

Notice of Meeting:

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

Date: Thursday 13 February 2020
Time: 9.30am
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Strategic Growth Committee OPEN AGENDA

Membership

Chairperson	Cr D Macpherson
Deputy Chairperson	Cr R Hamilton
Members	Mayor P Southgate
	Deputy Mayor G Taylor
	Cr M Bunting
	Cr M Forsyth
	Cr M Gallagher
	Cr K Naidoo-Rauf
	Cr A O'Leary
	Cr R Pascoe
	Cr S Thomson
	Cr M van Oosten
	Cr E Wilson
	Maangai Maaori J Whetu

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Becca Brooke
Governance Manager

5 February 2020

Telephone: 07 838 6272
Becca.Brooke@hcc.govt.nz
www.hamilton.govt.nz

Purpose

The Strategic Growth Committee is responsible for:

1. Guiding sustainable physical development and growth of Hamilton to meet current and future needs, including oversight of strategic land-use planning, boundary alignment, and existing and alternative planning, funding and financing models for growth-related projects.
2. Driving collaboration with neighboring Councils, Iwi, private sector and central government to meet Hamilton's growth ambitions.

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

Terms of Reference:

1. To monitor and provide advice on the overall development and implementation of urban growth and development strategies, strategic land use, and spatial plans (e.g. Hamilton to Auckland Corridor and Hamilton-Waikato Metropolitan Spatial Plan), and long-term network infrastructure planning in line with national policy requirements.
2. To provide direction and monitor Council's approach to the levying and use of rates for growth, as well as development contributions.
3. To develop, and monitor the implementation of the infrastructure Activity Management Plans to inform the 2021-31 Long Term Plan to ensure that Council looks after its existing assets and provides agreed levels of service.
4. To provide direction on and assess proposals for seeking alternative funding models, such as special purpose vehicles and infrastructure funding and financing.
5. To provide direction on strategic priorities for network infrastructure aligned to city development, and oversight of strategic projects associated with those activities.
6. To provide advice on the development and implementation of the Long Term Infrastructure Strategy.
7. To assess proposals for Private Developer Agreements that exceed the Chief Executive's delegations for Unfunded Growth Projectsⁱ and, if appropriate for Unfunded Growth Projectsⁱ to recommend such agreements to the Council for approval.
8. To provide direction regarding Council's involvement in and with Urban Development Authorities, regional alliances, plans, initiatives and forums for spatial planning (for example, Future Proof, strategic boundary land use agreements and joint council growth related discussions).
9. To consider the impacts of land use and urban development on the environment.
10. 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.
11. To monitor and oversee the delivery of Council's non-financial performance and non-financial key projects, against the Long Term Plan, excluding key performance indicator reporting which is the responsibility of the Finance Committee.
12. To oversee the development of the City's Smart City Strategy.

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 and is in accordance with the Annual plan or Long Term Plan.

The Committee is delegated the following recommendatory powers:

- Adoption of the Long Term Infrastructure Strategy to the Council.
- Approval of additional borrowing to the Finance Committee.
- Approval of city boundary changes to the Council, including in respect of Strategic Boundary Land Use Agreements.
- Approval of infrastructure Activity Management Plans to inform the 2021-31 Long Term Plan to the Council.
- The Committee may make recommendations to Council and other Committees

Recommendatory Oversight of Policies and Bylaws:

- *Development Contributions Policy*
- *Growth Funding Policy*
- *Hamilton Gateways Policy*
- *Sale and Disposal of Council Land Policy*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies	5
2	Confirmation of Agenda	5
3	Conflict of Interest	5
4	Public Forum	5
5	Strategic Growth Committee Chairs Report - 13 February 2020	6
6	General Manager's Report	8
7	Infrastructure Funding and Financing Models - Project Update and Legislative Process	28
8	Peacocke Programme Update	72
9	National Transport Policy Submissions	101
10	HCC draft submission on the Urban Development Bill	178
11	Development Contributions Remissions Quarters 1 & 2 2020	189
12	Strategic Growth Committee Draft Schedule of Reports 2020	195
13	Resolution to Exclude the Public	199

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 five 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 Committee Room prior to the start of the Meeting. A member of the Council Governance 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 Governance by telephoning 07 838 6272.

Council Report

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Rebecca Watson **Authoriser:** Amy Viggers
Position: Committee Advisor **Position:** Governance Team Leader
Report Name: Strategic Growth Committee Chairs Report - 13 February 2020

Report Status	<i>Open</i>
----------------------	-------------

Staff Recommendation

1. That the Strategic Growth Committee receives the report.

Attachments

Attachment 1 - Strategic Growth Committee Chairs Report - 13 February 2020 .



Chair's Report

Welcome to the first-ever meeting of this new Committee - Ryan and I have loosely split up our responsibilities within this 'portfolio', with Ryan focusing on Development Contributions (DCs) and other funding policy, while I'm concentrating on strategic planning issues, including the H2A Growth Corridor programme and the Metro Spatial Plan.

We will each be keeping an eye on the whole area, and trying to include as many other interested Elected Members as possible in the various discussions; such as the recent 'informal workshop' on the various pieces of transport legislation coming up in the lift (7 Elected Members were able to attend that).

H2A Corridor

Elected Members are going to have to get their heads around this area as much as possible in a short timeframe, as reports from this piece of work are due to go to the Government before the end of this financial year. Included in this area of work are the Metro Spatial Plan, the 3-Waters Study, and the Mass Transit Plan; as well as (from HCC's viewpoint) a look at funding strategies like Special Purpose Vehicles and our DCs strategy.

HCC management are planning a discussion group of Elected Members that can fairly quickly be convened to give feedback on the corridor issues that staff have been working on for some months now - I'm looking forward to this starting in the **really near future**.

Funding mechanisms

My own view is that we need to be looking - sooner, rather than later - at alternative, and more flexible, funding mechanisms for some of our development areas. For example, in Rotokauri there are issues with promises made to some of the early residents about transport connectivity that have not been delivered in a timely fashion due to infrastructure not being provided in time; also to the huge cost of the swale/stormwater system impinging on the speed of development across the growth cell. I'm not sure that we can wait until the Long Term Plan before we look at how to provide more funding options in such areas.

Conduct at meetings

As per the last Council, I'm going to anticipate that Elected Members have read all the details in all of the reports, and asked staff offline, prior to the meetings, any questions of clarification they need. Therefore our meetings will be quick and businesslike, and questions will only relate to higher-level strategic & policy issues!

Chair's Recommendation

That the Strategic Growth Committee receives the report.

Councillor Dave Macpherson
Chair, Strategic Growth Committee
Hamilton City Council

Council Report

Committee:	Strategic Growth Committee	Date:	13 February 2020
Author:	Jen Baird Chris Allen	Authoriser:	Jen Baird Chris Allen
Position:	General Manager City Growth General Manager Development	Position:	General Manager City Growth General Manager Development
Report Name:	General Manager's Report		

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To inform the Strategic Growth Committee of topical issues, areas of concern and items which need to be brought to the member's attention, but which do not necessitate a separate report.

Staff Recommendation

2. That the Strategic Growth Committee receives the report.

Discussion

3. This report provides updates to Committee Members on activities, actions or projects contained within the following plans or strategies for which this Committee and the relevant General Managers have responsibility over and for which significant progress has been made:
 - Infrastructure Strategy
 - Hamilton Urban Growth Strategy
 - Access Hamilton

Approach to infill (GM City Growth)

4. During the induction process for Committee Members, there was considerable interest in a broader conversation about infill across the city and to create an opportunity for Elected Members to understand how growth within our established suburbs currently looks, what provisions we have in place and to start a conversation about this Council's desire to consider alterations to some of the current provisions to better align with their vision for Hamilton. This process will begin with a briefing on 18 March 2020.

Breadth of growth work (GM City Growth)

5. At the briefing on 10 February 2020, staff provided an overview of how our growth projects fit together to cover the broad spectrum of interconnected topics and workstreams.
6. Our goal is to use that briefing as an anchor point from which future briefings and Committee and Council reports will hang.
7. Staff will continue to work closely with the Chair and Deputy Chair of this Committee to ensure there is understanding and connection for elected members particularly as we head into a busy time for growth projects and decision making and into the next Long Term Plan process.

Future Proof

Hamilton to Auckland Corridor Plan

8. The Future Proof Partnership was reconstituted on [15 August 2019](#) and now includes new partner representatives from the Crown (including Ministers Twyford and Mahuta), Auckland Council, Franklin Local Board, and Auckland/Hauraki Iwi to reflect the Crown's commitment to the Hamilton to Auckland Corridor Plan that was completed in 2019.
9. The Future Proof Implementation Committee met on 22 November 2019 and received an update on the Corridor Plan and the key initiatives it contains. The link to that meeting agenda is [here](#).

Hamilton Waikato Metropolitan Spatial Plan

10. A key initiative arising from the Corridor Plan include the development of the Hamilton Waikato Metropolitan Spatial Plan that is informed by transport and three waters investigations, noting that the three waters work also takes a Corridor wide perspective.
11. The Hamilton Waikato Metropolitan Spatial Plan project seeks to deliver on the central government's urban growth objectives by exploring how the metropolitan area can develop an urban form based around a mass transit network, that protects and enhances the environment, improves wellbeing and ensure there is enough land for housing and jobs and high-quality urban development of the long term.
12. On 15 August 2019, key findings from Phase 1 were presented to Future Proof. Key findings included the broad attributes of a preferred spatial form as identified by the project team through constraints mapping and analysis, along with comparing and evaluating three alternative growth scenarios against current land use and growth management settings.
13. The findings from phase 1 indicated that broadly a mix of growth that was focused in Hamilton and other key towns in the metropolitan area was preferred. It also indicated several potential development areas, alongside potential future expansion areas in the metropolitan area.
14. Since that time, additional work has progressed, as outlined below:
 - Two dedicated workshops on developing the concept of Blue / Green network for the metropolitan area
 - The commencement of an economic investigation in to the role and function of the Hamilton-Waikato Metropolitan area to determine its role and function in the upper North Island and how this may evolve in the future. Further, this investigation also examines the impact of stronger passenger rail connections with Auckland, and how

stronger connectivity between the two main centres may impact (or not) development in the metropolitan area.

- Ongoing discussion and engagement with KiwiRail on determining the feasibility of metro rail services

15. On 13 and 14 November 2019 a second series of workshops were held to reconfirm the underlying spatial elements of the study area and to refine and test the identified potential future development areas from phase 1. Approximately 40 participants attended the two workshops, with broad representation from across Central Government, Local Government, Iwi, and power and telecommunications providers. These workshops were the first time the project has engaged with large network utility providers and their participation was positive.
16. Some of the discussion points raised over the two days include:
 - i. What class of high productive soils are a reasonable area to exclude from future urban development (apart for those areas already identified for growth, are already zoned, or are highly fragmented)
 - ii. The nature, scope and extent of a blue / green network for the metropolitan area that builds on natural features and systems, but is also designed as a concept for areas where existing blue / green attributes are less defined
 - iii. The existing movement corridors in the metropolitan area that are of scale (such as the state highway network and existing rail corridors) to provide a strong spatial anchoring element, although the function of these corridors may change in the future
 - iv. That any future rapid rail stop should terminate in the Hamilton CBD
 - v. The Hamilton CBD is the core commercial, civic and administrative centre in the metropolitan area
 - vi. How to best achieve the signalled mode shift from private cars, including greater emphasis on walking and cycling and that public transport must be a core factor in future land use planning
 - vii. That not all future development areas may be metropolitan in scale
 - viii. That future development in Hamilton and other centres should be denser but done differently – both for existing and future greenfield and brownfield areas
 - ix. There is the potential for greater self-sufficiency in terms of jobs in some towns within the metropolitan area (such as in Ngaruawahia and in Cambridge) and enhanced connectivity to the Hamilton CBD should be explored further
 - x. Future industrial land development at Horotiu, the Airport, Hautapu, and Ruakura were confirmed as important and needing further investigation. In addition, the future industrial proposition of Taupiri in the draft Waikato District Growth Strategy was noted and will also be the subject of further examination.
17. The NZTA has confirmed funding being available to complete the project, and additional senior external resource has been appointed to provide expertise and project capacity.

18. Implementation of the Metro Spatial Plan is also a key focus, and the wider Corridor Plan also seeks to promote and utilise new planning, funding and financing tools as they become available. Hamilton City Council is taking a lead role in this area and working closely with Treasury and Crown Infrastructure Partners to investigate two growth areas within the city for the deployment of the proposed infrastructure funding and financing tools.
19. Staff will continue to engage with Members to seek their early input in to the development of the Metropolitan Plan as the project progresses through the next two phases.
20. The next steps for the Metro Spatial Plan will include:
 - detailed analysis and testing of future urban forms and future expansion areas, including strategic transport corridors
 - economic futures investigation
 - key stakeholder engagement
 - development of the final metro spatial plan including an implementation agreement
 - formal consultation and hearings
 - plan adoption by all partners

Mass Transit Plan

21. Project Planning for the Mass Transit Plan is being aligned with the emerging plan for the Metro Spatial Plan.
22. Decisions on key land use nodes are a critical component for determining the next steps for the mass transit plan development so it is imperative that this work advances to enable progress on the Mass Transit Plan.
23. The Mass Transit Plan will need to be in the form of a Programme Business Case to enable funding of future initiatives from NZTA. NZTA has confirmed that it will provide financial assistance from the National Land Transport Programme to support preparation of the Mass Transit Plan.
24. While the Metro Spatial Plan work progresses, the project team are gathering evidence and data from across the partner agencies to support preparation of the Mass Transit Plan.
25. In a partnership with the councils from the Western Bay of Plenty, KiwiRail have been commissioned to develop rough cost estimates for infrastructure (track upgrades, stations etc) necessary to support different frequencies of passenger rail services for the both the metro spatial plan areas (Hamilton-Waikato and Tauranga).
26. The scenarios that KiwiRail have been asked to model are set out below:

Scenarios		
A – best possible	B – 60min frequency	C – 15min frequency
<p>Based on existing infrastructure KiwiRail to advise:</p> <ul style="list-style-type: none"> • Best possible service frequency • Best possible (end to end) average line speed and travel time • Estimated number of rolling stock units required to deliver best possible line speed and service frequency • An outline of support facility requirements and suggest desirable location(s) 	<p>KiwiRail to outline infrastructure requirements to achieve a minimum service frequency of 60 min:</p> <p>B1 –Average line speed 50kph:</p> <ul style="list-style-type: none"> • Infrastructure required and rough order cost estimate • An outline of support facility requirements and rough order cost estimate • Travel time • Number of rail vehicles required 	<p>KiwiRail to outline infrastructure requirements to achieve a minimum service frequency of 15 min:</p> <p>C1 –Average line speed 50kph:</p> <ul style="list-style-type: none"> • Infrastructure required and rough order cost estimate • An outline of support facility requirements and rough order cost estimate • Travel time • Number of rail vehicles required
	<p>B2 – Average line speed 100kph:</p> <ul style="list-style-type: none"> • Infrastructure required and rough order cost estimate • An outline of support facility requirements and rough order cost estimate • Travel time • Number of rail vehicles required 	<p>C2 – Average line speed 100kph:</p> <ul style="list-style-type: none"> • Infrastructure required and rough order cost estimate • An outline of support facility requirements and rough order cost estimate • Travel time • Number of rail vehicles required

3-Waters Sub-Regional Study

27. Phase 1 is largely complete. The Strategic Case and Current State Reports are currently being formatted and will be presented through Future Proof for endorsement. A summary of the Phase 1 report was presented to Future Proof Implementation Committee on 22 November 2019. A link to the report is [here](#). Refer to pages 32-35 for a summary of the Phase 1 report.
28. The funding application for a 50% contribution to the project was submitted to Department of Internal Affairs (DIA) in December 2019.
29. Feedback on the application is expected by February 2020. The funding application was made on behalf of Future Proof, Hamilton City Council, Waikato District Council, Waipa District Council, Waikato Regional Council, Te Whakakitenga o Waikato and Watercare.

30. DIA funding (if secured) will be subject to local partners funding the other 50% contribution.
31. At the [12 December 2019](#) Council meeting the Council approved Hamilton City Council contributing one third of the local funding (approximately \$250,000) required to complete Phase 2. The majority of other local partners have also confirmed their co-funding contribution.
32. Phase 2 of the project (the detailed technical work) has been initiated in order to support the overall corridor plan and associated projects and initiatives (including long term planning processes). Key activities currently underway include:
 - Development of detailed project management plan and programme, communications strategy and engagement plan, Development of procurement strategy and professional services briefs
 - Watercare have commissioned three waters strategy for River Communities (Huntly to Te Kauwhata/Meremere) which will inform Phase 2.
 - Metro Area Wastewater Servicing Feasibility Assessment
33. The Metro Area Wastewater Servicing Feasibility Assessment is focused on options in the Waikato-Hamilton-Waipā Metro Area (Taupiri to Cambridge (N-S) and Whatawhata to Tauwhare Pa (W-E).
34. The assessment is to provide evidence that centralized cross-boundary wastewater servicing solutions should be considered (or not) in more detail, as part of the project and the Cambridge Wastewater Project, and to help define the extent of cross-boundary servicing that should be considered. A significant early opportunity to investigate is a sub-regional wastewater plant between Hamilton and Cambridge.
35. The assessment is expected to be completed in February 2020. To support the assessment, an options identification workshop is being held with partners on 28 January 2020.
36. If the assessment concludes that centralized cross-boundary solutions should be considered for the southern half of the Metro Area, a focussed governance and delivery structure will be needed to deliver detailed investigations in time to inform significant investment decisions associated with servicing the area, in particular Cambridge and the airport.

Strategic Regional Collaboration Update

Mayoral Forum

37. A summary of the Waikato Meeting Mayoral Forum held on 12 August 2019 and 25 November 2019 have previously been circulated to Elected Members via Executive Update. Links to the two summaries can be found: [12 August 2019](#) and [25 November 2019](#).
38. Mayor Sanson was elected Chair of the Mayoral Forum at the 25 November meeting. A retreat for Mayors and CEO's is scheduled for 20/21 February 2020 where direction and priorities for the Forum will be discussed and set for the next three years.
39. The 2019-2022 Triennial Agreement was approved for adoption by Council on 4 February 2020.
40. The first Mayoral Forum meeting for the new triennium will be held on 9 March 2020.

Waikato Plan

41. The Waikato Plan Leadership Committee met on 3 September 2019. The minutes can be viewed [here](#). The first meeting of the new triennium is scheduled for 18 March 2020 following a Waikato Plan Leadership Group workshop which is planned for 17 February 2020.
42. Two major projects for the Waikato Plan currently are the Waikato Wellbeing Project and the Regional Housing Initiative.

43. Mayor Southgate represents HCC at this committee. Councillor Gallagher is the alternate.

Cross Boundary Council Discussions – Growth Matters

44. Waikato District Council – the first meeting of the new triennium was held 5 December 2019 and minutes from this meeting are attached to this report. (Attachment 1)
45. A joint WDC/HCC workshop for all Elected Members to discuss growth and other matters is scheduled for 17 February 2020.
46. Waipa District Council – there has not been a Governance Group meeting since 21 June 2019, but a three-monthly cycle of meetings is being arranged with the first meeting likely to be held in March 2020. A meeting between Mayor Southgate and Mayor Mylchreest to agree the basis of future joint Council discussions was held on 28 January 2020.
47. A similar workshop to that being held with Waikato District Council is also likely to be undertaken for HCC and Waipa Elected Members.
48. HCC is represented at both these Governance Groups by Mayor Southgate, Deputy Mayor Taylor, Councillors Macpherson and Hamilton, CE Richard Briggs and Executive Director Special Projects Blair Bowcott.

UNISA

49. The UNISA held its first meeting of this triennium on 31 January 2020 at which the Mayor and Chairs were introduced to UNISA and the Upper North Island Strategic Alliance Agreement was signed. (Attachment 2)
50. The first meeting of the Climate Change Officers Group was held 18 October 2019 with representatives from all the UNISA member councils. The next meeting is scheduled for early 2020 with the focus being on sharing the climate change work UNISA councils are doing and map out and identify where UNISA could get the best traction with climate change mitigation and adaptation.
51. UNISA sent a letter sent to Government Ministers seeking UNISA be engaged as a key stakeholder in Upper North Island Supply Chain Study which at its core is the proposed move of some of Port of Auckland to Whangarei North Port. A copy of this letter is attached to the separate report in this Committee agenda, titled “National Transport Policy Submissions.”
52. The Mayors and Chairs also agreed on the UNISA Strategic Work Programme 2020 - 2022 which sets out the work programme for UNISA for the next 3 years. The main focus of the work programme is for the UNISA partners to continue to monitor and respond in a collaborative and pro-active way to matters of national and regional importance in addition to the Upper North Island Supply Chain Study, such as the Marine Pest Management Strategy, Urban Growth Agenda and Roding Infrastructure (Auckland – Hamilton Corridor), RMA Reforms and Climate Change/Sustainability. The programme also identifies the need to update past work undertaken by UNISA in particular the Industrial Land Demand 2015 report and the 2015 Upper North Island Key Sector Trends and Labour Demand Report.

Financial Considerations

53. There are no financial implications in relation to the information provided in this report.

Legal and Policy Considerations

54. This report is for information purposes only.

Wellbeing Considerations

- 55. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
- 56. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below. The recommendations set out in this report are consistent with that purpose.
- 57. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks

- 58. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy

Significance

- 59. This report is for information purposes only

Engagement

- 60. This report is for information purposes only.

Attachments

- Attachment 1 - WDC/HCC Governance Group - Growth Issues - Minutes 5 December 2019
- Attachment 2 - UNSIA Strategic Alliance Agreement 2019-2022.

WDC/HCC GOVERNANCE MEETING

GROWTH PRESSURES

MINUTES

Thursday 5 December 2019

Waikato District Council

8.00am to 9.30am

Attendees: Mayor Paula Southgate, Deputy Mayor Geoff Taylor, Cr Dave Macpherson, Cr Ryan Hamilton, Richard Briggs, Blair Bowcott

Mayor Allan Sanson, Deputy Mayor Aksel Bech, Cr Janet Gibb, Cr. Noel Smith, Gavin Ion, Tony Whittaker, Clive Morgan, Terri Tong (minutes)

Apologies: NIL

1. Introduction/ Purpose of meetings

Mayor Paula

Mayor Paula said she was looking forward to working collaboratively together and will always be looking for a win-win scenario across the issues as much as possible. Nothing much is going to change from last term as far as the programme, approach and strategy around the issues. The only thing that will be different is the manner in which we negotiate those things. The aim is to explore everything from the perspective of the needs of our communities. Boundaries are lines on maps but what's more important are the outcomes for our collective people and the relationship we can maintain across those artificial lined boundaries for the wellbeing of people.

Mayor Allan

Mayor Allan said he agreed with Mayor Paula and advised that it was also WDC's goal to work collaboratively together across the issues as much as possible. He highlighted the established good relationship between the two Mayors. He explained that the governance group was initially set up to build a solid relationship between the councils enabling the sharing of information between councils to ensure both were on the same page. Very important to align thinking because the prize is too big to lose and none of us can operate without having great relationships with our neighbours, something obviously important to both organisations.

2. The minutes of meeting dated 30 September 2019 were accepted.

3. Growth update and sharing of each Council's recent Governance Induction discussions.

- *HCC – EM Induction*

- Broad and wide-ranging discussions through EM Induction on Growth & interconnected growth right through the subregion

- Covered 3 waters role in terms of growth and also in relation to vision & strategy for the Waikato River and environmental considerations
- Transport, Mass transit – ways of moving people around high growth communities
- Environmental considerations, sustainability – blue/green networks
- Strong support from HCC Councillors for the work being done through Futureproof, H2A Corridor, MSP initiatives and the collaborative forums such as the Governance Group meetings
- One major issue that was raised and discussed at length during induction was the pressure Hamilton's infill is causing in the city – not sustainable at current levels. Significant level of service impact as a consequence.
- WDC EM Induction
 - Had the luxury of only 2 new EM this triennium. Given that stability its very much BAU for WDC therefore a lot of the work being done pre-election is still moving forward – e.g. Growth Strategy, District Plan review etc.
 - Strategically no major changes – a few things have more elevated priority around the table – such as climate resilience.
 - Dealing with significant climate issue at the moment with Port Waikato
 - H2A Corridor Session being held today – good to have HCC represented there (Blair) to show the collaborative working relationship between the two councils. One thing that will probably come up at the session is that working with the government has never been more important in this growth space. Everything we can do collectively to achieve better outcomes for our communities, working in partnership with the government, in terms of long term arrangements, agreements & alignments will be better for us all.

4. Discussions on Action List Items

Review of open items

- Strategic Planning Framework
 - Work in progress.
- University Indoor Project
 - Waikato University presenting their Strategic Masterplan to WDC Councillors on 12 Dec at WDC
 - Cr Macpherson suggested approaching the Waikato Mayoral Forum, with its new regional council leadership to gain support for strategic projects.
 - a paper is being presented to the CE forum which picks up HCC resolution on that topic. Recommend it goes to the February Mayoral Forum for debate.
 - Alister Jones from the Waikato Uni had been invited to the Joint Council Workshop on 17 February 2020 to present to both Councils

- Strategic Land Agreement
 - Reference earlier to those pockets of land which are currently within the agreement. There have been conversations about potentially bringing forward the transfer of that land based on appropriate triggers, including things like the MSP land requirement. There have also been conversations in this meeting about what the commercial principles might look like in terms of a potential transfer.
- MOU on Cross Boundary Strategic Planning
 - We've referenced the MOU around strategic planning. We collectively buy into the boundary less planning so we agree to develop a framework that supports this.
- Southern Waters Agreement
 - Still working through details between Councils. Getting closer to an agreement and hope to bring to this meeting in February once we have worked through the various outstanding matters. Watercare will now need to be involved from a WDC perspective given the new relationship.
- Te Kowhai Waters Connection
 - Blair advised the 3 Waters sub-regional study has completed Phase 1 & 2. Fundamentally the outcomes of that piece of work would have a demonstrable impact on the Te Kowhai item. Therefore the next phase is very important & potentially an outcome could well be a sub-regional waste water plant in Cambridge. If that occurs then it could free up capacity in the northern part of Hamilton in the Pukete plant to provide options for the likes of Te Kowhai.
 - Gavin advised that WDC is undergoing a study through Watercare around the Meremere to Huntly piece. WDC recognize the importance of this work and see it as a foundation project for the H2A corridor project. In terms of Cambridge, WDC see a sub-regional option to the south of the city as a logical solution as this opens up opportunities for several communities in that area.

Reconfirm current work programme initiatives

The future work programme as outlined in the action list was confirmed.

Information Presentation – Infill Development and Future Growth areas around Hamilton

- Blair talked through presentation (Attachment 3 in Agenda pack)
- Future City extensions discussion (Key Points)
 - Tony asked if the city has the ability to service the land within the strategic land agreement
 - Blair advised that R2 was a far more serviceable property than HT1 which is a similar cell to Peacock. The 3 waters study is a fundamental consideration to how this would be serviced.

- Blair stressed that boundary less planning and the MSP is fundamental with a need to plan now for long term land use, infrastructure and value capture.
- Cr Smith asked if light rail into suburbs was being considered.
- Cr MacPherson advised the most effective mass transit system was being investigated. WDC staff are involved in those conversations as part of a transport work stream through the MSP.
- Mayor Allan advised caution around bringing forward unexpected developments ahead of those already identified to the market.
- Mayor Paula agreed and stressed that the sooner an agreement could be reached regarding the strategic land agreement timing the better, as it gives people certainty where to focus.

Information Presentation – HCC submission on WDC Proposed District Plan

Councillor Gibb excused herself due to a conflict of interest with the District Plan Hearings.

- Blair talked through presentation (Attachment 4 in Agenda pack)
- Summary from Blair
 - HCC made submissions similar to the other Future Proof partners
 - The area of interest reflects the area that the MSP plan is covering. (Taupiri in the North, west – Ngaruawahia, Te Kowhai, east – SH1, Gordonton etc. down through to Tamahere, Matangi, Tauwhare.
 - The vast majority of HCC submission points are supportive and designed to help WDC and WDC staff in terms of the things WDC wants to deliver in these areas.
 - Views are currently being formulated on the Waikato 2070 Growth Strategy, but as an RMA process. If HCC don't make a submission, then won't be around the table to either support or work with WDC to achieve the good outcomes for our communities and if there is pressure from developers/landowners
 - HCC also noticed some of the different messages that the District plan review process has thrown up
 - Mayor Allan advised this may be due to WDC thinking evolving over time
 - HCC would like to see their voice around the table as a helpful voice, unfortunately the language that is used is very prescriptive because it's an RMA process and may not always come across as such.
 - Suggestion that a group of technical experts from both Councils discuss off-line to explore solutions
 - Cr Smith felt that that group's recommendations should still be brought back to both Councils for political oversight and sign off from both councils.
 - This was agreed so that any decisions would reflect the intent of this Governance group
 - Mayor Allan advised that all contributions to the District Plan hearings need to reflect the collaborative intent of Governance group. Richard undertook to discuss with staff concerned.

