regions, and the freight task is expected to double by 2035 (upper North Island Freight Story).

The upper North Island Freight Story identified a number of critical issues impacting the movement of freight. These included:

- Constraints on the strategic road and rail network (particularly where they intersect with local traffic in the major urban areas).
- Lack of integrated, strategic land use and transport planning and investment.

Rail will continue to play an important role moving containerised and bulk exports to the port, and moving imports from the port to distribution hubs in the Waikato and south Auckland. The East Coast Main Trunk Line provides a major link for freight movement between Auckland, Hamilton and Tauranga. This line carries over a third of New Zealand's rail traffic and is the most densely utilised sector of the national network. It is estimated that growth of throughput processed by the Port of Tauranga could add up to 75% to rail freight movements over the next 30 years.

### Future Change Drivers

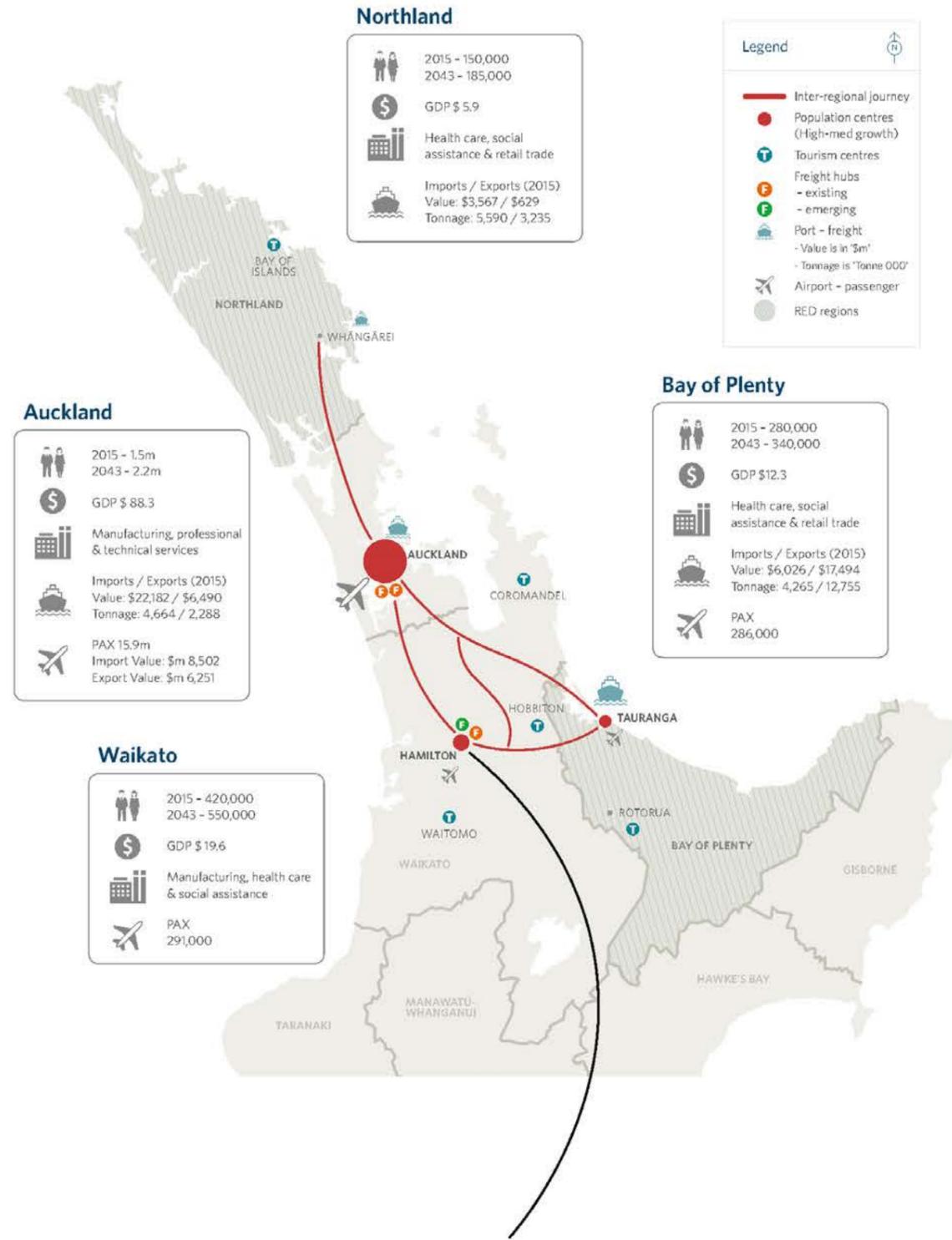
While the population of the upper North Island as a whole is forecast to increase significantly to 2043, the location and rate of growth will vary significantly across the area. While Auckland, Hamilton and Tauranga are all forecast to grow strongly, nine predominantly rural districts to the south of the area are forecast to have population declines over the same period. Northland, Taupō and the districts surrounding Hamilton and Tauranga are forecast to experience moderate growth.

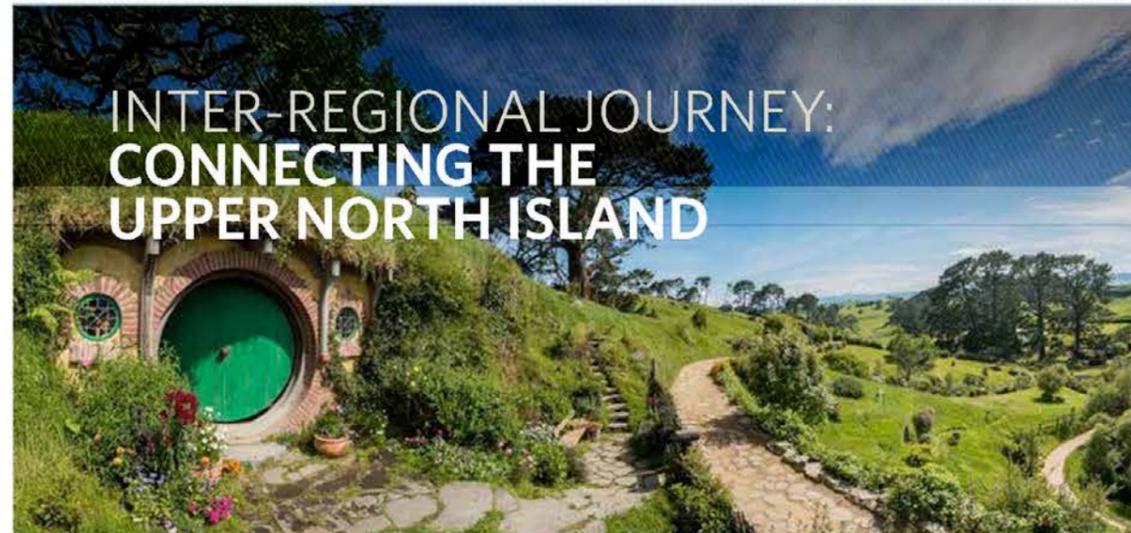
The current economic drivers in the upper North Island economy are expected to continue. This includes on-going growth in commercial, service and construction sectors in the main urban centres (and particularly Auckland), with rural production continuing as the mainstay of provincial economies in Northland, Waikato and Bay of Plenty.

It is anticipated that there will be an increase in the freight task over time in line with population and economic growth, with particular growth in the movement of manufactured and retail goods, general freight, construction materials and waste. Due to their location in the north of the country, the Ports of Tauranga and Auckland are expected to remain the country's primary import and export gateways, supported by Auckland airport for the movement of time critical, high value cargo.

Tourism is forecast to grow strongly over the coming decade. With approximately 70 percent of international visitors entering the country via Auckland International Airport, strong growth in visitor numbers is expected in the main tourist centres across the upper North Island.

Growth in transport demand is expected to be strongest within the main urban centres and on the key inter-regional journeys that link them, reflecting the forecast concentration of population and economic growth in these areas.





## INTER-REGIONAL JOURNEY: CONNECTING THE UPPER NORTH ISLAND

There are three key strategic journeys linking Drury (south Auckland) with Tauranga, via the Waikato region. These connections are critical to New Zealand's economic and social success because they:

- Provide connections between the major centres in the upper North Island which is New Zealand's fastest growing area
- Carry the majority of our people and goods (outside main metro centres). Approximately 65 percent of New Zealand's freight is transported between Auckland, Hamilton and Tauranga and is forecast to double over the next 20 years
- Connect Auckland, New Zealand's largest population and economic centres to the two biggest ports in the country (as well as inland ports at Wiri and MetroPort) and the largest international airport
- Connect key tourist destinations.

### Auckland to Tauranga via Hamilton (State Highway 1/29 and NIMT/ECMT rail)

The Auckland to Port of Tauranga via Hamilton key journey is a nationally strategic high volume freight route. The East Coast Main Trunk Line carries over a third of New Zealand's rail traffic while the journey connects the three largest urban centres in the upper North Island, the two largest ports (Auckland and Tauranga) and the country's largest international airport (Auckland). It also provides links to the freight hubs in the Waikato and the two inland ports at Southdown and Wiri in south Auckland. SH1/29 is the preferred route for road-based freight moving between Tauranga and Auckland once the Waikato Expressway project is completed. The expressway will create a four-lane highway that bypasses the main urban centres from Huntly to Cambridge, delivering reduced travel times and safer, more reliable journeys. However, the SH29 section of the journey that traverses the Kaimai Range currently has a sub-standard safety record, poor resilience and a comparatively high cost of travel due to steep gradients over the range.

### Pōkeno to Tauranga (State Highway 2)

Pōkeno to Tauranga is an important tourist journey enabling access to the Coromandel Peninsula, Bay of Plenty and Hobbiton (near Matamata). The section between Waihi and Tauranga also has strong local freight flows supporting local industry, particularly horticultural production. The western end of the journey also carries high freight volumes, but the majority diverts onto State Highway 27 to avoid the Karangahake Gorge. The journey is also subject to strong tidal flows to and from coastal communities in the Coromandel and Bay of Plenty during holiday peaks, resulting in poor journey reliability during these periods. The sections of State Highway 2 between Pōkeno and Mangatarata, and Katikati and Tauranga both have poor safety records and have a high risk KiwiRAP (collective risk) rating.

### Mangatarata to Te Poi (State Highway 27)

This journey is predominantly used by local traffic with significant local freight volumes servicing the primary sector (particularly dairy). The emergence of Hobbiton as a tourist centre is resulting in increased tourist flows. The journey also serves as an alternate freight connection between Auckland and Tauranga, although it is anticipated that these volumes will decrease once the Waikato Expressway is completed.

Significant investment is continuing to be made on these journeys to improve travel times and increase the safety and reliability of the journey.

The majority of the state highway investment is currently directed towards State Highway 1 improvements, the largest of which is the Waikato Expressway. When completed the expressway will enable through traffic to bypass Hamilton, Cambridge, Ngāruawāhia and Huntly, delivering improved travel times and a safer, more reliable journey. The Waikato Expressway will be complemented by on-going improvements on Auckland's Southern Motorway intended to increase throughput on the key southern route into Auckland City.

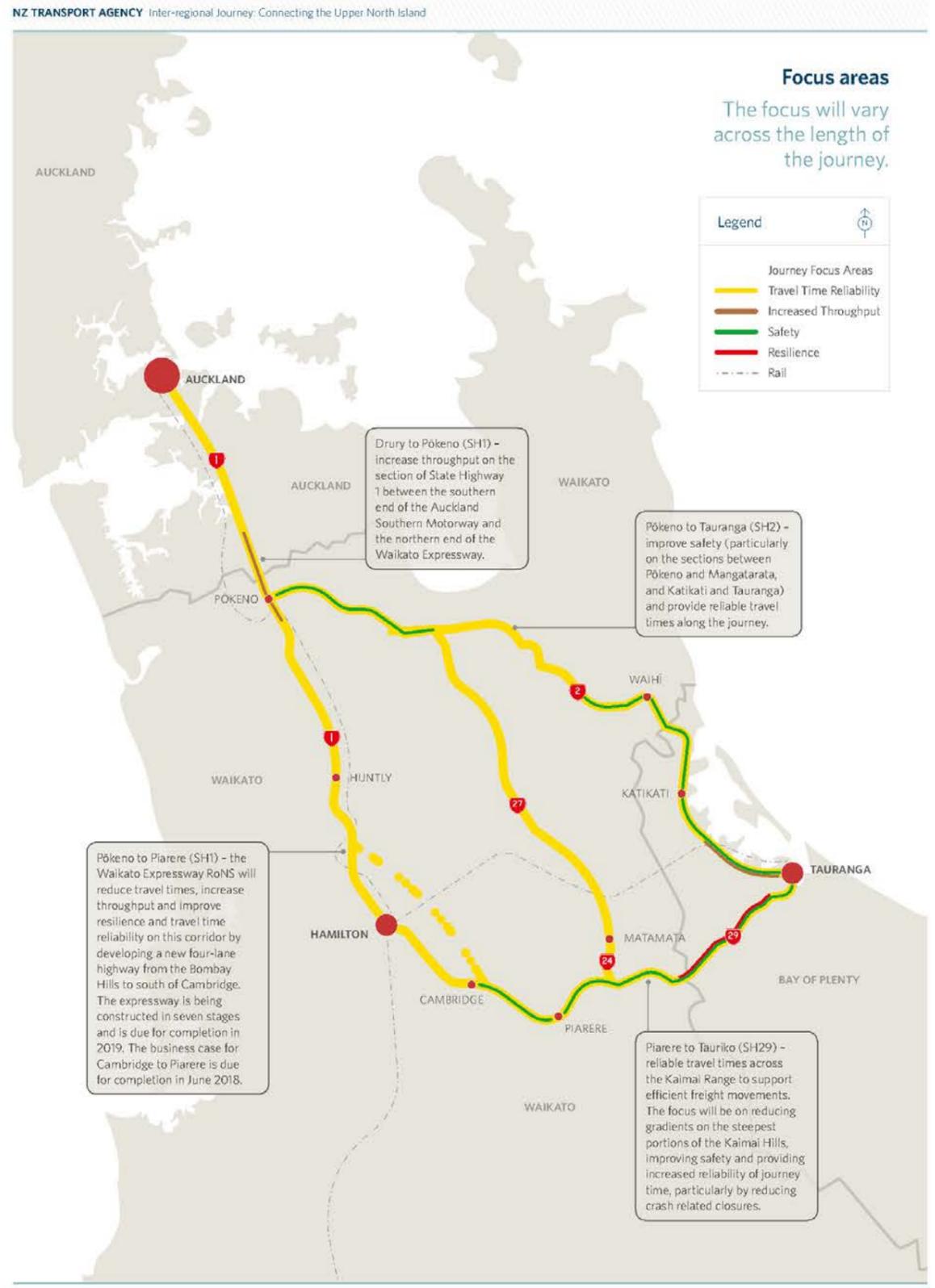
Safety improvement works are also underway on the road networks around Hamilton and Tauranga, and on the eastern side of the Kaimai Range.

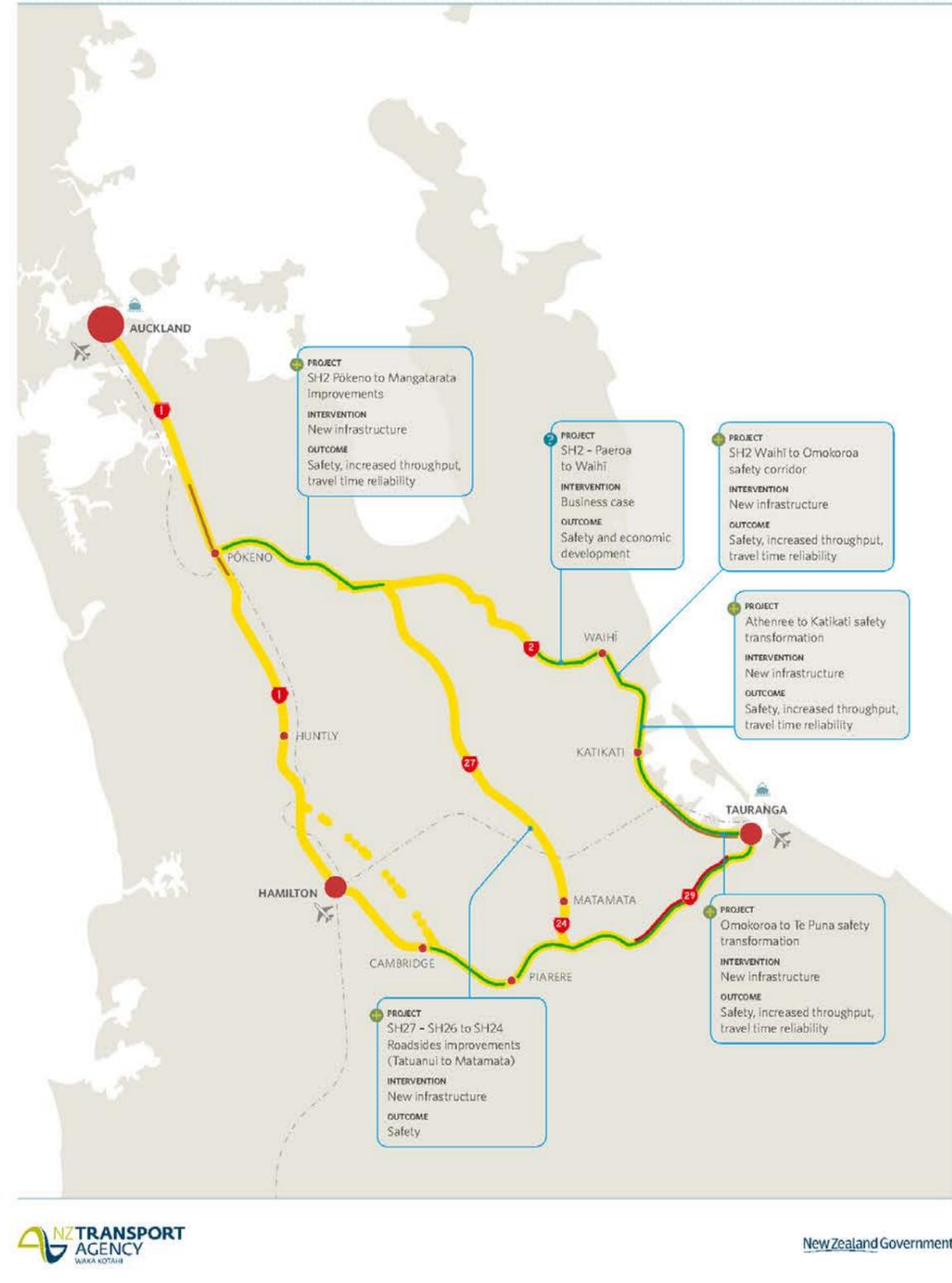
Investment has also been made on the East Coast Main Trunk Line to deliver faster freight journeys and increase capacity for trains using the Kaimai Tunnel.

Some of this can be drawn from the RoNS summary statements. Some of it will have to be a general statement of expectation that reflects the form of the corridor post investment e.g. Waikato Expressway will be safer due to being designed to meet higher KiwiRAP rating. Route resilience will improve through route duplication while journey reliability will improve through using a designated corridor that bypasses four urban centres.

Route resilience, journey reliability resilience and safety projects include:

- Safe Roads and Roadsides Programme – safety improvement programmes. Three programmes committed on SH2 between Paeroa and Tauranga. Six programmes committed on State Highways 1 and 29 between Hampton Downs and Tauriko. One programme committed on State Highway 27 between intersections with State Highways 26 and 24.
- State Highway 1 Drury to Waikato Expressway (WEX) – investigation of issues regarding throughput and level of service gaps on the section of state highway between the Auckland Southern Motorway and the beginning of the WEX.
- State Highway 29 Piarere to Tauriko Programme Business Case (PBC) – investigation into options for improvements on State Highway 29 to address issues relating to safety and corridor resilience.





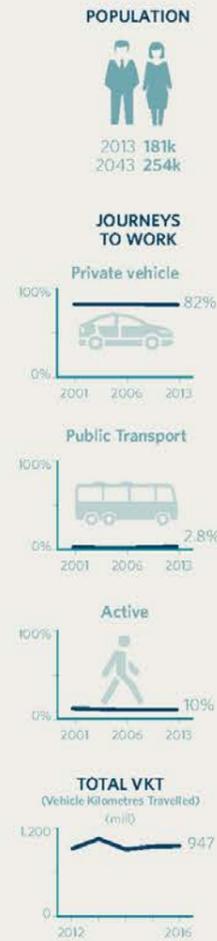


Hamilton is the third fastest growing urban area in New Zealand (behind Pukekohe and Auckland). Over the next 30 years, the population of Hamilton is projected to grow from 180,000 in 2013 to approximately 254,000 by 2043. Much of this growth will be accommodated by growth areas identified at Te Rapa North, Rotokauri, Peacocke, Ruakura and Rototuna.

Initially an agricultural service centre, Hamilton now has a growing and diverse economy which is the fourth largest in New Zealand (behind Auckland, Wellington and Canterbury). Education, research and development play an important part in Hamilton's economy, as the city is home to approximately 40,000 tertiary students and 1,000 PhD-qualified scientists.

With its prime location between the ports of Tauranga and Auckland, Hamilton is also fast becoming a freight hub and inland port destination to support the freight task across the upper North Island. A 480 hectare inland port will be developed at Ruakura. A flagship regional development which will utilise the East Coast Main Trunk Line and the Waikato Expressway.

Located just to the south of Hamilton is Hamilton Airport which includes aviation business clusters and Titanium Park which is currently under development. This aviation business cluster is well established and includes aircraft design and manufacturing, maintenance and flight training. Air New Zealand operate a maintenance and engineering facility at Hamilton Airport. Titanium Park will house a mix of commercial, industrial, manufacturing and aviation enterprises and provide a range of purchase options catering to businesses of all sizes.



### The Hamilton Transport System

Road transport networks in and around Hamilton are generally fit for purpose and will be able to accommodate forecast levels of growth following completion of the expressway. The majority of north-south through traffic will bypass the city, reducing pressure on the urban networks.

State Highway 1 (high volume) passes through urban Hamilton forcing through traffic, including freight, to mix with local traffic. This creates slower and less predictable travel times. The urban network experiences moderate levels of congestion, especially during morning and evening peak periods. Once completed, the Waikato Expressway will enable through traffic to bypass Hamilton, freeing up capacity on the urban network for local trips.

Public transport is focused around bus services which make up 2.8 percent of trips to work (2013 Census) - this is below the national average of 5.5%. Rail lines run through the urban area, however there are no passenger services.