5. General business

- Meeting also on 17 Feb – joint EM meeting to discuss H2A, MSP & Growth matters – there will also be a presentation from the Waikato Uni
- Suggested/agreed that 90 minutes is not enough for this Governance group meeting going forward.
 - Some suggested topics for next meeting:
 - 3 waters agreement
 - Keep working on SLA & MOU but still driven from what comes out of MSP
 - Identify quick wins/good new stories about what we are doing collaboratively together

The meeting closed at 9.30am.

The next meeting of the Governance Group is scheduled for Monday 2 March 2020, 1pm – 3.30pm

UNISA

Item 6

**UPPER NORTH ISLAND STRATEGIC ALLIANCE
AGREEMENT
(UNISA)**

Between

Auckland Council, Bay of Plenty Regional Council
Northland Regional Council, Waikato Regional Council
Hamilton City Council, Tauranga City Council
and
Whangarei District Council

2019 - 2022

Attachment 2

Agreement dated 31 January 2020

Between	The AUCKLAND COUNCIL , a council listed in Part 2 of Schedule 2 of the Local Government Act 2002
And	The BAY OF PLENTY REGIONAL COUNCIL , a regional council listed in Part 1 of Schedule 2 of the Local Government Act 2002
And	The NORTHLAND REGIONAL COUNCIL , a regional council listed in Part 1 of Schedule 2 of the Local Government Act 2002
And	The WAIKATO REGIONAL COUNCIL , a regional council listed in Part 1 of Schedule 2 of the Local Government Act 2002 (also known as Environment Waikato)
And	The HAMILTON CITY COUNCIL , a city council listed in Part 2 of Schedule 2 of the Local Government Act 2002
And	The TAURANGA CITY COUNCIL , a city council listed in Part 2 of Schedule 2 of the Local Government Act 2002
And	The WHANGAREI DISTRICT COUNCIL , a district council listed in Part 2 of Schedule 2 of the Local Government Act 2002

A. Purpose

1. This document is to establish a long-term collaboration between the Auckland Council (AC), Bay of Plenty Regional Council (BOPRC), Northland Regional Council (NRC), Waikato Regional Council (WRC), Hamilton City Council (HCC), Tauranga City Council (TCC) and Whangarei District Council (WDC) for responding to and managing a range of inter-regional and inter-metropolitan issues including as agreed in the UNISA Action Plan.
2. While AC, BOPRC, NRC, WRC, HCC, TCC and WDC acknowledge that their respective aspirations will not always be compatible, there is merit for all parties in cooperating in areas of mutual benefit.

B. Parties

3. BOPRC, NRC and WRC are regional councils as defined by the Local Government Act 2002. HCC, and TCC are City Councils and WDC is a District Council as defined by the Local Government Act 2002. The activities undertaken by these six parties are defined in legislation with the main Statutes governing the way they conduct their business being the Local Government Act 2002, the Resource Management Act 1991, the Biosecurity Act 1993, the Land Transport Management Act 2003, the Local Government Official Information and Meetings Act (LGOIMA) 1987 and the Privacy Act 1993.
4. AC is a local authority as defined by the Local Government (Tamaki Makaurau Reorganisation) Act 2009, the Local Government (Auckland Council) Act 2009, the Local Government (Auckland Transitional Provisions) Act 2010, and the Local Government (Auckland Council) Amendment Act 2010. AC is a unitary authority as defined in Schedule 2 of the Local Government Act 2002 and therefore has the responsibilities, duties and powers of a territorial authority and a regional council.
5. All parties have a statutory obligation to evaluate, plan for and manage inter-regional and inter-metropolitan issues as they affect other regions, cities and districts.

C. Legislative context

A principal role of Local Government in relation to economic development is to create conditions in which businesses can thrive. An important part of that is efficient administration of legislation. The principal statutes for Local Government are:

(i) Local Government Act 2002

6. The purpose of local government includes enabling democratic local decision-making and action by, and on behalf of communities; and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future (Section 10(1)).
7. A principle of the Local Government Act 2002 is that "a local authority should collaborate and cooperate with other local authorities and bodies as it considers appropriate to promote or achieve its priorities and desired outcomes, and make efficient use of resources" (Section 14(e)).
8. A further principle of the Local Government Act 2002 includes "in taking a sustainable development approach, a local authority should take into account the social, economic, and cultural interests of people and communities; the need to maintain and enhance the quality of the environment; and the reasonably foreseeable needs of future generations" (Section 14(h)).

(ii) Resource Management Act 1991

9. A function of regional councils under the Resource Management Act 1991 is the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the natural and physical resources of the region (Section 30(1)(a)). Integrated management would include integration across regional boundaries.

10. Regional councils also have the function of the strategic integration of infrastructure with land use through objectives, policies and methods (Section 30(1)(gb)). This would include the integration of infrastructure and land use across regional boundaries.
 11. A function of City Councils/District Councils under the Resource Management Act 1991 is the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development or protection of land and associated natural and physical resources of the district (Section 31(1)(a)). This would include the integration of land use across the boundaries of territorial authorities.
- (iii) Land Transport Management Act 2003**
12. The purpose of the Land Transport Management Act 2003 is to contribute to an effective, efficient, and safe land transport system (Section 3(1)). Regional Councils are required to prepare Regional Land Transport plans and consider integrated land use and transport planning. The integrated approach would include integration across regional boundaries.

D. Objectives

13. The overall objective of this Agreement is to maximise sustainable development opportunities for all of the upper North Island and its contribution to New Zealand.
14. The parties agree to:
 - a) identify strategic opportunities, and to collaborate on joint initiatives, which will support social, economic, environmental and cultural wellbeing across the four regions;
 - b) recognise and utilise the strengths of each region for the greater good of the upper North Island and New Zealand as a whole;
 - c) help coordinate and encourage beneficial interrelationships and connections between economic activities/services across the four regions;
 - d) seek to avoid adverse cross boundary effects of decisions, planning and activities on other regions, cities and districts;
 - e) resolve differences and conflicts, and ensure no surprises, where activities in one region or city district may affect another;
 - f) share information, expertise, databases and research where there is a mutual interest and benefit;
 - g) keep each other informed of matters of mutual interest;
 - h) encourage integration and consistency of planning across the upper North Island;
 - i) develop agreed positions as appropriate on matters of national importance and major government initiatives, and to communicate these positions to central government and relevant national organisations;
 - j) investigate opportunities for achieving cost efficiencies by sharing responsibilities and services, such as through one-stop shops and centres of excellence; and
 - k) Work with other parties, such as New Zealand Transport Agency, Auckland Transport and State Services Commission to achieve shared objectives.

2
Upper North Island Strategic Alliance
Agreement

3
Upper North Island Strategic Alliance
Agreement

E. Principles of the Agreement

15. The parties will work in good faith in a pragmatic, workable, collaborative relationship at the governance and management levels toward achievement of the Purpose and Objectives of this Agreement set out in section D.
16. The primary strategic and major issues are at the regional and metropolitan cities/district level.
17. The parties recognise the importance of an integrated and collaborative approach to regional and metropolitan governance in the upper North Island.
18. The parties recognise each council's right to make decisions for their region, city or district, and that these decisions may not always be in the interests of neighbouring regions.
19. Each party recognises that some of their activities may affect the interests of neighbouring regional councils, cities and districts, and in such cases, recognises the right for neighbouring councils to be informed and to express a view about these activities.
20. Each party recognises that the sharing of local government services can bring increased efficiencies in terms of planning, administration and consultation, resulting in better use of resources, greater mutual understanding, and improved consistency of approach.
21. Each party recognises that cooperation and shared positions can assist in local, regional and national governance and result in improved social, economic, cultural and environmental outcomes.
22. Each party will seek to communicate on matters of mutual interest in an open, honest, respectful and proactive way.
23. Where a party to this agreement has a significant disagreement with the position of another, each party will seek to accommodate, acknowledge or at least fairly represent the dissenting view of the other.
24. Nothing in this agreement alters any statutory rights or obligations under any Act.
25. This agreement neither precludes nor constitutes a joint venture, pooling arrangement, partnership or formal business organisation of any kind, nor an obligation to perform a contract with any other party.

F. Mode of Operation

26. The Upper North Island Strategic Alliance (UNISA):
 - is a collaborative body that may make recommendations to constituent councils and central government
 - has no decision-making authority
27. The mode of operation will include:
 - each council will fund its own participation
 - chief executives will identify officer resource to support the work of UNISA
 - UNISA will meet at the governance level to an agreed schedule
 - UNISA will facilitate identification of key strategic issues, particularly where there is high interconnectivity
 - UNISA will collaborate on initiatives that support economic, social, environmental and cultural wellbeing
 - each council will give early notification of issues and opportunities that may affect another party

- each council will provide the other parties with key strategic planning documents.
 - each Council will communicate with other councils in their region.
28. The leaders of each Regional Council, City Council and District Council that are members of this agreement will engage with the District Councils in their region on strategic issues under this agreement and all Councils will maintain their own operational inter-council relationships as normal.
29. Territorial authorities (who are not signatories to this agreement) with specific interests in items that are under discussion under the UNISA will have opportunities to be involved in discussions and background analysis, and will have the ability to comment on work being undertaken.

G. Meetings

30. Meetings in relation to the agreement will be coordinated and recorded by the parties to the agreement.
31. Meetings will be attended where possible by the Chairperson/Mayor and Chief Executive of each partner council, or his/her appropriate nominee, with further staff support as considered appropriate by each partner.
32. External speakers and participants, including mayors from territorial authorities (who are not signatories) with specific interests in the items under discussion, may from time to time be invited to attend meetings.
33. Meetings will be held at times and in places set out in an agreed annual schedule.
34. All formal public communications from these meetings will be approved by all parties prior to their release.

H. Review

35. This agreement shall be reviewed at the commencement of each triennial term of the seven councils. Any party to the agreement may seek alteration to the agreement during its term.

Executed by the Parties as a Non-Binding Agreement

Auckland Council

Phil Goff
Mayor

Stephen Town
Chief Executive

Bay of Plenty Regional Council

Douglas Leeder
Chairman

Fiona McTavish
Chief Executive

Northland Regional Council

Penny Smart
Chair

Malcolm Nicolson
Chief Executive

Waikato Regional Council

Russ Rimmington
Chairman

Vaughan Payne
Chief Executive

Hamilton City Council

Paula Southgate
Mayor

Richard Briggs
Chief Executive

Tauranga City Council

Tenby Powell
Mayor

Marty Grenfell
Chief Executive

Whangarei District Council

Sheryl Mai
Mayor

Rob Forlong
Chief Executive

Council Report

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Lucie Robinson **Authoriser:** Blair Bowcott
Position: CIP Project Manager **Position:** Executive Director Special Projects
Report Name: Infrastructure Funding and Financing Models - Project Update and Legislative Process

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To provide the Strategic Growth Committee with an update on the progress-to-date and legislative process regarding the use of infrastructure funding and financing models.

Staff Recommendation

2. That the Strategic Growth Committee:
 - a) receives the report;
 - b) notes that legislation to enable the Infrastructure Funding and Financing model (the Infrastructure Funding and Financing Bill) has been publicly announced and referred to the Transport and Infrastructure Committee for submissions as part of the Select Committee process;
 - c) notes that detailed analysis is being undertaken by Crown Infrastructure Partners and Hamilton City Council, as part of a Feasibility Case, regarding a possible alternative infrastructure funding and financing model for the Rotokauri and Peacocke growth cells; and
 - d) requests staff to report back at the completion of the Detailed Business Case for Rotokauri and Peacocke growth cells by mid-2020, noting that updates will also be given in General Manager Reports at each appropriate Committee meeting up to that point.

Executive Summary

3. The Infrastructure Funding and Financing (IFF) model presents a new off-balance-sheet funding tool for Council's to use to fund strategic infrastructure. As a high growth Council, having access to more financial tools that can support the funding and delivery of growth infrastructure is critical, to enable a range of housing and business land offerings in the market.

4. Legislation is required to support this new alternative funding tool and a Bill is currently out for public consultation.
5. Hamilton City Council has built strong relationships with key Government agencies (Treasury, Department of Internal Affairs (DIA), Ministry of Housing and Urban Development (MHUD) and Crown Infrastructure Partners (CIP)) and is seen as an enthusiastic key partner in the development of the IFF model.
6. The development of an IFF model presents a good opportunity for Hamilton as it is closely linked to a range of other initiatives such as: the Hamilton-Auckland Corridor Plan, the Metro Spatial Plan and the creation of Kainga-Ora. Therefore, it is important for HCC to remain at the forefront of supporting the Government (Treasury, DIA, MHUD and CIP), as part of its wider Urban Growth Agenda, with this new funding initiative.
7. HCC has a proven track record of being a successful early-adopter of new initiatives or Government policy, which benefit Hamilton, such as the Ring Road advance funding arrangements with NZTA, start-up passenger rail service (Hamilton-Auckland) and the \$290m Housing Infrastructure Fund.
8. Rotokauri (Stage 1) and Peacocke were two of the projects identified in Hamilton as being potentially feasible for an IFF model, but the tool can be used in new growth areas and across many other projects.
9. The IFF model is not a sole funding solution but can be utilised as an integral alternative tool as part of a funding mix.
10. Staff are now in the process of undertaking a detailed business case for Rotokauri, which will include a supplementary case for Peacocke, which will incorporate best business practice to ensure a robust decision can be made by Council on the viability of the IFF model.
11. Staff consider the matters in this report as low significance and that the recommendations comply with the Council's legal requirements. However, the level of significance may increase as the project progresses.

Background

12. In New Zealand, there is a well understood need for more housing, particularly in high-growth areas such as; Tauranga, Auckland, Queenstown and Hamilton. However, most Councils in these areas, including Hamilton, are close to their maximum debt levels, meaning they cannot finance the critical infrastructure needed to enable development.
13. In late 2018, in response, Cabinet agreed for Treasury and DIA to explore legislated alternative infrastructure financing models to address the financial constraints of local authorities.
14. CIP, a Crown owned company, were engaged to work collectively with Treasury and DIA to develop a viable commercial alternative funding model for the Crown, local government and private sector to utilise to fund new transport, three waters and community infrastructure, to support the timely increase of housing supply.
15. The IFF tool is being created to complement, rather than replace, the current funding arrangements of local authorities, as part of a funding mix including rates, Development Contributions (DC's), Private Developer Agreements (PDA's), external subsidies and on-balance-sheet debt.
16. If introduced, the model is intended to become a key part of the infrastructure landscape in the future in New Zealand and has several objectives, including;
 - a) acceleration of housing development by enabling infrastructure delivery beyond the limits of local authority financial constraints,

- b) spread the cost of infrastructure across time and across beneficiaries.
- 17. For councils operating at or near their debt capacity limits (under LGFA and credit rating agency guidelines), a key benefit of the IFF tool is that it is off-balance-sheet, which creates debt capacity for re-investment or advancement of critical infrastructure projects.
- 18. A similar model was set up by CIP for Milldale, Auckland in late 2018. Set up as a working alternative encumbrance model, homeowners in Milldale are charged an annual levy, in a similar manner to how they pay rates, across a 30-year period. The Milldale model is rare, as it is a single owner subdivision (Fulton Hogan) and was enabled by a contractual arrangement under current legislation.
- 19. Rotokauri (Stage 1) and Peacocke were two of the projects identified in Hamilton as being potentially feasible for an IFF model but if introduced, it could be applied to many other projects.
- 20. Legislation is required to support this IFF model to enable a Special Purpose Vehicle (SPV) to collect levies in a similar way to targeted rates, across a long period of up to 50-years. Legislation would enable the Crown (not Council) to set a levy following endorsement by Council and would enable the levy payment to be enforced by the SPV, as if it was a rate set by Council.
- 21. A presentation was given to Elected Members at a briefing on the 28 August 2019 on the IFF model. A copy of this presentation can be found [here](#). In addition, a public excluded report was written for Council on 17 September 2019, on the Government discussions surrounding the alternative IFF model.
- 22. This report provides an update of progress to date and next steps.

Discussion

Work to Date

- 23. The project team has been established, and key external advisors have been procured. Since then, the project team has been working collaboratively with CIP to investigate the high-level feasibility and potential structure of an IFF model. In addition, a Governance group has been created with senior staff members, to ensure robust leadership is in place for this project.
- 24. Hamilton City Council has built strong relationships with key Government agencies (Treasury, DIA, MHUD and CIP) and is seen as a key partner in the development of the IFF model. In December 2019, the project team hosted a group of Government officials for a 'Hamilton Growth Tour', to help raise awareness and a fuller understanding of the opportunities and challenges of growth in Hamilton. Refer to **Attachment 1** for a copy of the booklet that was produced for this tour.
- 25. Work to date has been iterative and exploratory for both Council and Government agencies, with all parties committed to an agile approach, as the details and complexities of the tool are analysed and refined over time.
- 26. Stormwater is the key constraint to development in Rotokauri, as this is critical to opening up residential development in this area. As a result, investigations to date have focused on primarily applying the IFF model to two strategic infrastructure elements; stormwater (Swale) and the arterial roads, with other complimentary water and wastewater elements, as needed.
- 27. The investigations undertaken to date in Peacocke have been focused on the feasibility of transferring a portion of the Housing Infrastructure Fund (HIF) facility into an off-balance-sheet IFF model, while retaining the HIF interest free benefit. Other Government agencies are also investigating the feasibility of this and developers have been engaged to assess the commercial

appetite for this type of arrangement. So far, discussions have been positive, and work will continue to involve key stakeholders throughout the project duration.

28. Engagement with developers in both Rotokauri and Peacocke has commenced, with full communication and development plans in progress. Initial meetings have signalled positive interest from developers following discussion of material contained in developer packs. These have been updated as the project has progressed, and developers have been involved to provide feedback on several occasions.
29. Staff will now work to complete a full detailed business case for Rotokauri, including the supplementary business case for Peacocke, and will provide updates to this Committee through the GM Report.

Key Considerations

30. An IFF model would represent a new funding stream for the 10-Year Plan, so the Detailed Business Case needs to be completed by mid-2020 to align with key 10-Year Planning timeframes from that point onwards. Any decision made by Council on the final business case would be subject to 10-Year Plan decisions.
31. As part of the investigations undertaken by CIP to assess the viability of an IFF model for a project, there is no requirement for a detailed business case to be produced by HCC. Despite this, HCC are committed to undertaking this work to ensure that Council is fully informed on the practicalities of the new tool and its successful application on projects in Hamilton.
32. In addition, Council has a wider set of drivers than CIP for this work. CIP are focused on delivering a funding model to deliver specific items of infrastructure, whereas Council is focused on creating communities, so this needs to be fully analysed from a wellbeing perspective and the wider impacts of creating a community. This will include an economic assessment to assess the impact of a levy on property owners and their ability to afford a levy.
33. In the Rotokauri growth area, only a proportion of the stormwater (Swale) costs are presently provided for in the later years of HCC's current 10-Year Plan. Without the Swale, it is very challenging, if not impossible, for developers to individually develop a stormwater solution that could mitigate a 100-year storm event. Despite this, Rotokauri is zoned residential and is subject to several developer applications to commence works and a joined-up solution is needed to prevent piecemeal development under RMA mitigation.
34. Staff are monitoring and analysing both privately led and Council led proposals in Rotokauri and surrounding areas – for example Private Plan Changes, Special Housing Areas, Private Developer Agreements and any other commercial arrangements with developers. Decisions or progress in these matters may or may not impact, positively or negatively, on the feasibility of an IFF model. Initial investigations have highlighted that a large Private Developer Agreement would be advantageous to an IFF arrangement and may provide an opportunity to be included in a wider arrangement than just purely a portion of the Rotokauri growth area.

High Level Project Milestones

35. Below are high level project milestones, which are subject to change, due to the agile nature of the work being undertaken and dependency on the implementation of legislation. Council will be updated throughout the process and a key decision date on the detailed business case is expected in mid-2020:

Preliminary Phase & Feasibility Case (COMPLETE)	May – September 2019* <i>*Council and CIP Board approvals</i>	
Developer Feasibility Engagements (COMPLETE)	July – September 2019	
Recruit Business Case Writer (COMPLETE)	August – September 2019	
Undertake Scoping Planning & Formal Workshop (COMPLETE)	October - November 2019	
Prepare Business Case	October 2019 – June 2020* <i>*Council approvals</i>	
Business Case Finalised, Approved & Lessons Learned	Mid-2020	
Infrastructure Milestones: Designations, Land Acquisition and Detailed Design* <i>*Some aspects are currently unfunded</i>	<u>Waters (Greenway/Swale)</u> <ul style="list-style-type: none"> • Notice of Requirement: Lodge: May 2019, Hearing early 2020 • Approval: Early to mid-2020 • Land acquisition, detailed design and construction – to follow* <i>*Funding in later years of the current LTP and Private Developer Agreements (PDA's) may impact timeframes of these stages</i>	<u>Transport (Arterial Road)</u> <ul style="list-style-type: none"> • Notice of Requirement: Lodge: Early to mid-2020 • Approval: End of 2020 • Land acquisition, detailed design and construction – to follow* <i>*Funding in later years of the current LTP and Private Developer Agreements (PDA's) may impact timeframes of these stages</i>
Commercial deal agreed with CIP* <i>*Proposal and HCC funding elements part of LTP consultation</i> <i>*To be conducted in conjunction with LTP timeframes</i>	By late 2020	
Legislation* <i>*Dates are subject to parliamentary process and may be delayed</i>	Drafting instructions and PCO drafting of legislation	August - October 2019
	Legislation ready for Cabinet approval to be introduced to the House	December 2019
	Select Committee Process (submissions, hearings)	Submissions close on 5 March 2020
	Selection Committee report back	May 2020
	Second, third readings in Parliament	May 2020
	Enacted	June 2020
IFF commercial deal is completed and aligned with 2021-2031 LTP timeframes	By mid-2021* <i>*Subject to all consents being given and no delays incurred</i> <i>* Council and CIP Board approvals, and Ministerial approval</i>	

Next Steps

36. Commence the investigation, analyse and writing of the detailed business case for Rotokauri and supplementary business case for Peacocke. These are expected to be prepared by mid-2020 and staff will report back to Council with updates throughout this period.
37. Continue supporting CIP through the funding proposal stage, including any detailed investigations and the drafting of any potential funding agreements.
38. Continue to support Treasury, DIA and MHUD with the development of the Infrastructure Funding and Financing Bill and any Government policy required for the IFF model.

Business Case Purpose and Outcomes

39. The detailed business case will outline the preferred pathway for the development of Rotokauri (Stage 1) based on robust analysis and use of thorough project management methodologies.
40. The detailed business case will enable a decision to be made on whether to bring forward the development of Rotokauri based on detailed analysis of the full costs involved, the optimum funding mix and whether to progress a commercial deal under an IFF model.
41. The supplementary business case for Peacocke will enable a decision to be made on whether to transfer part of the HIF loan into an off-balance-sheet IFF model.

Legal and Policy Considerations

42. IFF models are Government policy, however legislation is required to support this new funding tool.
43. HCC has been working closely with key officials at Treasury, DIA, MHUD and CIP, and has been invited to provide feedback at Government workshops at several occasions on the Infrastructure Funding and Financing Bill.
44. The Infrastructure Funding and Financing Bill was publicly announced by Minister Twyford, of which the article can be found [here](#), and the Bill was introduced into the House on 12 December 2019.
45. The first reading was on 17 December 2019 and the legislation was referred to the Transport and Infrastructure Committee. Videos of the first reading speeches, and the draft transcript, are available [here](#).
46. Submissions are due by Wednesday 5 March 2020 and the project team will work closely with key internal and external partners on a positive submission that will make it clear what assistance is needed to ensure that Council can apply the IFF tool effectively.
47. An Elected Member drop-in session and/or briefing will be arranged to discuss the draft submission, prior to formal committee consideration.
48. The draft submission will be presented to the Infrastructure Operations Committee on 27 February 2020 to ask for any feedback before a submission is made.
49. Information on the Infrastructure Funding and Financing Bill and legislative process can be found [here](#).
50. Unless subject to unforeseen delays, the legislation is due to be enacted in mid-2020.
51. The separate Urban Development Bill is also out for public consultation and the HCC submission to this Bill will be considered at this Strategic Growth Committee. There are linkages between these two Bills, specifically in their purpose to transform the way growth communities and infrastructure are planned, funded and financed. It is contemplated that Kainga Ora, the new Urban Development Authority will utilise IFF as one of its new tools.

Wellbeing Considerations

- 52. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
- 53. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
- 54. The recommendations set out in this report are consistent with that purpose.

Social

- 55. The detailed business case for Rotokauri and the supplementary case for Peacocke will investigate the social impacts and considerations. Special consideration needs to be given to the impact of additional charges on the market and the need to plan for community amenity to support a vibrant and connected community.

Economic

- 56. The detailed business case for Rotokauri and the supplementary case for Peacocke will have detailed economic and strategic analysis for consideration. This will support the recommendation to proceed with investigations that support the growth of Hamilton City and the need to provide housing to meet a growing population.

Environmental

- 57. The detailed business case for Rotokauri will include an environmental assessment as part of the strategic and management cases.

Cultural

- 58. The detailed business case for Rotokauri will include a cultural assessment of the area.

Risks

- 59. The risks of not proceeding with the investigations are that Council may miss out on an early opportunity to access alternative financing models to advance growth cells. Investigations are non-binding at this stage, therefore staff consider the level of risk associated with proceeding to the next stage and continuing investigations as low.
- 60. A full risk workshop will be undertaken to fully analyse the risks involved in the project before the detailed business case is completed.
- 61. A business as usual approach to funding and financing growth infrastructure is unlikely to be financially sustainable, and Council needs to investigate IFF as an additional new tool to assist in mitigating this risk.

Significance & Engagement Policy

Significance

- 62. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a low level of significance.
- 63. However, the level of significance may increase as the project progresses.

Engagement

- 64. It is likely that there will be specific consultation and engagement undertaken per project at the appropriate time.
- 65. Engagement is underway with key developers in Rotokauri and Peacocke.

Attachments

Attachment 1 - Hamilton Growth Tour Booklet .



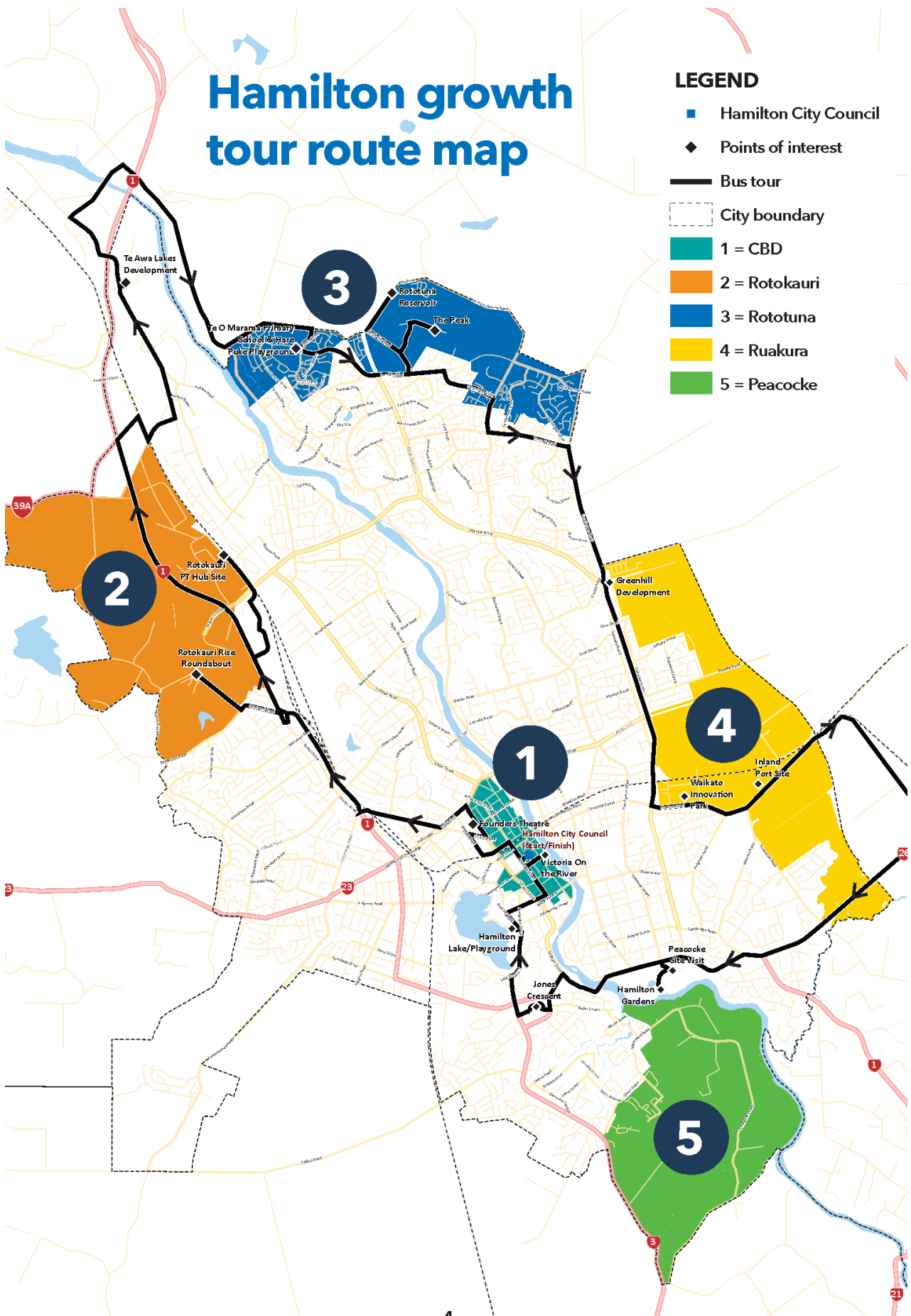
Hamilton growth tour attendee list

NAME	ROLE	ORGANISATION
Kate Le Quesne	Infrastructure Funding & Financing Project Lead	The Treasury
Anthony Powell	Senior Analyst	The Treasury
Amelia Vinnell	Business Analyst	The Treasury
Michael Chatterley	Senior Analyst	Department of Internal Affairs
Francesca Algie	Policy Analyst	Department of Internal Affairs
Fiona Wright	Head of Infrastructure Funding & Development Strategy	Auckland City Council
Andrew Duncan	Manager, Financial Policy	Auckland City Council
Ngahuia Leighton	Commercial Advisor	Crown Infrastructure Partners
James Bishop	Executive Manager, Commercial	Crown Infrastructure Partners
Sean Wynne	Deputy CEO	Crown Infrastructure Partners
Brian Croad	Manager, Regulatory Affairs	Tainui Group Holdings
Alison Harold	Manager, Education	Ministry of Education
Mark Tamura	Manager, Integration and Infrastructure	Waikato Regional Council
Karen Mitchell	Interim Head of Infrastructure Unit, Commercial Infrastructure & Urban Growth	Infracom
Dan Cameron	Principal Infrastructure Transaction Advisor	Infracom
Debbie Lascelles	Group Manager Strategy & Community Services	Waipa District Council
Clive Morgan	GM, Community Growth	Waikato District Council
Wikitoria Tane	Project Advisor	Waikato-Tainui
Blair Bowcott	Executive Director, Special Project	Hamilton City Council
Karen Saunders	Growth Programmes Manager	Hamilton City Council
Lucie Robinson	City Growth Project Manager	Hamilton City Council
Luke O'Dwyer	City Planning Manager	Hamilton City Council
Andrew Parsons	Strategic Development Manager	Hamilton City Council
Greg Carstens	Growth, Funding and Analytics Unit Manager	Hamilton City Council
Mike Bennett	Key Account Manager	Hamilton City Council
Lance Haycock	Capital Projects, Programme Manager	Hamilton City Council
Nigel Ward	Communication and Engagement Team Leader - Growth	Hamilton City Council
Nick Chester	Social Development Advisor	Hamilton City Council

Hamilton growth tour agenda

8.30am - 3pm

TIME	TOUR - POINTS OF INTEREST
8.30am	Hamilton City Council - meet in the foyer <i>Parking is available in the Secure Parking Garden Place Car Park on Anglesea Street.</i>
8.45am	Victoria on the River and Waikato Regional Theatre
9.25am	CBD infill development: Parkhaven Apartments
9.50am	Rotokauri Rise development
10.00am	Rotokauri PT Hub site
10.15am	Te Awa Lakes Development
10.30am	Te O Marama Primary School and Hare Puke Playground
10.40am	The Peak (Rototuna High School) - morning tea and toilet break
11.05am	Rototuna Reservoir
11.30am	Greenhill development and Waikato Innovation Park
11.45am	Ruakura Inland Port site - Tainui Group Holdings
12.15pm	Hamilton Gardens - lunch and guided tour
1.50pm	Peacocke site visit - depart bus for new Waikato River bridge site visit
2.30pm	Jones Crescent (an example of high-density development) and Hamilton Lake / playground
3.00pm	Return to Hamilton City Council



1

CBD

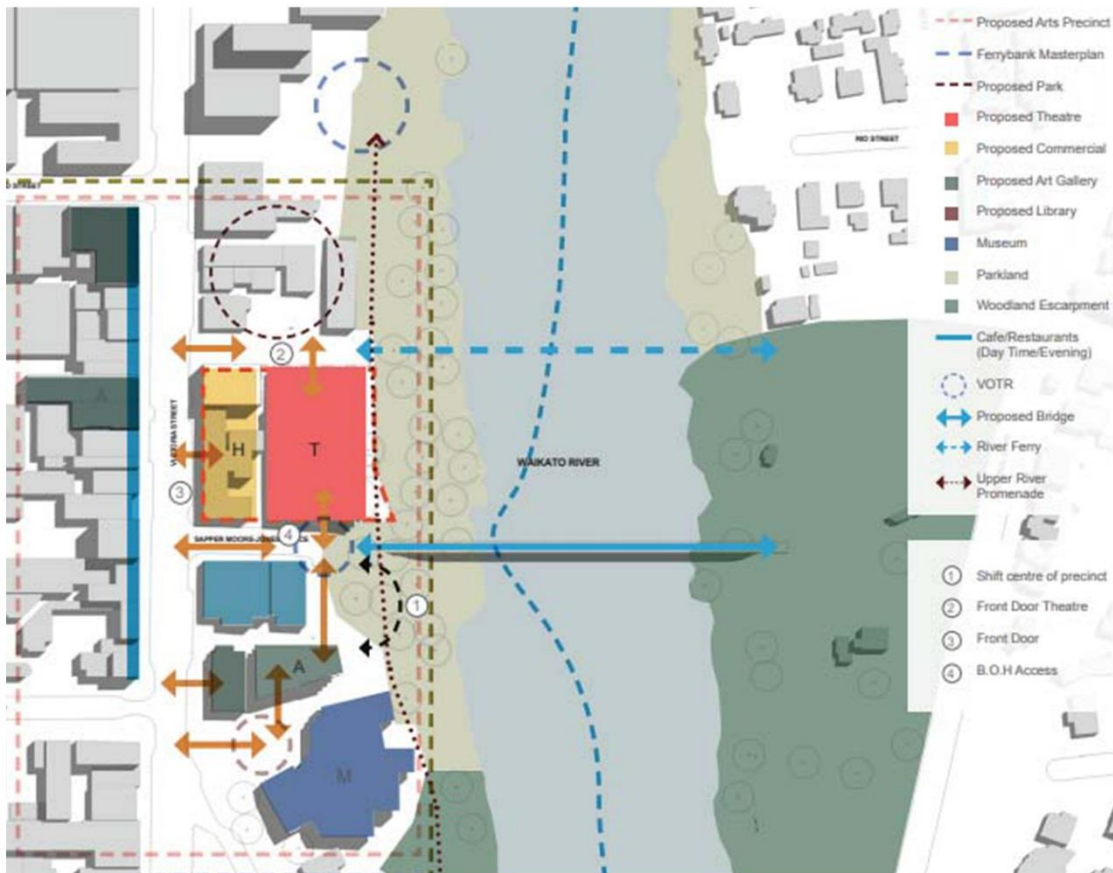




Our Place

The Waikato Regional Theatre will be a catalyst for inspiration, becoming a pathway to the creative sector that will be:

- A place where we gather to learn and be inspired.
- A hub where young people learn creative skills and participate in theatre workshops as part of their school curriculum.
- A stage where talent grows, and where producers, technicians, actors, musicians and dancers are discovered by the world.
- A proposed boutique hotel, encouraging 24/7 activation.
- A flexible and adaptable lyric theatre of world class standard designed for unamplified acoustics.
- A community venue where choirs, hip-hop groups, theatre companies, musicians, poets, Kapa Haka, Toi Maaori and other cultural groups are encouraged to use the shared spaces.
- A precinct that builds on the city's vibrant restaurant and café culture.
- An opportunity for outreach programmes that will enhance community engagement.
- A destination in its own right, with courtyards, open spaces and cafés that create a sense of place where people will come and gather.
- Waikato Regional Theatre will be a \$74M, 1300-seat world-class riverfront theatre.
- The site development includes an adjacent boutique hotel that will preserve and enhance the original Hamilton Hotel street frontage.
- A glass-ceiling atrium would connect the refurbished hotel and the theatre and a cantilevered foyer area would provide views over Waikato River.
- Initiated and led by Momentum Waikato, which has raised \$57M of the construction cost alongside \$12M from the Provincial Growth Fund.
- The project is fully supported by Waikato Tainui and Te Haa o Whenua o Kirikiriroa (THaWK), which represents the mana whenua hapuu Ngaati Wairere, Ngaati Haua, Ngaati Koroki Kahukura, Ngaati Mahanga and Ngaati Tamainupo, with both working with the developers on cultural designs elements for the theatre and surrounds.
- Other contributions have come from Trust Waikato, Lotteries, philanthropic donors, Waikato Regional Council, Vibrant Hamilton Trust and Hamilton City Council.
- Site work to begin in March 2020.



Item 7

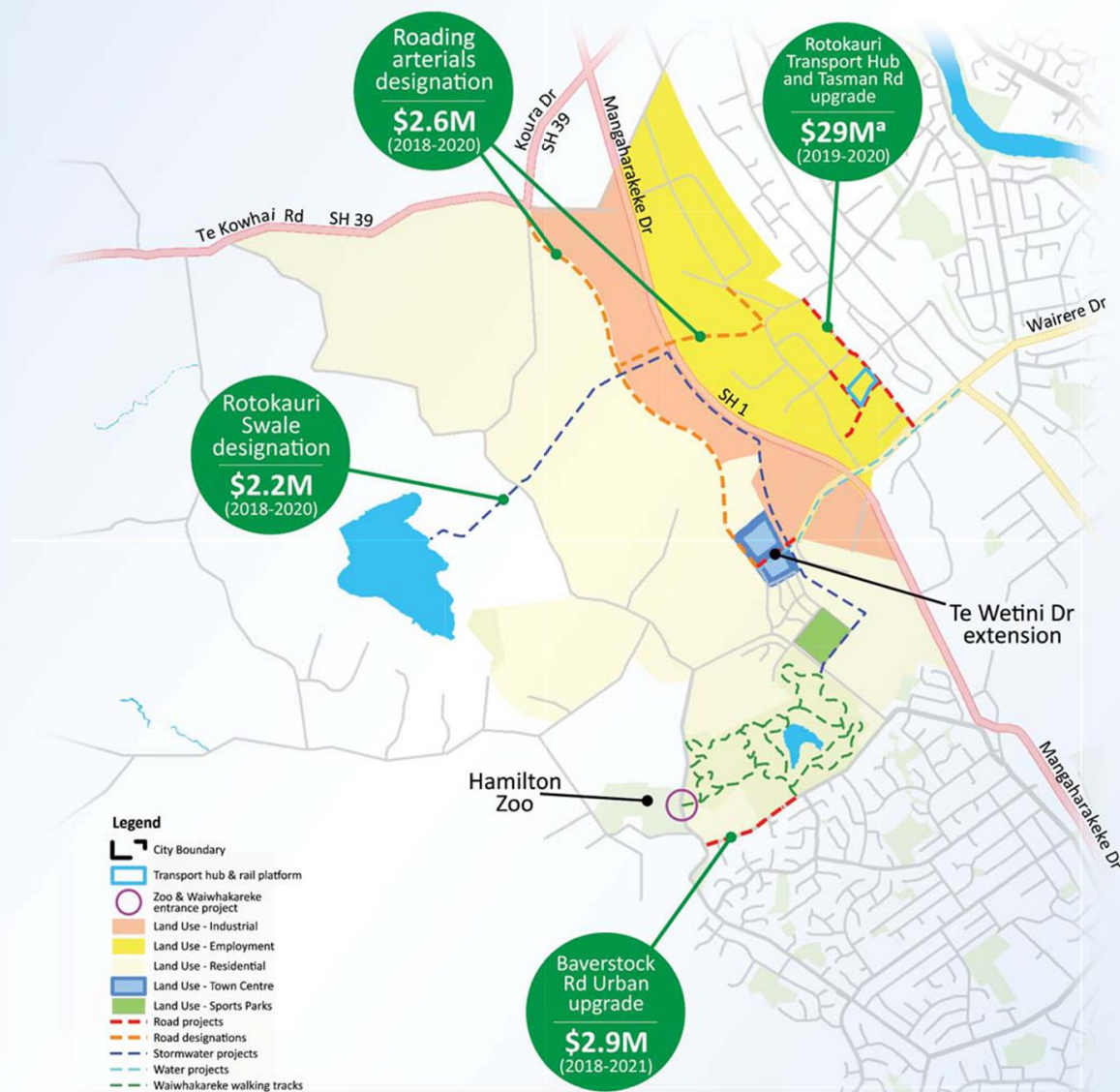
Attachment 1

2

ROTOKAURI

Rotokauri

Development is underway in Rotokauri with strategic water and wastewater infrastructure recently completed as well as roads which will support residential development in the area.



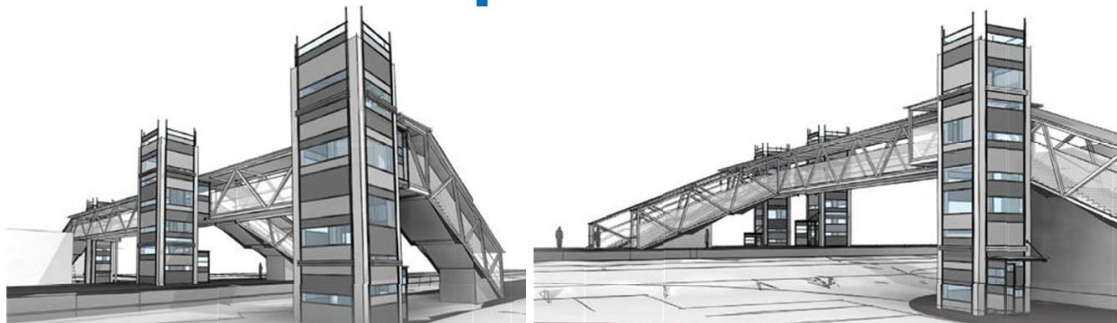
Note:

^a \$29M total (\$18.5M funding contributed by NZTA)

Rotokauri Rise Master Plan



Rotokauri Transport Hub



VIEW FROM TASMAN RD LOOKING SOUTH

VIEW FROM THE BASE LOOKING NORTHWEST



VIEW FROM TASMAN RD LOOKING NORTH

These are concept designs for reference. Changes may be made to the final outcome.

3

ROTOTUNA

Rototuna

Exciting development is continuing to happen in Rototuna, and we are working hard to create special places with and for local communities for you now and in the future.



Rototuna revisited



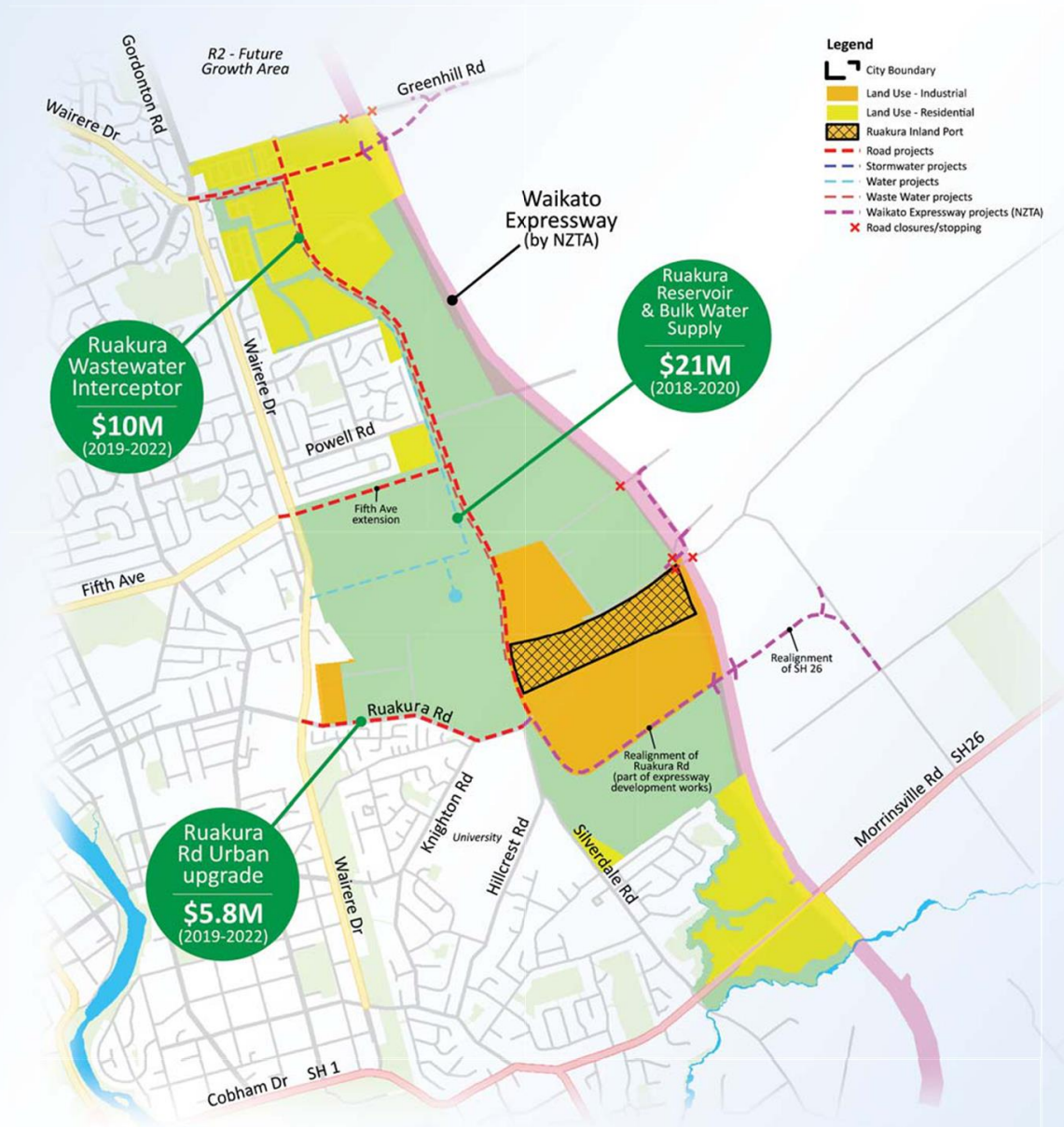
Rototuna Village Artist's Impression

4

RUAKURA

Ruakura

Unlocking the Ruakura area for development is progressing and will include residential, commercial and industrial.



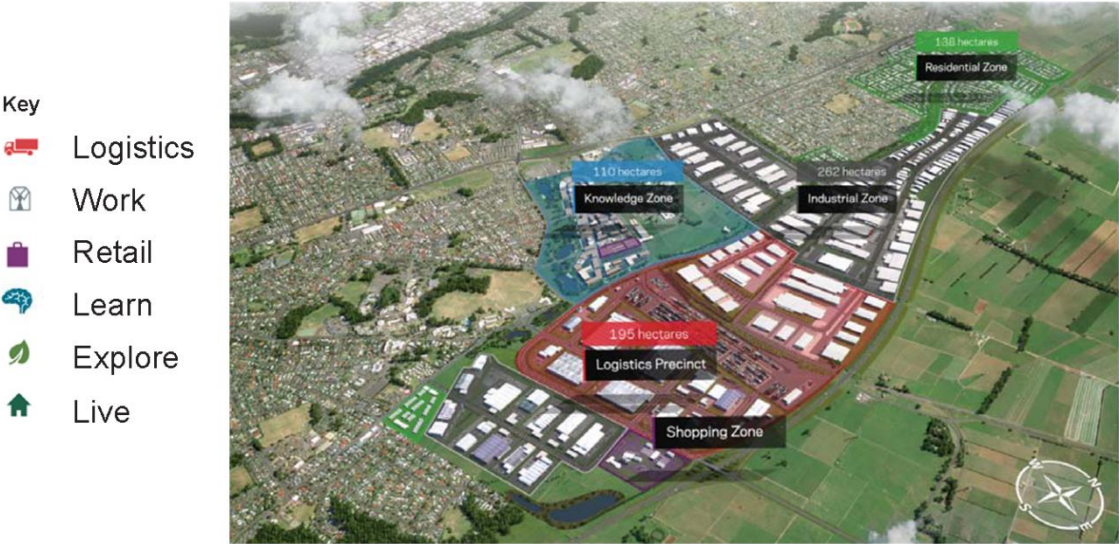
Ruakura - unlocking the Golden Triangle



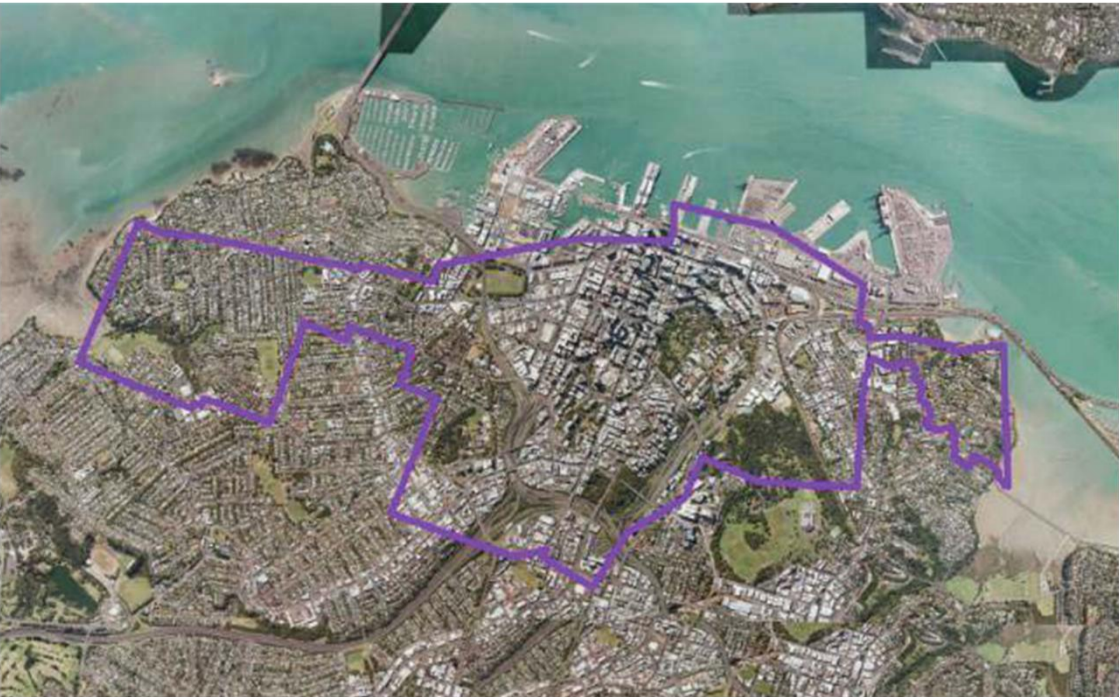
Ruakura history

- Waikato-Tainui settles with Government in 1995 Raupatu Settlement.
- 608ha at Ruakura returned to our iwi.
- Project of 'national significance' through Board of Inquiry for re-zoning in September 2014.
- March 2016 - resource consents for port and logistics.

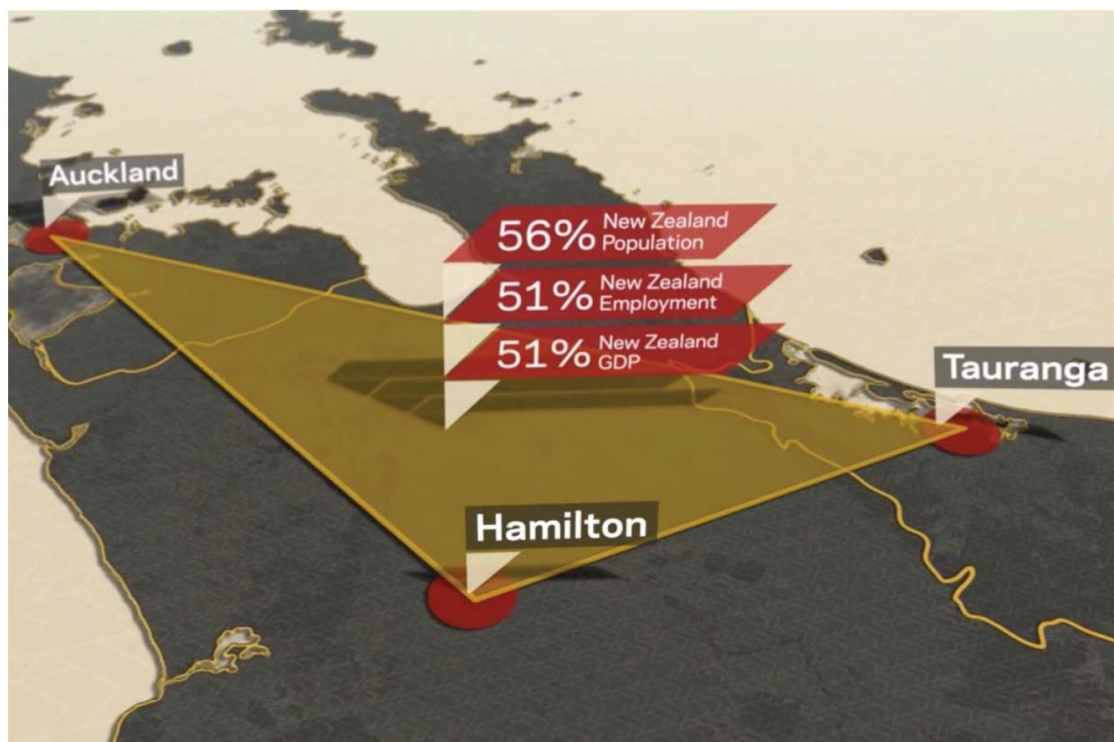
Ruakura - six unique precincts



Ruakura's scale vs Auckland CBD



Logistics Drivers - The Golden Triangle



Underlying freight volume increases of 60%*
(*National Freight Demand Study 2014)



Why is POT getting on board?

- New Zealand's largest export port.
- Needs to secure access to Waikato cargoes (lagging Ports of Auckland).
- Brings 86 trains per week out of Auckland via MetroPort Train Service.
- New service agreement for four trains per day (and 20 TEU per train) - to call in at Ruakura.
- Commitment to grow the service and explore other opportunities.
- Opportunity preserved for Ports of Auckland to match this service at Ruakura.