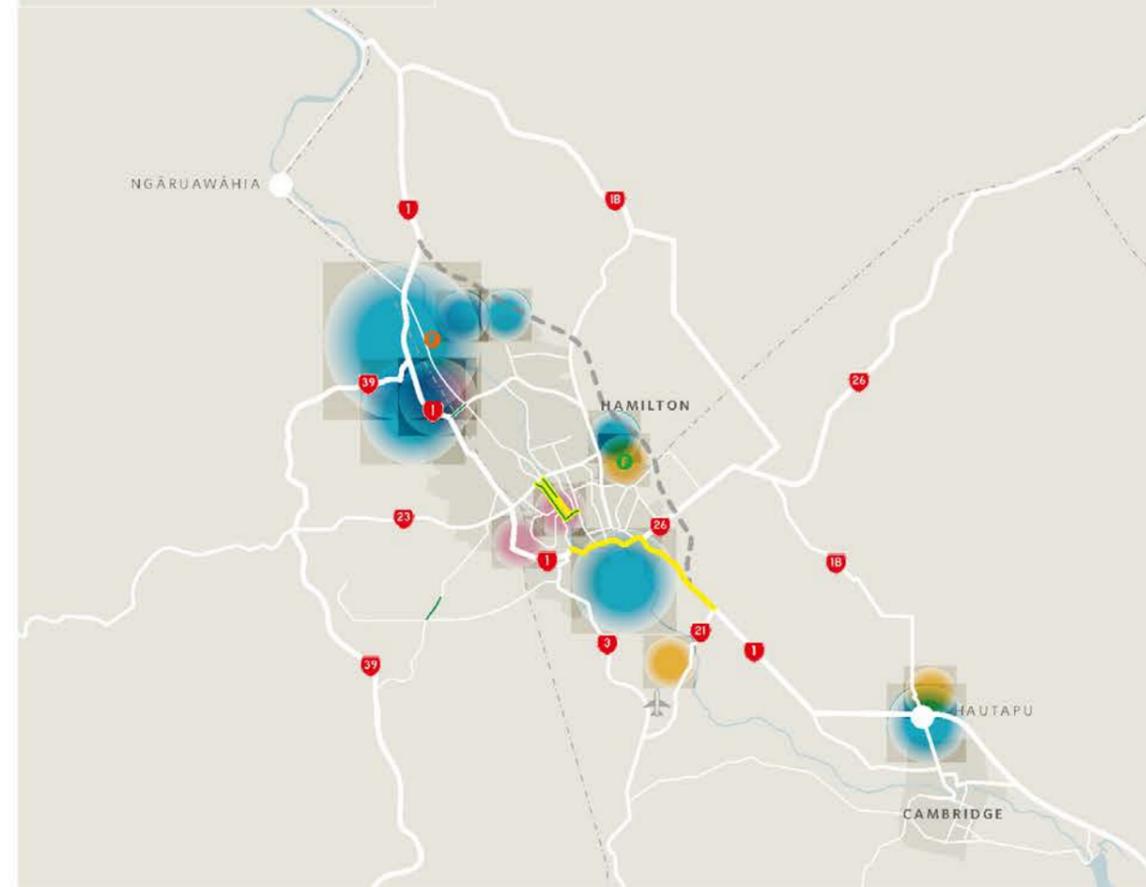
### Objectives

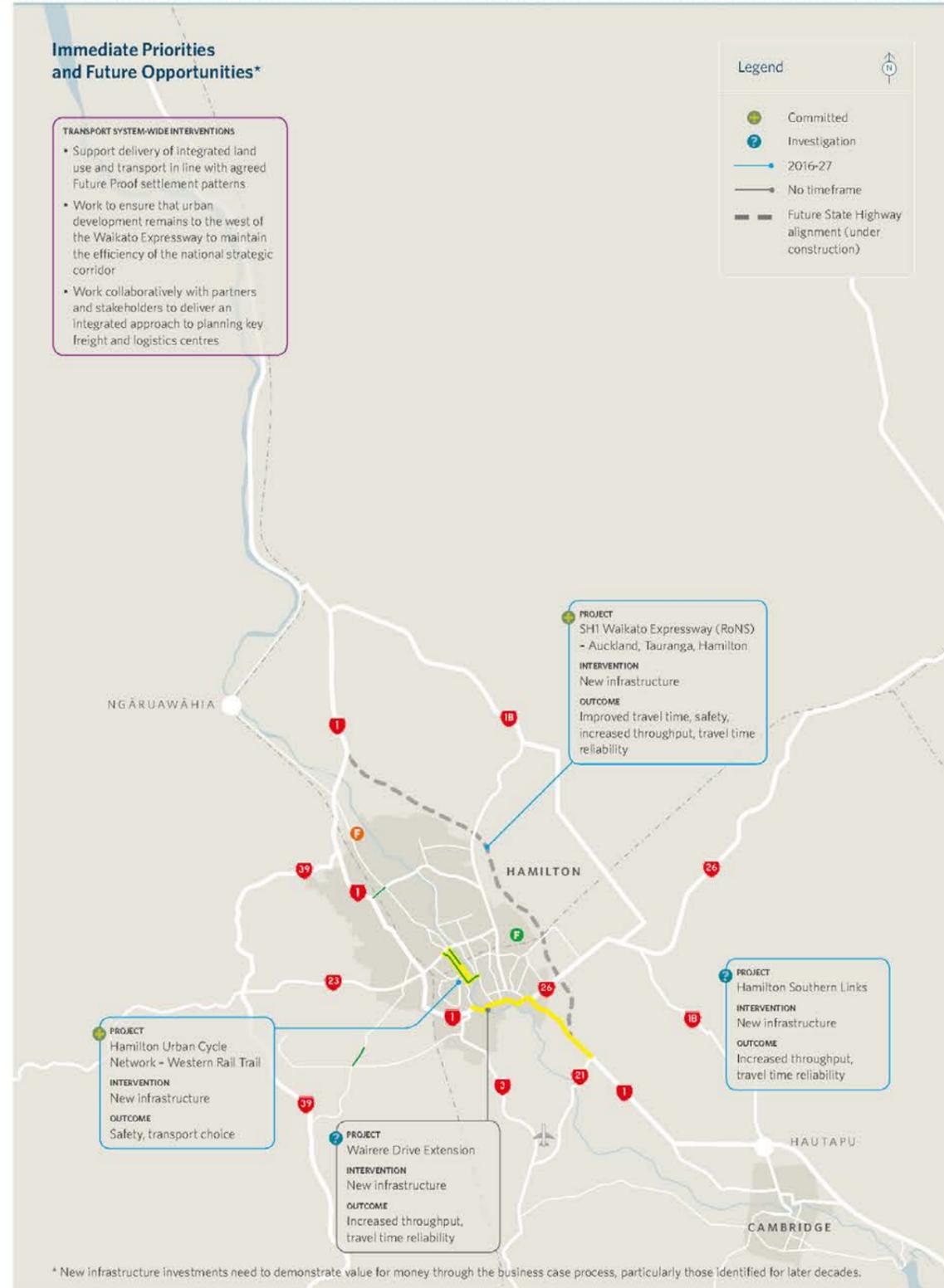
- Managing the staging, impact and affordability of growth (Hamilton being a high growth area) including timely delivery of transport services and infrastructure. Strategic policy is to provide for 50% of future demand through urban intensification and the balance in greenfield areas being Rototuna, Peacocke, Rotokauri and Ruakura with existing capacity for 30 years supply. These are all growth areas identified in the FutureProof Strategy and Hamilton Urban Growth Strategy.
- Addressing urban safety within Hamilton due to a poor safety record resulting in a high social and personal cost.
- The preference for private car travel. The existing transport network supports high personal transport usage with projections for continued high car use. Continued high vehicle usage means increased pressure on the transport network. The city has recognised and anticipates future capacity constraints and congestion.
- Supporting and optimising the strategic national function of the Waikato Expressway.
- Ensuring social wellbeing and protecting the local environment.

The above items are all strategy based/lead focus areas with a foundation in the FutureProof Strategy and Hamilton Urban Growth Strategy or developing 'partnership' business cases.

### Legend

- Expected population growth area
- Expected business growth area
- Existing employment centre
- Poor urban travel time predictability
- Safety high risk urban corridors
- Future State Highway alignment (under construction)
- Freight - existing
- Freight - emerging







DRAFT 1

**Submission by**  
**Hamilton City Council**

**NZ TRANSPORT AGENCY'S DRAFT LONG TERM STRATEGIC REVIEW**

**20 June 2017**

**1 INTRODUCTION**

- 1.1 Hamilton City Council (HCC) appreciates the opportunity to comment on the Draft Long Term Strategic Review released recently by the New Zealand Transport Agency (NZTA).
- 1.2 Overall, HCC supports the development of a shared strategic view of the transport system that will allow the sector to work more effectively together to shape the future of the nation's transport system.
- 1.3 HCC notes that Draft Long Term Strategic Review states that feedback received will be used to develop a more refined version, which is anticipated to be released in August 2017.
- 1.4 Given this, HCC anticipates having a further opportunity to provide feedback on the August 2017 version, particularly as the Waikato was not included in the section 'Regional Economic Development Areas' in the current Draft Long Term Strategic Review (refer Section 2.5).

**2 SPECIFIC COMMENTS**

**2.1 Introduction**

- 2.1.1 HCC acknowledges the NZTA's focus on those parts of the country that reflect current government priorities of facilitating economic growth and productivity, enabling urban development, and supporting regional economic development.
- 2.1.2 The following comments are based on the four areas of strategic focus of the Draft Long Term Strategic View i.e.: Strategic Context; Inter-Regional Journeys; Growth Centres; Regional Economic Development Areas.

**2.2 Strategic Context: Upper North Island**

- 2.2.1 Although this section of the Draft Long Term Strategic Review acknowledges the aspect of rail transport, the focus is on the movement of freight, with no mention whatsoever of rail passenger services.
- 2.2.2 The current Waikato Regional Land Transport Plan (RLTP) indicates that *"while not a short term priority for the Waikato region, the role of rail in providing inter-regional passenger*

*services will need to be examined again in the context of future land use and growth in south Auckland and north Waikato, and in the broader context of determining future regional transport priorities following completion of the Waikato Expressway.” (Page 76 – RLTP)*

- 2.2.3 HCC therefore requests that the section ‘Strategic Context: Upper North Island’ references the investigation of a passenger rail service between Hamilton and Auckland in the revised Long Term Strategic Review.

2.3 **Inter-Regional Journey: Connecting the Upper North Island**

- 2.3.1 HCC requests that Hamilton’s Southern Links and the inter-regional journey to Taranaki be included. The RLTP has a strong focus on the SH3 connection to Taranaki.

- 2.3.2 As with the previous section, HCC requests that the section ‘Inter-Regional Journey: Connecting the Upper North Island’ references the investigation of a passenger rail service between Hamilton and Auckland.

2.4 **Growth Centre: Hamilton**

- 2.4.1 As noted in this section of the Draft Long Term Strategic Review, Hamilton is the third fastest growing urban area in New Zealand (behind Pukekohe and Auckland), which in itself brings a host of transport related issues and challenges.

- 2.4.2 The Access Hamilton Programme 2017 sets out the basis for Hamilton’s transport planning and investment over the next 30 years and aligns with the existing Access Hamilton (2010-2040) Strategy.

- 2.4.3 Investment in the preferred programme will provide a balanced transport system for Hamilton that is safer, provides reliable access to new growth areas and maintains access for existing activities to support economic development.

- 2.4.4 The Programme notes that we need to reduce our reliance on the car to achieve the investment objectives in the long term and the programme includes sorting out how best to achieve that. The outcomes and benefits sought from the programme align with the National, regional and local strategies.

- 2.4.5 Given the significance of this Programme for the city, Access Hamilton needs to be acknowledged and outlined in the ‘Growth Centre: Hamilton’ section of the revised Long Term Strategic Review.

- 2.4.6 In particular HCC would like to see recognition of components of Hamilton’s strategic transport network including Southern Links, Northern River Crossing and the major arterials required to allow the sub regional network to function and to support growth.

2.5 **Regional Economic Development (RED) Areas**

- 2.5.1 HCC acknowledges the Waikato Region RED is not included in this version of the View and will be included in the second tranche.

- 2.5.2 When the Waikato Region RED is released we would like NZTA to involve the Regional Transport Committee and HCC to identify the role that transport can play in supporting economic development.

### 3 FURTHER INFORMATION

- 3.1 If the opportunity arose HCC would like to speak to the NZTA Board on its feedback, and would welcome a visit from the Board.
- 3.2 Should the NZ Transport Agency require clarification of the points raised in this submission, or further information, please contact Jason Harrison (City Transportation Unit Manager) on 07 838 6904, email [Jason.Harrison@hcc.govt.nz](mailto:Jason.Harrison@hcc.govt.nz) in the first instance.

Yours faithfully

**Richard Briggs**  
**CHIEF EXECUTIVE**

**Committee:** Growth and Infrastructure  
Committee

**Date:** 20 June 2017

**Report Name:** Access Hamilton Strategy

**Author:** Katherine Johns

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Hamilton Plan Access Hamilton Strategy (2010)</i>
<b>Financial status</b>	<i>There is budget allocated Amount \$200,000</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To seek approval of the problems, benefits, objectives and preferred programme direction for Access Hamilton.

## 3. Executive Summary

- The Access Hamilton Strategy has been verified with stakeholders and confirmed as still being robust.
- The current 2015-25 10 Year Plan is not delivering on all Access Hamilton Outcomes.
- Staff, stakeholders and the Access Hamilton Task Force have agreed that a new approach is required to deliver Access Hamilton.
- A preferred programme direction has been identified which will:
  - Provide access to identified growth areas with a fully integrated and balanced transport network
  - Increase focus on safety
  - Deliver a detailed investigation into mass transit, reduce the decline in passenger transport use, walking and cycling and a shift away from single occupancy vehicles
- The preferred programme of activities will need to be aligned with the 3, 10 and 30 year funding plans of HCC, NZ Transport Agency and Waikato Regional Council.

## Recommendations from Management

That the Growth and Infrastructure Committee

- a) receives the report;
- b) approves the problems, benefits and transport objectives as per attachment one; and
- c) approves the preferred programme direction, paragraph 27.

## 9. Attachments

10. Attachment 1 - Problems, Benefits and Objectives
11. Attachment 2 - Draft Access Hamilton Programme (2017) Summary

## 12. Key Issues

13. The Access Hamilton Strategy was adopted in 2010 and following reviews of Government and Regional Policy Statements it was appropriate to assess the Access Hamilton Strategy.
14. Following a stakeholder review it was confirmed that the strategic direction of Access Hamilton is still robust, however the current programme of work is not delivering on the strategic outcomes.
15. Background
16. The Access Hamilton Strategy was adopted by Council in 2010. Since its adoption it has influenced the transport direction of the Partly Operative District Plan and delivered a number of key transport projects.
17. The strategic direction of Access Hamilton is to
  - reduce our dependence on cars and minimise single occupancy car trips
  - ensure the community know that every trip counts and take responsibility for travel choices
  - support national and regional objectives and targets, achieve value for money, integrated planning, and make the most of our existing networks and infrastructure
  - ensure safety is a key consideration in all decisions
18. The Government Policy Statement and Regional Land Transport Plan are currently being reviewed presenting the opportunity to assess the Access Hamilton Strategy, ensuring alignment and to review future programmes of work as part of Councils 10-Year Plan.
19. Stakeholders were invited to consider the transport problems facing the city and test the strategic direction of the existing Access Hamilton Strategy. Stakeholders included:
  - HCC
  - NZ Transport Agency
  - Waikato Regional Council
  - Waikato District and Waipa Councils
  - District Health Board

- NZ Police
  - Property Council
  - HCC and WRC staff
20. It was confirmed that the strategic direction of Access Hamilton is still robust and aligns with National and Regional Policies.
21. The current programme of work is not meeting all of the strategic outcomes of Access Hamilton. The number of deaths and serious injuries on the network is increasing and we have seen a decline in the number of people using public transport, cycling and walking.
22. Stakeholders identified the following problems for transport:
- **Safety** – Poor user behaviour and increasing demand on our network result in deaths and serious injuries
  - **Growth and Economic development** – This is happening faster than anticipated leading to congestion and demand for transport investment earlier than planned.
  - **Transport Choice** - Our transport system has focused on cars resulting in low use of active modes and mass transit and higher future cost for transport.
23. The benefits to the city of resolving these problems include:
- A reduction in deaths and serious injuries
  - Efficient and reliable access between key activities for all users
  - Infrastructure and services delivery that contribute to strategic priorities
24. At a city wide level, growth and economic development are identified as the most immediate problems to be solved, closely followed by safety. Further detailed investigation is required to understand the solutions which will encourage any transformational shift away from single occupancy vehicles.
25. To ensure we are meeting the Access Hamilton strategic direction a programme of activities will be developed to meet the transport objectives which are:
- We will reduce deaths and serious injuries
  - We will enable business and residential growth while reducing the cost of access
  - We will enable access to essential services, employment and recreation by providing transport choice for all users.
26. Strategic alignment
27. The Access Hamilton preferred programme direction will set out the basis for Hamilton’s transport planning and investment over the next 30 years and align with the existing Access Hamilton Strategy. Attachment two provides a summary of the programme direction.
28. The preferred programme direction will provide a balanced transport system for Hamilton which will:
- Provide access to identified growth areas with a fully integrated and balanced transport network
  - Increase focus on safety
  - Deliver a detailed investigation into mass transit, reduce the decline in passenger transport use, walking and cycling and a shift away from single occupancy vehicles

29. The Access Hamilton Task Force is now engaged in considering a preferred programme of activities to align with the programme direction, and they will recommend this as the basis of the transport input into Councils 2018-28 10 Year Plan discussions.
30. Consultation
31. Consultation on the transport activities arising from the programme will be considered as part of the 10 Year Plan consultation process.
32. Implementation issues
33. The preferred programme of activities requires agreement and collaboration with Waikato Regional Council in a detailed investigation to inform a Mass Transit Plan and the potential additional funding required for a significant increase in passenger transport service provision. The programme will need to align with the Regional Land Transport Plan and Regional Public Transport Plan.
34. As major funding partners the NZ Transport Agency board will need to approve the transport programme, ensuring it aligns with the Government Policy Statement and National Land Transport investment objectives.

### **35. Financial and Resourcing Implications**

36. The 2018-28 10 Year Plan will provide Councilors the opportunity to discuss and approve the funding levels and timing of the preferred transport programme delivery.

### **37. Risk**

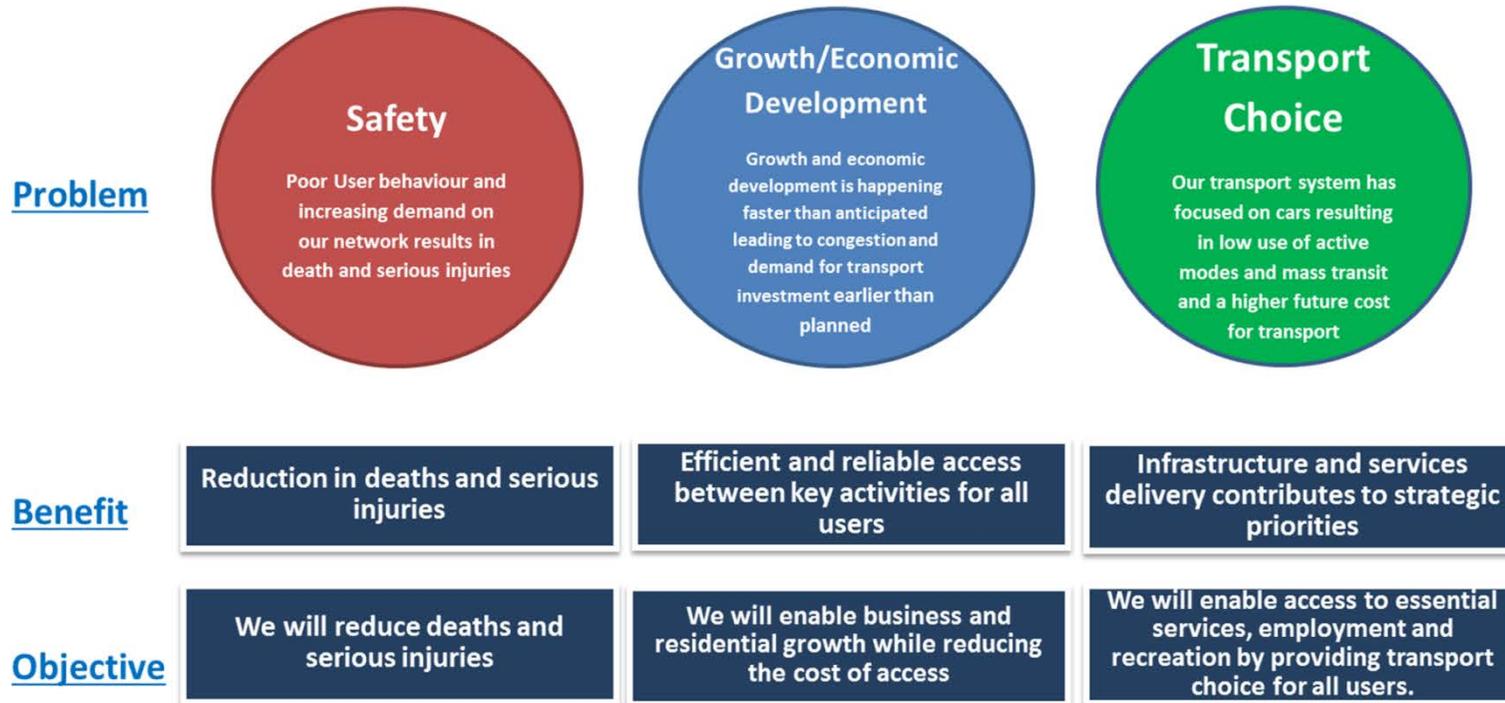
38. Waikato Regional Council and NZ Transport Agency have to approve the preferred programme of work as joint funders.

### **Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure Group
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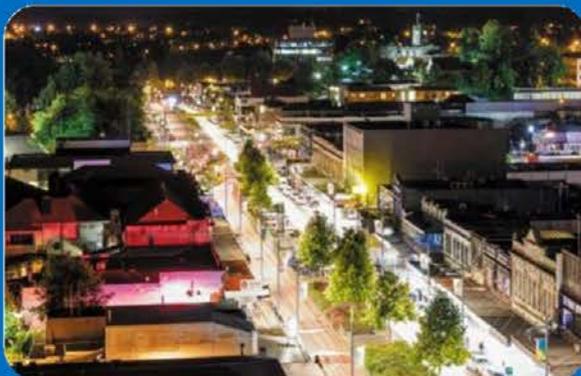
## AHS (2017)

- The 2017 refresh confirmed the strategic direction is still robust but we need to revisit the programme delivery
- We have considered the biggest problems facing transport for Hamilton over the next 30 years, the benefits to the city of resolving these problems and identified objectives against which the programme can be assessed



# Access Hamilton Programme 2017: Delivering a balanced transport system

## DRAFT 2



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Hamilton’s Transport Investment Objectives .....	8

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## SUMMARY

This Access Hamilton Programme sets out the basis for Hamilton's transport planning and investment over the next 30 years. It contributes to the city's land use and transport objectives in Hamilton's 10-year plan and District Plan, and the Regional Policy Statement and Land Transport Plan. Growth has been faster than projected and the gap between demand, supply and desirable levels of service and safety is growing.

Investment in the preferred programme will provide a balanced transport system for Hamilton that is safer, provides reliable access to new growth areas and maintains access for existing activities to support economic development. We need to reduce our reliance on the car to achieve the investment objectives in the long term and the programme includes sorting out how best to achieve that.

The outcomes and benefits sought from the programme align with the National, regional and local strategies and plans such as Future Proof, Hamilton's Biking Plan and Neighbourhood and City Centre Transformation Plans.

The key problems relating to Hamilton's transport system are:

1. User behaviour and increasing demand on our network result in deaths and serious injuries.
2. Growth and economic development is happening faster than anticipated leading to congestion and demand for transport investment earlier than planned.
3. Our transport system has focused on cars resulting in low use of active modes and mass transit and higher future cost for transport.

The main benefits from dealing with the problems are:

1. Reduction in deaths and serious injuries.
2. Efficient and reliable access between key activities for all users.
3. Infrastructure and services delivery contributes to strategic priorities.

The preferred programme best meets the investment objectives:

1. We will reduce deaths and serious injuries.
2. We will enable business and residential growth while reducing the cost of access.
3. We will enable access to essential services, employment and recreation by providing transport choice for all users.

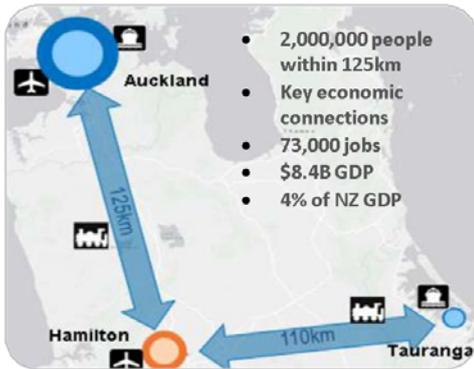
The preferred programme will deliver a balanced transport system for Hamilton. We need to provide access for almost 17,000 dwellings in greenfield areas and accommodate 17,000 dwellings in existing areas. We need to manage congestion on the strategic connections and reduce the number of people seriously injured or killed on our roads. We need to significantly increase passenger transport use, walking and cycling so that our problems do not become more difficult and expensive to resolve in future.

Funding is likely to be challenging, so we will prioritise maintaining our existing assets and lower cost interventions before significant cost projects. The proposed activities focus on significant network operating gaps with additional activities to meet growth demands and support a greater shift to walking, cycling and transit. Investigation of transit activities will guide future investment in services and infrastructure required to deliver the investment objectives in the long term.

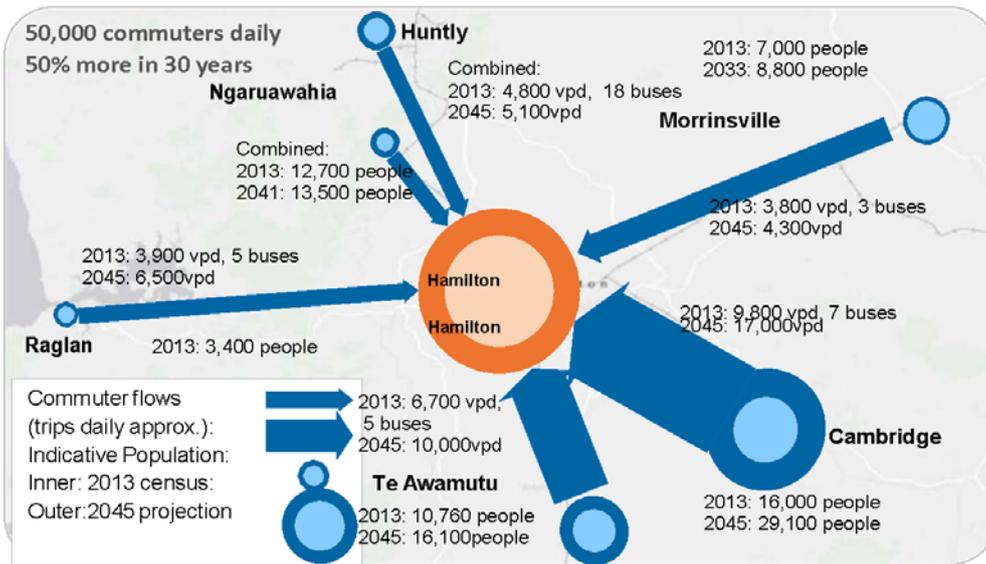
Hamilton City Council, NZ Transport Agency and Waikato Regional Council will collaborate to implement activities through HCC's Transportation Activity Management Plan, Waikato Regional Council's Passenger Transport Plan (RPTP) and NZTA's State Highway Improvement Plans (SHIP).