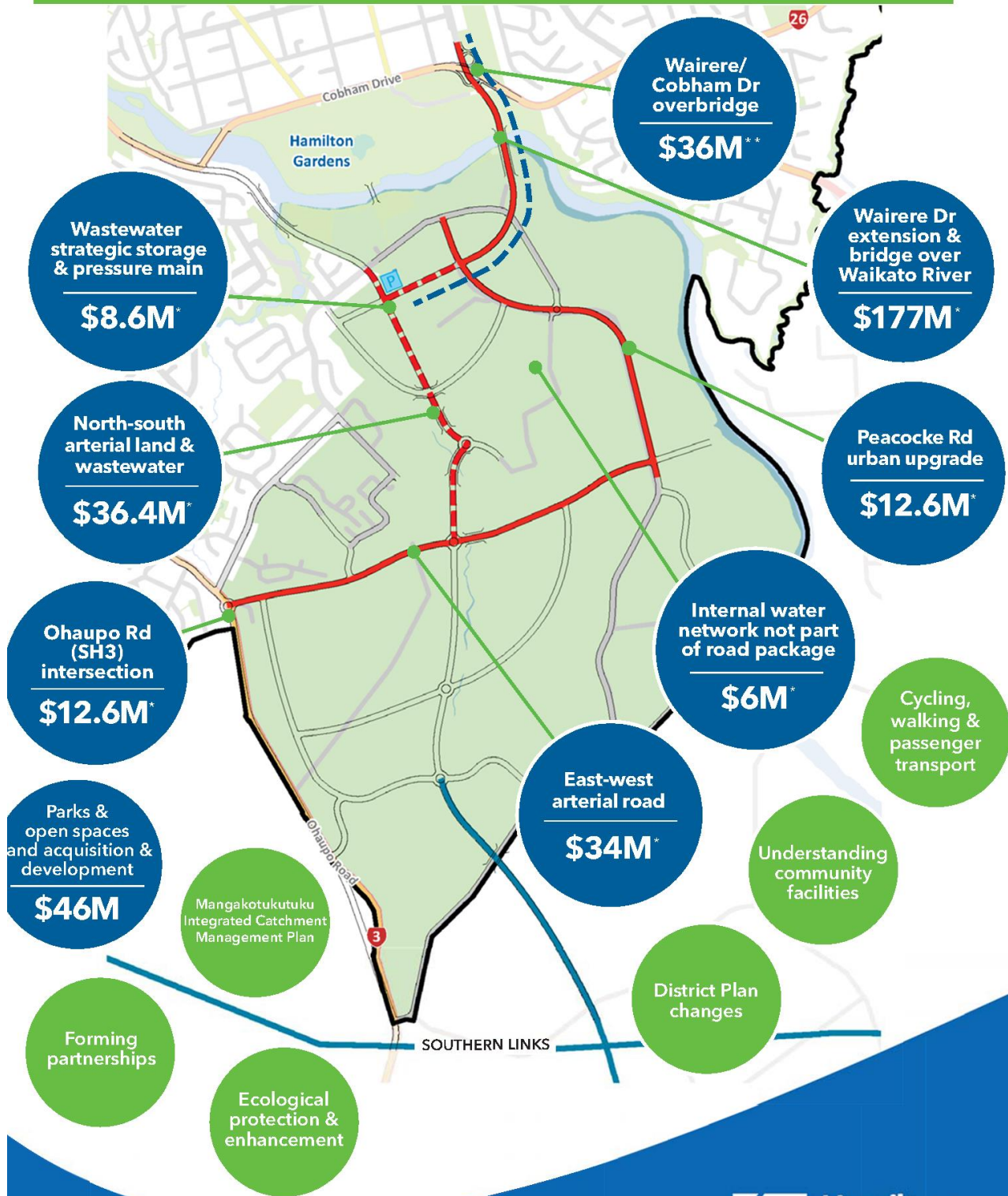


5

PEACOCKE

Peacocke

INFRASTRUCTURE AND COMMUNITY PLANS - 2018-28



* Housing Infrastructure Funded
**\$3.2M funded from the Housing Infrastructure Fund

Peacocke

INFRASTRUCTURE AND COMMUNITY PLANS - 2018-28



\$290.4M
TOTAL GOVERNMENT FUNDING
(INCL. INFLATION)



3750
NEW HOMES IN PEACOCKE
(FIRST 10 YEARS)



2
PA SITES IN PEACOCKE
(A HISTORIC MAAORI VILLAGE OR SETTLEMENT)



1
NEW BRIDGE OVER WAIKATO RIVER



\$6B
PEACOCKE DEVELOPMENT BENEFITS
(30 YEARS)



\$65M
SAVED IN INTEREST FEES

WHAT'S THE PLAN?

Hamilton City Council secured a \$290.4M funding package for the development of Peacocke - \$180.3M from the Government's Housing Infrastructure Fund (10-year interest-free loan) and \$110.1M of NZ Transport Agency subsidies.

If Hamilton builds a new bridge over the Waikato River, new roads and installs main pipes - there will be land ready for developers to build homes.

Peacocke has the space needed, is close to the central city, can provide broader transport benefits by working in conjunction with other projects including the Hamilton Southern Links road network.

HOW WILL HAMILTON DELIVER?

Hamilton City Council will deliver results by having the right governance in place, expertise working on the project and working closely with the Government, NZ Transport Agency, Iwi, developers and our community.

WHAT'S THE CURRENT SITUATION?

Hamilton is experiencing very high growth and projections show the city is well on its way to having more than 200,000 people living there.

Hamilton needs enough land for an extra 12,500 homes by 2028 and 31,900 by 2038. High growth, lack of available/serviced land and a challenging balance sheet make a unique and significant challenge for Hamilton.

This places a heavy burden in the city to fund the infrastructure (main roads, water, stormwater and wastewater pipes) needed.

Hamilton City Council's 2018-28 10-Year Plan was set up to support access to the amount of land needed. To meet the demand, a new greenfield area needs to be open soon to provide enough land for housing.



hamilton.govt.nz/peacocke



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

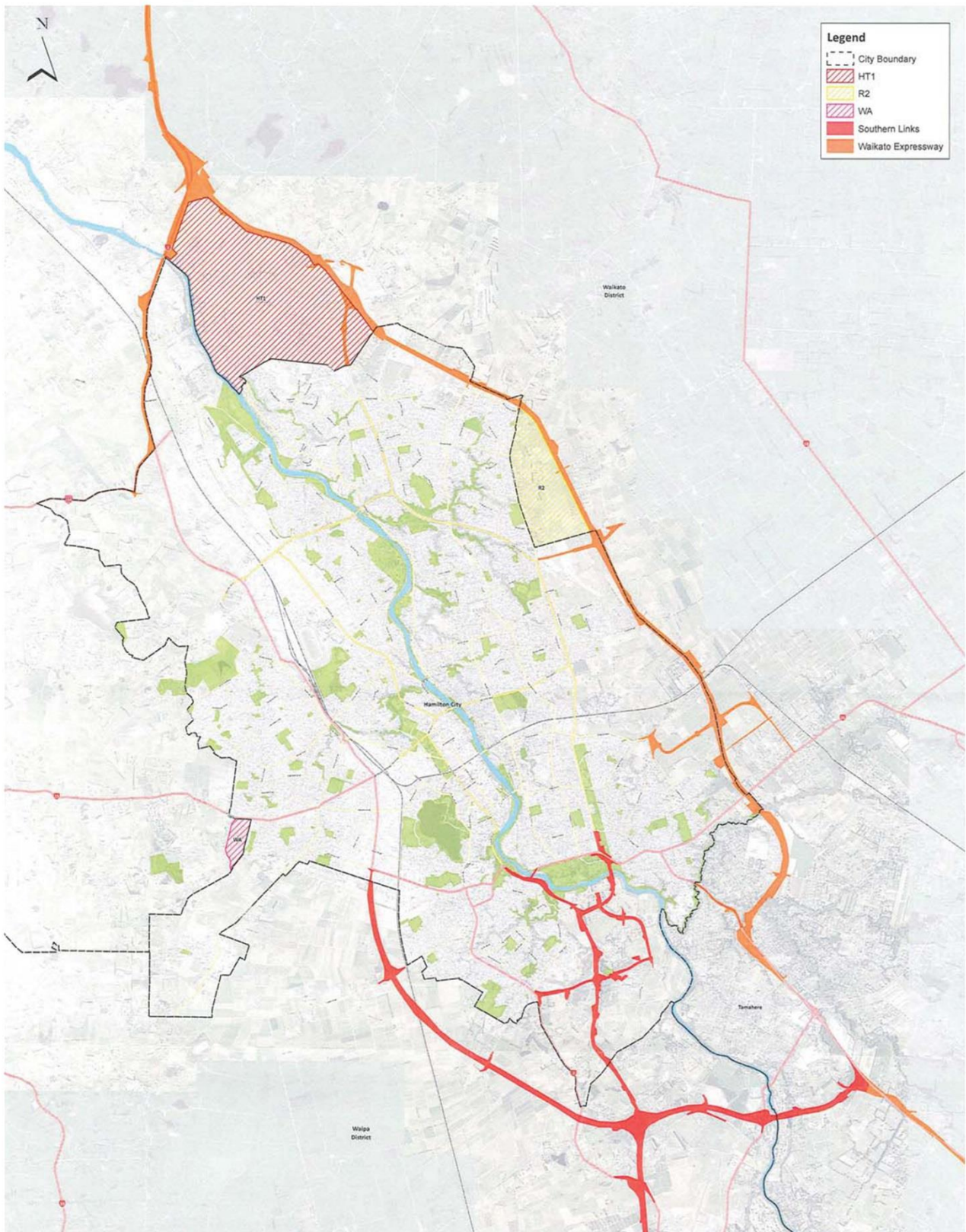




6

GENERAL INFO

Future city expansions



Item 7

Attachment 1



Five focus areas and 20 key initiatives

FOCUS AREA 1

Stronger corridor connections

- Start up rail

FOCUS AREA 2

Papakura-Pokeno sub region

- Spatial Plan

FOCUS AREA 3

River Communities

- Spatial Plan

FOCUS AREA 4

Hamilton-Waikato sub-region

- Spatial plan, Mass Transit, 3 Waters

FOCUS AREA 5

New tools and options to unlock full potential

- IFF nad HUDA

HAMILTON CITY COUNCIL
Financial Strategy
10-Year Plan 2018-28

Item 7



DEBT

230%

Net debt to revenue ratio will
remain below 230%

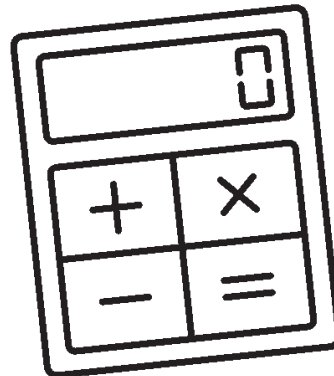


RATES

3.8%

Average rate increases
over the 10-year plan

Attachment 1



BALANCING THE BOOKS

2022/23

Everyday costs are paid for by everyday
revenue (rates, fees & charges)

HAMILTON CITY COUNCIL

Capital Programme Costs

10-Year Plan 2018-28



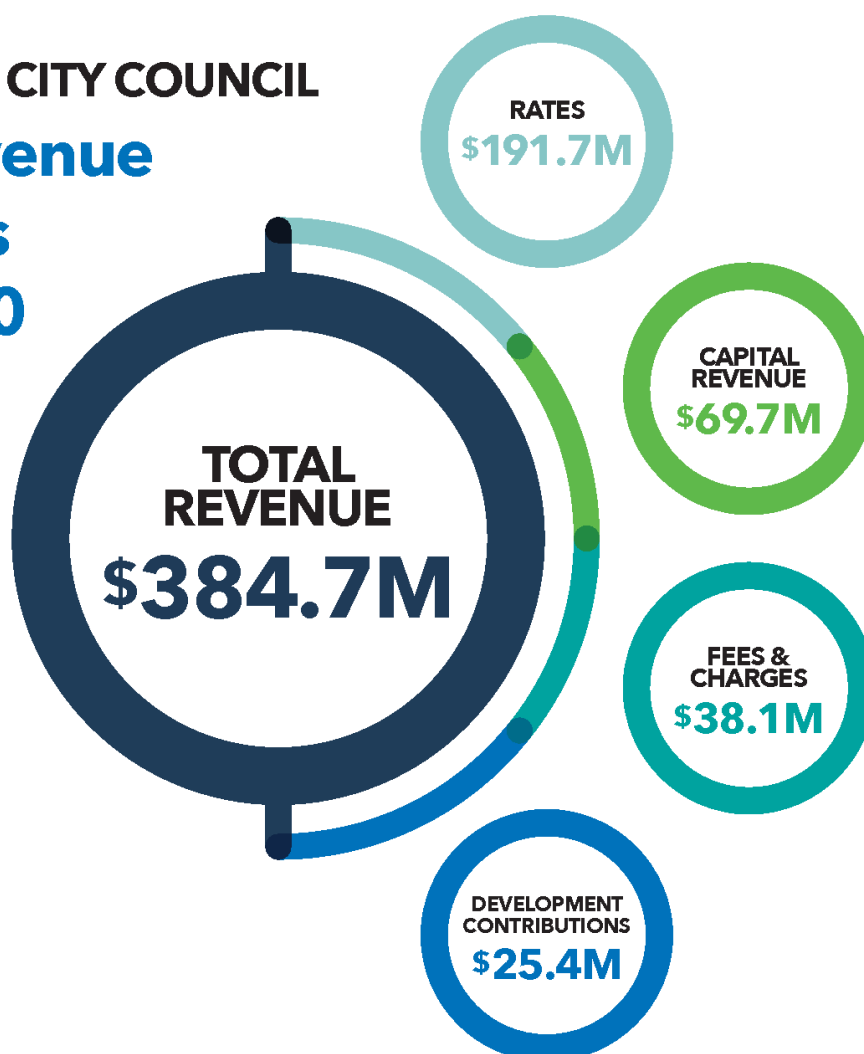
The Council will spend over \$2B over the 10 years on capital expenditure to address renewal of existing assets, improving level of service, and supporting growth.

- To ensure the appropriate infrastructure is available to meet the needs of our growing community.
- The Council will spend \$1.2B, aside from infill, which provides 50% of the city's housing needs.
- Rototuna and Peacocke will be the primary greenfield sites.

HAMILTON CITY COUNCIL

Key Revenue

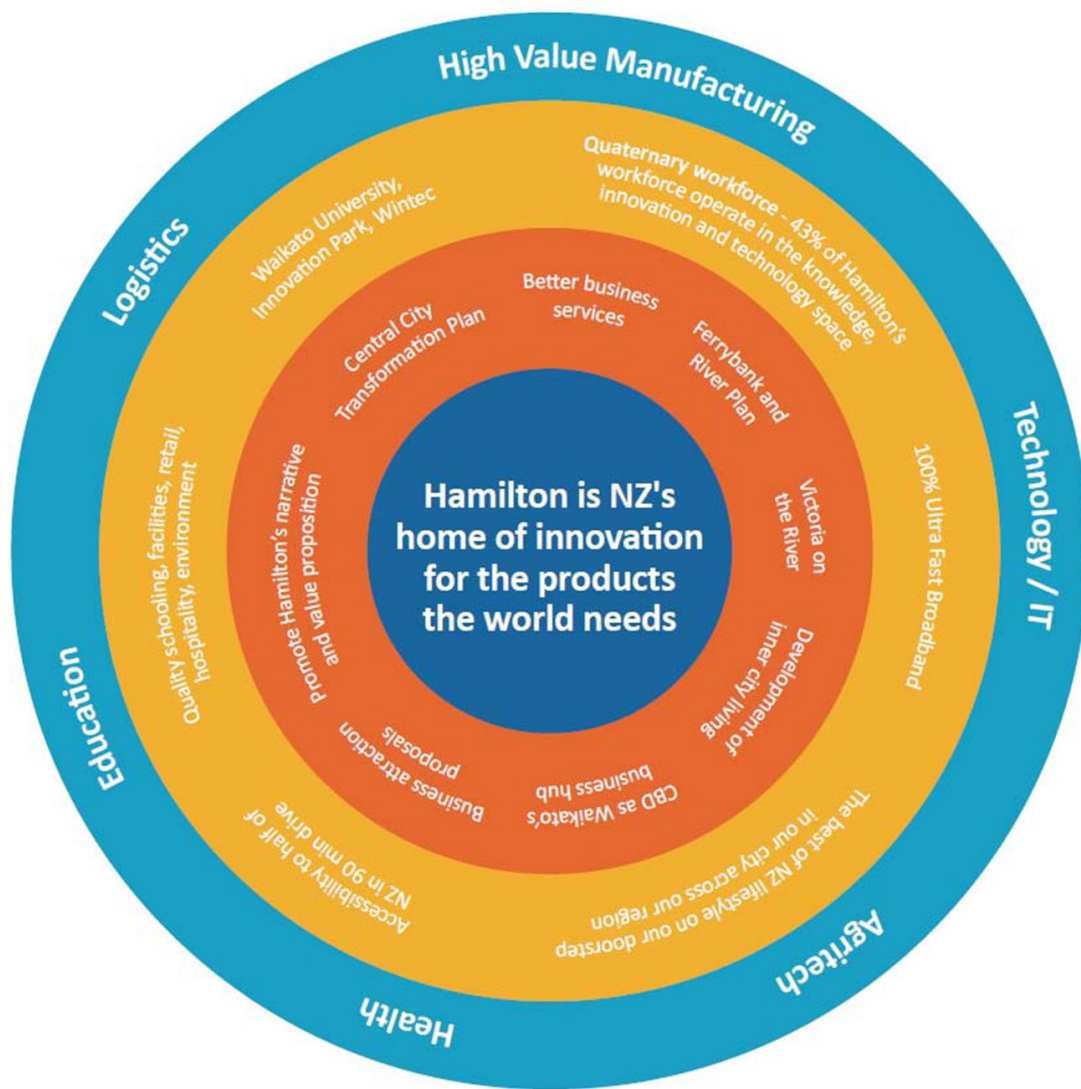
Budgets 2019/20



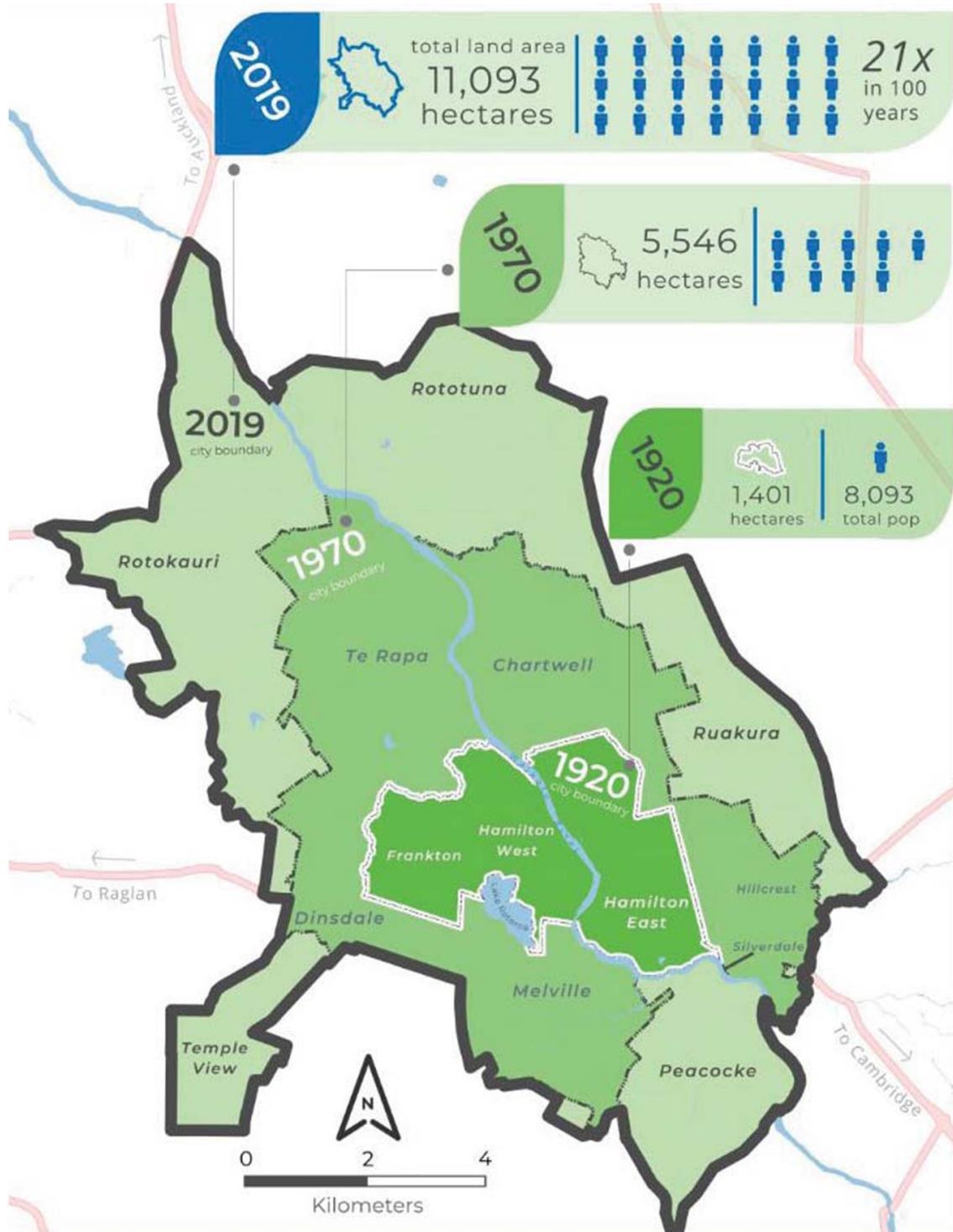
1. Hamilton's strongest industries
2. Hamilton's competitive edge
3. Hamilton City Council's actions
4. Hamilton's future identity

Item 7

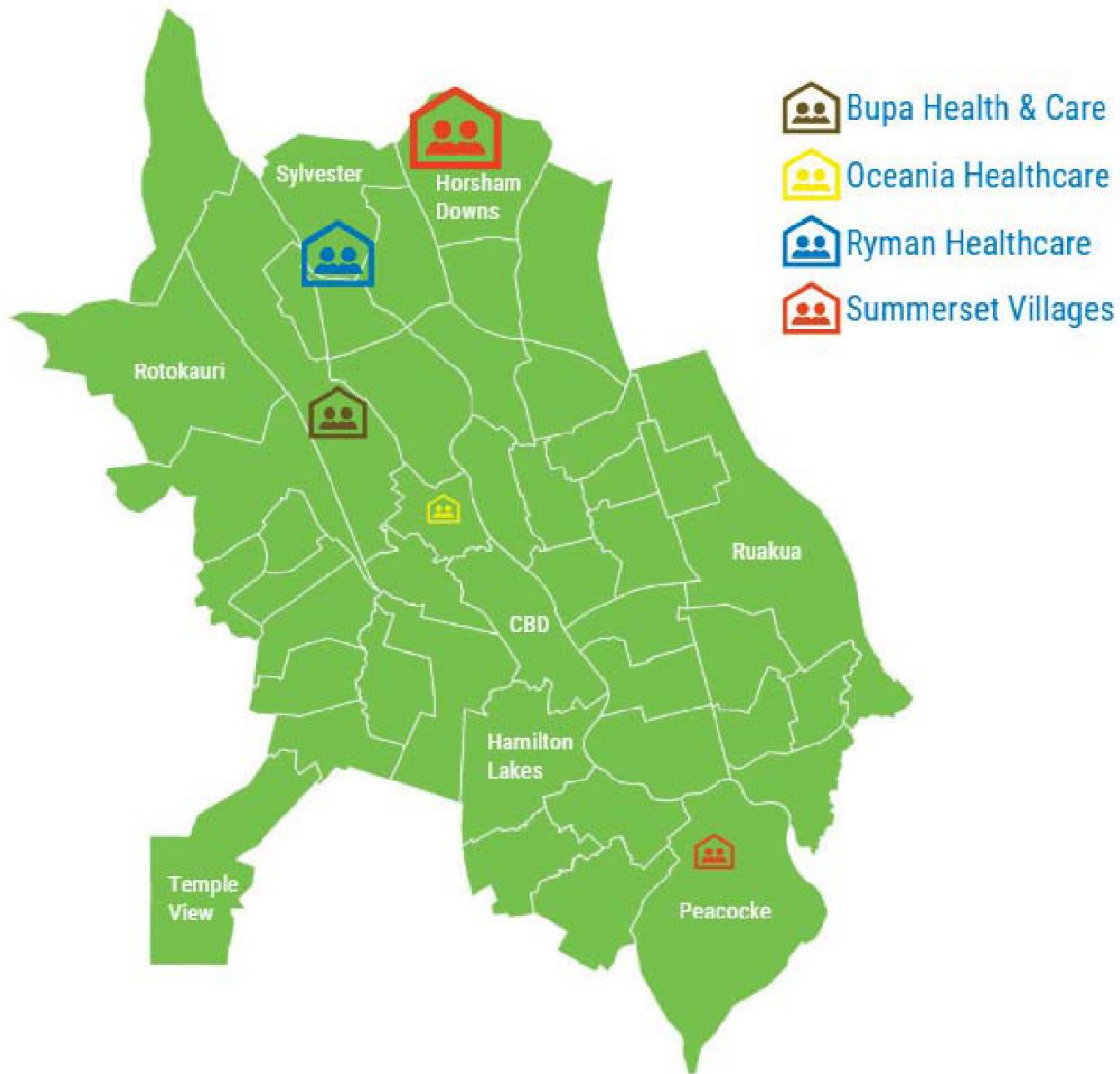
Attachment 1



100 years in the Tron



Aging-friendly city accelerating



238 UNITS

with average floor area of 113 square metres were consented to build. A further 33 units are currently seeking consent.



75,000m²

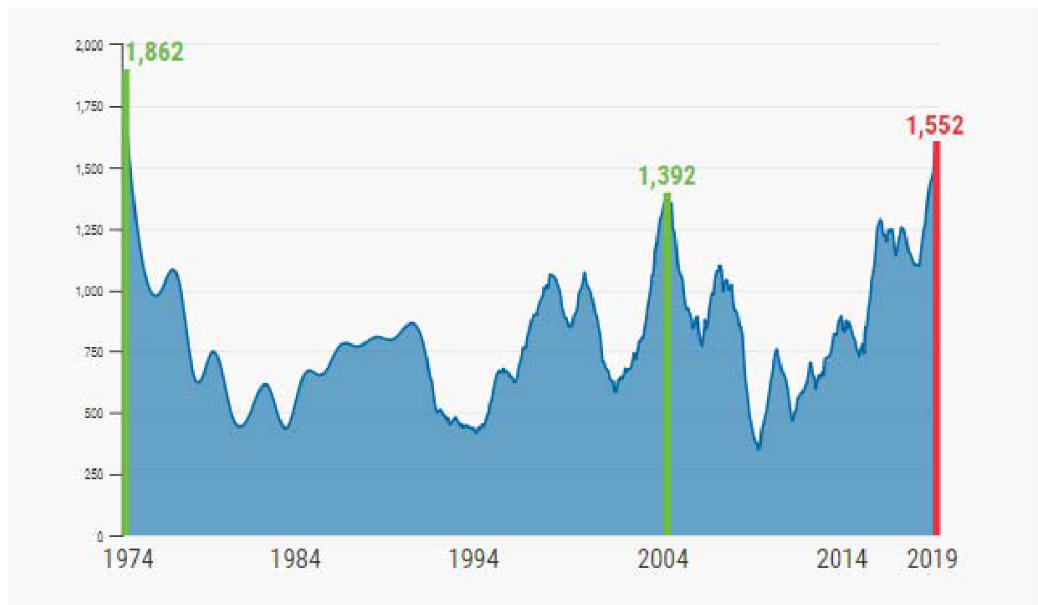
of additional commercial floor area were consented to build cutting edge health treatment complexes and leisure areas.



\$141M

that is 4.4 times the \$32M invested in the previous three years.

Most new homes in a generation

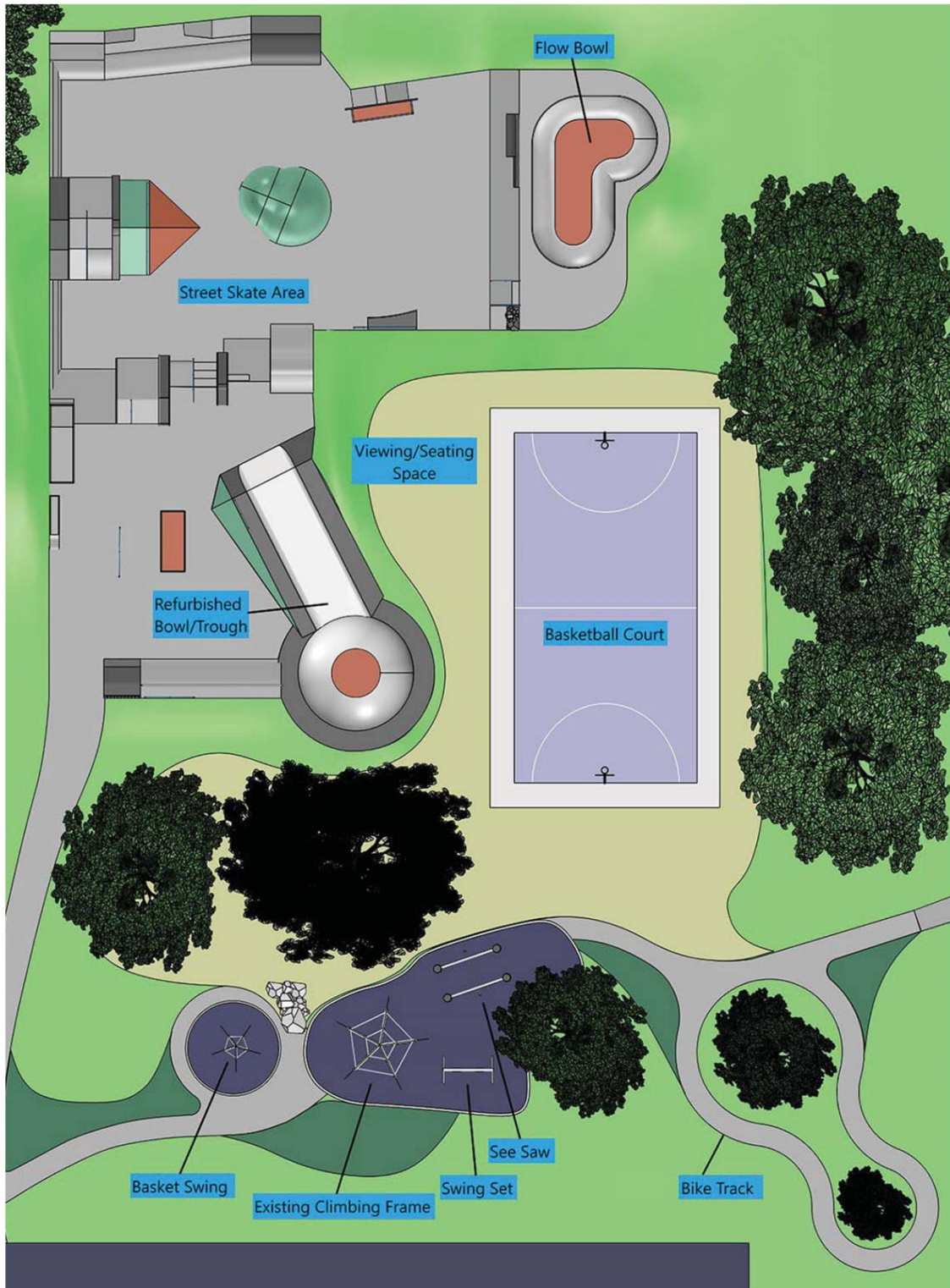


in 2019 (June FY)

1,552

new homes were consented to be built
in Hamilton, the most since 1974.

Melville skate park upgrade concept design



21


Item 7

Attachment 1

Hamilton City Council
Garden Place, Private Bag 3010, Hamilton

 /HamiltonCityCouncil

 @hamiltoncitycouncil

 07 838 6699

hamilton.govt.nz

Council Report

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Karen Saunders **Authoriser:** Jen Baird
Position: Growth Programmes Manager **Position:** General Manager City Growth
Report Name: Peacocke Programme Update

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To inform the Strategic Growth Committee on progress of the Peacocke Programme of work for September 2019 to January 2020.

Staff Recommendation

2. That the Strategic Growth Committee receives the report.

Executive Summary

3. This is the sixth Peacocke Programme progress report covering the period September 2019 – January 2020. The previous report was presented to the Growth and Infrastructure Committee on [27 August 2019](#).
4. Activities and achievements since the previous report include:
 - The Peacocke Plan Change project has commenced, planning is under way and resources are in place. A briefing date is set for 18 March 2020 for Elected Members.
 - The bridge and other lead network infrastructure procurement processes have begun.
 - The construction contract was awarded for the SH3/Ohaupo Road Intersection and construction has commenced.
 - A wildlife permit was issued by the Department of Conservation for lizards.
 - The land acquisition process is on track and is entering the next phase under the Public Works Act (PWA). The Council has purchased additional properties since the previous report on 27 August 2019, taking the total number of properties purchased to 13 of 39 properties.
 - There has been continued focus on community engagement with some successful engagement events and activities in late 2019 including a new electronic newsletter, attendance at Your Neighbourhood events and a successful Community Liaison Group meeting.

- Development activity in Stage 1 of Peacocke has continued, including:
 - a) A new neighbourhood park at Inuwai Street reserve in Dixon Heights. Design is under way with construction expected to begin in March 2020 to be finished by the end of June 2020.
 - b) A subdivision resource consent for 250 residential allotments along with 22 'super lots' at 3019 Ohaupo Road in Peacocke Stage 1 is currently being processed. The super lots will be the subject of future land use proposals for higher-density development such as duplexes and apartment units.
 - Development activity in Stage 2 of Peacocke includes:
 - a) The Amberfield/Weston Lea Ltd subdivision consent application in Peacocke Stage 2 for 833 residential allotments has been granted by independent hearing commissioners on 1 November 2019, subject to relevant consent conditions. The applicant and Department of Conservation (DOC) have appealed the consent conditions relating to Sport Parks and ecological mitigations. Environment Court mediation is to be scheduled.
 - b) A land use consent for a retirement village (Qestral Corporation Ltd) at 37 Weston Lea Drive was lodged with the Council on 24 December 2019. The development includes establishing a 252-unit retirement village, a care centre, a manor, a pavilion and dementia facility, together with internal roading and landscaping. This application is currently being assessed for completeness.
5. Overall the programme is running to schedule, in particular:
- The HIF network infrastructure project is on track and is within the timeframes set out in the HIF Facility Agreement. Contract award decisions are expected for significant components of the HIF funded works during 2020.
 - Current pre-application discussions and consenting and construction activity total approximately 2300 homes, which is approximately 60% of the projected 10-year developer uptake of 3,750 homes in Peacocke.
 - Positive working relationships continue to be developed with key stakeholders including the Department of Conservation, Te Haa o te Whenua o Kirikiriroa (THaWK), Tangata Whenua Working Group, Waikato Tainui, the Ministry of Education, The Southern Links Community Liaison Group, Waka Kotahi NZ Transport Agency (NZTA) and several developers.
6. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

Background

7. The previous Peacocke Programme update was presented to the Growth and Infrastructure Committee on [27 August 2019](#) for the period May-August 2019.
8. Elected Members and Maangai Maaori were briefed on the Peacocke Programme on 15 November 2019 as part of the Elected Member induction process (**Attachment 1**).
9. The Peacocke Programme financial report was reported as part of the Capital Portfolio report to the Finance Committee meeting on 11 February 2020.

10. The programme commenced in July 2018 following Council approval of the Housing Infrastructure Fund (HIF) detailed business case and subsequent adoption in the 2018-28 10-Year Plan. Since then the Peacocke team has been working on delivery of physical works. In 2018, the Council selected professional services advisors and commenced design and land acquisition work for the projects. Activity during 2019 included commencing statutory processes for property, making significant progress on investigation and design, and enabling works including diversion of utility services.
11. Key macroscope approvals were made for transport and wastewater infrastructure from May 2019 – August 2019 and these works are now in the final construction procurement phase.

Peacocke Programme Vision and Objectives

12. The vision for the Peacocke Programme is to enable the development of an attractive and sustainable community in the Peacocke Growth Cell. Ko te whakakitenga moo te whenua Peacocke - Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Peacocke.
13. Over the next 10 years, the Peacocke Programme is projected to deliver a third of Hamilton's medium-term housing needs.
14. The Peacocke programme includes the delivery of the strategic network infrastructure, community facilities and infrastructure, resource consenting and building consenting activities, ecological protection and enhancement, funding, monitoring and reporting and commercial activities.
15. The Programme supports the delivery of the 2018-28 10-Year Plan and the following community outcomes:
 - **A city that embraces growth** – we have the infrastructure that meets our current demands, supports growth and helps build a strong economy;
 - **A great river city** – we embrace our natural environment and have green spaces, features and community facilities that make Hamilton a great place to live, work, play and visit
 - **A Council that is best in business** – we are customer focused, financially sustainable and have the best people delivering the best outcomes for the city.
16. As per the HIF Detailed Business Case, the investment objectives of the Peacocke programme are to:
 - i. support Hamilton to be the third City Economy in New Zealand,
 - ii. increase the amount of developer-ready land to meet the National Policy Statement-Urban Development Capacity,
 - iii. support the provision of affordable housing
 - iv. build a vibrant community that integrates with Hamilton,
 - v. enable coordinated land use and strategic infrastructure,
 - vi. ensure financial sustainability for Hamilton City Council and the community.

Discussion

Programme resourcing and governance

17. The Programme board continues to meet regularly to provide oversight of the programme. The board consists of four Council General Managers, the Strategic Development manager, the Peacocke Programme manager and representatives from Waikato-Tainui, NZTA and Waikato Regional Council.

Commercial, planning and consenting activities

Pre-application discussions

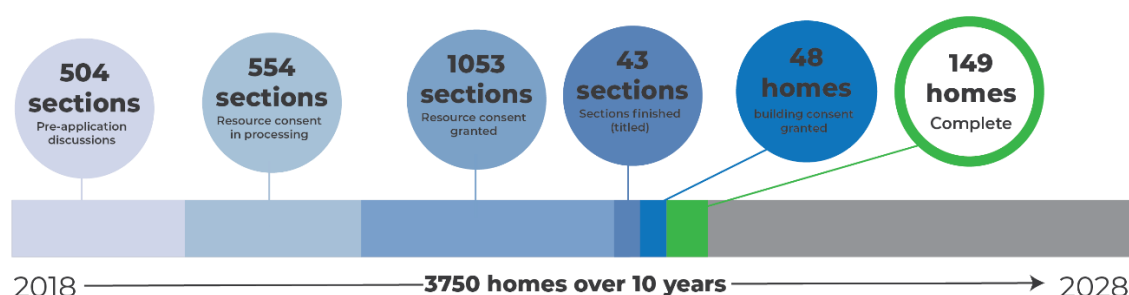
18. Commercial negotiations and pre-application discussions are under way with three major developers in Peacocke Stage 2.

Development activity

19. Residential construction in Hamilton continues to be strong, with approximately 1550 building consents issued in the 2018/19 financial year, the highest on record since 1974. The Council's latest quarterly economic and housing indicator reports to July 2019 can be accessed on the Hamilton Invest website here www.hamiltoninvest.co.nz/resources.
20. The majority of Peacocke Stage 1 has been consented or is seeking consent to subdivide.
21. A subdivision resource consent for 250 residential allotments along with 22 'super lots' at 3019 Ohaupo Road in Peacocke Stage 1 is currently being processed. The super lots will be the subject of future land use proposals for higher density development such as duplexes and apartment units.
22. The Amberfield/Weston Lea Ltd subdivision consent application in Peacocke Stage 2 for 833 residential allotments has been granted by independent hearing commissioners on 1 November 2019, subject to relevant consent conditions. The applicant and DOC have appealed the consent conditions relating to sport parks and ecological mitigations. Environment Court mediation is to be scheduled. Amberfield is the first major subdivision consent application in Stage 2 and initially applied for 862 dwellings; through the consenting process, this was reduced to 833 dwellings. Information relating to the consent and hearing is available for viewing on the Council website [here](#).
23. A land use consent for a retirement village (Qestral Corporation Ltd) at 37 Weston Lea Drive was lodged with Council on 24 December 2019. The development includes establishing a 252-unit retirement village, a care centre, a manor, a pavilion and dementia facility, together with internal roading and landscaping. This application is currently being assessed for completeness.
24. A map showing the location of development activity in Peacocke can be seen in **Attachment 2**.

Progress towards the Housing Infrastructure Fund housing yield

25. As per the detailed business case, the HIF investment is to implement strategic infrastructure to enable the development of 3,750 homes over 10 years from 1 July 2018.
26. Current pre-application discussions and consenting and construction activity total approximately 2300 homes, which is approximately 60% of the projected 10-year developer uptake of 3,750 homes in Peacocke (refer **Figure 1**).
27. Development is expected to accelerate once the bridge and the wastewater infrastructure solutions are in place from 2023/24.
28. **Figure 1. Pipeline showing development activity since 1 January 2018 in the Peacocke HIF funded area (Peacocke Stage 2 and remaining capacity Stage 1), as at 28 Jan 2020**



Peacocke District Plan Changes

29. The District Plan change projects relating to the Peacocke area were approved by the Council on [11 October 2018](#).
30. The District Plan changes will review both the structure plan and the associated land use planning provisions to optimise the Housing Infrastructure Fund investment and give effect to the wider Peacocke Programme objectives. The review of the structure plan will:
 - i. identify the optimum location for active reserves, strategic 3 waters, walking/cycling network, Integrated Catchment Management Plan (ICMP) provisions, suburban centres, schools, community facilities, mixed use development and community nodes
 - ii. remove the Peacocke Master Plan requirements
 - iii. introduce a staging plan and transport connections
 - iv. promote best practice in terms of urban development.
31. The plan changes will also:
 - i. provide a detailed examination of the opportunities and constraints relating to the land including its suitability for various activities, infrastructure provision, geotechnical issues and natural hazards
 - ii. identify, investigate and address the potential effects of urbanisation and development on natural and physical resources in the structure plan area and in neighbouring areas, particularly those that have been scheduled in the District Plan in relation to natural heritage, Mana Whenua, natural resources, historic heritage and special character
 - iii. explain how any adverse effects of land use and development are to be avoided, remedied or mitigated by proposed plan provisions.
32. The objectives of the Plan Changes project include:
 - i. developing a revised structure plan and planning provisions to support the development of an attractive and sustainable community in Peacocke
 - ii. developing the project outcomes in partnership with internal and external stakeholders and key land owners
 - iii. enhancing the environment, specifically in relation to water quality and biodiversity outcomes that are consistent with the outcomes sought in the Mangakotukutuku ICMP and the draft Biodiversity Strategy
 - iv. ensuring a high quality and connected open space network
 - v. increasing public transport, cycling and walking modal shifts as set out in Access Hamilton
 - vi. developing a land use pattern that provides housing choice while creating accessible new community nodes
 - vii. ensuring landscape and urban design excellence.
33. The project will include preparing, notifying and holding hearings and releasing decisions on a plan change that results in a revised structure plan and district plan provisions that contribute to the Council's strategic organisational and community outcomes objectives and results in creating an attractive and sustainable community in Peacocke. This will be supported by a significant communications and engagement activity with the community, community groups, landowners, business owners, developers, iwi, partners and other key stakeholders in the area.
34. The project is led by the City Planning team with multi-disciplinary input from across the Council (eg Strategic Development, Parks and Open Space) and will report progress through the existing Peacocke Programme structures. The broad timeframes for the projects are set out in **Table 1** as follows:

Table 1. High level Plan Change Project time frames

Milestone	Description	Planned date
Confirm proposed plan change methodology	Council briefing	March 2020
Community and key stakeholder engagement	Workshops, open days, media etc.	March – July 2020
Final Structure plan documents and ODP provisions	Present to Council	End July 2020
Final Iwi review prior to public notification	Sign-off by Waikato-Tainui	End July 2020
Council Resolution to Notify	Council Meeting	Early August 2020
Notify plan change		Mid-August 2020
Prepare s42A report		End January 2021
Hearing of Submissions	Hearing Commissioners	End March 2021
Decisions released and appeal period	Commissioners/Environment Court	April – May 2021

35. The Plan Change and structure plan refresh for Peacocke is a public policy process where elected members have the final say on progressing the project. Only the Council can resolve to notify a plan change to formally initiate RMA processes that are essential for altering the planning provisions in Peacocke. Therefore, it is important that elected members are briefed in a timely and detailed manner to not only understand the key opportunities and risks associated with the project, but to feel a level of comfort and ownership with what's occurring given their unique political role in the process.
36. Several Council briefings will be held over the next 6 months on the plan change process. The first briefing is scheduled for 18 March 2020.

Network Infrastructure

Key activities in 2020

37. Overall, the network infrastructure programme is on track and progressing well.
38. During 2020, key infrastructure projects to enable development of the Peacocke growth cell begin construction as outlined in **Table 2** below:

Table 2. Key network infrastructure activities in 2020

Project/Activity	Key activities in 2020
Land acquisition	<ul style="list-style-type: none"> Land acquisition is progressing through the Public Works Act processes however staff are progressing settlement with some owners by agreement where this is desired. There is currently one objection being dealt with through the Environment Court.
Further developing tangata whenua engagement, community, environmental and social opportunities	<ul style="list-style-type: none"> Kainga Ora – Housing NZ – lease agreement - first property being prepared for occupation for transitional housing. Close and effective working relationships with tangata whenua via THaWK and TWWG, including collaborating /partnership for design, cultural inductions and kaitiaki roles for construction. Working towards Green Star Community eligibility.

Project/Activity	Key activities in 2020
SH3 Ohaupo Road/Peacocke East West Arterial roundabout	<ul style="list-style-type: none"> The key water diversion and enabling works are complete. Schick Civil Construction has commenced construction for the main roundabout works. The roundabout will be operational later in 2020, providing access for subdivision and development now under way in adjacent land.
Peacocke Strategic Wastewater package (transfer pipeline (Peacocke to Crosby Road), main transfer pump station and strategic pipelines in Peacocke)	<ul style="list-style-type: none"> Design of the wastewater transfer pipeline from Peacocke to Crosby Road is largely complete and procurement is under way for a construction contract award mid 2020 for an alignment that generally follows the East Town Belt and Wairere Drive, from Cobham Drive to Gordonton/Wairere intersection. Preliminary design of the main transfer pump station is complete, and detailed design will be completed in 2020 for procurement in 2021.
Peacocke Strategic Transport package (river bridge and roads)	<ul style="list-style-type: none"> Detailed design is largely complete, and procurement is under way for a construction contract award in September 2020.

Procurement

39. Procurement of physical works is on track and aligned with the approved Business Case programme.
40. The SH3/Ohaupo Road intersection enabling works are now complete and a construction contract for the main roundabout works has been awarded.
41. Procurement processes are well under way to enable construction contracts to begin by late 2020 for key lead strategic transport and wastewater packages. Staff will bring contract award decisions to the Strategic Growth Committee in late 2020.
42. The procurement process aims to leverage new Government rules for sourcing where appropriate. A traditional multi-stage 'price quality' method will be used for evaluation allowing for thorough consideration of non-priced attributes (such as construction methodology and contractors' skills) as well as the contractors' tendered price. Evaluation of non-priced attributes means the preferred tender may potentially not be the cheapest but would provide the greatest overall value while managing quality or delivery risks for the Council.
43. Opportunities to leverage industry knowledge and expertise through early contractor involvement, or design and construct components is expected to be included where value is demonstrated.

Scope Refinement and Prioritisation List

44. Successful delivery of the Peacocke HIF programme of works relies on more than just completing the infrastructure within scope; it also needs to adequately connect into the existing networks and community, which is particularly evident in the transportation space where higher than normal level of travel by passenger transport and active mode use is being actively sought. In some cases, local network improvements or separate projects might be considered in the future to complement the Peacocke HIF programme of work. To capture and report on these for direction by Council, a Scope Refinement and Prioritisation list (initially called a 'shopping list') has been developed through the Access Hamilton Task Force (see **Attachment 3**) and staff will progress this through the Structure Plan process and 2021-31 10 Year Plan process.

45. In addition, since the Southern Links designation process began in 2010, several Council objectives have been introduced, best practice standards have increased and compliance/legislation/regulation dictating some design aspects have changed. The resulting design macroscope, particularly for the transport network, has been approved at the 27 August 2019 Growth and Infrastructure Committee. Changes are mostly cost neutral; however, some changes, for example the need to achieve Vision Zero and designing to current seismic and stormwater design standards, could have cost implications that will need to be factored into updated project estimates or addressed through the construction procurement process and tender award decisions.

Land acquisition

46. To facilitate the Strategic Wastewater pipe, land access and easements are being sought adjacent to Wairere Drive between Ruakura Road and Tramway Road, as well as access approvals through the East Town Belt.
47. An overall property status update is outlined in the **Table 3** below:

Table 3. Property Status Update

	No. Properties	Description	Status
Total Properties Affected	39	<i>For the current HIF programme</i>	<i>Overall on track but very tight timeframes</i>
Properties purchased	13	<i>Five were already HCC owned before HIF commenced</i>	<i>Properties under management</i>
Properties yet to purchase	26		<i>Prioritised most the critical properties</i>
Potential for early purchases	8	<i>Three are part of private developer agreements or willing buyer/willing seller agreement and are progressing well. Five have agreements in principle with final agreement terms being worked through.</i>	<i>PWA process continuing in parallel Early construction access agreements being negotiated</i>
Properties with s18 notices issued	24	<i>Three remaining are active developers, however s18 notices are still going to be issued</i>	<i>Overall on track but very tight timeframes. S23 notices are about to be issued</i>
Properties with s23 notices issued	15	<i>Further S23s to be issued by end of March 2020 S26 Proclamation with LINZ for nine properties One outstanding objection.</i>	<i>Advanced agreements still offered in good faith</i>

SH3/Ohaupo Road Intersection

48. The construction contract for the SH3/Ohaupo Road intersection was awarded to Schick Civil Construction prior to Christmas 2019. This project is being built in partnership with the NZ Government and NZTA and is part of the Southern Links project. Construction is under way and is to be completed by the end of 2020.
49. The intersection will be a large, flowing, three-way roundabout with separate paths for pedestrians and cyclists. The intersection will make accessing the area safer and easier for people exiting Dixon Road and heading north.

Wastewater

50. Preliminary design has been completed for the main transfer pump station and the design for the transfer main running north to Crosby Road is largely complete.
51. The general alignment of the northern section of the transfer main pipelines is shown in **Attachment 4**. The twin pipes are proposed to extend along the East Town Belt adjacent to Wairere Drive, under the East Coast Main Trunk Railway, a short section in Tramway Road to Fifth Avenue, then follow Wairere Drive and up to its discharge point into the existing Far Eastern Interceptor wastewater pipe.
52. A section of wastewater transfer pipe through the Wairere Drive/Cobham Drive interchange works is being included within the contract currently being delivered by Fulton Hogan.
53. The project will be procured under two main contracts comprising of the Northern Section of pipelines and the main Transfer Pumping Station. The procurement process has begun for the Northern Section of pipelines with a Registration of Expression of Interest, to be followed by invited tender. Construction for this is expected to begin mid-2020 and take 18 months, with completion in early 2022. Remaining elements of the Peacocke Strategic Wastewater project will be delivered through the Peacocke Strategic Transport contacts or developer agreements.

Construction Cost estimates

54. Budgets used in the HIF Detailed Business Case are being updated as design is progressed. Independent cost estimating experts have been engaged to undertake parallel estimates for the Strategic Transport and Wastewater packages. A parallel estimate is undertaken by an independent team without any prior knowledge of involvement in the project and are used as a trusted second opinion. This process is not yet completed, and a detailed update is expected to be included in a future report.

Other Council projects in surrounding areas

55. Bader Street safety improvements works are well under way, with works outside the Bader Street shops now complete and the eastern end of works due to be completed in late February 2020.

Parks and Open Spaces

56. A Notice of Requirement for an approximately 14ha northern sports park is being prepared. Staff have met with directly-affected landowners to discuss the sports park proposal. Staff continue to look for opportunities to secure land for neighbourhood parks as developments arise.
57. The decision by the independent commissioners for Amberfield included the southern sports park; this has been appealed by the applicant, however. Environment Court mediation is to be scheduled.
58. A new neighbourhood park is being constructed at Inuwai Street reserve in Dixon Heights in Peacocke Stage 1. Design is currently under way, and staff have been talking to the local community and mana whenua about what they would like to see in the park, which includes a new neighbourhood playground. Construction is expected to begin in March 2020 and be finished by end of June 2020.

Wellbeing considerations

59. The Peacocke programme is underpinned by Sustainability Principle 1: *Council includes environmental, economic, social, and cultural considerations in its decision-making criteria.*

Social considerations

60. The vision of the Peacocke programme is to enable the development of an attractive and sustainable community. This aligns closely with the definition of social well-being – the extent to which individuals feel a sense of belonging and social inclusion.
61. As part of the Peacocke engagement strategy, there has been a focus on engaging with the existing communities in south-west Hamilton to ensure that they are included in the journey of creating a community in Peacocke. This includes public information days, presentations and attendance to various community groups and organisations. Highlights in September - December 2019 include:
 - On-site visit by students to the bridge site to visit bat boxes and learn more about bat habitat
 - Meeting with various environmental stakeholders to discuss bat management, monitoring and strategies
 - The Southern Links Community Liaison Group, which is jointly run by Waka Kotahi NZ Transport Agency and Hamilton City Council, continues to meet regularly as required by the Southern Links consent conditions. The meeting on 6 December 2019 was run as a drop-in session and had more than 300 attendees.
 - Local businesses in the Peacocke, Glenview and Bader areas have received visits from the Council's community advisor to provide an update of what's happening and to advise businesses of how they can stay informed and involved with the programme.
62. The programme team has worked to make sure Hamiltonians in general are involved and excited about the Peacocke programme. The programme team attended Council Your Neighbourhood engagement events at Claudelands on 11 September 2019 and Minogue Park on 23 November 2019 and had meaningful conversations with the community about our environmental work, infrastructure and plans for the future.
63. Two editions of a new bi-monthly email newsletter have now been sent to keep interested Hamiltonians up to date on progress with the Peacocke programme. The next edition is due out in mid-February 2020. To sign up to this newsletter, visit [Hamilton.govt.nz/peacocke](https://hamilton.govt.nz/peacocke).
64. A focus of the next few months will be community engagement around the Peacocke Structure Plan. This is an opportunity for the community to become involved in shaping how Peacocke will look and feel.
65. Working relationships have been formed with the Ministry of Education as they determine the schooling needs in the Peacocke area as well as the existing surrounding schools in south-west Hamilton. The Waikato Education Team from the Ministry of Education will be briefing the Councillors in February 2020 on plans for schooling in the area, including the plans for Melville High and Melville Intermediate school, as requested by elected members following the briefing on 15 November 2019.
66. A transitional housing collaboration has been established as a partnership between the Council and Ministry of Housing (as a result of the Capital Programme). Further opportunities will be considered as they are identified.
67. The Community Group is currently investigating potential community facilities and subsequent investment required for Peacocke and surrounding areas (libraries, pools, community hubs). This includes looking at options to invest in the Council's existing facilities in the surrounding areas. These options will be considered through the Long-term Plan 2021–31.

Economic considerations

68. The key economic benefit the Peacocke HIF investment for strategic infrastructure will deliver is the bringing forward of residential development in Peacocke as outlined in economic case of the [Housing Infrastructure Fund detailed business case](#).

Environmental considerations

Peacocke-wide environmental activities

69. Environmental well-being – the extent that the sustainability of the environment is protected now and into the future – is a major consideration for the Peacocke programme.
70. Several activities are under way in the Peacocke area. An additional environmental workstream has been added to the programme, which is currently focused on identifying the environmental activities occurring in the Peacocke geographical area and surrounds. A map has been produced showing environmental and ecological activities that Council is undertaking (**Attachment 5**), this will be extended to include activities by community groups and other landowners in the area.
71. Staff have been engaging with the Department of Conservation at a strategic and operational level.
72. A wildlife permit was issued by the Department of Conservation for lizards in late 2019.
73. Staff are meeting with neighbouring councils in early February 2020 to discuss opportunities for bat habitat and management at a regional level.
74. The development of the Biodiversity Management Framework is continuing. The Biodiversity Management Framework will provide a methodology for offsetting impacts of developments and will be utilised for the entire Peacocke area through the resource consenting process.
75. The Integrated Catchment Management Plan (ICMP) is under way and is on track for completion in August 2020. ICMP technical work is undergoing internal review. Engagement with iwi is ongoing.
76. Significant Natural Areas of our fauna (bats, fish) and flora are being identified from various projects and sources of information.
77. A stream water quality monitoring research project is about to be implemented in collaboration with NIWA as a result of the Capital Programme.
78. There was a focus on telling Peacocke's environmental story and engagement with key groups in the latter months of 2019 this will continue in 2020. Some key highlights include:
- our environmental story shared in local media
[Peacocke not just housing, it's an environmental game-changer](#), Hamilton News
[Housing development protects long tailed bats as well as housing people](#), Stuff.co.nz
 - hosting a school visit to Hamilton Gardens to share the story of long tail bats and explore their habitat
 - registering for Green Star Communities
 - hosting a meeting for key environmental stakeholders including Forest & Bird, Department of Conservation (DoC) and local community groups.
79. There are several other related citywide and national policies and strategies that may impact or guide development direction of Peacocke. For example, the Hamilton City Council 'Nature in the City' biodiversity strategy which is commencing in early 2020 and the Government-led National Policy Statement for Biodiversity which is currently out for consultation.

Southern Links and transport corridor-related environmental activities

80. Engagements are being prepared to start the implementation of the Ecological Monitoring and Management Plan (EMMP). This will include significant gully and stream restoration work (e.g. more than 10ha within the catchment), pest control, and bat roost protection and enhancement (e.g. providing artificial bat roosts). Key current and upcoming activities include:
 - 45 artificial bat roosts (bat boxes) have been installed in the Peacocke area to date as part of implementing the Ecological Monitoring and Management Plan (EMMP).
 - A further 35 are to be installed by the end of February 2020. An additional 20 will be installed once access to various sites has been secured.
 - Significant gully restoration work is programmed to start in 2020 with 8 hectares planted over the next 3 years. Procurement is to start shortly.
81. The conditions of the Southern Links designation also require detailed Landscape Management Plans (LMP) to be prepared and certified prior to construction commencing. The LMPs will detail what the urban design and landscape measures being used to mitigate visual, landscape and ecological effects of the project. These LMPs will integrate with the delivery of the EMMP. Given the project is being developed in stages, there will be multiple LMPs.
82. To ensure consistency, a Concept Landscape Management Plan (CLMP) has been prepared and certified for the Peacocke part of Southern Links.