# HAMILTON'S STRATEGIC CONTEXT

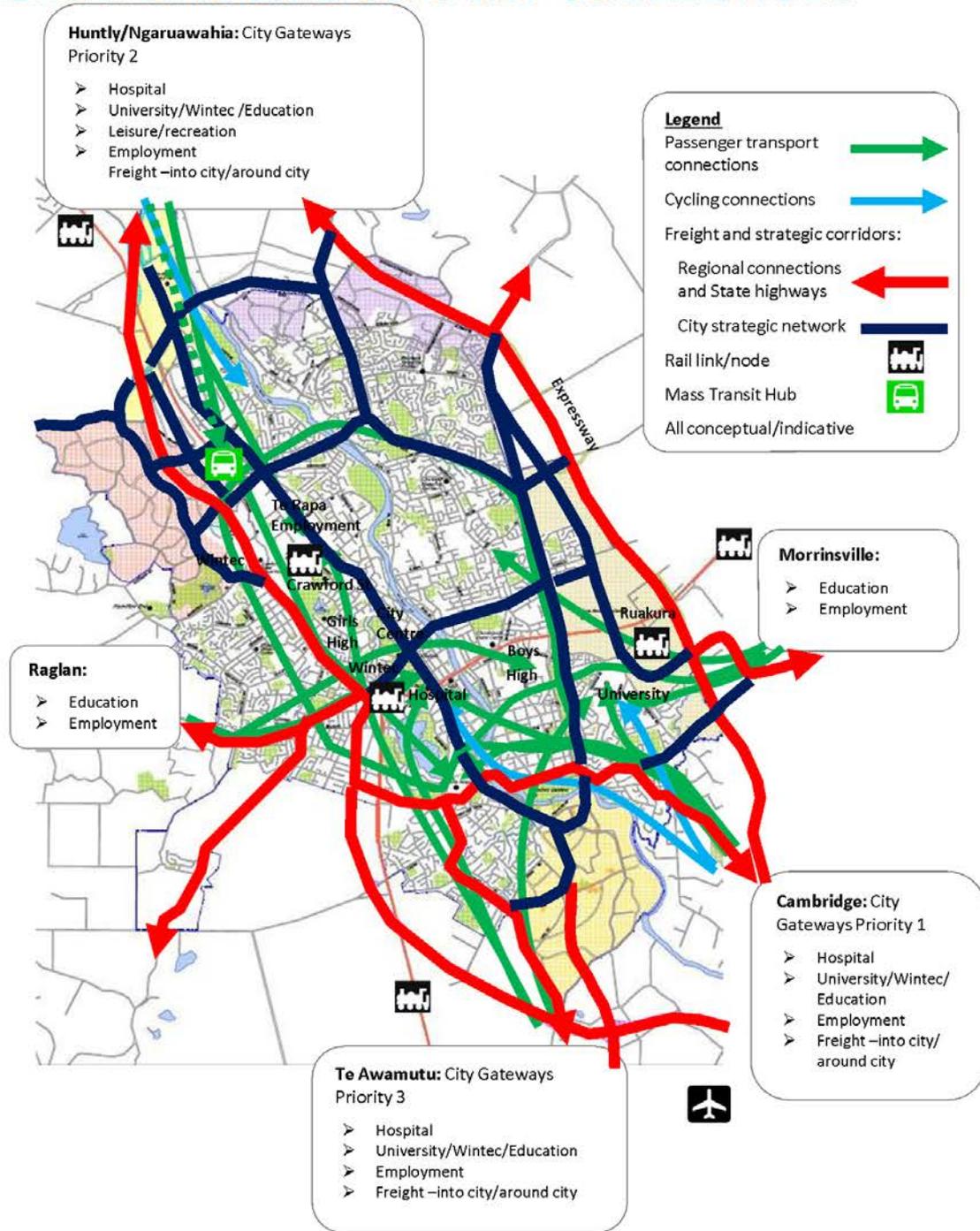
Hamilton and its neighbours in Future Proof form key parts of the upper North Island's economic triangle connecting Auckland and Tauranga, with nationally significant road and rail links to Auckland (125km) and Tauranga (110km). Approximately 2,000,000 people live within 125km. NZ Government investment of \$2.4B in the Waikato Expressway to south of Cambridge will be complete by 2020.



Hamilton is the Waikato's main urban area. Neighbouring Waipa and Waikato Districts include Te Awamutu, Cambridge, Raglan and Ngaruawahia and lead to almost 50,000 people entering Hamilton's transport network daily. In 25 to 30 years, 50% more people will come to Hamilton from our neighbours to work or study.



# GREATER HAMILTON'S KEY CONNECTIONS



## PRIORITIES FOR A GROWING CITY

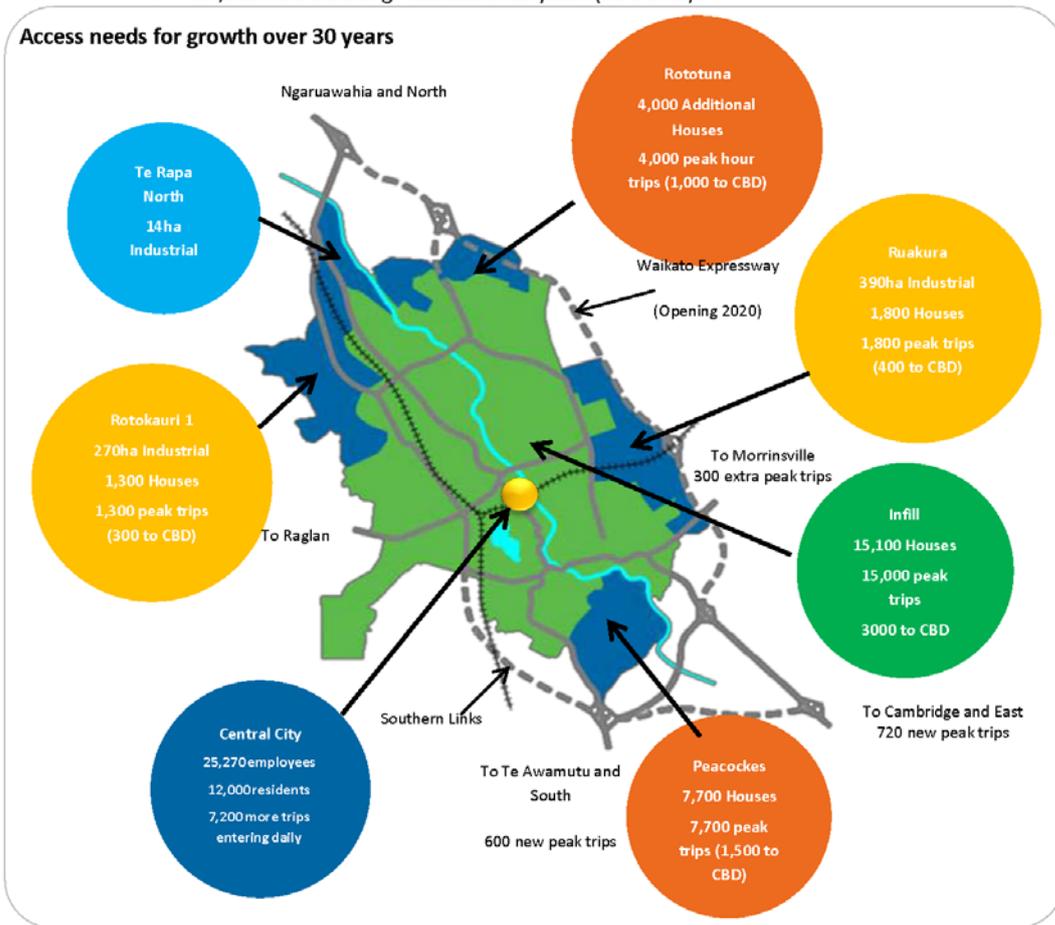
The preferred programme for the Greater Hamilton transport system contributes to the outcomes sought in key local, regional and national strategies. We will enable access to growth areas and reduce reliance on the car. By 2045, Hamilton’s existing and planned transport infrastructure and services will support the city’s development and economic growth objectives with an appropriate level of service of all users.

The 10 Year Plan 2015 - 2025 describes what the city expects. The transportation activity makes Hamilton easy to get around by providing a safe, reliable and sustainable transport system that is accessible to everyone. Hamilton’s transport services primarily contribute to five of ten Hamilton Plan priorities:

- The third city economy in New Zealand.
- Providing outstanding infrastructure.
- Strongly connected to the River.
- An active, strong, commercial city centre with distinctive suburban villages.
- Access to affordable housing.

The city’s strategic priorities informed the problems, benefits and objectives that guided programme option development and selection of the preferred programme from a range of alternatives and options. Growth is a major factor. Hamilton has committed to a housing accord to facilitate residential growth.

- 160,000 population growing to 225,000 in 30 years
- 6,500 new greenfield dwellings needed in 10 years
- 34,000 new dwellings needed in 30 years (50% infill)



## HAMILTON'S TRANSPORT PROBLEMS

Key partners and stakeholders including NZ Transport Agency, the surrounding Councils, NZ Police and Waikato Regional Health Board identified key problems for Hamilton's transport system. The problem statements were refined by Hamilton's elected representatives in consultation with NZTA staff.

<b>Safety – User behaviour and increasing demand on our network result in deaths and serious injuries.</b>	<b>Growth and economic development is happening faster than anticipated leading to congestion and demand for transport investment earlier than planned.</b>	<b>Our transport system has focused on cars resulting in low use of active modes and mass transit and higher future cost for transport.</b>
50 people are killed or seriously injured in crashes within Hamilton City each year.	Hamilton city is expected to continue to grow with the population expected to increase by 40-45% to 2045.	The dominant transport mode in Hamilton is private vehicles with 90% of all journeys to work being by car.
Increasing the safety of vulnerable and high risk road users is a priority in the Regional Land Transport Programme (RLTP).	We need to accommodate around 34,000 new dwellings evenly split between infill and greenfield development. Our existing strategic network needs to cope with the extra traffic as well as giving access.	Around 5% of trips are by bus and 5% by walking/cycling. The mode share of cyclists and bus passengers over recent years has declined even though numbers are rising.
The Hamilton Biking Plan targets a decreasing trend in the number of death and serious injuries involving people riding bikes.	The District Plan review has set a spatial framework for land use which supports integrated transport planning including higher densities, intensification at nodes, infill for existing areas to support a compact form and a strong city centre to encourage mass transit options and active modes.	If the current dominance of car trips continues, vehicular demand into the CBD is likely to exceed lane capacity by 2036. Key intersections are already congested. If the decline in cyclists and bus passengers continues, worse congestion with happen sooner.
<b>There are too many deaths and serious injuries on our network. We need to improve safety on our transport system.</b>	<b>Our transport investment needs to meet demand from current land use and growth.</b>	<b>Our transport system needs to increase mode share. We need to do something to ensure walking, cycling and mass transit mode share does not continue to decline.</b>

In the background to the key problems above, the programme also needs to deliver in the context of:

- Higher design standards to deal with climate changes, environmental standards and consents.
- Uncertainty from Increasingly rapid and significant changes in technology including intelligent transport systems, autonomous vehicles, data collection and application opportunities.
- Higher maintenance and construction costs for traffic management and safety in a congested network.
- Early lead infrastructure costs for growth and funding constraints reducing opportunities to address problems on the existing network.

The problems are consistent with the regional transport programme problems.

Demand already exceeds capacity at some of our key rail and river crossings and where major roads cross each other.

Demand>Capacity	2017	2028
% of network	4%	8%
Km of road	26km	58km
Intersections	27	38

Impacts	2028
Costs of extra delays	\$6M/year
Extra Travel time	1400hours/day

Growth means congestion on the existing network will get worse if we do nothing to reduce demand or increase capacity. We cannot afford to build our way out of congestion

**Hamilton's existing congestion areas**

Existing peak period congestion (stop-start traffic, long queues and delays)  
(Waikato Regional Traffic Model (2013))

Our current approach is leading to a reducing proportion of trips by walking, cycling and mass transit leading to an increasing reliance and higher future demand for car travel.

**Cyclists**

2011 2012 2013 2014 2015 2016 2021 2026 2046

4% per year ?

— All cyclists — school cyclists

**Bus Passengers**

2011 2012 2013 2014 2015 2016 2021 2026 2046

3% per year ?

We need to reduce the risks to improve safety for transport system users.

**Deaths and Serious Injuries (DSIs)**

2011 2012 2013 2014 2015 2016 2021 2026 2046

4% per year ?

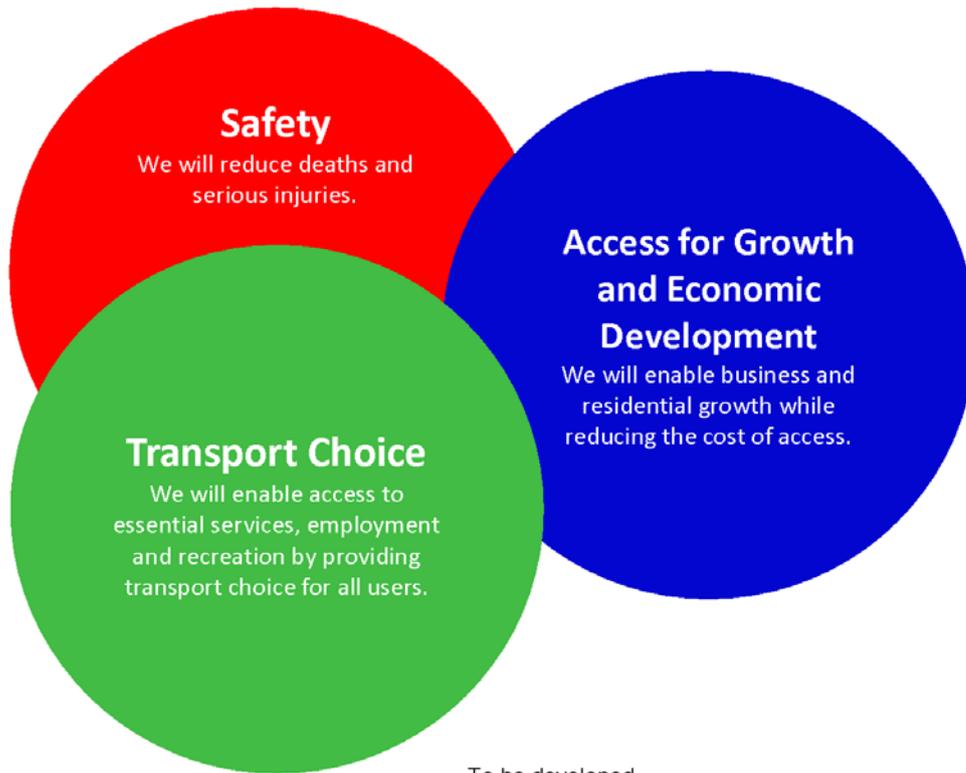
Too many people affected by deaths and serious injuries.  
Social Cost of around \$25M

Average of 50 DSI's/year – increasing trend.  
Pedestrians and cyclists over-represented

144km of high risk corridors  
49 high risk intersections

# HAMILTON'S TRANSPORT INVESTMENT OBJECTIVES

Hamilton's transport investment objectives are:



To be developed

We will assess our progress using the following measures.

	Current	10 year target
<b>Measure 1: Deaths and serious injuries</b>	50	34
<b>Measure 2: Deaths and serious injuries involving vulnerable users</b> <small>Targets based on Regional Road Safety Strategy and Safer Journeys</small>	19	9
<b>Measure 1: Land accessible for development (33,000hh in 30 years)</b> <small>Targets based on Urban Development Capacity</small>	3,300 dwellings	6,500 dwellings
<b>Measure 2: Intersections where demand exceeds capacity</b> <small>Measures based on holding our own in the face of extra traffic</small>	27	<=27
<b>Measure 1: Single occupancy vehicles</b> <small>Targets based on increasing mode share. Measures from Journey to Work (JTW) surveys</small>	80%	70%
<b>Measure 2: Mode share for alternatives (trips)</b> <small>Targets based on increasing mode share. Measures from MOT transport indicators and JTW data</small>	5% bus (CBD) 5% walking/cycling 26% of trips <2km by foot	10% bus (CBD) 10% walking/cycling 50% of trips <2km by foot
<b>Measure 3: Public transport is easy to get to</b> <small>Targets based on improvement to bi-annual Quality of Life Survey item 9.2</small>	80% agree	85% agree



**Committee:** Growth and Infrastructure  
Committee

**Date:** 20 June 2017

**Report Name:** Hamilton to Auckland  
Passenger Rail Transport  
including Park and Ride

**Author:** Jason Harrison

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Regional Land Transport Plan Access Hamilton Strategy</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

2. To seek approval for a response to the Regional Transport Committee on the North Waikato Integrated Growth Management Programme Business Case (PBC) report for the Hamilton to Auckland Passenger Rail Service.
3. To consider any immediate actions required to preserve opportunities for future passenger rail stops in Hamilton.

## 4. Executive Summary

5. The current Regional Land Transport Plan recognises and supports Auckland Southern Corridor capacity improvements including rail and has an action to investigate demand and infrastructure requirements for a passenger rail service between Tuakau and Auckland.
6. This action is being considered through the North Waikato Programme Business Case, and is also being considered in the broader context of an Auckland to Hamilton service.
7. The Waikato Plan has recently confirmed an action to advocate for the extension of the Auckland passenger rail network between Pukekohe and Mercer, and consideration of later extensions to mass transit options as far as Hamilton.
8. The Waikato Regional Council has recently reviewed the previous work carried out in 2011 in regard to a service and is seeking feedback from stakeholders on 3 options in relation to progressing a service.
9. Staff are recommending option 3 which is to work with all of the North Waikato Programme Business case partners and undertake a Strategic Business case to define the problem, identify the options and outline the benefits that might arise in progressing any particular option.

10. The report also outlines an immediate need to preserve an opportunity at a potential Te Rapa bus/rail facility.

### **Recommendation from Management**

That the Growth and Infrastructure Committee

- a) receives the report;
- b) agrees to advise the Regional Transport Committee of Hamilton City Councils preference to pursue Option 3 to undertake a Strategic Business Case in relation to the Waikato Regional Council report on Hamilton to Auckland Passenger Rail; and
- c) notes the actions required to preserve the opportunities for future passenger rail stops in Hamilton.

### **11. Attachments**

12. Attachment 1 - Report on Hamilton to Auckland Passenger Rail-12 April 2017

### **13. Background**

14. The Committee has been advised through recent meetings on issues relating to a potential Hamilton to Auckland passenger rail service including
- 30 August 2016 Strategy and Policy Committee meeting - [report linked here](#)
  - General Managers report to 14 February 2017 Growth and Infrastructure Committee advising on the formation of a group looking at a North Waikato Transport Programme Business Case (North Waikato PBC) which included potential rail connectivity from Auckland to Tuakau. It was reported that the programme business case would be completed by August 2019 - [report linked here](#)
  - Chairpersons report to 9 May 2017 Growth and Infrastructure Committee meeting advising on discussions between Council, Waikato Regional Council and NZTA on the establishment of the Rail Opportunities Network - [report linked here](#)
15. The recent resurgence of interest in a Hamilton to Auckland passenger rail service resulted in Waikato Regional Council staff assessing the work of the 2011 Rail Working Party Final Recommendation Report - [report linked here](#)
16. This assessment has resulted in the 12 April 2017 report on Hamilton to Auckland Passenger Rail (Attachment 1).
17. This report includes a good summary of the previous work undertaken in 2011 and this summary is not duplicated in this report.
18. The report has considered 3 options in relation to progressing a service. The three options are
- Option 1: Do nothing/Status quo
  - Option 2: Undertake detailed rail feasibility study
  - Option 3: undertake Strategic Business Case
19. The report is seeking feedback from the North Waikato PBC partner organisations on these 3 options in time to be presented to the 3 July Waikato Regional Transport Committee meeting. HCC views are sought by 21 June 2017.

20. The North Waikato PBC partners are
- Waikato Regional Council
  - Hamilton City Council
  - Waikato District Council
  - Auckland Council
  - Auckland Transport
  - New Zealand Transport Agency
21. The North Waikato PBC is considering a rail service extension to Pokeno, Tuakau and possibly Mercer. The HCC position has been that any extension should be considered as part of a broader strategy to reach Hamilton.
22. Waikato Regional Council considered their position at their Strategy and Policy Committee meeting of 24 April 2017, where they resolved to support option 3 to undertake a Strategic Business Case.
23. Auckland Council considered their position at their Planning Committee meeting of 6 June 2017, where they agreed to support option 3 to undertake a Strategic Business Case. The reporting of this decision indicated that while they supported the high level review to identify the opportunities and challenges they acknowledged it was a low priority for Auckland at this time.
24. Waikato District Council are holding a Councilor workshop on Passenger Rail on 13 June 2017 to discuss the North Waikato Integrated Growth Management Programme Business Case (PBC) report for the Hamilton to Auckland Passenger Rail Service.
25. Passenger rail has been discussed as part of the deliberations over the Waikato Plan. The Joint Committee were made aware of the potential for a Strategic Business Case to be undertaken and they resolved to add an action under section 2.1 (Actions being led by other organisations, supported by the Waikato Plan);

***The extension of passenger rail from Auckland to Hamilton; Consideration of the development of a strategic Business case to look at the problems, benefits and options as a possible precursor to a detailed feasibility study (Auckland Council, Auckland Transport, Waikato Regional Council, Hamilton City Council, Waikato district Council and the NZ Transport Agency).***

26. The also resolved elsewhere in the Waikato Plan to;
- Advocate for extension of the Auckland passenger rail network between Pukekohe and Mercer, and consideration of later extensions to mass transit options as far as Hamilton.*

## **27. Strategic Context**

28. The current 2015 Regional Land Transport Plan (RLTP) recognizes and supports Auckland Southern Corridor capacity improvements including rail.
29. One of the key actions of the RLTP was to focus on a better understanding of transport effects of land use and demographic change by advancing investigations that focus on emerging issues such as the impact of Auckland's growth on the Waikato region.
30. A further key action of the RLTP under Access and Mobility is to share information and where appropriate investigate demand and infrastructure requirements for a passenger rail service between Tuakau and Auckland. This action is being undertaken through the formation of the North Waikato PBC.

31. The RLTP also indicates that “while not a short term priority for the Waikato region, the role of rail in providing inter-regional passenger services will need to be examined again in the context of future land use and growth in South Auckland and North Waikato, and in the broader context of determining future regional transport priorities following competition of the Waikato Expressway.” (Page 76-RLTP).
32. The RLTP also indicates that the function of the rail corridor is to have potential for long distance passenger rail in the longer term if supported by a strategic case.
33. The draft 2018 Government Policy Statement on transport (GPS) recognises that population growth is expected to be concentrated in the Auckland, Waikato and Bay of Plenty region and also that the transport network is not performing well where increases in demand are concentrated.
34. The GPS indicates that priority should be given to critical transport connections on the networks that support economic growth and clearly Auckland to Hamilton is a critical transport connection.
35. The GPS has a new priority for a high urban growth areas and it notes that a key transport challenges for next decade includes addressing congestion on the motorway and arterial road networks, particularly at non peak times and increasing public transport corridors.
36. The Waikato Expressway is now nearing completion and it is appropriate to now consider in more detail the strategic case for a passenger rail service.

### **37. Discussion**

38. There is a good strategic context for undertaking further work on an Auckland to Hamilton Passenger Rail service.
39. Previous discussions have led to a widespread view that it is not a matter of if there is a need for the service; it is more a matter of when.
40. Since 2011 when the last substantive work was completed a number of things have changed including accelerated growth in Auckland and Hamilton, well in excess of all previous predictions.
41. Also since this time there has been standardisation across New Zealand in taking a Better Business Case (BBC) approach to projects.
42. The BBC is a five case model incorporating:
  - Strategic case – a compelling case for change, strategic fit and business needs
  - Economic case – preferred option that optimizes value for money
  - Commercial case – Commercially viable over the project term
  - Financial case – affordable from available funding
  - Management case – achievable and can be successfully delivered
43. The strategic case will demonstrate the potential need, or not, of a rail service and this is the first step to take before the matter of “when” can be answered.
44. The process for developing a strategic business case will identify and define the problem, the options available to address the problem and the benefit that might arise if any option is undertaken.
45. Staff recommend that Council advise the Regional Transport Committee of its preference for option 3 to complete a Strategic Business Case which will inform any future decisions on a service.

46. The estimated cost of undertaking the Strategic Business Case is between \$30-50,000. The report indicates that these costs should be shared between the business partners. If the identified partner Councils all agreed to equally share the cost this would be between \$5-10,000 each. It is possible that the partners would seek a higher share from Hamilton City Council and Council will need a position on this.

47. The 12 April 2017 report (Attachment 1) has a number of key findings including that network access during peak times in Auckland is a critical constraint, and potentially worse than the constraints identified when the 2011 was completed.