Cultural Considerations

83. Effective partnership with Iwi is integral to the success of many of the projects across the programme. We respect the special status of Tangata Whenua, are committed to the principles of Te Tiriti O Waitangi and further Maaori aspirations through building mana-enhancing partnerships.
84. Our Iwi partners, Waikato-Tainui, are engaged under the Joint Management Agreement (JMA), with a shared responsibility to achieve the vision and strategy for the Waikato River.
85. Staff place a high level of importance on the Vision and Strategy for the Waikato River when planning projects that impact the river and tributaries within the Peacocke catchment.
86. Staff recognise and consider relevant sections of the Waikato-Tainui Environmental Plan when planning projects within the Peacocke catchment.
87. Maangai Maaori provide a political voice for Maaori within the decision-making of select Council committees.
88. Waikato-Tainui interests are represented on the Peacocke Governance board through Waikato-Tainui General Manager Rights and Interests.
89. The Council continues to meet its legislative responsibilities under the RMA by providing opportunities for Iwi and hapuu to contribute to local government decision-making processes and exercise of kaitiakitanga over the natural and physical aspects within Peacocke.
90. Iwi and hapuu contributions in Peacocke have included the Southern Links road corridor projects; private plan changes; Integrated Catchment Management Plans; and processing of resource consents.
91. There is a formal agreement now in place between the Council and Waikato-Tainui to resolve first rights of refusal for any land that was originally derived from the Crown.

92. Work is under way to establish cultural inductions for relevant Council staff and project team members at milestones where new stages of the project begin.

Financial Considerations

93. The approved overall budget for 2018-28 10YP Peacocke growth cell remains unchanged at \$413.5M, the programme remaining on track and on budget as per the business case. While overall this total remains unchanged, there is a need to forecast movements in annual amounts using the deferral process to re-phasing budgets between years, allowing timing to be amended to reflect actual progress.
94. The approved budget for 2019-20 is \$73.8M. However, through the deferral process, this budget is being forecast as \$35.4M. The deferral is largely due to the land acquisition programme which is reliant on the Public Works Act and the Land Valuation Tribunal decision timeframes (NB: payment for the land is separate to when Council might own the land).
95. Actual expenditure at 31 December 2019 was \$13.3M. Costs to date have largely been for consultancy fees associated with design and investigation and land acquisition. This actual is in line with revised forecast.
96. The Peacocke growth cell is in part being funded by Central Government through the Housing Infrastructure Fund (HIF). The HIF relates to provision of essential infrastructure. The total value of these works is \$290.4M, funded by NZTA subsidy of \$110.1m and HIF of \$180.3M.
97. As at 31 December 2019, five HIF funding drawdowns have been claimed. These total \$5.9M. The remaining HIF funding available is \$174.4M.
98. Summary table with value of the HIF and NZTA funding received:

Drawdown	Period	HIF Facility	NZTA Subsidy	Total
#01	Quarter 4, 2017/18	\$176,000	\$91,000	\$267,000
#02	Quarter 1, 2018/19	\$560,000	\$564,000	\$1,124,000
#03	Quarter 2, 2018/19	\$488,000	\$356,000	\$844,000
#04	Quarter 3, 2018/19	\$2,926,000	\$1,638,000	\$4,564,000
#05	Quarter 4, 2018/19	\$1,763,000	\$2,536,000	\$4,299,000
TOTAL		\$5,913,000	\$5,185,000	\$11,098,000

99. The claim for the first quarter of the current financial (drawdown #6) is in progress and expected to be submitted to the Government mid-February 2020.
100. **Attachment 6** is the Peacocke Programme Capital Report (as at 31 December 2019). This report contains an overview of the Peacocke programme including high levels financial graphs. This report was presented to the Finance Committee on 11 February 2020 as part of the Capital Monitoring Report.

Risks

101. The Peacocke Programme has adopted the Council's risk management framework with further alignment with the Waka Kotahi NZ Transport Agency risk register format.
102. The Peacocke Programme has identified seven risks that are considered high level risks that can affect or impact the programme objectives. These are identified in the Peacocke Programme Risk Report Jan 2020 – Programme Risks (refer **Attachment 7**).
103. As part of the assurance framework implemented into the Peacocke Programme, the Council's Risk Manager provides quarterly support to the Peacocke Programme Manager.

Emerging risks

104. The rate of developer uptake is being closely monitored following some delays experienced with the first major resource consent application, Amberfield, largely due to biodiversity requirements. Staff will continue to monitor this as an emerging risk, noting that the majority of consenting activity is largely dependent on the network infrastructure being in place (from 2023/24).
105. Risks relating to the way the construction industry prices for risks in major projects is changing and has recently resulted in higher tender prices for similar works. Options to engage earlier during procurement and providing longer procurement are being used to help manage this risk. Staff will continue to better understand this risk as procurement progresses.
106. A funding risk is emerging in relation to budgets, which were developed based on known and accepted standards relevant to the time project planning was initiated. As new legislative, statutory, regulatory or Council policy objectives are implemented, these are being factored into project cost estimates and we now expect to have lower than normal budget contingency available. Continued value engineering as well as frequent cost updates will be undertaken, and an external review agent will be used to provide robust project cost estimates.
107. Section 18 Notices of Desire to take the land (s18) have been issued to most properties and from late August/early September 2019, property owners began to receive Section 23 Notices of Intention to take the land (s23). Resourcing constraints within the planning and property valuation industry mean that it is taking longer for property owners to seek their own independent planning and valuation advice than originally anticipated. The Council has therefore not served s23 notices until as late as practicable and well beyond the minimum required three months. The Council is committed to continuing good faith negotiations in parallel and this remains front of mind in all dealings.
108. The Public Works Act (PWA) provides a process to resolve objections to the land being taken for the works and for determining the amount of compensation if disputed. Land ownership versus compensation payment follows different timeframes to allow works to commence while resolving compensation differences.
109. The PWA process will obligate the Council to purchase complete properties in a limited number of cases; however, the approved budget is based on the cost of the land within the designated footprint only. This cost risk will be mitigated through the eventual sale of surplus land at the market price and the proceeds recycled back into the relevant HIF budget.

Significance & Engagement Policy

110. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

The next six months: February 2020 – July 2020

111. The next six months will include high levels of engagement and consultation as several key projects in the programme progress and will be focused on:
 - i. progressing the District Plan changes
 - ii. continued work on design of key infrastructure including wastewater design
 - iii. the construction procurement process for key infrastructure projects including the bridge
 - iv. construction of the SH3/Ohaupo Road Intersection
 - v. investigating ways to minimise impacts of construction on local roads and coordinating with developers
 - vi. land acquisition and easements

- vii. further development of the environmental workstream
- viii. external assurance reviews
- ix. progressing commercial negotiations with developers
- x. looking for more ways to enable development
- xi. investigating active recreation reserves
- xii. continuing to form partnerships
- xiii. stakeholder engagement.

Attachments

Attachment 1 - Peacocke - Elected Member Briefing Slides - 15 Nov 2019

Attachment 2 - Peacocke - Development Activity - January 2020

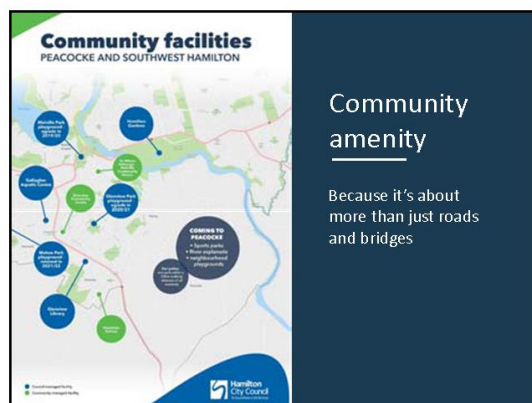
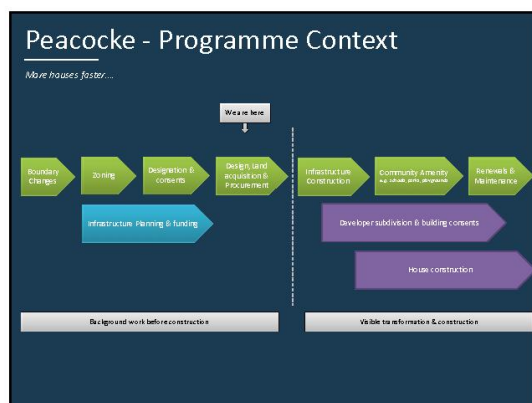
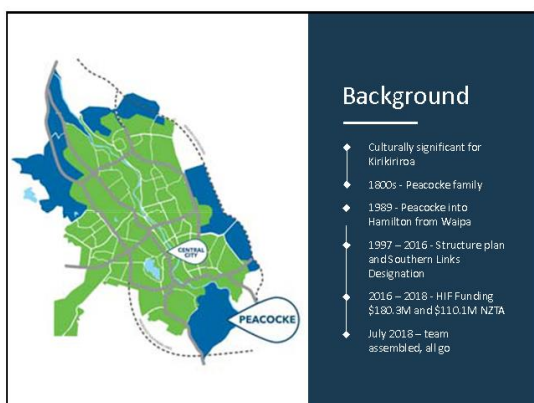
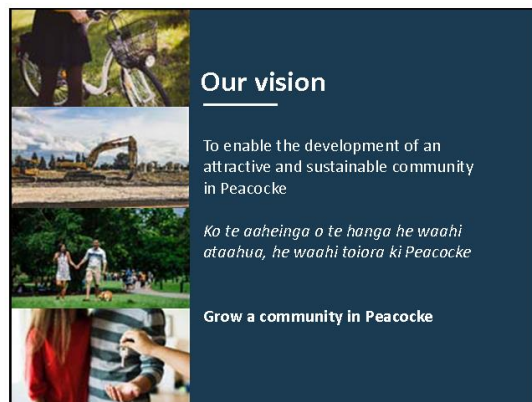
Attachment 3 - Peacocke - Access Hamilton Presentation - 2 August 2019

Attachment 4 - Peacocke - Wastewater pipeline alignment northern section - January 2020

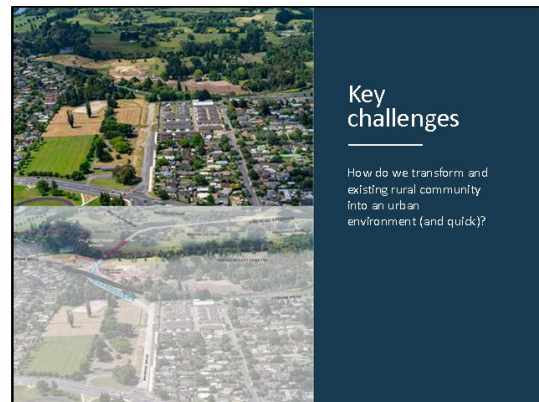
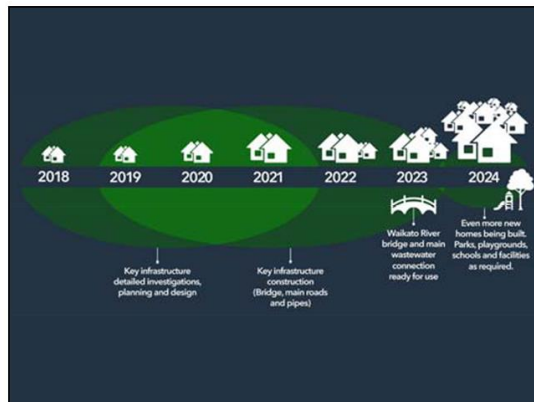
Attachment 5 - Peacocke Environmental Map

Attachment 6 - Peacocke - Capital Financial Report - as at 30 December 2019

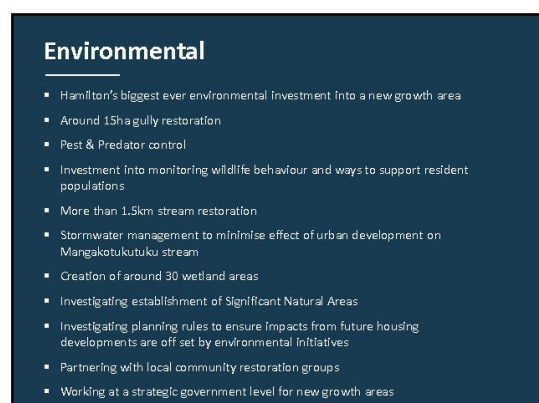
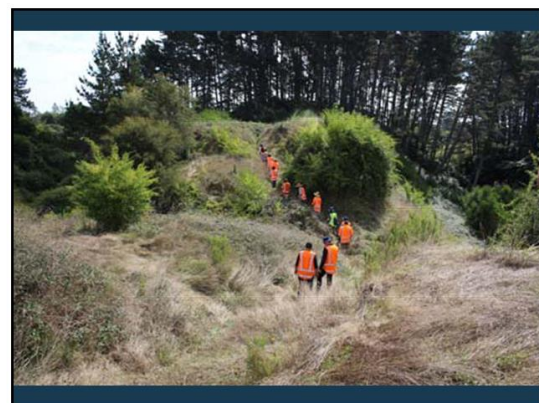
Attachment 7 - Peacocke - Programme Risks January 2020

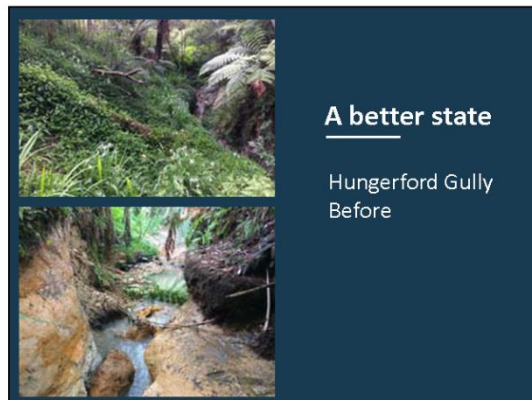


Attachment 1



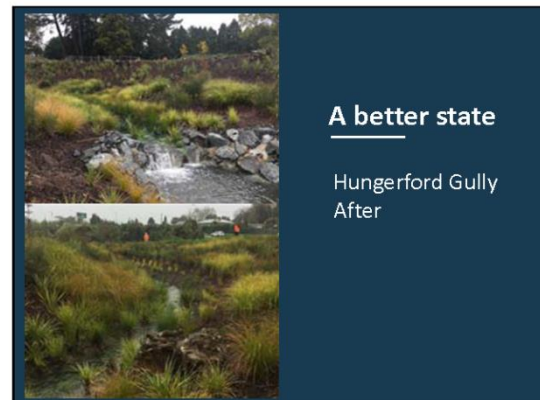
Item 8





A better state

Hungerford Gully
Before



A better state

Hungerford Gully
After



Key upcoming project

Peacocke District Plan Change

- Remove master plan provisions
- Develop a revised structure plan that enables the development of an attractive and sustainable community
- Council briefings early 2020



Development Activity

- Total of 2300 homes in pre-application, consenting and construction phase
- That's about 60% of our 10 year target
- Amberfield decision early November 2019 - granted
- Most developers can't get away until bridge and wastewater ready to roll

Community Engagement



Strategic Network Infrastructure Update

Item 8


HIF Peacocke Infrastructure

- Professional service contracts under way
- Physical works about to begin on Ohau Rd
- River bridge and northern transport package about to go to market for construction
- Completion 2024 (5 year HIF programme)




Next steps

- Procurement of Bridge & northern transport package:
 - ✓ Late 2019 – Information to market for Expression of interest
 - ✓ Early 2020 – Pre-qualification/short listing process
 - ✓ April to June 2020 – Tendering physical works
 - ✓ Sept 2020 – Award physical works contract
- In parallel:
 - ✓ Early 2020 – Tender strategic wastewater pipeline
 - ✓ Property acquisition continuing
 - ✓ Update cost estimates and commission independent cost/budget reviews
 - ✓ Risk register review and update

An aerial photograph of a park featuring a winding river, a large green field, and a sunset sky with orange and blue hues. The park is surrounded by trees and some buildings in the distance.

Questions?

 **Hamilton
City Council**
For Hamiltonians & Hamiltonians

Peacocke

New section applications



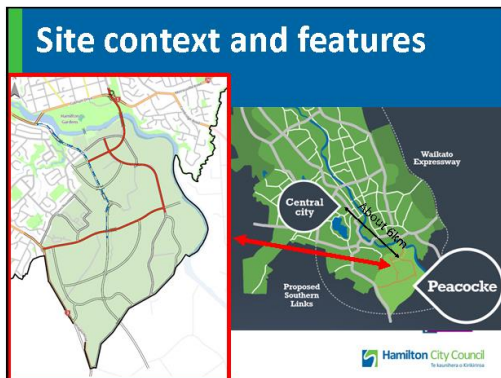


Purpose of briefing

1. Provide an update that:
 - Looks back at what we covered last time (Objectives)
 - Updates on the Bridge
 - Explains current thinking for connections
 - Present prioritisation approach (shopping list)
2. Seeking feedback

We're going to focus on the challenges & opportunities

Hamilton City Council
To Inspire a Better Future



Bridge update – primary connection

Bridge:

- Proposed design meets needs of all users and aligns with Detailed Business Case
- Adaptable deck space cross section
- Walking & cycling both sides
- Preference to enhance one side (Western side?)
- Opportunity for pedestrian overbridge at northern bank
- PT lanes planned on opening on Major Arterial
 - Need PT routes that will use the facilities being provided at day one
 - Mass transit (light rail etc) would reallocate use of space

Bridge aesthetics:

- Bridge aesthetics continue to be refined in line with the approved macroscopic
- Considered as part of holistic Landscape Management Plan
- Key aesthetic focus targeting areas of most impact
- Contributes to River Plan

Hamilton City Council
To Inspire a Better Future

Looking back

- Transport philosophy

1. Vision Zero – minimise risk of death or serious injury
2. Promote PT and active modes, at expense of level of service (LOS) for private car if necessary. Aim for highest shift from single occupancy cars to other modes in city
3. Maximise network efficiency for PT, buses, HOV and active modes through design
4. Flexible design to cater for evolution & steps changes in transport system

- Design philosophies to be used to inform design.

Hamilton City Council
To Inspire a Better Future

Looking back

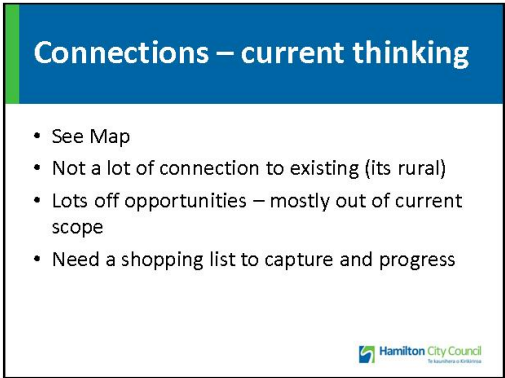
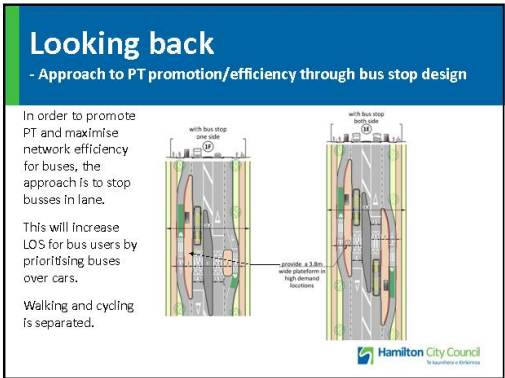
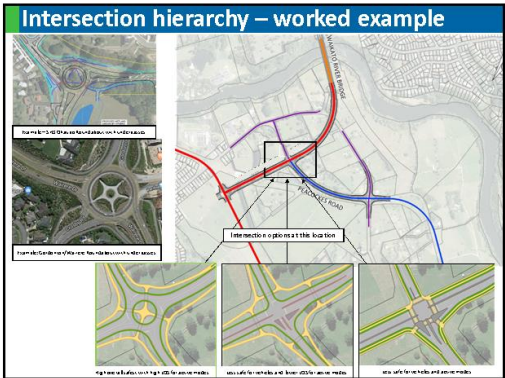
- Transport philosophy applied to intersections

In order to achieve Vision Zero, intersection forms are considered using the hierarchy for the greatest holistic safety outcomes

First
↑
Consideration
↓
Last

1. Grade separate all movements & modes = zero conflicts
2. Roundabouts with ped/cycle underpasses or bridges (like Wairere Dr/Gordonton Rd Intersection) to keep peds and cars separate
3. Signals with with ped/cycle underpasses or bridges
4. Signals with ped/cycles crossing at grade (at the lights), incl speed platforms similar to Thomas/Gordonton
5. Roundabouts with ped/cycles crossing at grade
6. Give Way or STOP Intersections with ped/cycles crossing at grade

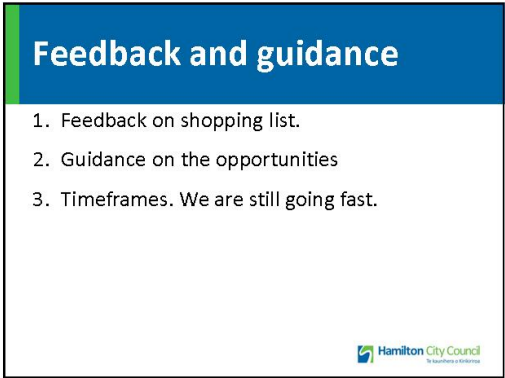
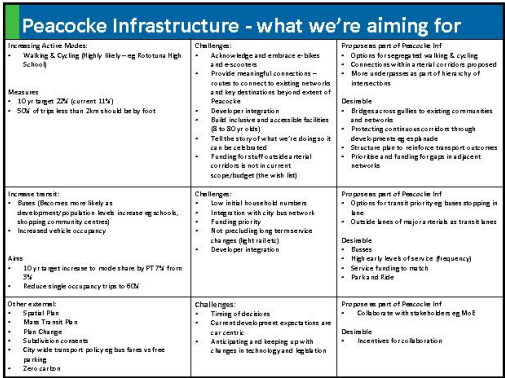
Hamilton City Council
To Inspire a Better Future

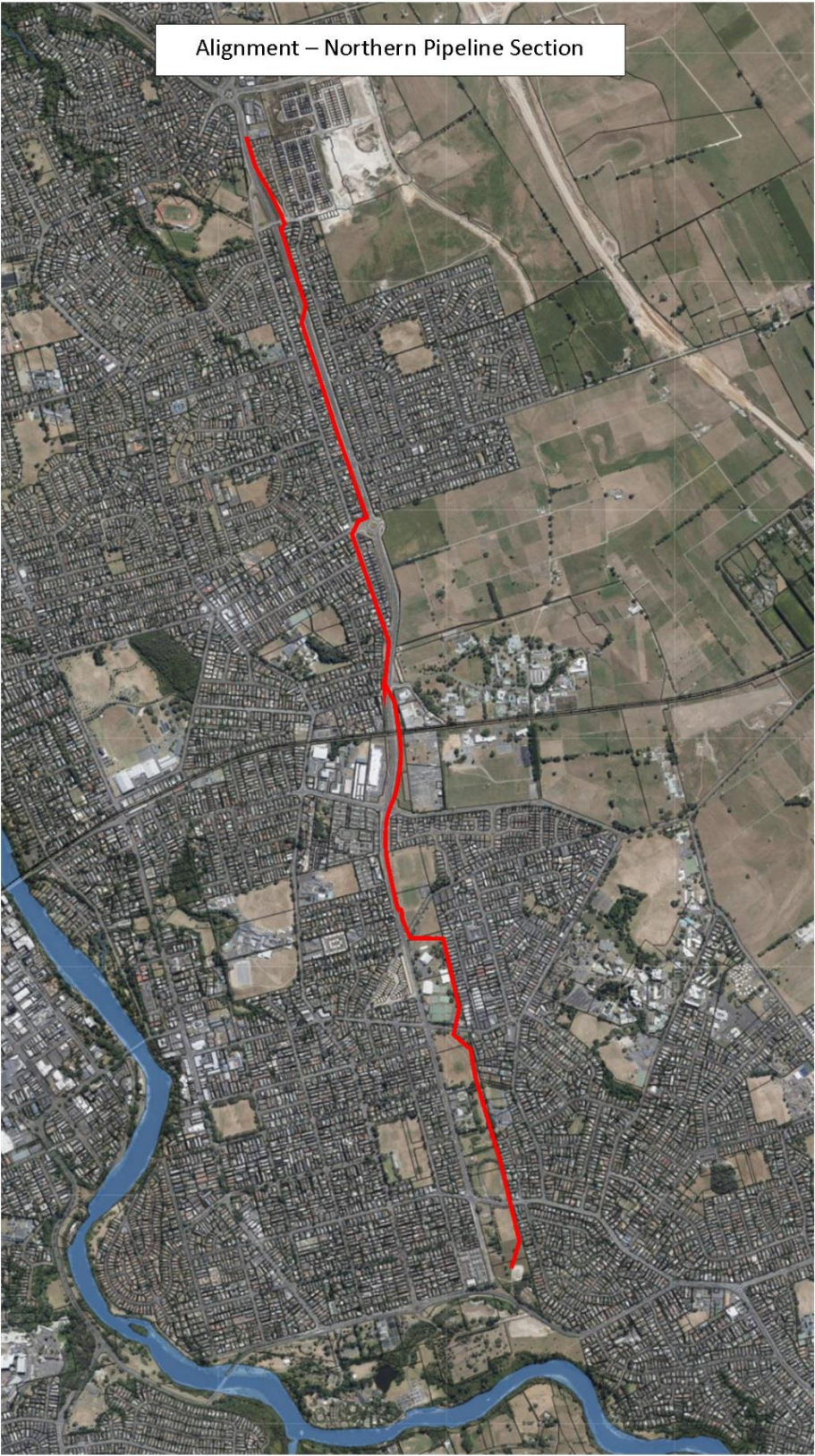


The shopping list

To collect and record opportunities. Suggestions welcome – what else?

Item	Description	In original budget?	In original scope?	In original funding? If 'No' then when?
1	Pedestrian and cycle overbridge over Ring Rd between a north side of Waiuku River. Great connectivity and also offers opportunity to be inter-modal. No bus, walking and cycling both sides. Opportunity for making one side 'barrier'.	No	Partially	Yes - subject to re-imagining within budget - lower contingency
2	Waiuku River Bridge - over the river, 20-25m wide, 4 lanes, 4 lanes, 4 lanes, walking and cycling both sides. Opportunity for making one side 'barrier'.	Yes	Yes	Yes
3	PT dedicated lanes on Ring Road between a north side of Waiuku River. Great connectivity and also offers opportunity to be inter-modal. No bus, walking and cycling both sides. Opportunity for making one side 'barrier'.	Yes	No	Yes
4	Separated cycle lanes on Major and Minor arterials and bridge. Add extra road width and infrastructure over what was originally allowed for.	No	Partially	Yes - subject to re-imagining within budget - lower contingency
5	Additional infrastructure at key intersections as a result of intersection hierarchy and as part of commitment to 'Speed' to support table.	No	No	Yes - Risk we need extra funding?
6	Visions Zero approach. Additional measures possibly required, separation between modes preferred, lower speeds, intersection design include safety.	No	No	Yes - Risk we need extra funding?
7	Walking and cycling integration plan linking Peacocke into existing communities.	No	No	Yes - through Plan Change
8	Walking and cycling opportunities fully scoped and prioritising for future funding.	No	No	Yes - through Plan Change
9	New off road cycle path that follows North/South arterial where we have it.	No	No	Yes - Consider in Plan Change?
10	Park connections: <ul style="list-style-type: none">• Improvements to existing path from Peacocke a big River to CBD• Protection (segregation) for strategic, strategic• Identify and resolve 'gaps in the map' to key structures	No	No	Yes - Consider in Plan Change?
11	Park and Ride within lower Peacocke area	No	No	Yes - Consider in Plan Change?
12	Make developer provides some level of service and connectivity for PT and Walking & Cycling	No	No	Yes - Consider in Plan Change?
13	New off road cycle path that doesn't follow road network	No	No	Yes - Consider in Plan Change?





Peacocke

looking after our environment



Peacocke Programme Capital Report

Programme Outcome:
Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Peacocke
Enabling the development of an attractive and sustainable community in the Peacocke growth area.

Land acquisition is tracking well in accordance with the business case, however remains a risk to the programme with several difficult conversations with landowners currently under way.

Investigation and design for the lead network infrastructure is under way and on track, with the projects entering into procurement for construction.

Investigation and design is on track for the new bridge over the Waikato River, with Council approving the design concept in June 2019. The construction tender process has started and the contract is expected to be awarded late 2020.