Critical to any service is resolving the Auckland access issues, and this needs engagement with decision makers in Auckland. Council may wish to promote to RTC a 2 stage process where the action in the Waikato Plan (*Advocate for extension of the Auckland passenger rail network between Pukekohe and Mercer, and consideration of later extensions to mass transit options as far as Hamilton*) is progressed first prior to undertaking the strategic business case.

48. Passenger Rail Stops

49. There have been previous discussions about potential Hamilton rail stops at the following locations on the Main North Island Trunk Line and the East Coast Main Trunk Line;

- Frankton Rail Station
- Kahikatea Drive
- Previous CBD Underground Rail Station
- Claudelands
- Ruakura
- Te Rapa- Tasman Road (opposite the Base).

**50. Frankton**

51. Staff have previously been in contact with KiwiRail's Manager Property Strategy and Investment who has advised that KiwiRail has no plans to dispose of land held in relation to the corridor around Hamilton at this stage, including land in and around the Frankton Station.

52. The Frankton Station is used as a stop for KiwiRail's Northern Explorer (Scenic Journeys) service. Apart from its continued use for this purpose, KiwiRail has no plans for the station or the surrounding area that would compromise (or be compromised by) the establishment of a commuter rail service between Auckland and Hamilton.

53. KiwiRail are happy to engage with Council on any property plans for this area, noting that currently most of the non-operational KiwiRail land around Hamilton is subject to commercial leases.

**54. Kahikatea Drive**

55. At Kahikatea Drive while no Passenger Transport location is identified in the PODP staff are continuing discussions with KiwiRail about an opportunity in the industrial area along SH1.

**56. Claudelands**

57. At Claudelands, Council owns the property at 2 Brooklyn Road which has previously been earmarked for hospitality type developments that would support the Claudelands Event Centre. The land is under Councils control and so the opportunity is not lost for passenger rail use.

**58. Ruakura**

59. The opportunity to consider a future stop in Ruakura will arise when the proposed commercial centre planning is undertaken

**60. Te Rapa**

61. In 2008, Council progressed Variation 18 of the District Plan which was a Structure Plan for Rotokauri. Initial planning identified a potential location of a Passenger Transport facility on Tasman Road opposite the Base. In responding to submissions Council added a potential 2<sup>nd</sup> location which was also on Tasman Road, south of Te Kowhai Road and west of the railway line.

62. In making the decision to include the 2<sup>nd</sup> location Council noted that

*“in the short to medium term the southern location (Base) provides an opportunity to establish a bus based facility on the road corridor, in the heart of the industrial zone, providing for Tasman Road to be closed to through traffic and reinforcing the transport hierarchy by directing such traffic to the higher order roads. Alternatively the northern option, which involves private land adjacent to the rail corridor, provides the opportunity to locate such a facility on the major arterial route leading into and from Rotokauri. The effects of an interchange in this location on the operation of both the road and rail network will require further analysis in due course”*

63. Council then received appeals to Variation 18, most notably from Tainui Group Holdings and Hamilton Joint Venture. The nature of these appeals was for further concept planning work to be undertaken to more accurately detail how a passenger transport facility would operate opposite the base on Tasman Road.

64. In response to this a report was commissioned from Parsons Brinckerhoff to consider site layouts and to assess the two sites. The assessment concluded that both sites provided different opportunities.

65. Council considered all of the factors and made decisions at its 25 May 2011 meeting that resulted in section 3.6.2.6 of the PODP (Attachment 2).

66. This indicates the preferred site is the Tasman Road site opposite the Base for progressive development of a bus based passenger transport facility (PT Facility) and its longer term integration with Rail

67. The Te Kowhai Road site is noted as a potential second site “to integrate the passenger transport network with the surrounding land use activities”.

68. PODP also indicates that any land outside the road and rail reserves would need to be safeguarded through the designation process.

69. There has been no funding allocated in 2012-22 or 2015-25 10-Year Plans to designate and the opportunities are quickly being locked out. The Te Kowhai Road site is already compromised by the establishment of a fuel stop.

70. While the original concepts have been based on “kiss and Ride” parking facilities, City Transportation has developed concept designs for a future park and ride facility at the Base site which would cater for both journeys to and from central Hamilton and Auckland.

71. The land required for a transport interchange is located within stage 6 of the Port Chalmers development. Council was advised in August 2016 that Staff have had initial discussions with Port Chalmers, and they have acknowledged they would be happy to have further discussions when we are in a position to do so in regard to land acquisition, and will let staff know if there is any outside interest shown in the land that would be required.

72. There are no current budgeted funds for land purchase or any other infrastructure related to rail transport in the current 10 Year Plan. Provision is made (\$9 million) in years 14-24 of Council's 30 Year Long Term Infrastructure Strategy.
73. Council has previously worked with Tainui Group Holdings (TGH) over development of the Base site and part of those discussions resulted in Tainui agreeing to fund an overbridge from Tasman Road, over the railway line to the Base.
74. The opportunity exists to continue discussions with TGH and the new co-operators of the Base site about any future plans for the remainder of the site and integration with public transport including future rail.

### Signatory

Authoriser	Chris Allen, General Manager City Infrastructure Group
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## Report on Hamilton to Auckland Passenger Rail

**Date:** 12 April 2017

**To:** Hamilton City Council, Waikato District Council, Waikato Regional Council, NZ Transport Agency, Auckland Council, and Auckland Transport

**From:** Waikato Regional Council representative on the North Waikato Integrated Growth Management Programme Business Case

**Subject:** Report on Hamilton to Auckland Passenger Rail Service

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### Purpose

The purpose of this report is to outline the key findings of a 2017 assessment undertaken by Waikato Regional Council staff on the 2011 Rail Working Party Final Recommendation Report; and to seek feedback from the North Waikato Integrated Growth Management Programme Business Case partner organisations on the three options identified in this report and to advise on a preferred option.

### Background

The Hamilton to Auckland Passenger Rail Working Party (RWP)<sup>1</sup> was formed in 2010 to work through the technical and operational feasibility of establishing a passenger rail service between Hamilton and Auckland, and to make recommendations to member organisations on the preferred service option and funding requirements.

The final RWP Recommendation Report which included a preferred service proposal was presented to the RWP partner councils (Auckland Council, Waikato Regional Council, Hamilton City Council, Waikato and Waipa District Councils) in November 2011 (see Attachment 1 for a summary of this preferred service proposal). In 2011 the proposal was not formally supported by partner councils mainly due to the potential financial impacts on ratepayers.

A joint Auckland-Waikato political meeting was held on 19 July 2016 to bring together elected representatives and senior staff from Auckland Council, Waikato District Council, Waikato Regional Council, Hamilton City Council and key stakeholder organisations (WaterCare, Auckland Transport and the NZ Transport Agency) to discuss and confirm key cross-boundary issues and to agree on shared objectives and investment opportunities.

At the meeting the group requested an evidence-based 'position paper on passenger rail' to be prepared, with a shared view across councils, Auckland Transport and the NZ Transport Agency.

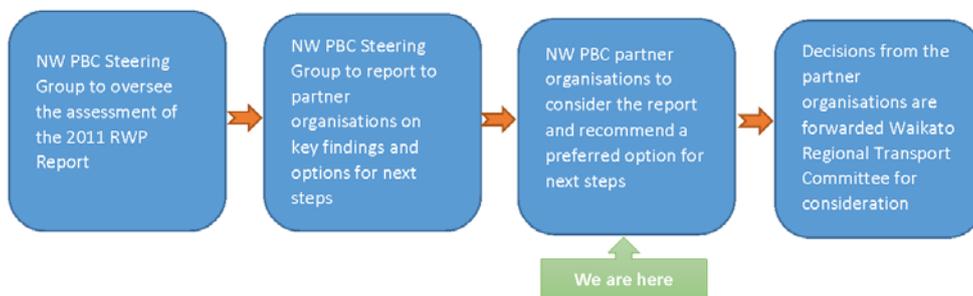
The issue of passenger rail between Auckland and Waikato as comprising part of a wider programme of work on cross-boundary issues was also discussed at a November 2016 meeting between the new Auckland Council Mayor Phil Goff and Waikato Regional Councillors

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<sup>1</sup>The Rail Working Party comprised representatives from Waikato Regional Council, Hamilton City Council, Waikato and Waipa District Councils, KiwiRail, Auckland Transport, Auckland Council, NZTA and the Campaign for Better Transport

The request for a position paper was referred to the North Waikato Integrated Growth Management Programme Business Case (North Waikato PBC). The Steering Group for this project agreed to oversee further work to help inform a collective position on Auckland to Hamilton passenger rail service. However this work would not form part of the North Waikato PBC project, but would come under the steering group umbrella as a distinct piece of work. The North Waikato PBC Steering Group consists of staff from Waikato District Council, Waikato Regional Council, NZ Transport Agency, Auckland Transport, and Auckland Council. Hamilton City Council has also been included on the Steering Group to assist with the Hamilton to Auckland rail review work.

It was also agreed by the Steering Group that the '2011 Hamilton to Auckland Passenger RWP Recommendation Report' (2011 RWP Report) would form the basis of the rail assessment work to test if the service proposal and key assumptions identified in the 2011 RWP Report are still valid, and to outline appropriate options for next steps to be considered by the North Waikato PBC partner organisations. The pathway identified by the North Waikato PBC Steering Group for this rail review is outlined in the diagram below:



A high level assessment of the 2011 RWP Report was undertaken by Waikato Regional Council staff with input from the members of North Waikato PBC project partners, and this is discussed in the report below.

#### Discussion - 2017 assessment of the 2011 RWP Final Recommendation Report

The 2017 assessment found that the 2011 RWP process was based on an assumption that a Hamilton to Auckland passenger rail service is needed, and the scope of the 2011 review was limited to:

- Undertaking a technical assessment to identify options for a passenger rail service between Hamilton and Auckland; and
- Determine the willingness of parties to contribute to funding such a service.

It is considered that the 2011 RWP investigation was fundamentally a technical exercise to determine the feasibility of establishing a passenger rail service, and the process was not founded on a robust strategic/policy assessment i.e. it was unclear why a service is needed and what are the strategic objectives/drivers or key inter-regional issues that this service is intending to address. For this reason, it is difficult to assess the overall merit of the 2011 proposal and/or to determine if there is a 'case' to progress with further rail investigation without a clear understanding of the problem or desired outcomes to be achieved relating to the proposal.

Notwithstanding the above, a high level technical assessment was carried out to assess if the preferred service proposal identified by the RWP is still 'feasible' under the 2017 policy and operating environment. The preferred service proposal identified by the RWP was to implement:

*"A 2-year pilot trial of Hamilton to Auckland passenger rail service via the Waterfront route (through Sylvia Park/ Glen Innes) onto the Strand station and carrying on to Newmarket as the termination point for the peak service".*

The 2017 assessment looked at the key changes (policy and broad operational developments) that have occurred since 2011 to test if the assumptions made in the RWP report are still valid, and whether the preferred service proposal is still 'operationally feasible'.

The detailed 2017 assessment of the RWP preferred service proposal is included in the Attachment 2 of this report, and the key findings are summarised below:

#### Policy and strategic alignment

- The transport policy context has not undergone significant change since 2011. There is however a stronger focus on ensuring that investment proposals are supported by robust business cases, to ensure that the core problem/benefits and investment objectives are clearly understood and that the solution identified is the right response to address the problem. In addition more weight is being given by central government to responding to growth in high growth urban areas in the recently released Draft Government Policy Statement on Land Transport (2018/19-2027/28).
- At a regional level, the role of inter-regional passenger rail was considered further during the development of the Waikato Regional Land Transport Plan 2015-2045 (RLTP) in 2014/15. The RLTP identifies a passenger rail service between Hamilton and Auckland as a 'medium to long term' priority for the Waikato region. The current priority is to promote the North Island Main Trunk line as a primary freight corridor for the upper North Island, and to support/advocate projects of inter-regional significance, such as third rail line from Westfield to Wiri and rail electrification from Pukekohe to Papakura, to improve network capacity and efficiency.
- The Auckland Transport Alignment Project (ATAP) work was completed in 2016, and identified the need to invest in a third main rail line and extend rail electrification from Papakura to Pukekohe, however these projects are not yet funded.
- While there is no clear regional policy mandate for the provision of an inter-regional passenger rail service, the current regional policies do reflect the desire from both Auckland and Waikato regions to improve cross-boundary planning/collaboration and to strengthen transport connections between both regions to enhance economic growth and productivity.

#### Operational feasibility

- Network access during peak periods has been identified as a critical constraint and the following issues have been identified that will affect the feasibility of the proposed service:
  - There is presently no operational and berthing capacity available at either the Britomart or Newmarket stations.
  - Whilst a limited peak and off peak service could be operated between Hamilton and the Strand (subject to detailed operational modelling), it is not considered as a viable option as the service would not be able to continue once the City Rail Link (CRL) is completed. Auckland Transport is committed to increasing the Auckland Metro service frequencies in conjunction with the opening of CRL. This will increase peak frequencies on the southern line and as a result (and given the established rail freight paths) there will be no spare capacity between Papakura and Westfield line to accommodate any new peak service.
  - Given the planned Metro service improvements and the anticipated growth in freight rail, the ability to operate additional trains through north of Papakura is

extremely limited. The network constraint issues are unlikely to be resolved until the 'third main' (Wiri to Westfield) and the proposed works at Westfield Junction are completed. These project are included in the ATAP, however no funding has been committed.

- Whilst the network/access issues at the Britomart station could be improved with the completion of CRL project, it is noted that diesel services are no longer permitted to enter the Britomart station due to safety reasons. Given this, any new inter-regional service that will require access to the Britomart station should be planned in conjunction with the network electrification between Auckland and Hamilton.
- The maximum expected travel time as indicated in the RWP report was about 2 hours 20 minutes (from Frankton to the Strand station). It is anticipated that the journey time is likely to take longer due to the current Metro service timetables and the planned service level improvements in the future.

#### Station upgrade and rolling stock

- RWP has assessed the infrastructure requirements at the different stations in Waikato, and it was concluded that only The Base (Hamilton), Ngaruawahia and Tuakau stations would require more extensive work in terms of platform upgrade and pedestrian crossing etc.
- Waikato District Council has identified in its 2016 Long Term Plan an investment commitment of \$500,000 to upgrade the Tuakau rail platform (Note that this is reliant upon a 50 percent co-funding contribution from the NZ Transport Agency which is not confirmed). This is staged to occur in 2022.
- Hamilton City Council has reported that work is currently underway to investigate potential for land banking sites for passenger rail stations and park and/or ride facilities in Hamilton.
- It is noted that Auckland Transport have no spare rolling stock available for use on a Hamilton to Auckland service. Further assessment will need to be undertaken in conjunction with KiwiRail to assess the availability of rolling stock and any required upgrade/refurbishment (e.g. toilet facilities) to support a future inter-regional passenger rail service.

#### Funding requirements

- It should be noted that no detailed financial analysis was undertaken by the Steering Group in 2017 given that the 2011 proposal is not considered as a feasible option under the current network conditions. However some data have been collected, including Future Proof population projections and 2013 Census Journey to Work data which could be used for future patronage assessment.
- It is also noted that the NZTA Business Case Approach (BCA) is identified as a pre-requisite in determining whether or not to proceed with a proposed investment. Any new transport activity seeking funding via the National Land Transport Programme must be able to demonstrate that the BCA principles have been applied in developing the case for investment. The BCA will form an important consideration for any future transport proposal/activity and it will contain details of, the problem or opportunity this proposed service is aiming to address, what alternatives to this proposal have been assessed and how the proposal fits in with national and regional priorities.
- Whilst there was no business case prepared for the 2011 passenger rail proposal, it was recommended by the RWP as a logic next steps, if there was a general willingness from the funding partners to proceed further with the proposal.

Based on the 2017 assessment, it is considered that service proposal identified by the RWP in 2011 is no longer feasible under the current conditions. Operational constraints within the Auckland network will remain, and any additional commuter trains, both short term and long term, may not

be able to be accommodated north of Papakura. The network constraint issues are unlikely to be addressed until the proposed rail improvements (i.e. third main line and the proposed works at Westfield Junction) identified in the ATAP are implemented. However the detailed timeframe and funding of these rail projects have not been confirmed.

Furthermore, the review of the 2011 report has raised some concerns about the lack of assessment of broader options beyond passenger rail and a clear problem statement or investment objective. Without this it would be difficult to develop a robust business case that would support the introduction of the service envisaged in the 2011 RWP Report.

Lastly, the 2017 assessment has highlighted a number of factors that will need to be considered in order to progress any future work on passenger rail service between Auckland and Hamilton, these include:

- A business case approach (BCA) – there needs to be a clear understanding of the problem or opportunity related to strengthening transport connections or broader social and economic relationships between Hamilton and Auckland, and to confirm what would be the best approach/solution in achieving this (with clear evidence). The BCA would also allow the consideration of a wide range of options and integration of modes to improve transport connections between Hamilton and Auckland.
- Network access issues – constraints surrounding the Auckland rail network and the associated infrastructure improvements will need to be considered in light of any future passenger rail work (including any proposed business case). Clear policy signals should also be provided in key regional planning documents (e.g. RLTP) to support and advocate for rail infrastructure projects that will provide clear inter-regional benefits for both freight and passenger rail, i.e. third main and extension of electrification from Papakura to Pukekohe.
- Funding commitment - a funding commitment from partner councils and/or central government agency to support the business case planning and implementation of any future passenger rail proposal.
- Stakeholder engagement – engagement with key stakeholders (i.e. KiwiRail) and interested parties (The Rail Opportunity Network) will be critical to ensure good buy-in of the process and outcome/decision of any future passenger rail work.

#### Proposed options for next steps

Based on the above findings, the review has identified three broad options to be considered by the North Waikato PBC partner organisations as possible next steps. Some brief analysis on the proposed options is provided in the table below:

Options	Indicative costs	Benefits	Risks
1. Do nothing / status quo	Nil	- No investment outlaid until such time as deemed appropriate	- Not meeting stakeholder/community or political expectations - Nature of potential problems and opportunities not clearly understood

2. Prepare a detailed rail feasibility study to explore potential options for a passenger rail connection between Auckland and Hamilton	\$50-100,000 <sup>2</sup> (dependent on scope)	<ul style="list-style-type: none"> <li>- Relatively easy and quick to update</li> <li>- Findings easy to communicate with key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Does not provide a clear strategic basis on why a service is needed</li> <li>- Takes a narrow approach and doesn't consider other alternatives or transport modes</li> <li>- No buy in from central government to possible future investment without a compelling and robust business case process.</li> </ul>
3. Develop a Strategic Business Case to identify the problem or opportunity in relation to the inter-regional connections between Auckland/Hamilton and associated investment benefits that could be gained.	\$30-50,000 for the Strategic Case <sup>3</sup> .	<ul style="list-style-type: none"> <li>- A more collaborative process and best practice for decision-making</li> <li>- Enable agreed problems, benefits and investment objectives to be developed, supported by evidence-based information</li> <li>- Enable consideration of options and alternatives</li> <li>- Strategic case outputs could help to inform the RLTPs on the inter-regional priorities</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of commitment from project partners to progress to future business case stage.</li> <li>- Note that the strategic case is a precursor to a detailed business case which could require shared commitment of at least \$50-100,000 plus staff resourcing.</li> </ul>

Feedback is now sought from the North Waikato PBC partner organisations on the three options and to advise on a preferred option. It is also noted that should either Options 2 or 3 be identified by the partner organisations as the preferred way forward, the costs will need to be shared between all the partners. It is intended that any decision to progress with further rail work would be made in time to inform partner council long term plan discussions.

***Signed by the Waikato Regional Council representative on the North Waikato Integrated Growth Management Programme Business Case Steering Group***

Annika Lane - Member of North Waikato PBC Steering Group  
 Manager, Infrastructure and Integration  
 Science and Strategy  
 Waikato Regional Council

<sup>2</sup> An estimate based on actual costs incurred in 2011 Hamilton to Auckland rail investigation (Staff time and consultancy costs).

<sup>3</sup> Note that Option 3 could lead to a further funding commitment from partner councils and central government in future, pending decisions taken as part of the business case approach. Costs will be able to be revised once the business case process is underway and more information is to hand.

**Attachment 1: Summary of the Hamilton to Auckland Passenger Rail Recommendation Report Preferred Passenger Rail Service Option (September 2011) and associated costs and the rating option**

**Summary of the Preferred Passenger Rail Service Option**

*Hamilton to Auckland service via the Waterfront route (through Sylvia Park/ Glen Innes) onto the Strand station and carrying on to Newmarket as the termination point for the peak service.*

The service proposal includes

- Two peak and two off-peak trips every weekday
- Services five days a week excluding public holidays

The service will be operated by one Silver Fern railcar with a seating capacity of 96 passengers to start with. Once the implementation is confirmed, the viability/potential of providing a connecting bus at the Strand station to link up with the proposed train service will be investigated.

It is proposed that the peak service will start around 0600 in the morning from Frankton station and around 0610 from The Base. The maximum expected travel time is 2 hours and 20 minutes approximately. However, indications are that travel time could be closer to 2 hours. Further investigation on this will be carried out once implementation is confirmed. The travel time is expected to be the same as travelling via Newmarket to get to the Strand due to lesser congestion on the Waterfront line. The expected departure and arrival times as shown below

**Peak services (2 peak services or 1 peak return service)–**

Depart Hamilton	06:00
Arrive Strand, Auckland	08:20
Arrive Newmarket, Auckland	08:27
Depart Strand, Auckland	17:30
Arrive Hamilton	19:45

**Off peak services (2 off peak services; one departing Auckland and one departing Hamilton) –**

Depart Auckland (Britomart)	09:30
Arrive Hamilton	11:45
Depart Hamilton	14:30
Arrive Auckland (Britomart)	16:45
Depart Auckland (Strand)	17:30 (return peak service noted above)

In regard to the preferred option the Recommendation Report noted that the final timetable will need to be worked out with Auckland Transport and KiwiRail closer to the time of implementation of the service. This will depend on time slot availability and network capacity at the time of implementation. Once the implementation is confirmed, a further survey or focus groups could be conducted to gauge the timetable preference especially for the off-peak service.

The proposal is for the service to run between Frankton station in Hamilton and Newmarket in Auckland (via the Strand station) at peak times. The off peak service could operate between Frankton in Hamilton and Britomart station in Auckland. The proposed service includes stops at the following stations:

- Frankton, Hamilton
- The Base, Hamilton
- Huntly, Waikato District
- Te Kauwhata, Waikato District
- Tuakau, Waikato District
- Papatoetoe, Auckland
- The Strand, Auckland
- Newmarket, Auckland

Map 1 below shows the route and stops for the proposed Hamilton to Auckland service



Summary of costs and the rating option for the proposed trial service (Source: 2011 Recommendation Report)<sup>4</sup>

**Costs**

Costs projected below are based on operating costs provided by KiwiRail to the Rail Working Party in KiwiRail's updated proposal in December 2010.

Costs	\$Million
Operating cost	\$1.97
Rolling stock (purchase and refurbishment)	\$0
Infrastructure cost	
Station upgrades	\$0.92
Contingency (5% -includes marketing)	\$0.10
<b>Total cost (during trial period)</b>	<b>\$2.99</b>

Note: No estimation has been made of management or other administrative costs on Waikato regional council for managing the service. These will have to be calculated and added in once the implementation is agreed upon.

*Assumptions:*

- Operating costs are a[per annum
- Cost is assumed to be indexed though not included in the calculations
- Trial contract period of 2 years
- Infrastructure costs to be met by the territorial authority in which the station is located
- All costs exclude GST

**Rating option**

The Rail Working Party evaluated five different rating options for funding the proposed service. Based on benefits assessment and impact analysis, the Rail Working Party recommended the following rating option in the 2011 Recommendation Report:

- All properties in Hamilton City area rated at 100%.
- Waikato District properties within 10km of service rated at 100%.
- Waikato District properties outside of 10km buffer pay 30% differential.
- All Waipa District properties pay 30% differential.
- All remaining properties within the Waikato region pay 10% differential

The potential rating impacts have been modelled based on the following cost and funding assumptions (as per Section 5 of the 2011 Rail Working Party Recommendation Report report) have been applied:

**Operational costs**

Total cost of service                      \$1.97 million

<sup>4</sup> Note that this data is taken from the 2011 Recommendation Report and would need to be updated.

Fare recoveries                      \$0.74 million  
 Rating requirement                    \$1.23 million

**Table 9: Potential Rating Impact**

<b>Without NZTA Subsidy</b>		<b>With NZTA subsidy</b>	
Per property rate - • Hamilton City and • 10km buffer area in Waikato District	\$16.63	Per property rate - <b>Direct benefit area</b>	\$8.32
Per property rate – • Waikato District (outside of 10km buffer area) and • Waipa District	\$4.99	Per property rate - <b>Waikato/Waipā DC indirect</b>	\$2.50
Per property rate – • Rest of the properties in the Waikato region	\$1.59	Per property rate - <b>Region wide</b>	\$0.80



**Attachment 2: Steering Group assessment of the 2011 Rail Working Party Recommendation Report on Hamilton to Auckland Passenger Rail Service**

The Hamilton to Auckland Passenger Rail Working Party (RWP) was formed in 2010 to work through the technical and operational feasibility of establishing a passenger rail service between Hamilton and Auckland, and to make recommendations to member organisations on the preferred service option and funding requirements. A number of service options were investigated by the RWP in association with Auckland Transport and KiwiRail, and the following option was recommended as the preferred service proposal for a 2-year pilot trial:

*“Hamilton to Auckland passenger rail service via the Waterfront route (through Sylvia Park/ Glen Innes) onto the Strand station and carrying on to Newmarket as the termination point for the peak service.”*

A high level assessment has been undertaken on the preferred service proposal identified by the RWP to test if the assumptions made in 2011 RWP report are still valid, and whether the preferred option is still operationally feasible. The specific areas considered by the Steering Group as part of its assessment include:

- Policy alignment - strategic fit of the proposed service
- Operational feasibility in terms of, network access, stops en route and journey times for the service
- Station upgrade and other infrastructure requirements
- Financial analysis (patronage projection and funding requirements)

2011 Rail Working Party Preferred Service Option:		2017 assessment of the 2011 Rail Working Party Preferred Service Option	
<i>To operate a Hamilton to Auckland passenger rail service via the Waterfront route (through Sylvia Park/ Glen Innes) onto the Strand station and carrying on to Newmarket as the termination point for the peak service</i>			
Service details/perimeter	Key assumption/analysis	What has changed since 2011	Staff assessment
Policy alignment - strategic fit of the proposed service	<ul style="list-style-type: none"> <li>• The 2011 report stated that a passenger rail service between Hamilton and Auckland is broadly aligned with the national objectives of the 2012-15 Government Policy Statement (GPS), particularly for promoting economic growth and productivity. The proposed service would help to reduce congestion in Auckland<sup>5</sup> and to improve access to jobs and economic opportunities by making travel/commuting more accessible between two major economic centres.</li> <li>• The report also noted the proposed service would contribute to wider national/regional transport objectives such as improving transport choices, environmental sustainability and road safety.</li> </ul>	<ul style="list-style-type: none"> <li>• At a national policy level, the operative GPS 2015-18 continues with the direction set out in the previous GPS (2012-15) to focus on economic growth, road safety and value for money. With respect to public transport, the priorities are to focus on growing public transport in major urban centres (Auckland &amp; Wellington) and to increase network productivity on key corridors at peak periods.</li> <li>• It is expected that Government’s strategic transport priorities around economic growth and productivity, road safety, and value for money will remain in the next 2018-21 GPS. There is however an increased emphasis under the economic growth and productivity priority to focus on assisting high growth urban areas<sup>6</sup> by supporting Housing Infrastructure Fund and the implementation of the Auckland Transport Alignment Project.</li> <li>• At a regional level, the role of inter-regional passenger rail was considered further during the development of the Waikato Regional Land Transport Plan 2015-2045 (RLTP) in 2014/15. The RLTP identifies a passenger rail service between Hamilton and Auckland as a medium to long term priority for the Waikato region. It also identifies a number of critical constraints/factors that will need to be considered to support a passenger rail service between Auckland and Waikato e.g. Completion of Auckland Central Rail Link and extension of electrification of the rail line from Papakura to Pukekohe to improve network reliability and capacity.</li> </ul>	<ul style="list-style-type: none"> <li>• The policy environment has not undergone significant change since 2011, and the Government’s strategic priorities around economic growth and productivity, road safety, and value for money, remain unchanged. However there is an increased focus on transport investment to assist housing development in high growth urban areas (including Auckland and Hamilton). Any future rail proposal will need to be assessed against the current and future GPS strategic priorities and the associated national land transport objectives and results.</li> <li>• Whilst there is no clear regional policy mandate for the provision of an inter-regional passenger rail service, the current regional policies do reflect the Waikato region’s desire to improve inter-regional planning/collaboration and transport connections between Waikato and Auckland, and to look at ways to maximise the potential of each region and drive economic activity and growth.</li> <li>• The Transport Agency has signalled that from 1 July 2015, any new activity seeking funding via the NLTP must be able to demonstrate that the BCA principles have been applied in developing the case for investment. Whilst there was no business case prepared for the 2011 passenger rail proposal, it was recommended by the RWP as a logic next steps, if there was a general willingness from the funding partners to proceed further with the proposal (2011 RWP Final Recommendation Report August 11). The business case will contain details of, the problem</li> </ul>

<sup>5</sup> 70% of the quantified benefits of the proposed service is attributed to reducing congestion

<sup>6</sup> As defined in National Policy Statement on Urban Development Capacity

		<ul style="list-style-type: none"> <li>• The Draft Waikato Plan developed under the guidance of a joint committee established by the Waikato Mayoral Forum includes actions that focus on improving cross-boundary public transport connections. It identifies connecting our communities through targeted investment as one of five priorities for the region, and integrating Auckland and Waikato's transport networks as one of 10 first order priority actions</li> <li>• The Waikato Means Business Strategy 2014<sup>7</sup> identifies maintaining and building our location advantage, and building, attracting and retaining skills and talent as strategic priorities and areas of focus for the region.</li> <li>• Introduction of the NZTA Business Case Approach (BCA) where the NZ Transport Agency is now required all transport activities seeking inclusion in the National Land Transport Programme (NLTP) to be developed in a manner consistent with the principles of the BCA.</li> <li>• LTMA amendments in 2013 which incorporate a new Public Transport Operating Model (PTOM) for planning of public transport services managed by regional councils/unitary councils.</li> </ul>	<p>or opportunity this proposed service is aiming to address, what alternatives to this proposal have been assessed and how the proposal fits in with national and regional priorities.</p> <ul style="list-style-type: none"> <li>• The LTMA amendments have established a new policy framework for planning and procurement of public transport services, known as the Public Transport Operating Model (PTOM). The PTOM will have particular implications on how public transport services (incl passenger rail) are contracted and managed by regional councils.</li> </ul>
The operational feasibility of the proposed service	<p><b><u>Route and terminating station</u></b></p> <ul style="list-style-type: none"> <li>• It was proposed that the service will run between Frankton station in Hamilton and Newmarket in Auckland (via the Strand station with connecting bus services to the CBD) at peak times.</li> <li>• The peak service will travel on Waterfront route through Sylvia Park/ Glen Innes onto the Strand station and carrying on to Newmarket as the termination point.</li> <li>• The off-peak service could operate between Hamilton and Britomart station in Auckland.</li> <li>• The report found that is no berthing capacity available at Britomart station during both the morning and afternoon peak periods, so the only viable option for a service to go into the CBD was via the Strand station. This would however require the provision of new bus services to/from the CBD and the installation of associated bus stops.</li> <li>• Other options considered including, extension of existing Metro service to Hamilton or a Silver Fern service between Hamilton and Pukekohe. However these were not supported due to technical constraints, costs or timetable issues.</li> </ul> <p><b><u>Timetable and journey time</u></b></p> <ul style="list-style-type: none"> <li>• The proposed service would include 2 peak and 2 off-peak trips every weekday. The morning peak service will start in 6am from Frankton station and arrive at Newmarket at about 8.20am. The maximum expected travel time is about 2 hours 20 minutes.</li> </ul>	<p><b><u>City Rail Link</u></b></p> <ul style="list-style-type: none"> <li>• The constraints with the Britomart station access during peak period still exist and it is unlikely to change until the City Rail Link (CRL) is completed which would greatly improve the capacity and access to the Britomart station. A funding commitment has been made by Auckland Council and Central Government to complete the CRL by 2022/23 and the construction is currently underway.</li> </ul> <p><b><u>Auckland network Improvement</u></b></p> <ul style="list-style-type: none"> <li>• Significant investment has been made by the Government to electrify Auckland's rail network from Swanson to Papakura and to upgrade signalling and train control system. The electrified network extends from Papakura in the south to Swanson in the west, and includes the Onehunga Branch Line and Manukau Rail Link.</li> <li>• Most of the Auckland Metro rail services are running on electric units with the exception of Papakura to Pukekohe, which runs a diesel shuttle service. Rail electrification from Papakura to Pukekohe has been included in the Auckland Transport Alignment Project (ATAP) for the first decade (2018 to 2028), however the funding has not been confirmed/committed. AT is also investigating the option of battery powered train unit which allow the electric services to be extended to Pukekohe.</li> <li>• The third rail line between Wiri and Westfield is also included as a first decade priority in the ATAP Final Report. This project is essential to provide for passenger and freight growth in Auckland and substantial enabling works have been already underway i.e. a business case has been completed.</li> <li>• Forecast growth rates for Auckland passenger rail pre CRL opening are as follows: 18% (2016/17); 10% (2017/18); 5%</li> </ul>	<ul style="list-style-type: none"> <li>• Whilst the network/access issues at the Britomart station could be improved with the completion of CRL project, it is noted that diesel services are no longer permitted to enter the Britomart station due to safety reasons. Given this, any new inter-regional service that will require access to the Britomart station should be planned in conjunction with the network electrification between Auckland and Hamilton.</li> <li>• Network access in during peak periods has been identified as a critical constraint. There is presently no operational and berthing capacity available at either the Britomart or Newmarket stations. Whilst a limited peak and off peak service could be operated between Hamilton and the Strand (subject to detailed operational modelling), it is not considered as a viable option as the service would not be able to continue once the City Rail Link (CRL) is completed. Auckland Transport is committed to increase the Auckland Metro service frequencies in conjunction with the opening of CRL. This will increase peak frequencies on the southern line and as a result (and given the established rail freight paths) there will be no spare capacity between Papakura and Westfield line to accommodate any new peak service.</li> <li>• Given the planned Metro service improvements and the anticipated growth in freight rail, the ability to operate additional trains through north of Papakura is extremely limited. The network constraint issues are unlikely to be resolved until the third main rail line and the proposed works at Westfield Junction are completed. These project are included in the ATAP, however no funding has been committed</li> <li>• The maximum expected travel time as indicated in the RWP report was about 2 hours 20 minutes (from Frankton to the Strand station). It is anticipated that the journey time is likely to</li> </ul>

<sup>7</sup> An economic development strategy of the Waikato region instigated by the Waikato Mayoral Forum completed in February 2014.

	<p><b>Rolling stock</b></p> <ul style="list-style-type: none"> <li>A silver fern railcar (96 seating capacity) will be used for the start-up service. The railcar will be refurbished to high standard including new interior and toilet facilities. The cost will included in the annual operating cost. This option is also considered as the affordable option</li> </ul>	<p>(2018/19); 6% (2019/20); and then 5% per annum until the commencement of City Rail Link services. There is expected to be a significant uplift post the City Rail Link opening with the introduction of higher frequency services.</p>	<p>take longer due to the current Metro service timetables and the planned service level improvements in the future.</p> <ul style="list-style-type: none"> <li>It is noted that Auckland Transport have no spare rolling stock available for use on a Hamilton to Auckland service. Further assessment will need to be undertaken in conjunction with KiwiRail to assess the availability of rolling stock any required refurbishment (e.g. toilet facilities) to support a future inter-regional passenger rail service</li> </ul>
Infrastructure/station upgrade	<ul style="list-style-type: none"> <li>The proposed service includes stops at the following stations – Frankton, The Base, Huntly, Te Kauwhata, Tuakau, Papatoetoe, The Strand and Newmarket.</li> <li>RWP assessed the infrastructure requirements at the different stations in Waikato, and it was concluded that only The Base (Hamilton), Ngaruawahia and Tuakau stations would require more extensive work in terms of platform upgrade and pedestrian crossing</li> <li>It was assumed that capital cost associated with station upgrade will be funded by the territorial authorities (not included in the final preferred proposal).</li> </ul>	<ul style="list-style-type: none"> <li>Waikato District Council has identified in its 2016 Long Term Plan an investment commitment of \$500,000 to upgrade the Tuakau rail platform (Note that this is reliant upon a 50 percent co-funding contribution from the NZ Transport Agency which is not confirmed). This is staged to occur in 2022.</li> <li>Hamilton City Council has reported that work is currently underway to investigate potential for land banking sites for passenger rail stations and park and/or ride in Hamilton, specifically in Frankton and Te Rapa. There is currently no funding committed to any future upgrade of the railway stations in Hamilton</li> </ul>	
Funding requirements	<ul style="list-style-type: none"> <li>Funding requirements for the service proposal: <ul style="list-style-type: none"> <li>Total cost of service \$1.97 million</li> <li>Fare recoveries \$0.74 million</li> <li>Funding gaps \$1.23 million</li> </ul> </li> <li>It was also assumed that a funding application will be made to NZTA supported by a full business case, and will need to be included in the RLTP for NLTP funding consideration.</li> <li>The benefits accruing to Auckland from the proposed service will need to be quantified as part of the business case development and funding contribution will need to be discussed with Auckland Council and Auckland Transport.</li> </ul>	<ul style="list-style-type: none"> <li>It should also be noted that the market dynamics may have changed considerably since the 2011 report. While patronage demand is likely to be higher (this has not been assessed), competition from the bus industry is also greater, offering the same journey time, but with greater frequency at less cost. This will have an impact on any rail patronage and revenue assumptions</li> <li>There are significant challenges in identifying and implementing funding across multiple organisations for subsidies through rates and other sources, particularly in the absence of a robust business case.</li> </ul>	<ul style="list-style-type: none"> <li>No detailed financial analysis was carried out, given that the 2011 proposal is not considered as a feasible option under the current network conditions. However some data have been collected, including Future Proof population projections and Census Journey to Work data which could be used for future patronage assessment</li> </ul>



**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** Hamilton Ring Road - Cobham Drive Connection Update

**Author:** Christopher Barton

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Access Hamilton Strategy</i>
<b>Financial status</b>	<i>There is budget allocated Amount \$7.822m in 2017/18. Further funding is being sought through the 2018-28 10 Year Plan process</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To inform the Committee regarding an update on the final stage of the Hamilton Ring Road project extending Wairere Drive to Cobham Drive, to seek approval of the Concept Design and to seek endorsement to progress further detailed design and construction planning.

## 3. Executive Summary

- On 28 July 2016 staff took a report to Council discussing the scope of the Wairere Drive connection to Cobham Drive where it was resolved that councils preferred intersection form was a grade separated intersection (traffic overbridge) which enabled a future connection to the Peacockes growth cell.

Council requested staff to progress investigation and concept design work for the traffic over bridge in preparation for the 2018-28 10 Year Plan, and any potential application to the Housing Infrastructure Fund (HIF). Staff were also requested to engage with NZTA and progress a subsidy application based on the revised project scope and timing.

- Preliminary design work has now been completed and the recommended traffic over bridge concept is shown in Attachment One. A key change to earlier concepts has been to take Cobham Drive over top of Wairere Drive which has improved urban design outcomes, improved walking and cycling facilities, and provided some construction related benefits.
- Consultation with key stakeholders is ongoing and to date has been informative in development of the urban design and landscaping aspects which aim to integrate and complement the varying surrounding land uses which include residential communities, the Hamilton Gardens and other nearby recreational areas.

7. The next stages of this project are to commence the detailed design, procure required land, obtain resource consents and undertake necessary service relocation enabling works. Continuing with these components will enable the project to be ready for construction in 2018 in anticipation of positive funding outcomes through the 10 Year Plan process and potentially through the Housing Infrastructure Fund.
8. Council currently has funding allocated in the 2017/18 Annual Plan however this is not enough and there remains an overall project funding shortfall to complete the traffic over bridge. The local share shortfall to complete the project is between \$9m and \$14m as indicated in the July 2016 report and it is proposed that additional funding is considered as part of the 2018-28 10 Year Plan process. Funding confirmation is needed prior to contract award for the main physical works.
9. Staff are working closely with NZTA who have approved the concept design and 51% funding subsidy for the investigation and design stage. Once detailed design is sufficiently completed, and the additional local share funding is confirmed, an application for NZTA funding subsidy for the construction phase can then be made.

### **Recommendation from Management**

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) approves the Concept Design and the project urban design scope for the Wairere/Cobham intersection as shown in Attachments 1 and 2;
- c) request staff to progress detailed design and construction drawings, construction tender documents, major service relocations and other enabling works necessary for construction to begin in 2018, using the funding allocated for 2017/18;
- d) requests staff to include the currently unfunded additional local share requirements of \$9m to \$14m for consideration in the 2018-28 10 Year Plan; and  
requests staff continue to engage with NZTA and progress a funding subsidy application for construction.

### **10. Attachments**

11. Attachment 1 - May 2017; Intersection Concept Design
12. Attachment 2 - May 2017; Urban Design and Landscape Concept
13. Attachment 3 - July 2016; Intersection Option Assessment

### **14. Key Issues**

15. Background
16. Wairere Drive Extension from Cambridge Road to Cobham Drive (SH1) is the final section of the Hamilton Ring Road network, and the final stage of the Hamilton Ring Road project. The scope includes the length from Cambridge Road/Naylor Street intersection through to Cobham Drive.

17. On 28 July 2016 Council received a report on the Ring Road Cobham Drive Connection and resolved;
- a) *the report be received.*
  - b) *Council confirm a grade-separated Wairere Drive/ Cobham Drive intersection, consistent with the Southern Links designation, as its preferred intersection form;*
  - c) *staff undertake initial planning, investigation and concept design work for the grade separated intersection in preparation for the 2018-28 10 Year Plan and any potential application to the Government's \$1 billion fund to fast-track infrastructure development;*
  - d) *staff engage with the New Zealand Transport Agency and progress a subsidy application based on b) and c) above*
18. Council were advised at this time that to complement the Roundabout intersection, a separate pedestrian overbridge was required and that the additional local share funding required over and above existing approved project funding for the roundabout and the footbridge would be between \$2 and \$10.5 Million depending on the type of footbridge Council wanted.
19. This together with the fact that the roundabout would have a limited life depending on the timing of growth in Peacockes, and therefore be sacrificial, lead Council to its resolutions to pursue the long term grade separated intersection.
20. In making this decision in July 2016 Council were advised that expected gross costs to complete the project were in the range of \$28m to \$38m (excluding land procurement) and that additional funding over and above existing approved project funding would be required, and that this would be in the order of \$9m to \$14m (HCC share) in the early years of the 2018-28 10 Year Plan (Attachment 3- this is the option assessment that Council considered in July 2016).
21. This decision was based on higher city growth rates, direction from central Government in relation to forward land use capacity, and in response to potential opportunities presented through Central Governments Housing Infrastructure Fund (the HIF). Since then, growth has remained strong and Council has submitted a bid to the HIF for advanced funding for growth infrastructure.
22. The Southern Links project set out and protected the arterial transport network into and within the Peacocke growth cell. Key aspects of the Southern Links network have now been included in Councils recent bid for HIF funding and the location of the Wairere Drive/Cobham Drive intersection is where the first connection into the Peacocke growth area will be via a new bridge across the Waikato River.
23. Irrespective of the HIF outcome and timing, Wairere Drive needs to be connected through to Cobham Drive to complete the final critical link in the arterial transport network. Until Wairere Drive is connected to Cobham Drive, there are increased traffic volumes on local roads which are not normally intended to be major through routes.
24. Concept Design
25. Over the past 9 months staff have reviewed the intersection design that was used to inform the designation through the Southern Links project. Value engineering opportunities were identified and have been worked through in arriving at the Concept design shown in Attachment 1.
26. The layout of the intersection was a key focus. Originally the traffic over bridge was proposed to take Wairere Drive over Cobham Drive. While this would operate successfully, a number of benefits have been identified by actually swapping this around and having Wairere Drive down underneath and Cobham Drive running over top.

27. The new Concept design includes full four laning between the Bridge and the Cambridge Road intersection, leaving only the section from Cambridge Road to Ruakura Road to be investigated for future four laning.
28. Walking and cycling
29. This point on the transport network is very important for active transport users and a number of existing and future strategic shared walking and cycling routes converge here. High quality walking and cycling facilities are an integral component of this project connecting the varying land use featuring on each of the four corners of this intersection. The project team will continue to work with Te Awa River Ride, Hamilton Gardens, and other key stakeholders in this space to refine the detail and optimal level of connectivity. The shared path network is schematically shown in Attachment One and will evolve through continued design and stakeholder inputs.
30. By generally keeping the shared paths down at ground level running under the bridge instead of going up and over, it provides a better facility for users by enabling gentler slope gradients and better connectivity with recreation reserve activities, Hamilton Gardens, and commuters through to key destinations.
31. Space is now available sufficient for shared paths on both sides of Wairere Drive through this length responding to the likely high levels of walking and cycling activity in the area from the popular Hamilton Gardens and also from the planned connections to Te Awa cycle way.
32. Urban design and landscaping philosophy
33. An urban design and landscaping approach for this project has been developed in close liaison with key stakeholders including Councils Hamilton Gardens, and Parks and Open Spaces units who both have future plans to integrate and align with.
34. Additionally just to the south of this site the future bridge across the Waikato River into the Peacocke growth area will be constructed. This will be one of the highest bridges in Hamilton and specialist visual and architectural input will be undertaken at the appropriate time to create an appropriate feature.
35. Given the wider context of the area and surrounding land use being well understood and known, an appropriate urban design and landscape philosophy for the traffic over bridge is to minimize and simplify structural elements and land forming and not creating specific artistic or architectural features so as not to detract from the other surrounding features. Some small areas will exist to add texture through concrete finishing and choice of construction material and these will continue to be refined within the wider project team.
36. Landscaping will integrate with the plans of the Hamilton Gardens and Parks and Opens Spaces future plans which include gully restoration and recreational facilities, and these will be designed with maintenance and longevity in mind.
37. Implementation issues
38. Options to construct the work in stages and investing only the minimum needed now have been considered. For example building just 2 lanes initially but setting up all supporting infrastructure now so that additional lane capacity can be retrofitted later as demand increases. Given the significance of this intersection and the already high traffic volumes on Cobham Drive, the works to retrofit this site would be complex, disruptive, and expensive. This is not being recommended, however opportunities for value engineering will continue to be identified and assessed.

39. Ahead of Wairere Drive being completed through to Cobham Drive, local roads in the area are under higher than normal pressure from increased traffic flows, particularly trucks. Additionally we are seeing even further network pressure as other projects around the network are beginning or underway, and until these projects are completed pressure on the local road network will increase even further. Staff will continue to monitor these effects and liaise with NZTA as necessary to optimise traffic management measures where possible but network impact is largely unavoidable.
40. At other locations along Cobham Drive NZTA have other projects underway and are continuing to liaise with Council staff. At the Cambridge Road/Cobham Drive intersection NZTA are working on plans to upgrade the existing roundabout to traffic lights to better manage traffic flows and improve pedestrian connectivity. Timing and staging of these works in association with the Wairere Drive connection to Cobham Drive will need to be coordinated. Also, near Grey Street, construction of a new underpass is currently underway connecting Hamilton East to the Hamilton Gardens and River path.

#### 41. Financial and Resourcing Implications

42. It is proposed that the project is jointly funded by NZTA via a project subsidy at a rate of 51% (HCC local share of 49%).
43. The next steps in the project are; detailed design, construction drawings, and construction tender documentation which is expected to cost \$2.25m, and relocation of major services currently thought to cost around \$1m.
44. There is \$7.822m currently allocated in the 2017/18 Annual Plan. Table 1 shows how this will be allocated, and table 2 shows the estimated total project costs and additional funding requirements.

**Table 1**

Financial approvals being sought within existing funding		
Existing funding allocated in 2017/18	\$7.82m	
Detailed design, construction drawings, and construction tender documentation		\$2.25m
Enabling works and strategic service relocations		\$1m <sup>1</sup>
Balance towards construction stage		\$4.57m
<b>Total</b>	<b>\$7.82m</b>	<b>\$7.82m</b>

**Table 2**

Traffic over bridge– Estimated total project costs	
Work completed to date (approx.) Undertaking preliminary investigation and design, as well as completing works under contract 10044	\$1.6m
Detailed design, construction drawings, and construction tender documentation	\$2.25m
Enabling works and major service relocations	\$1m <sup>1</sup>
Construction and other project costs	\$23.15m - \$33.15m <sup>2</sup>
<b>Total project costs</b>	<b>\$28m - \$38m<sup>3</sup></b>

Budget allocated in 2017/18	\$7.82m
Funding shortfall (additional funding required) <ul style="list-style-type: none"> <li>• Total (gross)</li> <li>• Local share (required in years 2018/19 and 2019/20)</li> </ul>	\$18.6m - \$28.6m <b>\$9.0m - \$14.0m</b>

<sup>1</sup> – scope of enabling works and service relocations still being identified. Cost is currently indicative only.

<sup>2</sup> – land costs are still currently unclear and are excluded from these cost estimates.

<sup>3</sup> – cost estimate range is indicative until detailed design can be progressed and cost estimates refined.