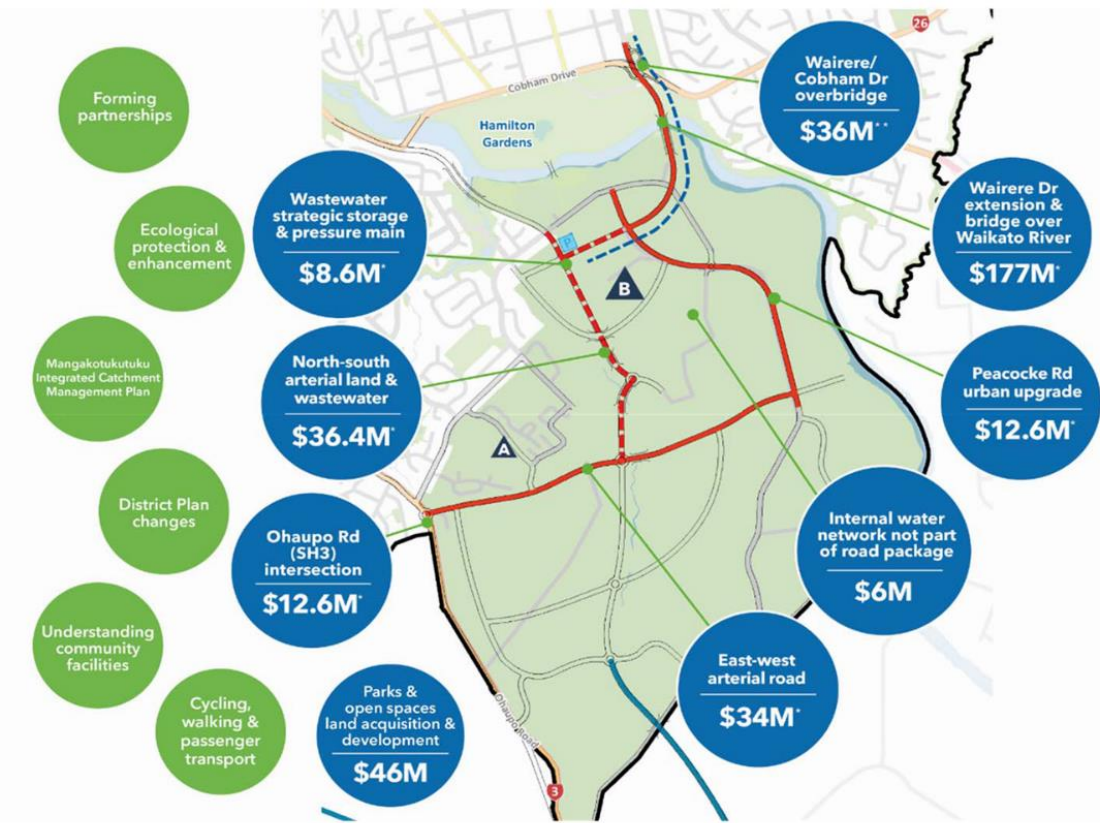
SH3/Ohaupo Rd intersection enabling works have been completed and construction contract is underway.

East-West Arterial road design is continuing.

Land has been purchased for Stage 1 Neighbourhood Park, as per the 10 Year Plan (refer point A on map). Design is under way with construction expected to be completed mid-2020.

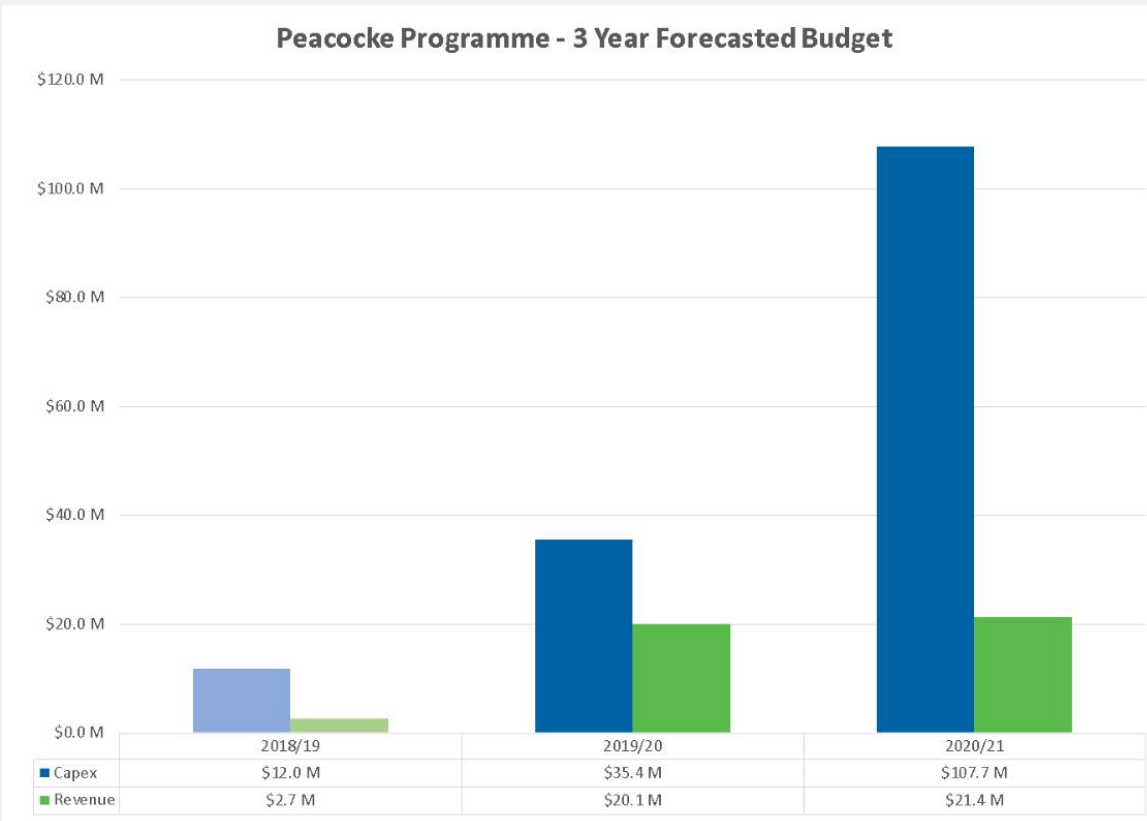
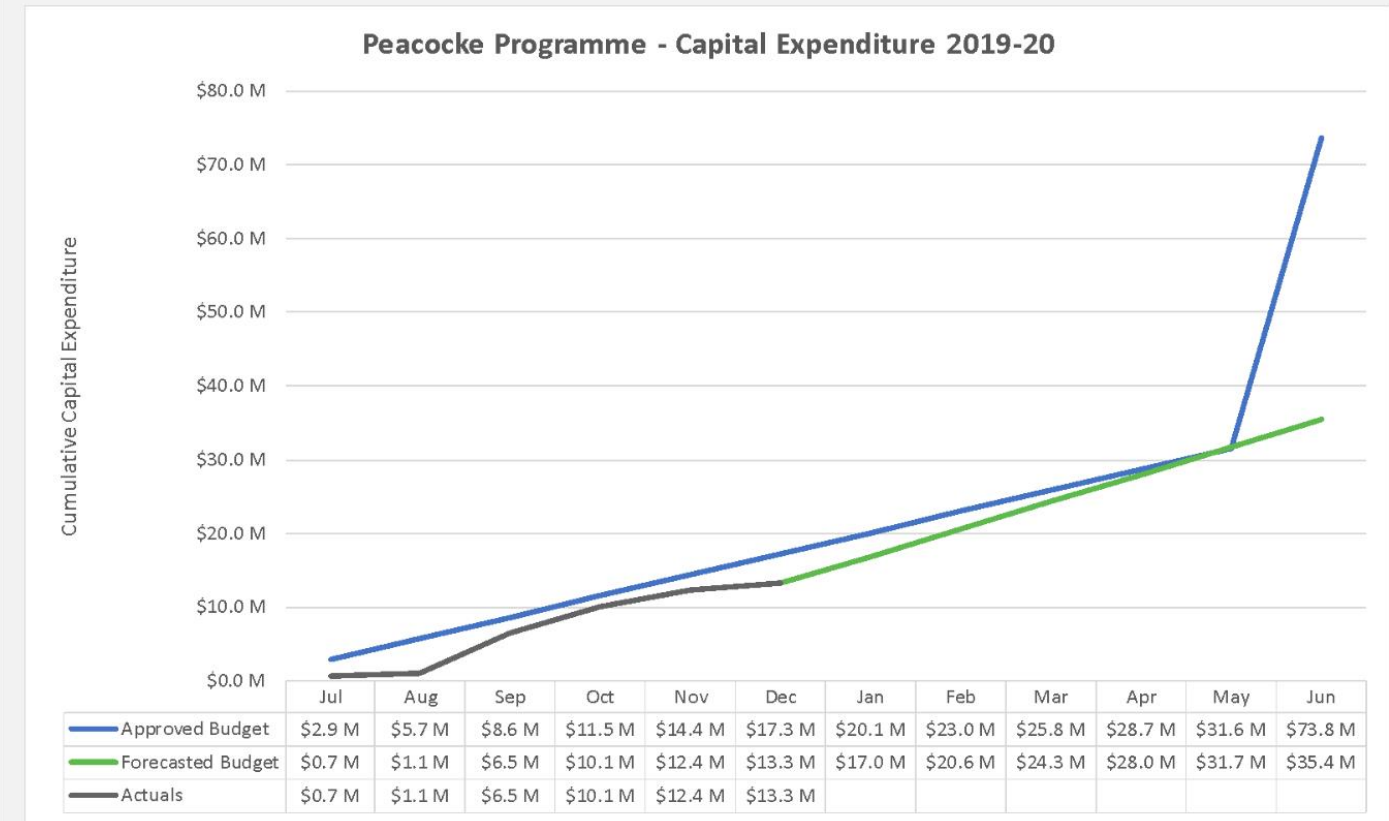
A Notice of Requirement for approximately 14ha northern sports park is being prepared (refer point B on map)

See Attachment 3 for details of the forecasted deferrals.

















SH3/Ohaupo Road roundabout enabling works

Financial Performance



Peacocke – Overall Programme Risks – January 2020

	Risk Description	Inherent Rating	Controls and / or Mitigation	Residual Rating
1	Poor stakeholder and Partnership relationship, communication and engagement management Council fails to manage all stakeholders to achieve Peacocke programme objectives and outcomes through inadequate or inappropriate communication strategies.	Extreme 	<ul style="list-style-type: none"> • Programme communications strategy and plan • Dedicated communications resource and input methodology to capture stakeholder and community concerns and issues. • 	Very High 
2	Land availability Landowners do not volunteer sale to council requiring a regulatory process introduced which has significant time delays. Includes rights of first refusal complexity.	Extreme 	<ul style="list-style-type: none"> • Communications strategy and plan • Public Works Act – purchase of land by crown • Business case study outline 	Very High 
3	Project and Programme Management Failures or Impacts Project leadership and resource capacity and / or capability being insufficient or ineffective for Peacocke programme and projects objectives with inadequate quality measures for deliverables.	Very High 	<ul style="list-style-type: none"> • PMO framework • Programme Steering group and Programme Project Board (formerly governance board) • Programme gateway delegation controls • Dedicated contract management resource or responsibility • Three levels of assurance implemented by PMO 	High 
4	Programme Financial Failures Implementation of Peacocke Programme Financial Strategy is not effective in supporting appropriate project decision making to meet the financial pressures associated with investing in city growth objectives.	Very High 	<ul style="list-style-type: none"> • Council's Financial Strategy • Peacocke Programme Project Management Board • Programme Financial Strategy • Council's Monitoring Report • Internal financial reporting 	High 
5	Conflict of Interest activities Perceived and actual incidents of corruption are identified and reported to government agencies for investigation.	Very High 	<ul style="list-style-type: none"> • Programme Governance (Project) oversight • Financial delegations and processes – Procurement Policy and Procedures Manual • Council Risk Management Policy • Management Fraud and Corruption Policy • Preventing bribery & corruption training module • Conflict of interest training module 	High 
6	Poor Health & Safety Management or Governance Oversight Failing to maintain or monitor a safe working environment throughout Peacocke programme and projects leading to death or serious injury to workers, contractors and / or public.	Very High 	<ul style="list-style-type: none"> • Health and Safety Management System – system development phases • Identification of critical H&S risks – contractor and council • Contractor management program • Includes reviews of plans, procedures for work practices/activities for all high-risk areas • SHE Pre-qualification engagement programme – contractors • Organisation engagement survey • H&S Audits and Inspections program 	High 
7	Poor data, analysis and Response by Council Inaccurate data or weak analysis leading to poor project management outcomes against Peacocke financial strategy and excessive costs resulting in inappropriate levels of investment in Peacocke programme and projects and stakeholder engagement and reputational issues.	Very High 	<ul style="list-style-type: none"> • Core inputs to growth forecasts prepared by external experts "market Economics" models and reviewed by BERL or other external party • Growth, funding and analytics team projections aligned with infrastructure and city planning requirements and assumptions • Quarterly reviews of actual land availability to planned projections • Annual reports to Ministry of Urban Development and Housing (as per HIF Facility Agreement) • New Development Contribution model and tool has been established to provide improved data analysis. Hamilton Housing Market & Economy Growth Indicator Report 	High 

Item 8

Attachment 7

Council Report

Item 9

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Chris Allen **Authoriser:** Eeva-Liisa Wright
Position: General Manager Development **Position:** General Manager Infrastructure Operations
Report Name: National Transport Policy Submissions

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To inform the Strategic Growth Committee on new and developing national transport policy and to propose draft submissions in response to requests for feedback.

Staff Recommendation

2. That the Strategic Growth Committee:
 - a) receives the report; and
 - b) receives the report on the Upper North Island Supply Chain Strategy; and
 - c) approves the draft submissions attached to this report for;
 - i. Draft New Zealand Rail Plan
 - ii. Arataki
 - iii. Investment Decision Making Framework
 - iv. Land Transport (Rail) Legislation Bill
 - v. Land Transport (NZTA) Legislation Amendment Bill.

Executive Summary

3. Central Government proposed to release its draft *2021-30 Government Policy Statement on Land Transport* (GPS 2021) for engagement in early 2020.
4. GPS 2021 will set out the Government's strategic direction for the land transport system over the next 10 years and provide funding levels for land transport, establish funding ranges for different land transport activities and identify the results government expects from this investment.
5. Prior to the release of draft GPS 2021, a number of significant national transport policy documents have just been released or are out for feedback.

6. In December 2019 the Central Government released the final report by the Upper North Island Supply Chain Strategy (UNISCS) Working Group. The report examines the issues around the future of the Port of Auckland and makes the strategic argument to move freight operations from Auckland to Northport, and the continued development of the Port of Tauranga. The report can be found [here](#), and a report presentation is attached as **Attachment 1**.
7. The Working Groups analysis and recommendations raise a range of economic, social and environmental questions for the Government to consider. The Government has instructed the Ministry of Transport to undertake further technical and financial analysis and report back to Cabinet in May 2020.
8. The report makes reference to a new inland freight hub in North west Auckland but makes no mention of the existing and developing inland ports in and around Hamilton which is also the junction of the North Island Main Trunk and the East Coast Main Trunk.
9. The local government Mayors and Chairs that are Upper North Island Strategic Alliance (UNISA) members have written to government reminding them that local government are delivery partners in any UNISCS and that it is crucial that the views of UNISA members are included in any decision-making (Attachment 2).
10. In December 2019 the Government also released Road to Zero, New Zealand's Road Safety Strategy 2020-2030 which will have significance in establishing work programmes over the next 10 years. Road to Zero sets out a vision of a New Zealand where no one is killed or seriously injured in road crashes. Changes are proposed to legislation through the Land Transport (NZTA) Legislation Amendment Bill to give effect to the 'Tackling Unsafe Speeds' component of Road to Zero.
11. This report attaches draft submissions for the following policy documents released in December 2019;
 - The Draft New Zealand Rail Plan (Government)
 - Arataki (Waka Kotahi New Zealand Transport Agency)
 - Investment Decision Making Framework (Waka Kotahi New Zealand Transport Agency)
 - Land Transport (Rail) Legislation Bill (Parliament's Transport and Infrastructure Committee)
 - Land Transport (NZTA) Legislation Amendment Bill (Parliament's Transport and Infrastructure Committee).
12. Note: Placeholder submissions for the Land Transport (Rail) Legislation Bill and the Land Transport (NZTA) Legislation Amendment Bill were lodged with Parliament's Transport and Infrastructure Committee to meet the official 7 February 2020 submission closing date. The Committee has agreed to receive HCC's substantive submissions on these two Bills on 14 February 2020.
13. The five draft submissions were circulated to Elected Members and Maangai Maaori on 22 January 2020 with feedback due at noon on 29 January 2020, which was followed up with a drop in session (20 January 2020) to receive elected member direction on the submissions.
14. The Draft New Zealand Rail Plan (the Draft Rail Plan) outlines the Government vision and priorities for rail. This is a non-statutory document that sets out the Government's long-term vision for New Zealand's national rail network which is to provide modern transit systems in New Zealand's largest cities, and to enable increasing volumes of freight to be moved off roads onto rail. The Draft Rail Plan will inform funding decisions in the GPS 2021 and future budget decisions.

15. The *Draft Rail Plan* is an output of recommendations of the Future of Rail review which was a cross agency project led by the Ministry of Transport working alongside KiwiRail, Waka Kotahi NZ Transport Agency (the Agency) and the Treasury. Auckland Transport and Greater Wellington Regional Council were engaged in relation to their metropolitan rail networks.
16. Central Government is inviting feedback on the *Draft Rail Plan (no date specified)*. Formal engagement will occur through engagement on GPS 2021 early in 2020.
17. In order to implement the new long-term planning and funding system proposed by the *Draft Rail Plan*, changes to the Land Transport Management Act 2003 (the LTMA) are being implemented through the introduction of the *Land Transport (Rail) Legislation Bill*.
18. Submissions closed on 7 February 2020 for this Bill. Staff have worked with Elected Members and the Waikato Regional Council to make a submission.
19. The Agency has released *Arataki* (in te reo Maori means way-finding, to lead and guide) for thoughts and feedback by *13 March 2020*.
20. *Arataki* is a significant change in approach and is the Agency 10-year view of what is needed to deliver on the government's priorities and long-term objectives for the land transport system. This first version of *Arataki* is intended to be a first step towards developing a richer, shared understanding with New Zealanders of what the land transport system needs and how those needs can be met.
21. This first version is being released now so that it can be one of the inputs into the development of the next National Land Transport Programme (NLTP) which needs to give effect to GPS 2021.
22. *Arataki* is a systems view of the land transport network that is strategy led rather than project led, and the Agency advise that they will be using this view to prepare their Transport Agency Investment Proposal (their work programme).
23. *Arataki* will be updated in April 2020 after the draft GPS 2021 is released for engagement with a final version due in August 2020.
24. The Agency is reviewing how investments are developed, assessed and prioritised. They are looking at a fundamental change in how land transport decisions are made, putting people and place, rather than vehicles and networks at the centre of all decision making.
25. The Agency uses its *Investment Decision Making Framework (IDMF)* to develop, assess and prioritise funding transport investment proposals. A review of the *IDMF* has been prompted by changes in GPS 2018 (which you can find [here](#)) which places more emphasis on social, economic, cultural and environmental outcomes in transport planning.
26. The *IDMF* will be implemented in June 2020, in time for the NLTP 2021-24 to be developed. At this stage the Agency is seeking feedback *by 21 February 2020* on specific aspects of the draft *IDMF* design, particularly on assessment and developing business cases; consultation on prioritisation will occur once the draft GPS 2021 is released early in 2020.
27. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

Discussion

Road to Zero- Land Transport (NZTA) Legislation Bill

28. *The Land Transport (NZTA) Legislation Bill* can be found [here](#).
29. A draft submission in support of the changes proposed in the Bill is included as **Attachment 3**.

30. Road to Zero has a vision of ***'a New Zealand where no one is killed or seriously injured in road crashes. This means that no death or serious injury while travelling on our roads is acceptable.'***
31. As a step toward achieving this vision, a target of a 40% reduction in deaths and serious injuries by 2030 is proposed. This will be achieved through action in five key areas:
 - i. Infrastructure improvements and speed management
 - ii. Vehicle safety
 - iii. Work-related road travel
 - iv. Road user choices
 - v. System management.
32. Programmes of work will be progressively delivered over the next 10 years via the implementation of Action Plans. The first Action Plan (for the period 2020-2022) includes set of actions to introduce a new approach to tackling unsafe speeds. In November 2019 the Ministry of Transport announced a 'Tackling Unsafe Speeds' programme of key initiatives and further information can be found [here](#).
33. The key initiatives are:
 - improving how councils and the Transport Agency plan for, consult on and implement speed management changes.
 - transitioning to lower speed limits around schools to improve safety and encourage more children to walk and cycle to school.
 - adopting a new approach to safety cameras to reduce excessive speeds on our highest risk roads.
34. Legislative and then Rule changes are required to enable some of the specific components of the changes to be implemented for example:
 - changing the way speed limits are set from the current bylaw approach to Speed Management Plans,
 - requiring road controlling authorities to reduce speed limits around urban schools to 30km/h (or 40km/h where appropriate) and around rural schools to a maximum of 60km/h,
 - transferring the ownership and operation of the safety camera network from NZ Police to the Transport Agency.
35. The legislative changes are the first step in the process and are reasonably minor. The detail will be in the Rules changes that the legislative changes will enable. Proposed Rules changes are expected to be consulted upon early to mid-2020 to enable the development and consultation on the first speed management plans to commence late 2020.
36. Hamilton City is in a good place for responding to these proposed changes and already have a Speed Management Plan and lower speed limits (40km/h) in place for schools.

The Draft New Zealand Rail Plan

37. A copy of the *Draft Rail Plan* can be found [here](#).
38. A draft submission is attached in **Attachment 4**.
39. The *Draft Rail Plan* notes;
 - The rail network has suffered from under-investment and significant parts of the network are facing a state of managed decline (for example 30% of the rail bridges are timber, tend to be old and have speed restrictions in place to mitigate against their poor condition; 1 million rail sleepers out of 6 million are beyond their preferred maximum age).
 - Over the next decade investment is needed to retain the current level of service from the national network and to achieve a reliable and resilient national freight network, providing a platform for further investment to support growth in rail freight.
 - In Auckland and Wellington early investment in the metro rail networks has seen passenger growth outstrip expectations.
 - Funding is currently allocated through the National Land Transport Fund (NLTF) to support the passenger networks and interregional passenger services (including the Hamilton to Auckland Start-up Passenger Rail Service).
 - The freight rail network has continued to suffer from under investment and short-term decision making and so changes are being proposed to the Land Transport Management Act 2003 (LTMA) to improve integrated planning and investment across road and rail.
 - The proposed investment priorities in the *Draft Rail Plan* will also underpin future budget considerations for Crown investment.
40. **Submission Points**
41. The strategic priorities for rail are stated in 2 parts:
 - Part A; Establish a new long-term planning and funding framework under the LTMA (for heavy rail network, not light rail investments).
 - Part B; Investing in the national rail network to maintain freight rail, and provide a platform for future investments for growth; and to also invest in metropolitan rail to support growth in our largest cities.

Part A - Planning and Funding Framework

42. The submission to the *Land Transport (Rail) Legislation Bill* will be attached to the submission to the Draft Rail Plan, and will highlight the following:
 - HCC supports rail investment decisions being taken under the LTMA which will result in the national rail network being planned and funded alongside the rest of the land transport system including the road and public transport networks.
 - HCC advocates in the longer term for a single central government primary agency that has governance and ownership responsibilities for inter-regional passenger services (Regional Rapid Rail) that has powers across different regions.

[The Draft Rail Plan proposes that the main agencies involved in rail (Ministry of Transport, NZ Transport Agency, KiwiRail, Auckland Council, Auckland Transport and Greater Wellington Regional Council) work with other Councils who have responsibility for inter-regional rail services. This is a potential problem and an arrangement needs to be considered where the smaller inter-regional Council has an appropriate voice in several

issues including access and timetabling. In the longer-term a Regional Rapid Rail Authority should be considered]

- In the meantime, HCC requests that the Minister, given the emergence of the Hamilton to Auckland Start-up Passenger Rail Service and the need to make ongoing service improvements, and if the HCC submission to the legislation to name the Waikato Region specifically is not adopted, to then at the earliest possible opportunity exercises new proposed powers under the LTMA amendments to give notice in the *Gazette* that the Waikato Regional Transport Committee is required to have a KiwiRail representative and to include any rail activities in their RLTP.

[KiwiRail is responsible for preparing a 3-year Rail Network Investment Programme with a 10-year forecast for the rail network to be approved by the Minister of Transport following Agency advice. The Draft Rail Plan focuses on the needs of Auckland and Wellington and is largely silent on other regions].

- HCC has concerns over whether sufficient NLTF funding will be available to meet the emerging rail needs as well as all of the other government priorities including *Road to Zero* initiatives and in particular for Hamilton increasing urban mobility.

[While further work is underway to establish track user charges to ensure equity contributions from track users and that the Crown as owner is investing separately in KiwiRail to enable intergenerational replacement of key assets such as locomotives and ferries, the funding situation is not clear and will not be until the release of GPS 2021].

Part B-Investing in the Rail Network

43. Staff propose that:

- HCC supports the stated Strategic Investment priorities for the national rail network to maintain freight rail and provide a platform for future investment in growth.
- HCC supports the stated future opportunity to double track Auckland to Hamilton noting that this may be informed by the Hamilton to Auckland Intercity Connectivity Business Case (being undertaken by Ministry of Transport as an initiative under the Hamilton to Auckland Corridor project).
- HCC also notes that the Business Case may support an increased priority for double tracking and this should be pursued as a priority in areas where there will be greater benefit.
- HCC notes the listed future opportunity for earlier electrification to support the Government's commitment to emissions reductions and also notes the emergence of hydrogen as an alternative to electrification.
- HCC submits that a priority action should be to explore the hydrogen opportunities.

Part B-Investing in Metropolitan Rail

44. Staff propose that:

- HCC commends government for investing in inter-regional rail from the NLTF and for also providing crown funding to the "mandated Hamilton to Auckland InterCity Connectivity Business Case", which will consider the potential for rapid rail between the two cities.
- HCC supports all of the stated Strategic Priorities for Auckland Metropolitan rail particularly the completion of the CRL, the provision of a third main rail line between Westfield and Wiri and electrification from Papakura to Pukekohe.

- UPDATE: Government confirmed a number of Auckland rail projects in its recent infrastructure announcement including extending electrification from Papakura to Pukekohe and a third line between Wiri and Quay park (central Auckland).
- HCC supports all of the Future Opportunities noting that funding availability is a determinant.
- HCC notes that Hamilton to Auckland Service enhancements are noted under future opportunities and not as an immediate priority and that HCC would like to see urgent incremental investment into both the Puhinui Rail station in order to accommodate inter-regional passenger rail (and a link to proposed airport services), and into the provision of more services on the Hamilton to Auckland Start-up Passenger Rail Service.
- Government are participating in the significant Hamilton to Auckland Corridor project recognising the opportunity that exists to transform current thinking and be more forward looking. HCC requests investment into progressing the opportunity for a Hamilton Metro Rail Network if it is confirmed as part of the Metro-Spatial Plan.

[The Hamilton to Auckland Corridor Plan includes the development of a Greater Hamilton Metro-spatial Plan including consideration of mass transit networks. The initial work has indicated that the existing heavy rail network (North Island Main Trunk Line and East Coast Main Trunk Line) provides the back bone of a very operationally efficient metro-Rail network]

- HCC would like to see an Investment Priority from the Provincial Growth Fund to support Waikato Tainui in their development of the nationally significant Ruakura Inland Port.