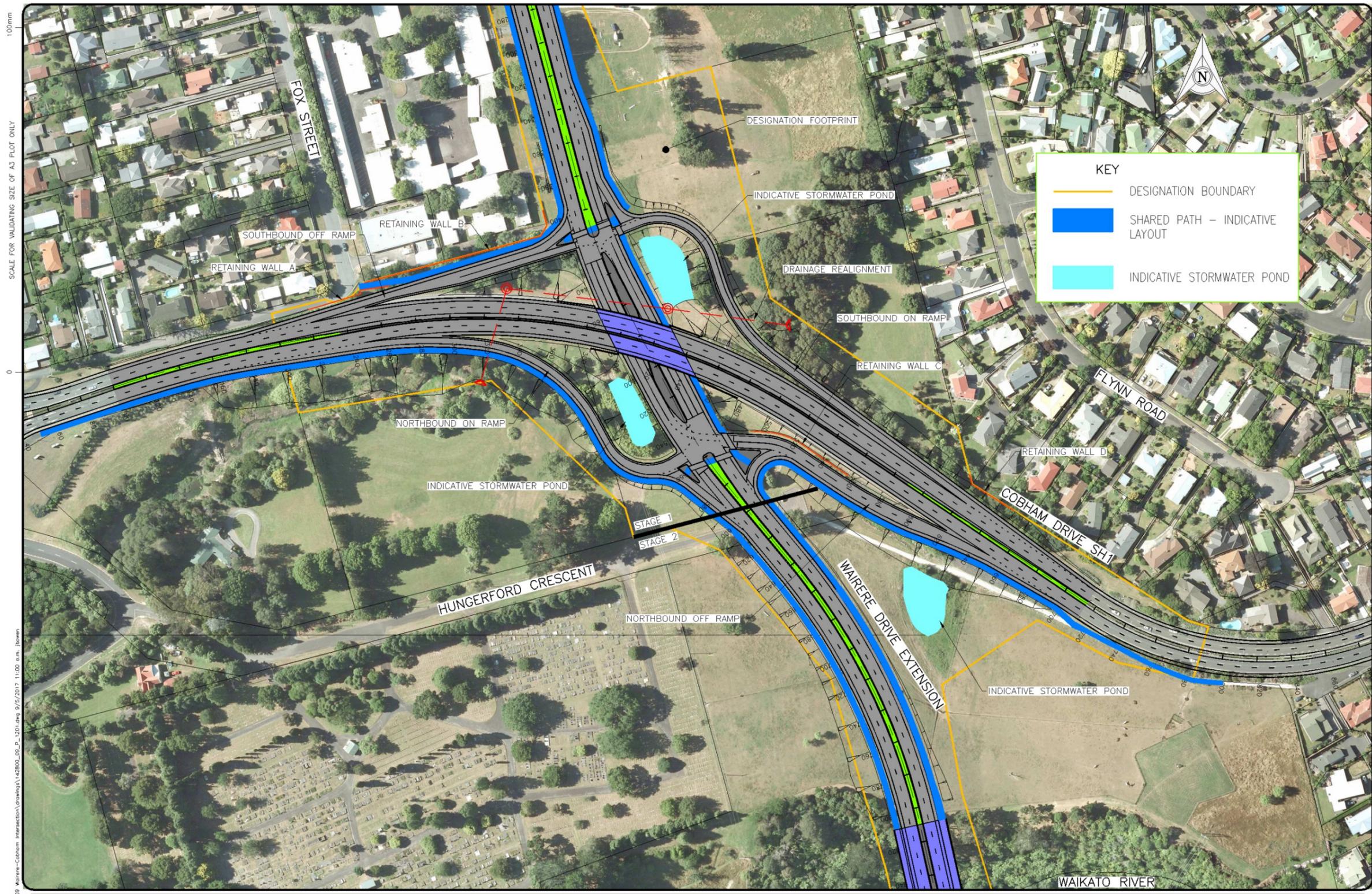
- 45. Staff are confident the project can be managed within the estimate range provided, and once detailed design has been completed a more robust and refined project estimate can then be prepared as risks and other price uncertainties will be better understood.
- 46. Ongoing liaison with NZTA has been very positive. NZTA have endorsed and approved the project scope and have also approved subsidy for the project design stage. Once more robust cost estimates are available and the additional local share funding is confirmed, staff will progress a funding subsidy application for the construction stage.

**47. Risk**

- 48. In order to confirm subsidy for the construction phase of this project NZTA have indicated that they will require confirmation of the local share funding component, which is currently unallocated. This is normal NZTA procedure. It is proposed to address this through the 2018-28 10 Year Plan process, however this could delay contract award and physical works commencement from a potential ‘go fast’ delivery scenario.
- 49. The time for securing the land for the larger footprint of the traffic over bridge has a currently unknown time frame as it is currently held as recreation reserve. If this is unable to be completed or otherwise access is unable to be obtained, it would introduce delays to construction.
- 50. Significant city growth beyond what has been anticipated which may impact traffic models used for infrastructure planning. These risks will be considered and further future proofing over what is currently proposed could be required.
- 51. The project is being delivered under the Southern Links designation which has complex pre construction environmental and ecological conditions associated with the wider network. Ongoing monitoring normally needs to be completed over a number of consecutive seasons before specific mitigation plans can be developed and approved, mostly in relation to things like bats and loss of gully vegetation.
- 52. Normal project risks exist that would be expected in a project of this scope and scale, and these are being managed through appropriate use of experienced and qualified project team and design resources. Project costs estimates include contingency sums to account for risk and other price uncertainties and are included at levels normal and appropriate for a project at this early stage of investigation.

**Signatory**

Authoriser	Andrew Parsons, City Development Manager
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**KEY**

- DESIGNATION BOUNDARY
- SHARED PATH - INDICATIVE LAYOUT
- INDICATIVE STORMWATER POND

SCALE FOR VALIDATING SIZE OF A3 PLOT ONLY

<p>Version 2.04 - October 2013</p> <p>K:\142800 MCC Power\09 Wairere-Cobham Intersection\Drawings\142800_09_P_1201.dwg 9/5/2017 11:00 a.m. [open]</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Designed</td> <td>GT</td> <td>Checked</td> <td>EW</td> </tr> <tr> <td>Drawn</td> <td>GT</td> <td>Approved</td> <td>MJB</td> </tr> </table>	Designed	GT	Checked	EW	Drawn	GT	Approved	MJB	<p><b>BLOXAM BURNETT OLLIVER</b></p> <p>Phone 64-7-638 0144, Fax 64-7-639 0431</p>	<p><b>Hamilton City Council</b></p> <p>Te kaunihera o Kirikiriroa</p>	<p>Project: <b>WAIRERE DRIVE/COBHAM DRIVE</b></p> <p>Drawing: <b>ALTERNATIVE CONCEPT - COBHAM OVER WAIRERE</b></p> <p><b>GENERAL ARRANGEMENT PLAN</b></p>	<p>Status: <b>PRELIMINARY</b></p> <p>Date: <b>05.10.2016</b> Scale (Original Size A3): <b>1:2000</b></p> <p>Drawing Number: <b>142800/09 /P /1201</b> Revision: <b>B</b></p>
Designed	GT	Checked	EW										
Drawn	GT	Approved	MJB										



**Landscape and Urban Design Philosophy**

These project objectives provide more specific design responses that will be incorporated into the Project as follows:

- Consider the design quality of the interchange in terms of amenity, aesthetics of the experience, accessibility, safety and landscape context
- Create an interchange which is sympathetic to the wider landscape and integrates with the surrounding environment and land-uses
- Design earthworks and structures to compliment the landform.
- Relate to the future development proposals within the area
- Connect, retain and improve access to the existing built environment, open spaces and future development
- Create a structure look that integrates stormwater design and ecological planting in a formalised manner
- Provide quality attractive open spaces for a safe well connected cyclist and pedestrian network
- Provide a robust and integrated design that is attractive, coherent, durable and innovative
- Ensure secondary elements and detailing are developed as part of an integrated design

**Landscape and Planting Principles**

The landform and surrounding environment lends itself to the form of interchange. The surrounds present direction and resource to inform planting and landscape response, including:

- Simple bold and robust, largely native plant species selections
- Improve biodiversity and wildlife habitat particularly along the gully and connecting to the Waikato River banks
- Use of grass mown areas around open space areas for accessibility as well as lower maintenance
- Maintain park like character and soften the scale of structure with use of large scale trees
- Integrate shared path incorporate nodes of access, orientation, and potential seating or viewing opportunities

**Structural Design Principles**

The bridge structure is a central feature, and is proposed to be of concrete construction with emphasis on simplicity and minimalist design

- Cost effective structural elements incorporate simple appropriate textures, colours and detailing
- Selection of materials, patterns and themes reflective of the surrounding landscape and environs.



Vegetation types include native and exotic species. Character areas include open park land, gully and native vegetation adjacent to Cobham Drive



Koseland Park Retirement Home



## Wairere Drive Cobham Drive Intersection Option Assessment Summary

	1: Roundabout with Pedestrian/Cycle Over Bridge	2: Bridge to match Southern Links
		
Project Cost	\$88m – \$90m (\$14m - \$16m remaining costs for construction of this final stage) Current Budget Shortfall - \$4m - \$6m (\$2m - \$3m local share) <b>Note:</b> Pedestrian / Cycle Bridge Option A used for option assessment	\$102m - \$112m (\$28m - \$38m remaining costs for construction of this final stage) Current Budget Shortfall = \$18m - \$28m (\$9m - \$14m local share)
Future Cost to enable Peacockes Connection	\$28m - \$38m <b>Note:</b> No allowance for construction cost escalation over time.	\$0
Total Remaining Cost (Undiscounted)	\$42m - \$54m	\$28m – \$38m
Traffic Benefits (crash reduction & travel time)	Base scenario	More efficient and safer intersection option (\$6.3m traffic benefits by 2028 using NZTA economic evaluation criteria)
Incremental BCR <b>Note:</b> This is purely an incremental assessment - does not change the overall project BCR of 3.8.	Base scenario	<b>BCR = 21</b> (Compares option of constructing Option 2 now for \$28.5m to the alternative of constructing Option 1 now for \$14.1m, and then implementing the grade separated intersection in 2028 at a cost of \$28.5m)
Incremental Strategic Fit, Effectiveness & Efficiency <b>Note:</b> This is purely an incremental assessment - does not change the overall Ring Road profile of HHM	Base scenario	<u>Strategic Fit</u> <u>Effectiveness</u> <u>Efficiency</u> High                      High                      High
Timing	Roundabout construction completion 2017	2016/17 & 2017/18 – Land procurement , consenting and design 2018/19 & 2019/20 – Construction
Pro's	<ul style="list-style-type: none"> <li>All land and most consents in place for construction to begin</li> <li>Performs adequately until Peacockes connection needed</li> </ul>	<ul style="list-style-type: none"> <li>No sacrificial infrastructure - no significant additional works need to be carried out to allow for Southern Links/Peacockes connection</li> <li>Facilitates Peacockes connection earlier if necessary – future proofing for accelerated growth.</li> <li>Opportunity to put RAB costs towards final solution</li> <li>Cheaper whole of life cost compared to RAB</li> <li>Less construction and ongoing operational impact than RAB on Cobham Drive performance, efficiency and safety.</li> <li>Provides all necessary long term walking and cycling provisions.</li> <li>Facilitates enhanced ped/cycle connectivity across Wairere Drive</li> </ul>
Con's	<ul style="list-style-type: none"> <li>Requires \$4m - \$6m (gross) additional funding to complete project as currently scoped</li> <li>Does not facilitate or enable accelerated Peacockes growth.</li> <li>The Cobham Drive roundabout and a significant extent of Wairere Drive is sacrificial when Peacockes connection is made.</li> <li>Significant disruption to network including likely long-term Wairere Drive closure to remove roundabout and implement future Southern Links works – reputational risk.</li> <li>Requires pedestrian bridge now which is then not essential in future when grade separated intersection is constructed.</li> </ul>	<ul style="list-style-type: none"> <li>Requires \$18m - \$28m (gross) additional funding not currently allowed for in the 2015-25 10 year plan.</li> <li>The existing local road network will need to cope with interim congestion for longer than originally anticipated until the connection to Cobham Drive is completed.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Significant costs risks exist when estimating the future costs of Southern Links works. Until more detailed investigation and design is completed, a range of \$28m to \$38m has been assumed which is presented in 2016 un-escalated dollars. Over time, this range could escalate significantly.</li> <li>The timing of Southern Links is still uncertain; however current accelerated growth projections indicate an earlier requirement transportation connection to facilitate Peacockes Stage 2 development.</li> <li>Stage 1 costs could escalate as a result of requirements to provide additional Wairere Drive pedestrian crossing facilities or an enhanced pedestrian bridge to meet urban design requirements.</li> </ul>	<ul style="list-style-type: none"> <li>No design work has been completed to enable the current construction cost estimates to be tested. Costs may be higher than expected - only option level pricing carried out so far.</li> <li>Land purchase or meeting pre-construction designation conditions could take longer or cost more than expected.</li> <li>NZTA subsidy for design and construction of a grade separated intersection is not yet confirmed.</li> <li>Timing of a future Peacockes growth cell connection is uncertain.</li> <li>Concept design does not include provision for Public Transport priority, which if required could significantly impact cost.</li> <li>The timing of other growth related services may be impacted from advancing Southern Links. ie water and wastewater.</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>Calculations assume pedestrian/cycle bridge option A (the base functional concept) is used for evaluation purposes</li> <li>Costs to construct the Southern Links grade separated intersection is presented as a range from \$28m - \$38m and is based on 2015 AECOM option estimate. For evaluation purposes future cost escalation has not been applied as per the NZTA economic evaluation procedures.</li> <li>Land purchase costs have been excluded from calculations. Land procurement is assumed to be completed under either scenario in similar timeframes so cost implications will be neutral in regard to option evaluation.</li> <li>A transportation connection to facilitate Peacockes development in the form of a grade separated intersection will be required.</li> <li>Savings from not implementing the roundabout and pedestrian bridge solution would be invested into the grade separated option.</li> <li>That NZTA funding assistance will be achievable for construction, land purchase, and retrospectively for investigation and design.</li> </ul>	



**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** Refuse Transfer Station & Hamilton Organic Centre - Proposed Increase of Gate Fees 2017/18

**Author:** Trent Fowles

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>The proposed RTS fee increase is consistent with the objectives of the Waste Management and Minimisation Plan</i>
<b>Financial status</b>	<i>There is no budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

2. To inform Council on the notified gate fee increases at the Refuse Transfer Station by Waste Management Ltd.
3. To seek approval of Hamilton Organic Centre gate fee increase by Waste Management Ltd to offset increased operational costs.
4. To confirm whether Council wishes to subsidise the proposed gate fee increases at the Refuse Transfer Station and Hamilton Organic Centre.

## 5. Executive Summary

6. Waste Management have formally notified Hamilton City Council of a proposed annual increase in gate fees at the Refuse Transfer Station and the Hamilton Organic Centre in accordance with the provisions within the respective lease agreements.
7. The date of the last gate fee increase at the Refuse Transfer Station was 1 July 2016 and 2010 for the Hamilton Organic Centre.
8. Refuse Transfer Station and Hamilton Organic Centre gate fees are proposed to increase to recover costs associated with increased operational costs for the management of the respective sites, and will come into effect 1 July 2017. Staff consider these increases to be appropriate.
9. Under its lease agreements for the two sites, Council has the opportunity to consider a subsidy of Refuse Transfer Station and/or Hamilton Organic Centre gate fees if the effects of the increase are deemed to be adverse to the community.

10. Staff do not recommend a subsidy of the Refuse Transfer Station gate fees on the basis that the notified increase is a true cost of this service that should be borne by the end user and that the provision of a subsidy does not support councils obligation under the Waste Minimisation Act 2008 of encouraging and promoting waste minimisation within the District.
11. Staff do not recommend a subsidy of the HOC gate fees on the basis that the notified increase is a true cost of this service that should be borne by the end user and, that there is sufficient price incentive for consumers between the HOC and RTS gate fees.
12. The Refuse Transfer Station and Hamilton Organic Centre gate fees will remain comparable to alternate facilities in the region.

### **Recommendation from Management**

That the Growth and Infrastructure Committee:

- a) receives the report;
- b) notes the increase in Refuse Transfer Station gate fees proposed by Waste Management to be implemented 1 July 2017 and declines the opportunity to offer a Council funded subsidy of these gate fees; and
- c) approves the increase in Hamilton Organic Centre gate fees proposed by Waste Management to be implemented 1 July 2017 and declines the opportunity to offer a Council funded subsidy of these gate fees.

### **13. Attachments**

14. Attachment 1 - Refuse Transfer Station - Historical Gate Fee Changes - 2017
15. Attachment 2 - Refuse Transfer Station - Waste Management - Comparison of Transfer Station Rates - 2017-06-08
16. Attachment 3 - Hamilton Organic Centre - Waste Management - Comparison of Organic Centre rates 2017-06-08

### **17. Key Issues**

### **18. Proposed New Refuse Transfer Station Gate Fee Charges**

19. Waste Management (WM) has a Deed of Lease with Hamilton City Council (HCC) that provides a mechanism for changes to Refuse Transfer Station (RTS) gate fee charges.
20. Clause 16.6 of the Deed of Lease between Council and WM states:

*The Tenant shall not increase, amend or alter the gate fees payable by the public for the disposal of car or trailer/van/ute loads of refuse without first providing written notice to the Landlord at least 10 weeks prior to the date the new fees are to become effective and discussing and justifying the fee increase to the Landlord.*

*The Landlord shall have the option of subsidising the fee payable by the public to keep the advertised fees at a lower level. Any such subsidy shall be confidential to the parties and shall not be disclosed to the public.*

21. WM has advised HCC, on the 4 April 2017, of a proposed increase to the public gate fees for the drop off of rubbish at the RTS.

22. The proposed changes to the RTS gate fees are to be effective from 1 July 2017. The last change to gate fees occurred 1 July 2016.
23. The proposed increased gate fees are as follows:

Load Measurement	Current fee	New fee (1 July 2017)	Price increase	Percentage Increase
Bag drop off (per bag)	\$4.00	\$4.30	\$0.30	7.5%
Cars	\$15.50	\$16.30	\$0.80	5.2%
Vans & Utilities	\$38.00	\$40.00	\$2.00	5.3%
Small Trailers (up to 300kgs)	\$43.00	\$45.00	\$2.00	4.7%
Other Trailers & Trucks (per tonne)	\$162.00	\$170.00	\$8.00	4.9%

24. The increase is variable for Cars, Vans, Utilities, Trailers and Trucks due to rounding for ease of cash handling.
25. The proposed gate fee increases are in line with the average fee increases that have occurred for each load measurement over the past 8 years. Historical trends of RTS fee changes can be seen in Attachment one.
26. The proposed gate fee increases are a reflection of the actual increased costs incurred with operating the transfer station. The increase in operational costs is not linked to CPI or any other industry index. They are primarily as a result of an increase in landfill disposal costs, including the following changes:
- The New Zealand Emissions Trading Scheme has changed the surrender obligations for Landfill operators. From January 2017 Landfill operators have to surrender 1 unit for every 1.5 tonnes of CO<sub>2</sub>-e emissions instead of 1 unit for every 2 tonnes. This will continue to increase over the next 18 months until it reaches 1 unit for every tonne of CO<sub>2</sub>-e emissions.
  - Over the past two years the New Zealand Emissions Trading Units have increased in price from around \$5 per tonne to over \$15 per tonne.
  - The cost of constructing, monitoring and rehabilitating landfills has increased as the standards have been updated.

Other price changes that are impacting on operational costs include:

- Labour rate increases for staff at the RTS.
- The cost of providing a free household chemical drop off service is increasing and will continue to increase into the future. Waste Management are contractually required to provide this free drop off service at the RTS. The costs of providing this are covered through the gate fee for other wastes.
- The subcontractor rates for the RTS have increased. The contract with Waste Management was extended by 2 years, as a result they have negotiated extensions with their subcontractors. This has resulted in rate increases in line with the annual contractual indices.
- Permanent extension of hours of operation that the site is open to the public to accommodate increased patronage.

27. Staff have reviewed the gate fee increases and are satisfied that they are justifiable. They are in line with what other Councils and service providers are charging. Cost comparisons are outlined in Attachment two.

28. WM operate in a competitive environment with other private waste providers located in Hamilton, so market forces are in effect.

**29. Consideration of Council subsidising Refuse Transfer Station gate fees**

30. HCC has not subsidised the RTS gate fees to date and there is not financial provision in the 2015-25 10 Year Plan for a financial subsidy.

31. A subsidy of the RTS gate fees is not recommended on the basis that the notified increase is a true cost of this service that should be borne by the end user and, that the provision of a subsidy does not support councils obligation under the Waste Minimisation Act 2008 to encourage and promote waste minimisation within the District.

**32. Proposed New Hamilton Organic Centre Gate Fees**

33. In November 2016 H G Leach & Company Limited sold its plant, assets and operation at the Hamilton Organic Centre (HOC) to WM, the current provider of Hamilton’s kerbside rubbish and recycling services and operator at the RTS. As part of the sale transaction all site related leases and contracts were assigned to WM.

34. Clause 11 of the Agreement to Provide Service (Contract Number 08053) between HCC and WM provides a mechanism for changes to HOC gate fees and states:

*Where revised gate fees are proposed, HCC shall be notified and approval obtained prior to adopting the new fee structure. In considering proposed gate fees HCC shall not unreasonably withhold approval.*

*In considering the proposed fee structure, or at any time thereafter, HCC may choose to subsidise proposed gate fees in the interest of promoting waste minimisation. The conditions of any such subsidy shall be agreed between the parties but any subsidised gate fee will not exceed 90% of the fees for disposal at the refuse transfer station.*

*Where new fees are proposed HCC shall notify the Operator of a decision within 8 weeks. If such approval is not available within 8 weeks, the parties shall meet to resolve any differences between them regarding the revised gate fees.*

35. WM has advised HCC, on the 4 April 2017, of a proposed increase to the gate fees for the drop off of organic material at the HOC. The 8 week timeframe was negotiated to be extended to the 21 June 2017 to allow for a decision from the Growth and Infrastructure Committee meeting.

36. The proposed changes to the HOC gate fees are to be effective from 1 July 2017. The last change to the rates occurred 2010 to cover the GST change from 12.5% to 15%.

37. The proposed increased gate fees are as follows:

Load Measurement	Current fee	Proposed New fee		Proposed Fee Increase	Proposed Percentage Fee Increase
		1 July 2017	Proportion of proposed 2017/18 RTS gate fee (<90%)		
Cars	\$8.20	\$9.00	55%	\$0.80	9.8%
Vans & Utilities	\$18.50	\$20.00	50%	\$1.50	8.1%
Small Trailers (6' x 4')	\$18.50	\$20.00	44%	\$1.50	8.1%
Tandem trailer small	\$26.00	\$29.00	64%	\$3.00	11.5%
Tandem trailer large	\$31.00	\$35.00	78%	\$4.00	12.9%
Public Truck (per tonne)	\$82.00	\$90.00	53%	\$8.00	9.8%
Commercial Truck (per tonne)	\$61.33	\$68.00	40%	\$6.67	10.9%
HCC Hiab Truck (per tonne)	\$57.50	\$63.25	37%	\$5.75	10.0%

- 38. The increase is variable due to rounding for ease of cash handling.
- 39. The proposed gate fee increases are a reflection of the actual increased operational costs incurred with providing the service by WM for the operation of the HOC site, including but not limited to labour rate increases for staff at the HOC.
- 40. Staff have reviewed the gate fee increases and are satisfied that they are justifiable. They are in line with what other Councils and service providers are charging. Cost comparisons are outlined in Attachment three.
- 41. WM operate in a competitive environment with other private green waste services located in Hamilton and the subregion, so market forces are in effect.
- 42. The HOC gate fees are not a Council fee or charge. Under the lease agreement Council currently is required to approve the gate fee increase and may consider the implementation of a subsidy.

**43. Consideration of Council subsidising Hamilton Organic Centre gate fees**

- 44. HCC has not subsidised the HOC gate fee previously, however there is the ability to provide funding via the Waste Minimisation Levy to provide a financial subsidy.
- 45. A subsidy of the HOC gate fee would align with the objectives and policies in Hamilton's current Waste Management and Minimisation Plan, specifically:

*Objective 1 – That within Hamilton City, there are safe, effective and affordable services for the collection, processing, marketing and beneficial reuse of waste and diverted material*

*Policy 3 – Actively seek to reduce operational issues associated with Council owned waste minimisation facilities and services.*

- 46. The proposed gate fee increases for public drop off of greenwaste at the HOC still remain affordable to the residents of Hamilton whilst enabling the HOC to remain commercially viable.

47. A subsidy of the HOC gate fees is not recommended on the basis that the notified increase is a true cost of this service that should be borne by the end user and, that there is sufficient price incentive for consumers between the RTS and HOC gate fees to ensure that greenwaste disposal is not diverted to landfill.

48. **Future Considerations**

49. The current lease agreements and contract with WM only allow council to approve the HOC gate fee increase and provide an opportunity to consider a subsidy for both the RTS and HOC sites.

50. Current leases for these sites expire in June 2019 (RTS) and June 2021 (HOC). The Waste Taskforce will consider the options for the control of gate fee price increases in relation to future leases/contracts.

**51. Financial and Resourcing Implications**

52. Should a subsidy be provided to maintain the existing gate fees at the RTS, the expected financial impact in 2017/18 is estimated to be approximately \$110,000.

53. Should a subsidy be provided to maintain the existing gate fees at the HOC, the expected financial impact in 2017/18 is estimated to be up to approximately \$68,000.

54. There is no current provision within 2015-25 10 Year Plan for the provision of a subsidy to offset increased RTS or HOC gate fees.

**55. Risk**

56. Public Perception

For those who use the RTS/HOC regularly and frequently, the gate fee increases will undoubtedly be received negatively, as any such increases are treated. However, for the occasional user the price increase is relatively small and unlikely to create a negative perception.

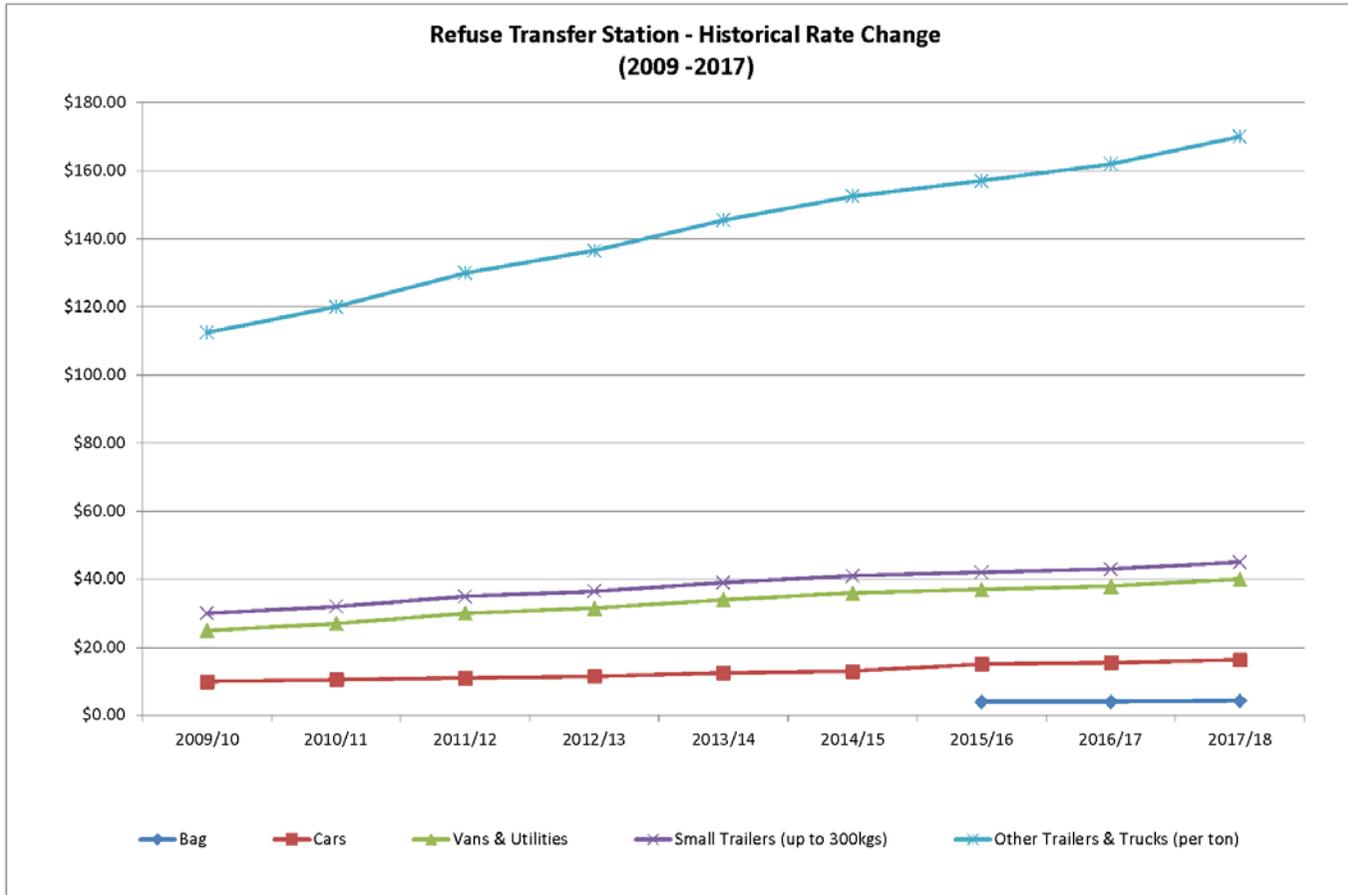
57. The RTS and HOC gate fees are not a Council fee or charge however the 2017/18 gate fees will be advertised on Councils website in parallel with Councils 2017/18 Annual Plan Fees and Charges.

58. Increased Illegal dumping

In general the majority of illegal dumping within Hamilton is small in scale (eg: kerbside collection related) and tends to be behavioral and not linked to cost. This risk is managed by ongoing compliance activities (education and enforcement). The risk of the increased illegal dumping as a result of increased fees at the RTS is low as most offending is due to behavior versus cost of gate fees.

**Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure
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**Hamilton Refuse Transfer Station - Waste Management – Comparison of Transfer Station Rates 2017-06-08**

Territorial Authority	Bag	Small trailer	Public \$/tonne
Hamilton Refuse Transfer Station – 1/07/17	\$4.30	\$45.00	\$170.00
Waikato District Council (MetroWaste)	\$5.00	\$50.00	\$165.00
Waipa District Council, Te Awamutu (Waste Management)	\$4.00	\$65.00	
Waipa District Council, Cambridge (EnviroWaste)		\$66	
Hauraki District Council	\$3.20	\$47.80	\$159.20
Matamata-Piako District Council	\$3.00		\$154
Otorohanga District Council	\$4.00	\$45 per m3	
Taupo District Council		\$28.00	\$110.00
Thames Coromandel District Council	\$3.00		\$170.00
Rotorua Lakes Council		\$35.00	\$138.00
Tauranga City Council			\$191.68
Christchurch City Council			\$241.00 - \$273.00
Hastings District Council		\$40.00	\$161.00
Whakatane District Council	\$4.00	\$48.00	\$242.00
Kawerau District Council			\$200.00

**Hamilton Organic Centre - Waste Management – Comparison of Rates 2017-06-08**

Territorial Authority	Small trailer/van/ute	Public \$/tonne	\$/m3
Hamilton Organic Centre – 1/07/17	\$20.00	\$90.00	
Waikato District Council (MetroWaste sites)	\$15.00 - \$35.00	\$110.00	
Waipa District Council Te Awamutu (Waste Management)	\$30 - \$60		
Waipa District Council Cambridge (EnviroWaste)	\$39.50		
Matamata-Piako District		\$69.00	
Otorohanga District	\$30.00		\$30.00
Taupo District Council	\$12.00	\$50.00	
Thames-Coromandel District Council		\$85.00	\$24.00
Rotorua Lakes Council	\$25.00	\$75.00	
Tauranga City Council		\$101.00	
Christchurch City Council		\$103.00 - \$135.00	
Hastings District Council	\$20.00	\$86.25	

**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** Hamilton Trade Waste and Wastewater Bylaw Amendment

**Author:** Bridget Morgan

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Hamilton Tradewaste and Wastewater Bylaw 2016</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To seek approval to amend clause 6.1 in the Hamilton Trade Waste and Wastewater Bylaw 2016 to align with the Local Government Act 2002 (LGA).

## 3. Executive Summary

- The Trade Waste and Wastewater Bylaw 2016, was approved by Council on 28 July 2016.
- Following adoption, it has been identified that the reference to "section 171" requires correcting to "Section 177" within clause 6.1 of the Hamilton Tradewaste and Wastewater Bylaw 2016 to ensure references are appropriate to the Local Government Act 2002.
- Section 156 of the Local Government Act 2002 allows Council to correct errors identified in bylaws by resolution of Council if the Bylaw has been publically notified and areas specified in the Local Government Act 2002 section 156 (2)(a)(i), (ii) are not affected.
- The Hamilton Tradewaste and Wastewater Bylaw 2016 will remain inconsistent with the Local Government Act 2002 until the proposed amendment is approved and adopted by Council.

## Recommendation from Management

That the Growth and Infrastructure Committee:

- receives the report;
- recommends to Council to approve the amendment to clause 6.1 of the Hamilton Tradewaste and Wastewater Bylaw 2016 so that it refers to section 177 of the Local Government Act 2002; and

- c) recommends to Council that the amended Hamilton Tradewaste and Wastewater Bylaw 2016 be adopted.

## 8. Attachments

9. There are no attachments for this report.

## 10. Key Issues

### 11. Background

12. The Trade Waste and Wastewater Bylaw 2016 (the bylaw), reviewed by Tompkins Wake, was approved by Council on 28 July 2016.

13. Following adoption of the Bylaw, a reference within clause 6.1 to the Local Government Act 2002 (LGA) has been identified as requiring amendment (see underlined and bolded):

- Clause 6 - Definitions -

*"6.1 - Authorised Officer: Means an employee, agent or contractor of Council, appointed by Council as an enforcement officer under section **171** of the Local Government Act 2002."*

14. This amendment is required to ensure the appropriate section of the LGA is referenced within the definition of an Authorised Officer. Currently section 171 (General power of entry) is stated in the bylaw, the correct reference is section 177 (Appointment of enforcement officer).

### 15. Proposed Amendment

16. The proposed amendment to clause 6.1 of the Bylaw is (see underlined and bolded):

Clause 6 - Definitions -

*"6.1 Authorised Officer: Means an employee, agent or contractor of Council, appointed by Council as an enforcement officer under section **177** of the Local Government Act 2002."*

### 17. Legislation Considerations

18. Under section 156 of the LGA, Council can correct errors by resolution if the Bylaw has been publically notified, but only if the corrections do not affect the following:

a) An existing right, interest, title, immunity, or duty of any person to whom the bylaw applies (s156(2)(a)(i), LGA);

b) An existing status or capacity of any person to whom the bylaw applies (s156(2)(a)(ii), LGA).

19. The correction of "section 171" to "section 177" does not affect an existing right, interest, title, immunity, or duty of any person to whom the bylaw applies or an existing status or capacity of any person to whom the bylaw applies. Therefore section 156 of the LGA allows for the correction to take place upon resolution from Council.

**20. Financial and Resourcing Implications**

21. All costs to amend and adopt the bylaw have been covered within existing budgets. No additional funding is required.

**22. Risk**

23. Until the amendment in the Bylaw is adopted, the Bylaw will remain inconsistent with the LGA.

**Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure Group
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**Committee:** Growth and Infrastructure Committee

**Date:** 20 June 2017

**Report Name:** Te Rapa North Growth Cell

**Author:** Alice Morris

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Partly Operative District Plan; Hamilton Urban Growth Strategy; 2015-25 10 Year Plan</i>
<b>Financial status</b>	<i>N/A</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To inform the Growth and Infrastructure Committee of the planning and investment framework for the Te Rapa North growth cell area ('TRN').

## 3. Executive Summary

- The TRN was brought into the City from Waikato District in July 2011.
- This area is identified in the Hamilton Urban Growth Strategy ('HUGS') as an area for future employment; it is identified in the 2005 Strategic Agreement between Waikato District Council ('WDC') and Hamilton City Council ('HCC'), the Waikato Regional Policy Statement ('WRPS') and the Future Proof Strategy ('Future Proof') as an industrial growth area.
- TRN is located at the City's northernmost area on the western side of the Waikato River, through to the northern extent of SH1 at the Horotiu interchange. (Attachment 1 – Locality Plan).
- The entire area is zoned Te Rapa Industrial under the Partly Operative District Plan ('PODP') (refer Attachment 2 – Map A: Zoning). There are three areas that industrial development can continue or develop. These are the dairy factory site and two areas of 30ha each (Attachment 2 - Map B: Features).
- There are no infrastructure (e.g. water, wastewater, transport, stormwater, recreational) investments planned for, or identified in either the existing or proposed 10 year plan, or the 30 year Infrastructure Strategy.

## Recommendation from Management

That the Growth and Infrastructure Committee receives the report.

**9. Attachments**

10. Attachment 1 - Locaility Plan
11. Attachment 2 - Map A Zoning and Map B Features
12. Attachment 3 - Extent of Appeal Area - Te Rapa North
13. Attachment 4 - Maps A, B and C
14. Attachment 5 - Appeal Settlement 2012 - Te Rapa North
15. Attachment 6 - HUGS
16. Attachment 7 - WRPS Table 6-2 Future Proof Industrial Land Allocation
17. Attachment 8 - Table A Infrastructure and Map B

**18. Key Issues**

19. Background
20. TRN was incorporated into Hamilton City in July 2011 as a result of a boundary adjustment between Hamilton City and Waikato District in accordance with the 2005 Strategic Agreement between both Councils.
21. It is a 420ha area that is bounded by the Waikato River to the east, Old Ruffell Road to the south, State Highway 1 ('SH1')/Mangaharakeke Road to the west through to the northern extent of SH1 at the Horotiu interchange and across the Waikato River. (Refer Attachment 1 – Locality Plan).
22. TRN has a rural appearance (i.e. dairy farm, stock grazing and small rural holding activities) whilst also the location for the nationally significant dairy factory, the Te Rapa Dairy Manufacturing Site ('Dairy Factory'), a service station and a place of worship.
23. The majority of the area was zoned rural under the 2006 Proposed Waikato District Plan ('PWDP'), with the exception of the 41.7ha of land occupied by the existing dairy factory which was zoned Heavy Industry.
24. The decisions to the WPDP on the zoning of the Horotiu/Te Rapa North area were appealed by three key land owners in the area:
  - Northgate Developments Limited, related to the area within Horotiu; and
  - Horotiu Farms Limited (a subsidiary of the Perry's Group) ('Perry's') and Fonterra Co-Operative Group Limited ('Fonterra') focused on the Te Rapa North area).
25. All three appeals sought to have the entire area zoned for industrial purposes.
26. At the time of the land coming into Hamilton City, the two appeals by Perry's and Fonterra were still unresolved. These appeals related to the majority of the area transferred. (Attachment 3 - Map of the extent of the appealed land).
27. The appeals were mediated over a substantial period from 2009 until 2012, when they were settled via consent order. All three settlements gained industrial zoning of the Horotiu/Te Rapa North area albeit with substantial limitations on the extent of development opportunity over the next 30-year period.

28. TRN is a distinct area of the City, given:
- Its close proximity to the City's existing and already planned industrial areas.
  - Its close proximity to the Te Rapa section of the Waikato Expressway.
  - The presence of the Dairy Factory.
  - Its greenfield location.
29. Following the transfer of TRN in 2011, it was incorporated into Hamilton's 2012 Proposed District Plan and rezoned Te Rapa North Industrial. This zoning identified with the appeal settlement approach of "ready now" and "staged" industrial land release of a maximum of 60ha. The majority of the remaining land area was zoned 'Deferred Industrial', with the exception of the Dairy Factory that is specifically identified as the 'Te Rapa Dairy Manufacturing Site'. (Attachment 2 – Map A: Zoning and Map B: Features)
30. 2005 Strategic Agreement
31. The 2005 'Strategic Agreement on Future Urban Boundaries' between Hamilton City Council and Waikato District Council enables specifically identified areas of land within the Waikato District to be incorporated into Hamilton in response to growth demands. The mechanism for future boundary readjustments and the transfer of land is to occur through common and joint approaches to between the two Councils.
32. The goal of the agreement is:  
*"To ensure that the future expansion of Hamilton City takes place rationally in a well ordered and coordinated manner into the most suitably located surrounding areas in the best interests of the present and future inhabitants of the City"*
- Section 3, page 2, Strategic Agreement On Future Urban Boundaries between Hamilton City Council and Waikato District Council, March 2005
33. There are three key points regarding the future land development the Councils agreed on. These are set out in section 6, on pages 3 - 5 of the Strategic Agreement. In summary the basis of the agreement is for:
- The area west and south of the Expressway between Horotiu/Te Rapa and at Morrinsville Road shall be recognized for long-term growth needs for the City;
  - Five growth cells, identified as R1, R2, HT1, HT2, WA (Attachment 4 – Map A)
  - The growth cells will provide for the full range of urban uses to ensure sustainable development of the City.
- Note that Te Rapa North was specifically identified for the provision of continued expansion of the existing Te Rapa industrial area and that eventually it would be integrated with industrial development in the Horotiu cell within Waikato District.
34. 2011 Boundary Adjustment
35. The process for the transfer of land is set out in section 7, page 5 & 6 of the Strategic Agreement. The key trigger for transfer is either the designation or construction of the Waikato Expressway and/ or by a certain time period (i.e. 2039 for R2 and 2045 for HT1). Te Rapa North (HT2) was divided into HT2a and b (Attachment 4 – Map B and Map C). The key trigger for transfer of HT2a was the designation of the Ngaruawahia and Te Rapa/Horotiu Bypasses (now known as the Waikato Expressway). The trigger for HT2b was the construction of the Hamilton section of the Waikato Expressway as well as the transfer of Ruakura (R1).

36. In 2009, both Councils resolved to undertake the boundary adjustments to transfer the entire HT2 area at the same time as R1. The Local Government hearing on the boundary adjustments for both TRN and Ruakura were held in 2010. The boundary adjustment was gazetted on 2 June 2011 and formally transferred from Waikato to Hamilton on 1 July 2011.
37. 2012 Appeal Settlement
38. The consent order, dated 26 September 2012, fully resolved the appeals by Fonterra and Perry's relating to the zoning of TRN. The order confirmed the following changes to the Waikato District Proposed District Plan, which was the only planning document applied to the TRN prior to the notification of the Hamilton Proposed District Plan in December 2012. The broad amendments were the:
- Inclusion of the Te Rapa North Industrial Park Schedule 24C;
  - Removal of the Urban Expansion Policy Area notation over the appealed area;
  - Rezone the TRN area 'Deferred Industrial' and insert two overlays to be identified as Stage 1A and Stage 1B. These two stages have specific planning provisions relative to the type of industrial activities and the land release triggers to enable industrial development. All other land in the 'Deferred Industrial zone would continue to be managed in accordance with the district plan's rural land use provisions.
39. Attachment 5 – Appeal Settlement Map identifies the pattern of zoning and activity mix that was agreed to in the 2012 consent order settlement for the TRN area. Key elements of the settlement of TRN focused the industrial zoning to the appellants' land respectively and aligned with the industrial land allocations as set out in the 2009 Future Proof Strategy ('Future Proof') and anchored in the then Proposed Waikato Regional Policy Statement ('WRPS').
40. Strategic Policy Documents
41. TRN is identified in HUGS as an area for future employment (Attachment 6 – HUGS Map) and in both Future Proof and WRPS as an identified industrial growth area (Attachment 7 - Table 6-2 Future Proof Industrial Land Allocation, WRPS, Section 6D – Future Proof Tables, page 6-33 or page 121 of the online version).
42. The WRPS and Future Proof set out the overarching policy direction for the future growth of the region. TRN is captured as part of the future land resource for Hamilton within the City's urban limits.
43. The WRPS provides an overview of the resource management issues of the region. The District Plan is required to give effect to the WRPS. Section 6, 'Built Environment' of the WRPS seeks the development of the built environment in an integrated, sustainable and planned manner consistent with the provisions of the regional growth strategy Future Proof. Of particular relevance to TRN is Table 6-2 (refer to Appendix 7) which identifies in this area a maximum of 85 ha of land, for industrial purposes, will be released between 2010 and 2061. The release is to be staged as follows:
- 14 ha between 2010 and 2021
  - 46 ha between 2021 and 2041
  - 25 ha between 2041 and 2061
44. Partially Operative District Plan ('PODP') Provisions
45. The provisions from the 2012 Consent Order formed the basis for the planning provisions in the Hamilton Proposed District Plan as notified and remain the fundamental direction for the development of the TRN area under the PODP.

46. The entire area is zoned Te Rapa Industrial, with the exception of small portions of Natural Open Space zoned areas along the river bank and in Meadow View Road (refer Attachment 2 – Map A: Zoning). Within this zoning framework the Dairy Factory’s site is specifically identified as an industrial area being the ‘Te Rapa Dairy Manufacturing Site’ due to the important benefits it contributes to the community and dairy industrial base for the Waikato, along with its significance nationally.
47. The total land area identified for release for industrial development over the next 30-year period is 60ha, being a total of 14ha prior to 1 January 2021 and another 46ha after 1 January 2021. In reflecting the requirements of the WRPS, development opportunities within the TRN area have been specifically identified to occur in two specific locations. These two areas, identified in Planning Maps (1B, 2B and 6B) of the PODP are owned by the 2012 appellants Fonterra (Stage 1A – Dairy Industrial Area) and Perry’s (Stage 1B – Service Centre Industrial Area) (Attachment 2 – Map B: Features).
48. The Te Rapa North Industrial Zone objectives and policies for set the scene for the provisions, as follows:
- Industrial land is a finite and valuable physical resource that needs to be used efficiently and effectively for employment purposes to provide for the social and economic wellbeing of the City.
  - Industrial land should be preserved for industrial activities.
  - The amenity values of this industrial area are to be enhanced.
  - Development is to be sequentially managed through staging to sustainably and strategically manage industrial growth that is aligned with the planned provision of infrastructure.
  - Industrial development at TRN has the potential to support regionally important infrastructure and dairy associated industries to in ensure the continued efficiency of dairy manufacturing and export activities from the Dairy Factory.
49. Under the PODP, the planning provisions for TRN do not encourage non-industrial activities, unless they are either ancillary to industrial use, or support industrial uses. This key objective reduces the potential for this industrial land to be ‘diluted’ by non-industrial uses, or development out of sequence with the other industrially zoned land in the City.
50. The overall industrial land base in the City provides a significant portion of the employment land within the City, and is a key economic driver for the regional economy. Industrial land represents a finite and valuable physical resource that needs to be recognized and protected. The Te Rapa North Industrial Zone provisions have been formulated to enable of specific industrial uses until 2021. After 2021 the establishment of general industrial activities may occur but only within the identified 60ha area.
51. There are also specific provisions for the on-going development and management of the dairy factory. The PODP objectives and policies clearly identify this as a nationally significant activity that needs to be recognized when considering the development of the TRN area, and the impacts development may have on how the dairy factory operates and vice versa.
52. The limited range of land uses provided for within the first 14 ha land release is specifically intended to reflect the existing dairy factory activity and the opportunity that the Te Rapa section of the Waikato Expressway provides for motorists. In addition, avoiding the establishment of non-industrial land uses within the deferred industrial areas identified in the TRN will reduce the potential for reverse sensitivity issues arising.

53. In the City, a number of undeveloped 'greenfield' areas (e.g. Rotokauri, Ruakura and TRN) are identified for future industrial purposes. This industrial land supply is intended to accommodate anticipated industrial expansion over the 'life' of the WRPS and the PODP.
54. Strategic Infrastructure Planning and Development
55. Infrastructure connecting into TRN is limited. Further investment in strategic infrastructure will be required to support the full development of TRN based on the land use and timing indicated in the PODP, WRPS and HUGS.
56. Strategic infrastructure planning to date has established conceptual servicing requirements (refer to Attachment 8 - Table A: Infrastructure and Map B: Infrastructure and Open Space). These will be further investigated and confirmed as the expected development timing advances and funding advanced via future 10 year plan processes.
57. Note, however, the infrastructure for the development that has already occurred in TRN (e.g. the Horotiu Service Station at the corner of Te Rapa Road/Hutchinson Road) was principally provided by the developer with Council upsizing some components under a developer agreement.
58. Recreational Open Space and Community Facilities
59. There are no active or planned projects in either the current 10 Year Plan (LTP) or the 30 Year Infrastructure Strategy for this area.
60. However, in accordance with the provisions in the PODP and Resource Management Act 1991 ('RMA'), at the time of any subdivision adjacent to the river (refer to Attachment 8: Map B Infrastructure and Open Space) the minimum requirement for a 20m wide esplanade reserve will be acquired at no cost to Council. Any land required for esplanade reserve in addition to the minimum requirement would be considered for purchase by the Council on a case-by-case basis, and as funding permits.
61. Clarification of Development Contributions ('DC')
62. There is no local infrastructure allocated for recovery through DCs either existing or planned for in the near future. All development that has occurred since the boundary adjustment (e.g. Horotiu Service Station development and the expansion at the Dairy Factory) have paid the citywide charge only.
63. Over the last six years, Council has received a total of \$196k of development contribution levies from developments within the Te Rapa North catchment.
64. Development Capacity for the Growth Cell
65. The development capacity for the TRN has been purposefully constrained to a maximum of 60 ha for industrial purposes only to comply with the expectations set out in the WRPS and Future Proof. The rationale for this has already been set out in this report.
66. Key Stakeholder Discussions
67. There has been ongoing dialogue with the larger land holders within this area since 2010 when the appeals were being settled; through the boundary adjustment process; the Hamilton district plan review and more recently through the development of the service station on the Perry's land in Stage 1B.

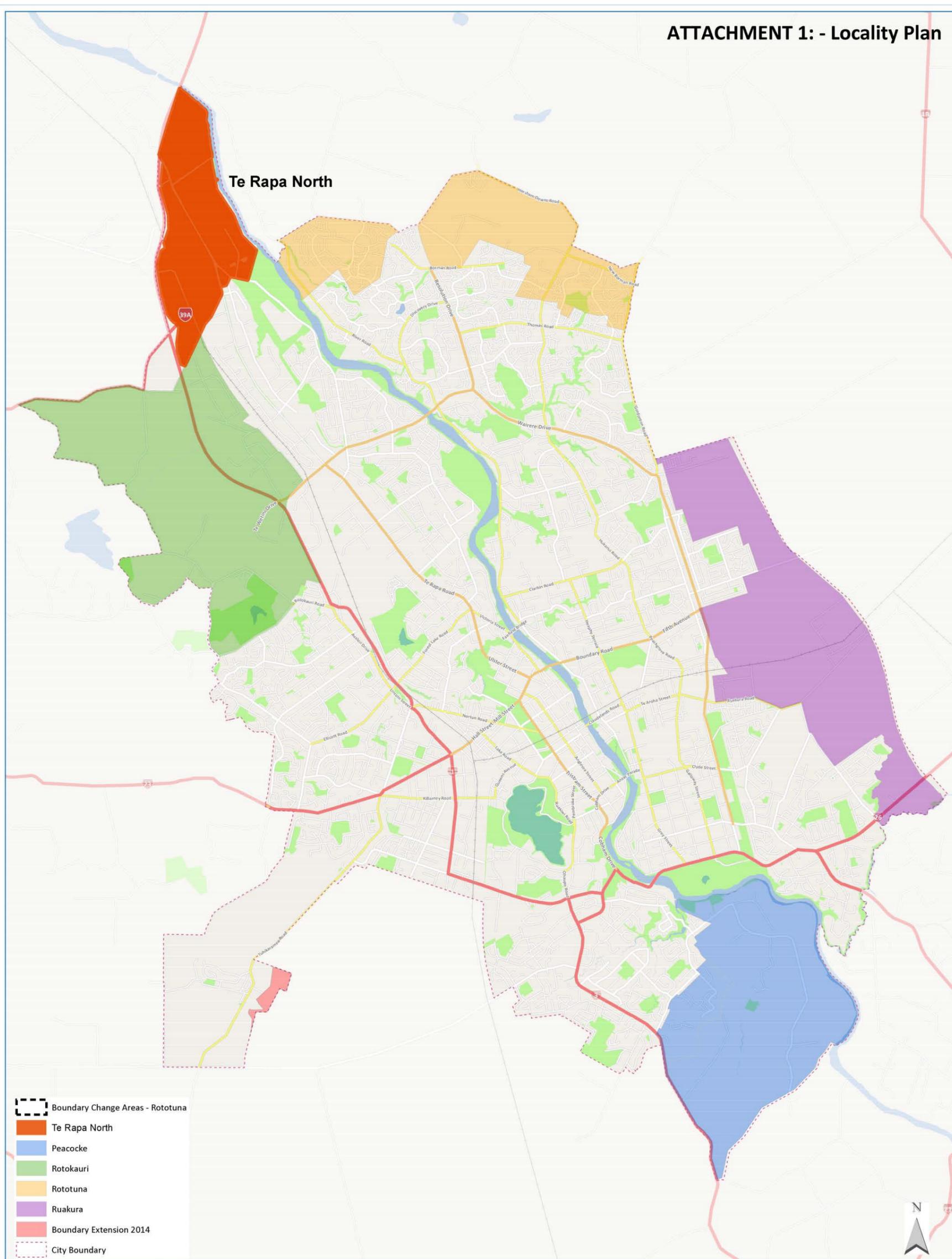
68. Council is aware that a landowner in TRN is looking into alternative zoning options for the development of their large land holding. For there to be changes to the existing planning framework as set out in this report, a private plan change request would need to be submitted to Council. To date, no formal process has commenced.

**Signatory**

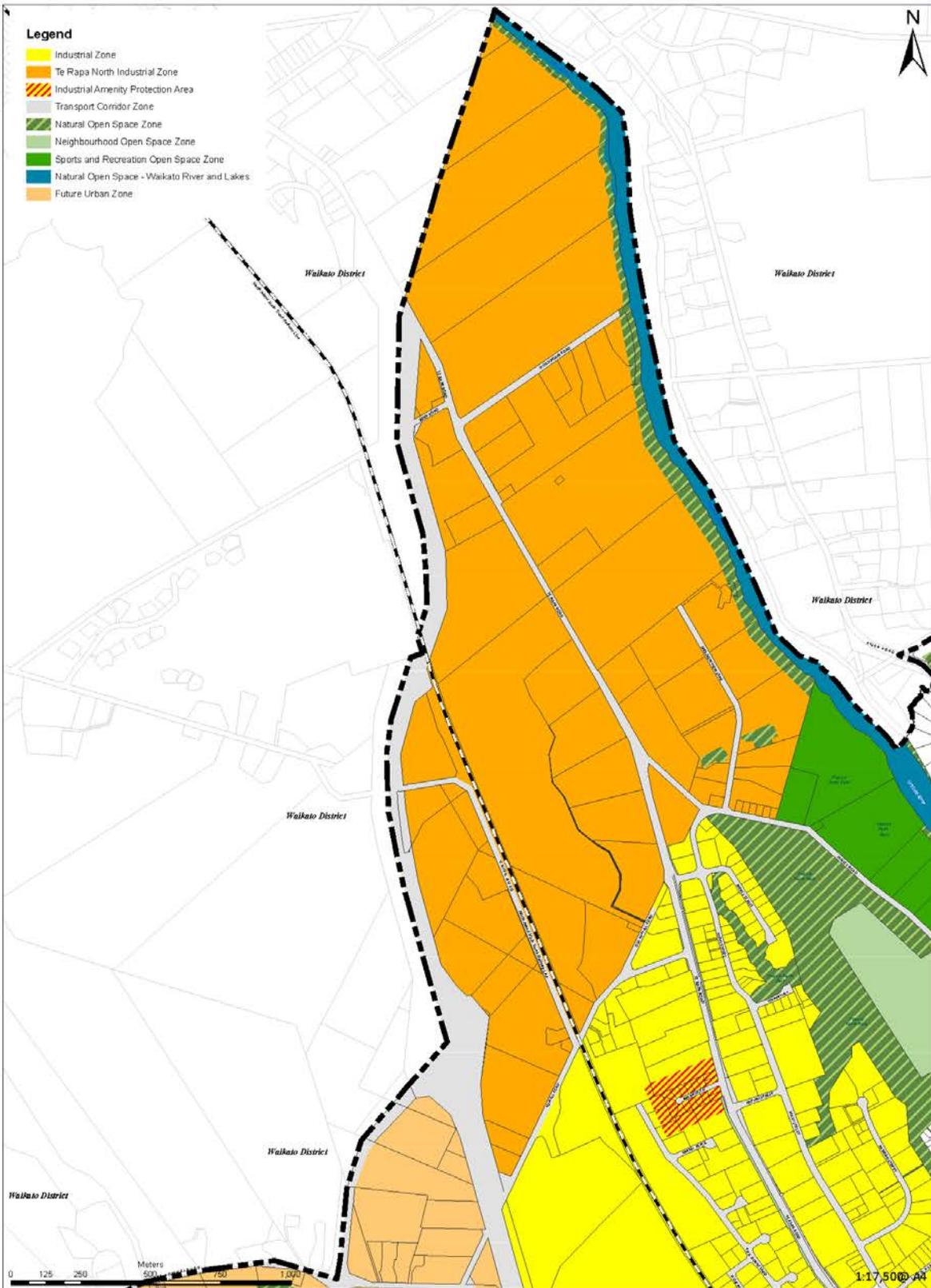
Authoriser	Kelvyn Eglinton, General Manager City Growth
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ATTACHMENT 1: - Locality Plan







**Zoning Map**

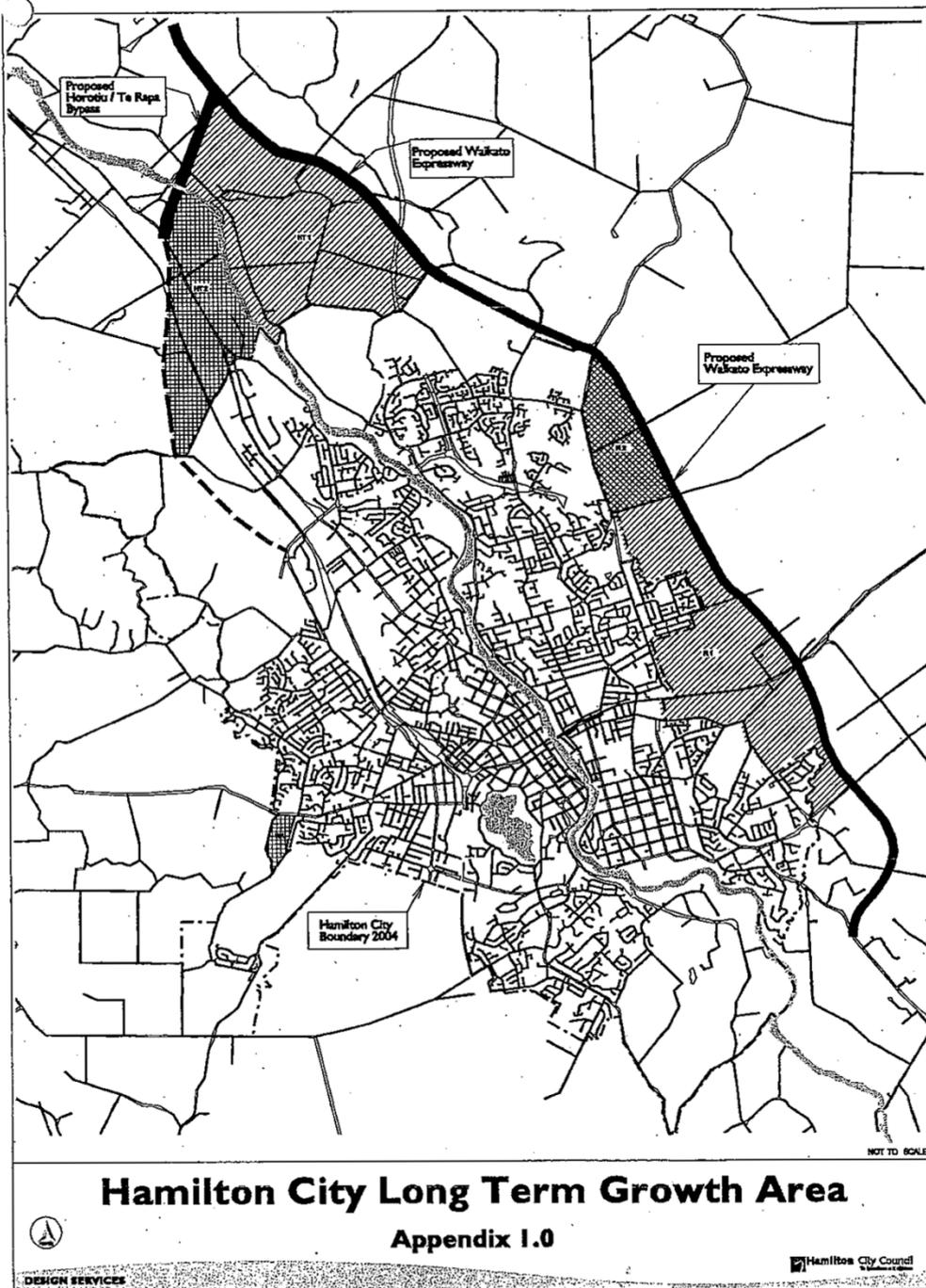
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Attachment 2

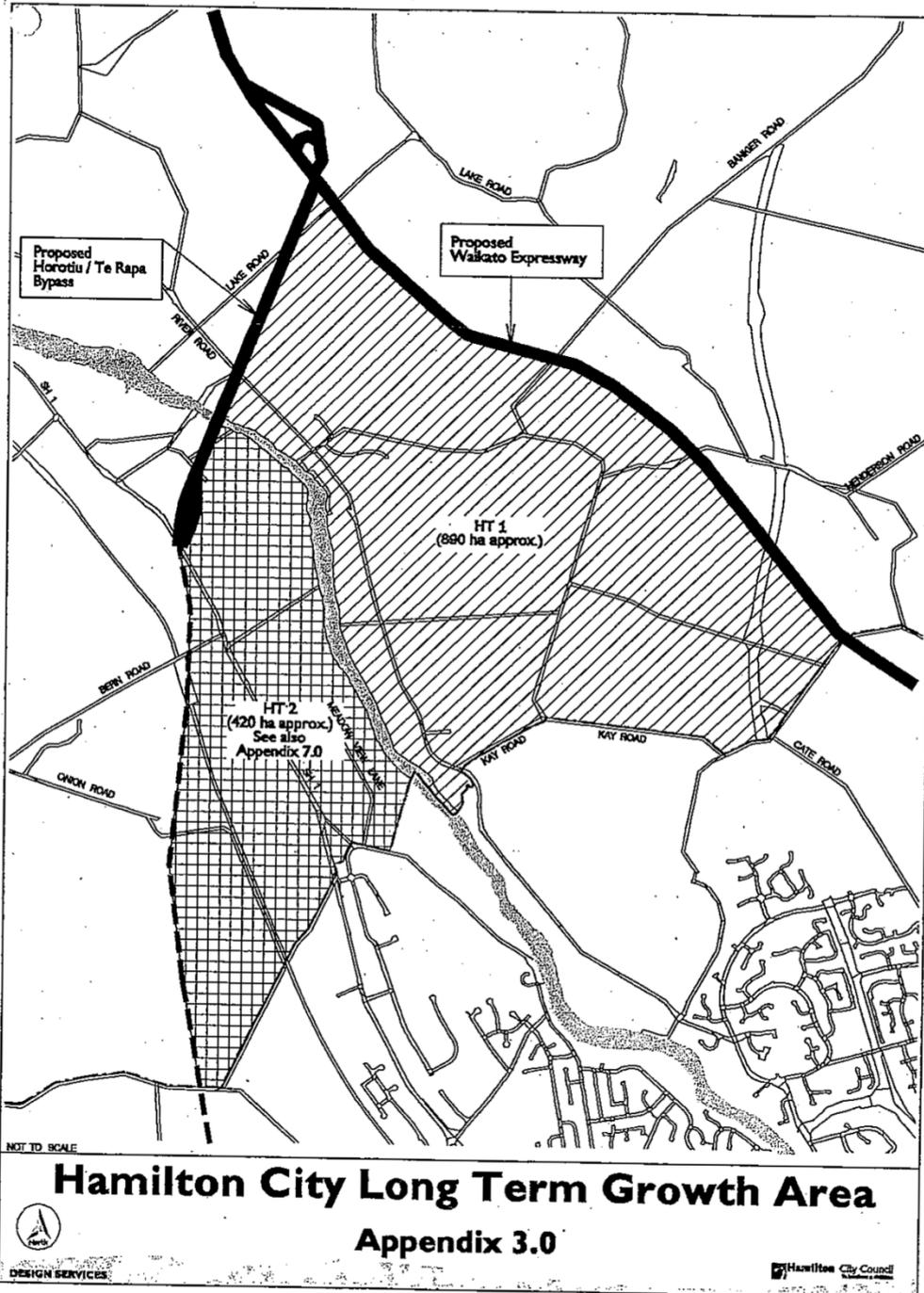




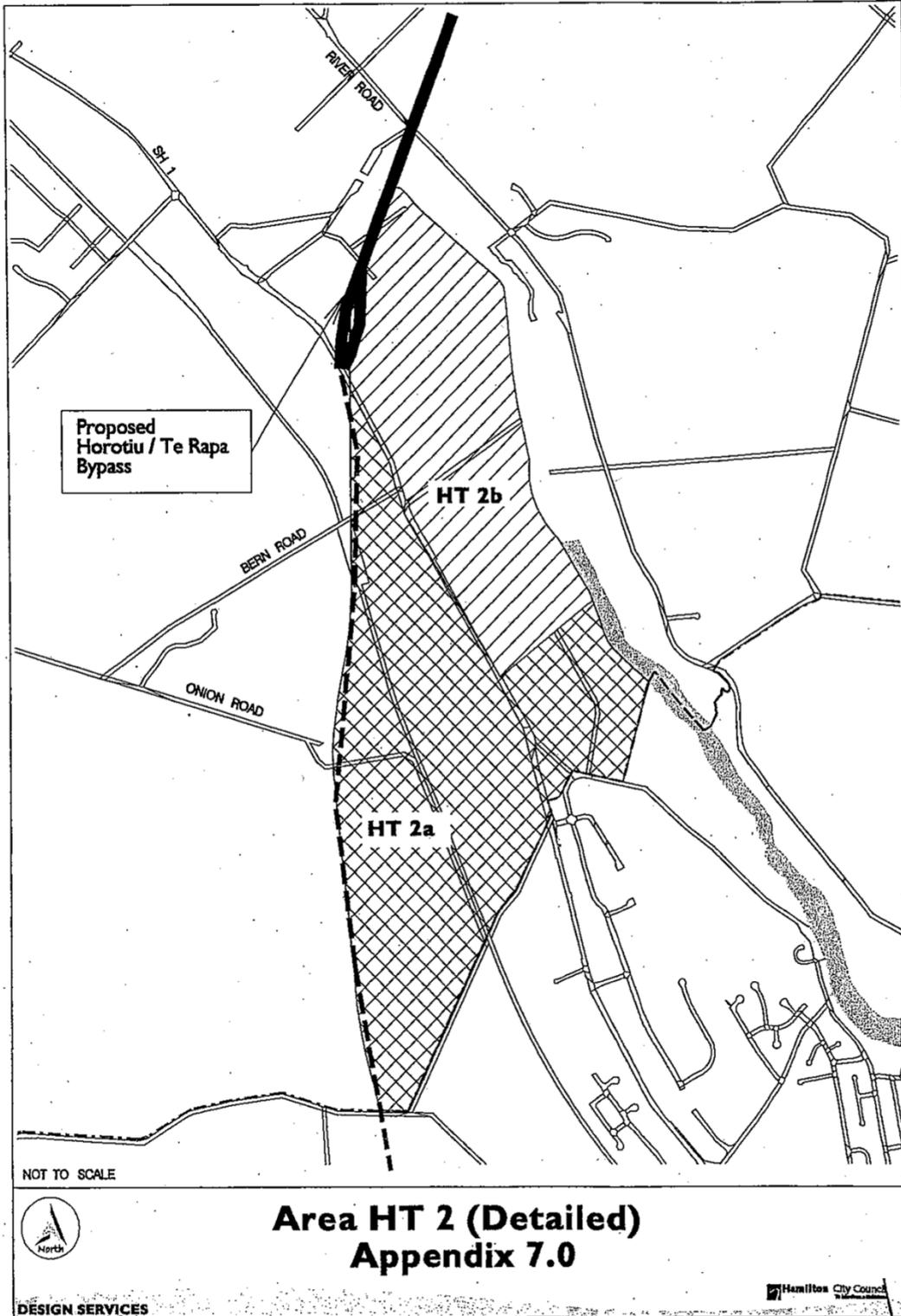
Attachment 4: Map A: Five Growth Cells in 2005 Strategic Agreement



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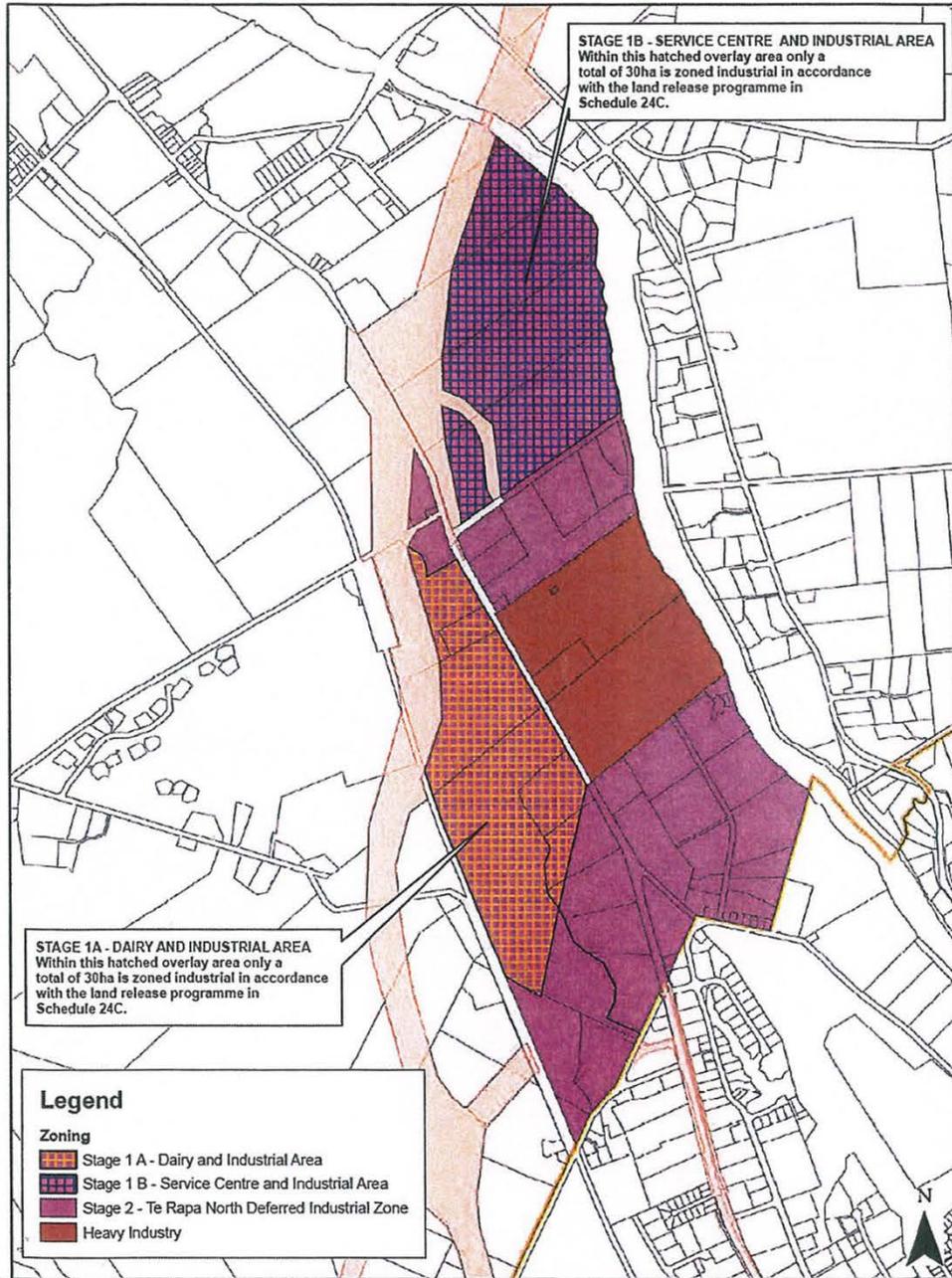


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APPENDIX 1

24C(A) – Te Rapa North Industrial Park Zoning & Staging Plan



Te Rapa North Industrial Park

May 2012



Table 6-2: Future Proof industrial land allocation

Strategic Industrial Nodes located in Central Future Proof area (based on gross developable area) <sup>1</sup>	Industrial land allocation and staging (ha)			Total Allocation
	2010 to 2021	2021 to 2041	2041 to 2061	2010 to 2061 (ha)
Rotokauri	85	90	90	265
Ruakura	80	115 <sup>2</sup>	210 <sup>2</sup>	405
Te Rapa North	14	46	25	85
Horotiu	56	84	10	150
Hamilton Airport	74	50	0	124
Huntly and Rotowaro	8	8	7	23
Hautapu	20	30	46	96
<b>TOTAL HA</b>	<b>337</b>	<b>423</b>	<b>388</b>	<b>1148</b>

<sup>1</sup> Gross Developable Area includes land for building footprint, parking, landscaping, open space, bulk and location requirements and land for infrastructure including roads, stormwater and wastewater facilities.

<sup>2</sup> Development beyond the 2021 period is subject to completion of the Waikato Expressway.

### Explanation

At the time of hearing submissions on the Proposed Waikato Regional Policy Statement, there was approximately 879ha of zoned industrial land that was vacant within the central Future Proof area. The strategic nodes identified in Table 6-2 include a mixture of existing zoned land and land identified as future industrial land, subject to district planning processes.

The land identified in Table 6-2 for the Rotokauri, Horotiu, Huntly and Rotowaro industrial nodes are the vacant gross developable land areas remaining within the zoning of the Proposed Hamilton District Plan (Rotokauri Structure Plan), and Operative Waikato District Plan (Horotiu Industrial Park, Huntly Industrial Zone).

#### Horotiu

The staging and timing of land associated with Horotiu is consistent with the rules contained within the Operative Waikato District Plan (2011).

#### Hamilton Airport

The land identified in Table 6-2 for the Airport Node is the land zoned for industrial and mixed industrial/business development in the Proposed Waipa District Plan.

The node is currently affected by infrastructure constraints, particularly in the surrounding transport network. The Southern Links project will address some of the transport capacity issues but is currently a long term solution. Infrastructure solutions which are consistent with, and work towards a long term infrastructure pattern will be required to enable development in advance of the construction of Southern Links.

#### Te Rapa North

The Te Rapa North Industrial Node includes land that was transferred into the Hamilton City Council boundary in July 2011. Together with the continued operation of the Te Rapa Dairy Factory and its associated infrastructure the Node provides the opportunity to enable the development of a cluster of dairy related industrial activities of at least regional significance. The land allocations for the post 2021 and 2041 period provide the opportunity to reinforce the significance and benefits of these activities by providing additional land to enable their expansion around the Te Rapa Dairy Factory.