Land Transport (Rail) Legislation Bill

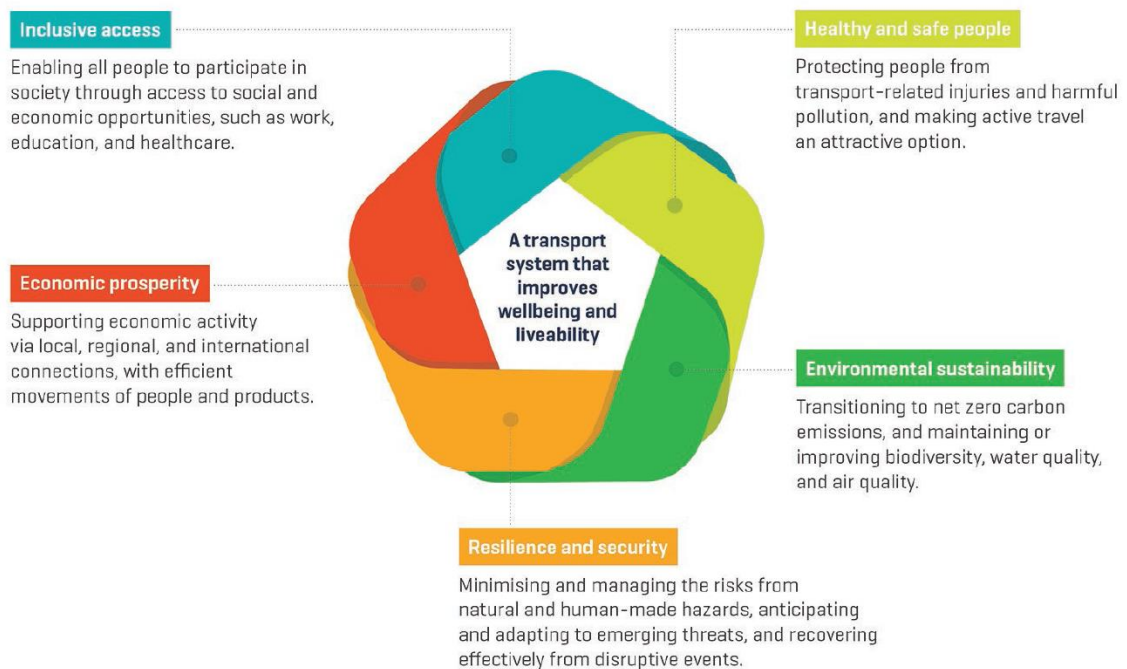
45. The Land Transport (Rail) Legislation Bill can be found [here](#).
46. The draft submission is attached in **Attachment 5**.
47. This Bill proposes changes to the LTMA to implement the new planning and funding framework for the heavy rail track network owned by KiwiRail. The LTMA sets out the planning and funding framework for public transport, state highways, road policing and local roads. The Bill would bring the rail network under this framework in a partial integration model.
48. This is intended to allow for a more long-term strategic planning focus for the rail network, the ability to consider road and rail investment together and an integrated and co-ordinated land transport investment programme.
49. Investment in the rail network is currently made from KiwiRail revenue, shareholder capital injections and direct Crown appropriations. The majority of government funding provided to KiwiRail is through the annual budget process, with Treasury acting as the main monitoring agency for advising Ministers on funding.
50. KiwiRail has indirectly received rail network funding from the NLTF through regional councils and their investment in commuter rail services (Regional Councils are charged by KiwiRail for the network costs incurred by metro passenger services in their regions).
51. The Bill would establish a statutory Rail Network Investment Programme (RNIP) that would allow the rail network to be funded from the NLTF. Under the Bill, the Agency would advise the Minister of Transport on how the RNIP fits with the overall land transport investment programme. KiwiRail would be responsible for providing activities funded from the NLTF.
52. For the purpose of the bill and hence the LTMA, rail activity is confined to any activity provided by KiwiRail that relates to railway infrastructure, railway premises or rail maintenance vehicles. It does not include for example, rolling stock.

53. Under this partial integration model, approval of funding from the NLTF for rail activities will not be contingent on the Agency's approval. While the Minister must consider advice from the Agency, the Bill gives the Crown authority to fund rail activities from the NLTF if the Minister approves. The decision-making authority therefore lies with the Minister. Once approved by the Minister, the rail activity is automatically added to the NLTP (a full integration model would be one where the Agency is required to make all rail funding decisions, and not the Minister)
54. KiwiRail will be required to provide the Agency with a RNIP every 3 financial years for the following 3 financial years that sets out KiwiRail's recommendations for rail activities that are to be provided by KiwiRail and to be funded or partially funded by the NLTF. The Minister must not approve a programme unless they have first consulted the KiwiRail shareholding Ministers and considered the Agency advice.
55. The Agency's advice must include whether the programme contributes to the purposes of the LTMA and is consistent with the GPS and a statement of the revenue (if any) KiwiRail expects to receive in relation to the activities other than from the fund.
56. Before approving the funding of a rail activity that is included in the RNIP, the Minister must again consider Agency advice and consult with KiwiRail's shareholding Ministers. The Agency must advise whether the activity takes into account any relevant Regional Land Transport Plans and whether the activity is efficient and effective.
57. The regulatory impact statement highlighted that because NLTF revenue comes from charges, fees and levies paid by road users, some fairness issues were likely to be raised about funding rail from the NLTF, particularly from other transport providers who contribute to the NLTF. The Bill provides that track user charges are provided for in an amendment to the Land Transport Act 1998. The rate will be confirmed by regulation but there is no detail on the rate or whether it will fully contribute to the increased costs imposed on the NLTF.
58. Other changes will provide for;
 - Specific input from Auckland and Wellington regions through their Regional Land Transport Plans.
 - For the Wellington and Auckland regions only, the LTMA is amended to require a list of rail activities to be included in their RLTP's that have significance for those regions and which are included or intended to be proposed to be included in the RNIP.
 - Provision is made for the Minister to give notice in the *Gazette* naming any other Regional Transport Committee required to have a KiwiRail representative and to include any rail activities in their RLTP.
59. The attached submission (**Attachment 5**) covers the following points;
 - HCC supports the intent of the Bill to implement a new planning and funding framework for the heavy rail network owned by KiwiRail.
 - HCC expresses concerns that the funding of rail may be at the expense of achieving gains in other areas of desired government land transport outcomes.
 - HCC expresses concerns over the Waikato's ability to influence rail investment given its commitment to inter-regional passenger rail services between Hamilton and Auckland.

Arataki

60. In June 2017 the Agency released its "Draft Long-Term Strategic View" spanning a 30-year horizon. Since then the Agency has chosen in the short-term not to continue with this approach and to shift their focus to Arataki which is a 2021-31 10-Year Plan enabling effort to go into the most important things needed to future-proof the land transport system.
61. HCC submitted to the "Long Term Strategic View" on 30 June 2017 and in the submission;

- Acknowledged the Agency focus at that time on those parts of the country that reflected current government priorities of facilitating economic growth and productivity, enabling urban development and supporting regional economic development.
 - Requested more emphasis to be placed on the role of rail to better align with the Waikato RLTP, and in particular to expand the focus on rail freight to include passenger transport.
 - Requested, in regard to inter-regional journeys to put a stronger focus on Southern Links and the State Highway 3 connection to Taranaki.
 - Requested recognition of the Access Hamilton programme of works to provide a balanced transport system for Hamilton that is safer, provides reliable access to new growth areas. Maintains access for existing activities to support economic development, and which promote mode shift and enables multi-modal transport choice.
62. *Arataki at a Glance* can be found [here](#).
63. A draft submission is attached (**Attachment 6**).
64. *Arataki* is made up of place-based summaries (1 national, 3 pan-regional and 14 regional) that tell a land transport system story. These are framed by **five step changes** where a need for change is seen in order to deliver the Long-Term Outcomes for the Land Transport System. The step-changes are in response to **six key drivers** which are trends that influence the choices we make today and in the future. All of these inform what the Agency needs to do across **six levers**, either directly or in partnership with others to deliver the government's objectives for the land transport system.
65. The Ministry of Transport Outcomes Framework provides an overview of outcomes that government is seeking long-term for the whole transport system (air, land and sea). The purpose of the framework is to improve people's wellbeing and the liveability of places.



66. *Arataki* is a planning tool to use as an input into developing work programmes; it does not dictate or direct them. GPS 2021 will provide the strategic direction for investment in land transport through RLTP's and the NLTP.

Submission Points

67. The six key drivers can be found [here](#) and are external factors that will influence New Zealand and the land transport system over the next 10 years. They are:
- Demographic Change
 - Climate Change
 - Technology
 - Customer Desire
 - Changing Economic Structure
 - Funding and Financing Challenges.
68. Staff propose that:
- HCC supports the key drivers noting the significant population growth in the Auckland-Hamilton-Tauranga golden triangle area which has been highlighted by the significant and ground-breaking Hamilton to Auckland Corridor Project that involves multiple stakeholders.
 - HCC also notes and supports the observation over the increasing influence of climate change on transport decisions.
 - HCC notes that under the Funding and Financing Driver, the notion of prioritising investment is promoted but not the notion of finding new and innovative funding and financing tools. This is viewed as a gap in the thinking and opportunities such as congestion pricing and tolling for example should be being considered moving forward.
 - HCC would like to see recognition that alternative funding tools will be required to meet all of the various land transport needs.
69. The five step-changes can be found [here](#) and are:
- Improve urban form
 - Transform urban mobility
 - Significantly reduce harms
 - Tackle climate change
 - Support regional development.
70. Staff propose that:
- HCC supports the step changes required
 - HCC supports Hamilton being identified as a major urban centre and welcomes the opportunity to have the Transport Agency as a partner in growth planning
 - HCC notes the omission of reducing environmental harm (outside controlling air emissions)
- [The obligations imposed by the Waikato River Settlement to enhance the environment is significant for transport agencies and needs to be addressed as a step-change in the way it has been carried out in the past]*

- HCC supports the use of a subset of investment performance measures for the NLTP to measure how various activities impact step changes but notes:
 - We would like to see more emphasis in the ‘Significantly Reducing Harms’ step change action and inclusion of measures relating to the physical health benefits and emissions (as proposed in the Benefits Framework Technical Paper included in the IDMF review documentation).
 - The Temporal Availability of Road measure needs to be reflective of the movement and place function of the road and not specifically whether it is urban or rural. It is assumed that this measure would relate to unplanned closures e.g. crash or weather related.

71. The six Levers that the Agency can use in partnership with others can be found [here](#) and are:

- Policy and regulatory settings
- Spatial and place-based planning
- Network design, management and optimisation
- Investment on infrastructure and services
- Economic tools (pricing and incentives)
- Education, engagement and awareness.

72. Staff propose that:

- HCC supports the Levers and Interventions and in particular the Intervention Hierarchy which has been a feature of Access Hamilton from the outset when first adopted in 2010.

73. The National Summary can be found [here](#).

74. Staff propose that:

- HCC supports the National Summary and looks forward to partnering with the Agency and others on some of the activities proposed at a national level including the Good Practice Guide, Roads and Street Framework, Innovative Streets and a Mode Shift Plan for Hamilton.
- HCC would like to reinforce that the principle responsibility for land use planning lies with local government and that while integrated planning of the land transport system is critical, local government has other priorities and dimensions it also needs to consider.
- HCC supports evolving the One Network Road Classification to a One Network Framework and look forward to working together build on the work we have completed in Hamilton in the creation of a Network Operating Framework with the Transport Agency and Waikato Regional Council.
- HCC notes the lack of focus on environmental management and would like to see this recognised as a step change.
- HCC notes that under “Tackle Climate Change” – “Mitigation” it is stated that the Agency initial focus to transform urban mobility will be in Auckland, Wellington and Christchurch. HCC would like Hamilton added as a focus area given that Arataki (under Waikato Summary) identifies Waikato as having the second highest carbon emission profile in the country.
- HCC supports the Agency observation that there is a need to also maintain appropriate levels of service across the land transport system.

75. The Upper North Island Summary can be found [here](#).

76. Staff propose that:

- HCC supports the Upper North Island Summary and the recognition given to the Hamilton to Auckland Corridor Plan.
- HCC notes that the emerging Metro Spatial Plan which is a significant project under the Corridor plan, identifies significant growth challenges on all north, east, south and west boundaries of Hamilton and it is not all about North Hamilton to Auckland. There is significant growth pressures in Waikato and Waipa District Councils around the City Boundary.
- HCC requests that the Upper North Island Summary better reflects the importance of the connection between Taranaki and the Waikato through SH3 and the Southern Links project. Hamilton to New Plymouth should be added to the table of Strategic Areas of Focus.
- HCC requests that the Waikato Airport be included in the Upper North Island Strategic Connections diagram noting that the significance of the Waikato Airport is being recognised in the Corridor Plan work.
- The connection between Auckland and Tauranga via SH2 should be recognised as “Nationally Significant” for tourism only – not tourism and freight (as shown in the plan), in order to be consistent with current strategies for this area including the ONRC, and comments included elsewhere in the documents. The main freight corridor for both road and rail is SH1 from Auckland to Hamilton and then SH29 from Hamilton (Piarere) to Tauranga.

77. The Waikato Summary can be found [here](#).

78. Staff propose that:

- HCC supports the Waikato Summary
- HCC appreciates the support provided by the government and the Agency for the Hamilton to Auckland Corridor work.
- HCC request that commentary on ensuring that urban development in Hamilton remains on the western side of the Waikato Expressway in order to maintain efficient inter-regional connections is removed.

[This matter is being examined further in the Hamilton to Auckland Corridor project and in particular as part of the Metro-Spatial Plan. The Agency should not pre-judge the outcome of this work. HCC recognises the importance of maintaining the efficiency of the Expressway but does not believe that this would preclude development east of the Expressway. The role of the Expressway is also to enable development]

- HCC request that more emphasis is put on the very poor safety record in the Waikato. For example, no areas for “Significantly Reducing Harm” are shown on the front-page diagram and the rating given is “Medium”. This doesn’t reflect the commentary elsewhere in Arataki on the Waikato safety record.
- HCC requests that consideration be given to upgrading “Tackling Climate Change” from medium to high. HCC accepts that Hamilton is unlikely to have a high requirement for Adaption being an inland city in particular but given that Hamilton is being identified as having high carbon emissions the importance of Mitigation must be high.
- HCC agrees with Transforming Urban Mobility as high and supports any initiative that will remove barriers to increasing public transport mode share.

- HCC also requests that Completion of the Expressway from Cambridge to Piarere be added, particularly given the poor safety record.
- HCC requests that the Southern Links project be added to the 2018-21 Focus of Effort as a project in pipeline alongside the Peacocke Arterials which are underway. Significant land purchase is required in this 3-year period to ensure that the Southern Links Corridor is ready to implement.
- HCC requests that the Ruakura Spine Road project be added to the 2018-21 Focus of Effort as a project in pipeline alongside the completion of the Waikato Expressway.
- HCC welcomes the intended focus on the Hamilton Cycle Network in the next 3-years and looks forward to progress.

Investment Decision Making Framework

79. The *Investment Decision Making Framework (IDMF)* can be found [here](#).
80. A draft submission is attached (**Attachment 7**).
81. The *IDMF* is a very technical document. This report focuses on aspects that staff believe will be of interest to elected members.
82. Changes to the *IDMF* are being made since the emergence of GPS 2018 and following initial consultation with stakeholders. The key changes being proposed include;
- A shift to a system-based approach with a focus on outcomes rather than outputs
 - Consideration of all transport modes (mode-neutral)
 - Inclusion of social, economic and environmental outcomes
 - Simplification and customer centric
83. The review is ongoing and of the following 5 workstreams, the Agency is looking for feedback on the first 3 only. Feedback on the last 2 will be sought following the release of GPS 2021.
- *Improved strategic alignment*
 - *Building the case for investment*
 - *Assessing a wider range of impacts of transport proposals*
 - Prioritising investment proposals
 - Building sector capability and confidence.
84. *Improved Strategic alignment*
85. It is proposed to reduce the current ten Investment Principles down to the following five:
1. Invest in the transport system to achieve multiple government outcomes
 2. Take a comprehensive approach to delivering best value for money
 3. Ensure solutions are future focused and adaptable
 4. Promote alignment on local and national priorities and impacts
 5. Make decisions following a transparent process linked to a strong evidence base.
86. The Agency has asked ‘How can the Investment Principles be Improved’

87. Staff propose that;

- HCC supports the 5 proposed Investment Principles as an improvement, being more targeted on investment (and not planning) and have removed unnecessary duplication with legislative requirements.
- HCC requests that consideration of “cultural” impacts be added to Principle 2.
[The expansion of Principle 2 states that the assessment of “value” considers social, environmental, safety and economic impacts, costs and benefits]
- HCC requests the replacement of “costs and benefits” in the expansion of Principle 2 be changed to “whole of life costs and benefits”.

Building the Case for Investment

88. The Business Case approach will still be used to provide evidence needed to make a case for investment from the NLTF.
89. During consultation with stakeholders the Agency was asked to make the business case process simpler and to reduce the time taken for smaller business cases. They were also asked to provide a short-form business case and to increase the \$1M low cost/low risk threshold.
90. The Agency has taken this feedback on board and has:
- Produced a “Right Sized Business Case Guidance” based on level of risk, uncertainty and complexity
 - Is in the Process of developing a Business Case Lite for investments up to \$5M
 - Introduced Standard Safety Interventions (SSI)
 - Is seeking feedback on whether to increase or decrease the low cost/low risk (LCLR) threshold of \$1M.
91. The SSI toolkit has 15 different standard solutions and in theory only require completion of an application form to receive funding if the project is in the safe network Programme. HCC piloted the Anglesea/Bryce Street intersection improvement as an SSI.
92. The Agency is reviewing its LCLR programme criteria and have concerns about being able to demonstrate value for money.
93. They are proposing increased individual project information requirements which staff are comfortable with. To assist the Agency in its decision on the threshold value they have listed the following benefits and risks of the LCLR programme.

Benefits

- Faster funding decisions
- Programme flexibility
- Builds trust with local government
- Removes business case churn

Risks

- No robust risk assessment
- No thorough options analysis
- Programmes of work could be broken into chunks
- Limited benefits information

- Low value work being completed
- Poor quality data
- Limited programme ownership
- Fixed threshold not related to Local Authority competency to deliver

94. The Agency has asked the following key questions that staff believe will be of interest to Elected Members:

- “What could be done to improve the Right Sized Business Case Guidance?”
- “Are the criteria for Standard Interventions appropriate and how could they be improved?”
- “Apart from Safety, what other types of Standard Interventions would be appropriate?”
- “What do you consider an appropriate threshold to be for your LCLR activities and why?”

95. Staff propose that

- HCC welcomes the new Guidance and the new tools being developed to expedite investment decision making, including the development of a ‘business case lite’.
- HCC requests that Asset Management Plans be accepted as the business case without the need for a separate process, for example the simple refurbishment of a transport facility, developing a transport model.
- HCC request the Agency to continue looking at their consideration of business cases across different parts of their complex business noting that the guidance indicates judgement is required. As stakeholders we need consistency of assessment. It is recognised that there is a competency gap in this area and we believe that it is an issue for local government and the Transport Agency to work together to address. This would build on the activities outlined in Arataki ‘Supporting the Sector’ in the National Summary document and recognise the existing competencies that exist in both sectors.
- HCC requests that further consideration is given to setting realistic cost ranges for SSI - our experience is that the real costs to do work is higher than the cost ranges indicated in the toolkit.
- HCC requests that more flexibility needs to be given to consideration of SSI that might deliver on more than safety. As an example, when making an intersection safety improvement is appropriate to also look at PT and active mode improvements which are not strictly driving the need for the safety project.
- HCC requests that consideration be given to public transport improvements and walking and cycling improvements as further standard interventions, and that packaging of individual low-cost initiatives into a corridor approach would be supported.
- HCC considers that the LCLR threshold should remain at \$1M but be no less than \$1M, noting that the Agency is working on a Business Case Lite for projects up to \$5M and are looking to introduce further standard interventions. HCC would only support an increase in the threshold if the increase was aligned with increased LCLR funding overall.

Assessment

96. A new Benefit Framework has been developed to show how benefit information is used in planning and reporting. The framework includes qualitative, quantitative and monetised benefits and allows both benefits and disbenefits to be identified, forecast and measured.
97. The Benefits Framework can be found [here](#).
98. The Agency has asked “Do the Benefits represent what your community values?” and “Are there any missing benefits?”.
99. Staff propose that;
 - HCC confirms the benefits are comprehensive and represent our community values.
 - HCC would like to see consideration of the current frameworks being used by local government (the four dimensions of Wellbeings), national government (Living Standards Framework) and Internationally (Sustainable Development Goals) regarding the Wellbeing benefits of economic and non-economic decisions.
 - While the Transport Agency has indicated where they have central data, it needs to be clear on qualifications on data that is provided by councils.
 - The Benefit Framework consists of 52 quantitative investment performance measures split over 12 benefit clusters. However, there is no direction as to the ‘priority or weighting value’ of each benefit cluster or benefit. Hence it will be difficult to link the decision in relation to the impact on the benefits.
 - The list of benefits appears to be comprehensive.

Wellbeing Considerations

100. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future (‘the 4 wellbeings’).
101. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below. The recommendations set out in this report are consistent with that purpose.
102. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks

103. There are no known risks associated with the decisions required for this matter.

Significance & Engagement Policy

Significance

104. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed the matters and recommendations in this report have a low level of significance.

Engagement

105. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

Attachments

Attachment 1 - Upper North Island Supply Chain Strategy-Presentation

Attachment 2 - UNISCS Letter

Attachment 3 - Submission to Land Transport (NZTA) Legislation Bill

Attachment 4 - Submission to Draft Rail Plan

Attachment 5 - Submission to Land Transport (Rail) Legislation Bill

Attachment 6 - Submission to Arataki

Attachment 7 - Submission on Investment Decision Making Framework

Financial implications at a glance

What needs to happen?

Who pays?

1. Rail upgrade north with link to Northport

Government/KiwiRail

2. Extend Northport wharf length

Port companies

3. Set up of North West Auckland inland port

Private enterprise/Refining NZ/KiwiRail

4. Encourage port owners to cooperate in New Zealand's best interests OR legislate

No cost

Tinner North Island Supply Chain Strategy

Item 9

Attachment 1

Upper North Island Supply Chain Strategy

\$8.5m

The dividend received
from \$6bn worth of
Auckland port land

\$4bn

The capital needed to
just keep the Port of
Auckland open

\$6bn

Uplift to Auckland City
balance sheet from
port move

2million m³

Port shift avoids 2m cubic
meters of dredging in the
Waitematā channel

Information document
October 2019

The New Zealand economy is the 57th largest and 41st most complex. Top imports are fuel, vehicles, machinery and consumer goods. Top exports are agriculture, forestry and horticulture.

The New Zealand economy

- Most imports enter via Auckland to service urban consumers needs. Exports, contributing to economic growth, are produced in rural areas and leave via regional ports.
- Auckland accounts for 33% of New Zealand's population, 38% of GDP and only 6% of exports.
- The primary sector, mainly forestry and dairy, are the biggest user of domestic freight. Dairy is mainly located in Waikato, Taranaki, Manawatu and Canterbury and account for 20% of freight movements.
- Forestry in Northland, Waikato, Bay of Plenty, Gisborne, Hawke's Bay and Nelson/Tasman accounts for 35% of regional freight.
- The Upper North Island region accounts for 53% of all freight movements. Northland is experiencing high growth in population and horticulture.
- Northport's layout will be designed to favour rail over trucks.

Upper North Island Supply Chain Strategy

Timeline

**September
2018**



Cabinet appoints a Working Group to review freight and logistics sector in Upper North Island, formally known is the Upper North Island Supply Chain Strategy (UNISCS).

**May
2019**



The Ministry of Transport appoint a consortium to economically evaluate a range of investment scenarios.

**September
2019**



The Supply Chain Strategy is presented to key stakeholders.

Item 9

Attachment 1

50
tonnes per
capita each year

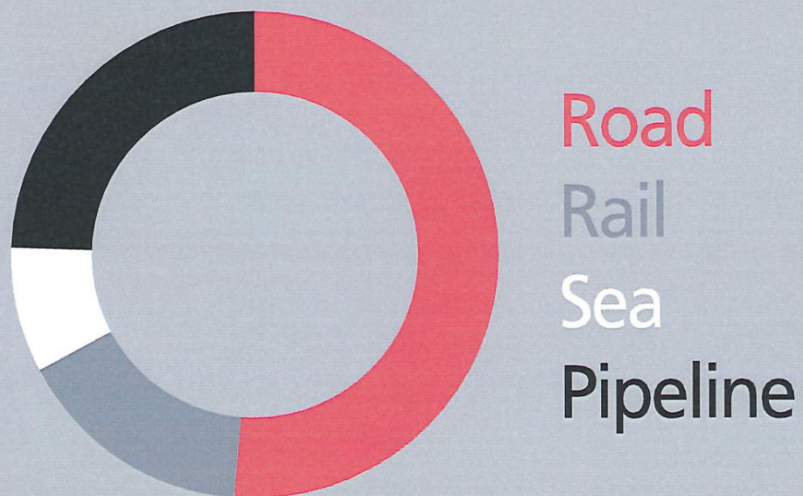
Regional freight %

The role of freight

We heavily rely on efficient supply chain to connect our goods to the world. Currently 50 tonnes per capita of freight is moved and this is expected to grow significantly over time, impacting roads and rail infrastructure.

The pipeline from Marsden Point to Auckland presently accounts for more tonnage per capita than rail. Rail would increase dramatically if a fit-for-purpose railway was built.

Percentage of market share



Road dominates as a mode

Road dominates for both inter and intra-regional freight with over 95% share of market, with the exception of the Bay of Plenty and Auckland due to proximity to good rail and ports. This suggests intermodal capacity dominates mode choice.

6

Biggest impacts and drivers of change

- 1 City congestion
in Auckland
- 2 Shifting land value
demands usage changes
- 3 Lack of cooperation
between port owners
- 4 Lack of rail infrastructure
and poor state highways
in Northland
- 5 Need for easier
export routes
- 6 Climate change:
rail versus trucks

Upper North Island Supply Chain Strategy

Commercial realities

- Changes to the Upper North Island supply chain and port structure need to maximise land values in the Auckland CBD.
- Auckland needs more than one point of entry for goods if the city is serious about reducing congestion.
- Cost to consumer for perceived increase in freight charges, if the existing port structure is moved to Northport, is nominal to nil.
- Rail and road to port investment has historically been footed by the taxpayer. Tauranga, has benefitted from around \$4bn of Crown investment.
- Rate payers subsidise Ports of Auckland \$500,000 annually.
- Auckland Port only has 10 years of operational life remaining.

Current state

Ports are the crucial international link

Today, New Zealand ports link 99.5% of the country's trade with international markets. In 2014, Auckland, Tauranga and Northport accounted for 45% of New Zealand's total freight export weights. The Port of Tauranga alone shipped 30% of national export weights. More significantly, the three ports handled 68% of total national import weights in 2012.

The key issue is optimal land use

Freight and logistics capabilities are just part of what needs to be considered. The most important factor is: **where will expansion deliver the greatest positive impacts to the regional and national economy?**

Current state

The Port of Auckland

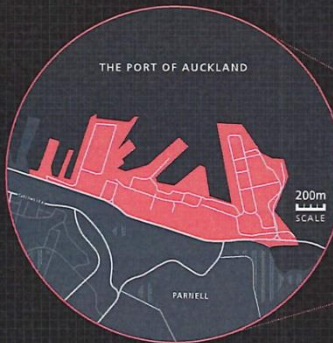
77

hectares
alternative better value use

- ⚠ Current land use runs on a **low yield model**
- 🗣 Current port infrastructure generates **mass CBD congestion**
- ⚠ Future port growth constrained by **lack of available land**
- 🚛 **800,000 truck movements** through the city via the port each year

There are currently 33 million tonnes of inbound and 30 million tonnes of outbound freight between Auckland and Northland, Waikato, BOP and Gisborne.

The Port of Auckland largely handles containers, and bulk and break-bulk volumes, and is the largest container importer in New Zealand.



The combination of increased road freight activity within Auckland and significant growth in population has led to congestion problems in Auckland. This is important because the majority of The Port of Auckland trade volumes are distributed via the road network.

Projections predict a 10-year maximum possible usage of the port at its current depth. Future use will require significant harbour dredging, with major environmental and economical impact.

Northport

The Port of Auckland

The Port of Tauranga



Upper North Island Supply Chain Strategy

Current state

The Port of Tauranga

107

hectares
available to expand



Already a **major export port**



Congestion is becoming more and more of an issue

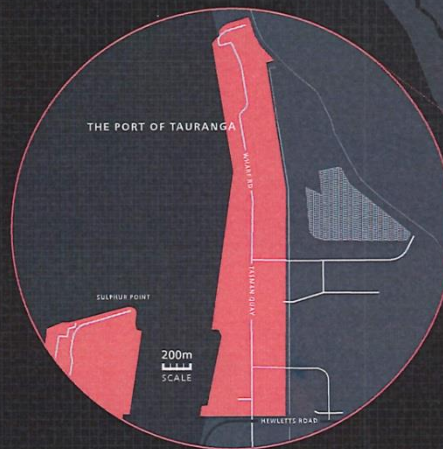


Kaimai Tunnel represents significant earthquake risk

There are currently **21 million tonnes of inbound and 18 million tonnes of outbound freight** between BOP and Auckland, Northland, Waikato and Gisborne. The Port of Tauranga is New Zealand's fastest growing and most productive port, however the port has an import-export imbalance. Import volumes are less than two thirds of its export volumes, meaning significant empty containers. Dairy is a major driver of exports in Tauranga but is expected to remain relatively flat.

By 2025, imports into The Port of Tauranga are likely to decrease as Genesis Energy has pledged to stop using coal to generate electricity at Huntly Power Station.

Road traffic congestion is a city-wide problem in Tauranga, and forecast growth in both passenger and freight travel means it is likely to get worse. The Port of Tauranga in comparison to The Port of Auckland and Northport has a high volume of freight entering and exiting the port via rail, at nearly 50 percent.



Upper North Island Supply Chain Strategy

The recommended options:

- 1 The managed closure of The Port of Auckland freight
- 2 The development of Northport
- 3 Continued operation of the The Port of Tauranga
- 4 Rejuvenated North Auckland rail line
- 5 A new inland freight hub in North West Auckland

Three primary objectives:

1

To develop efficient and effective transport and logistics infrastructure that works in the national interest

2

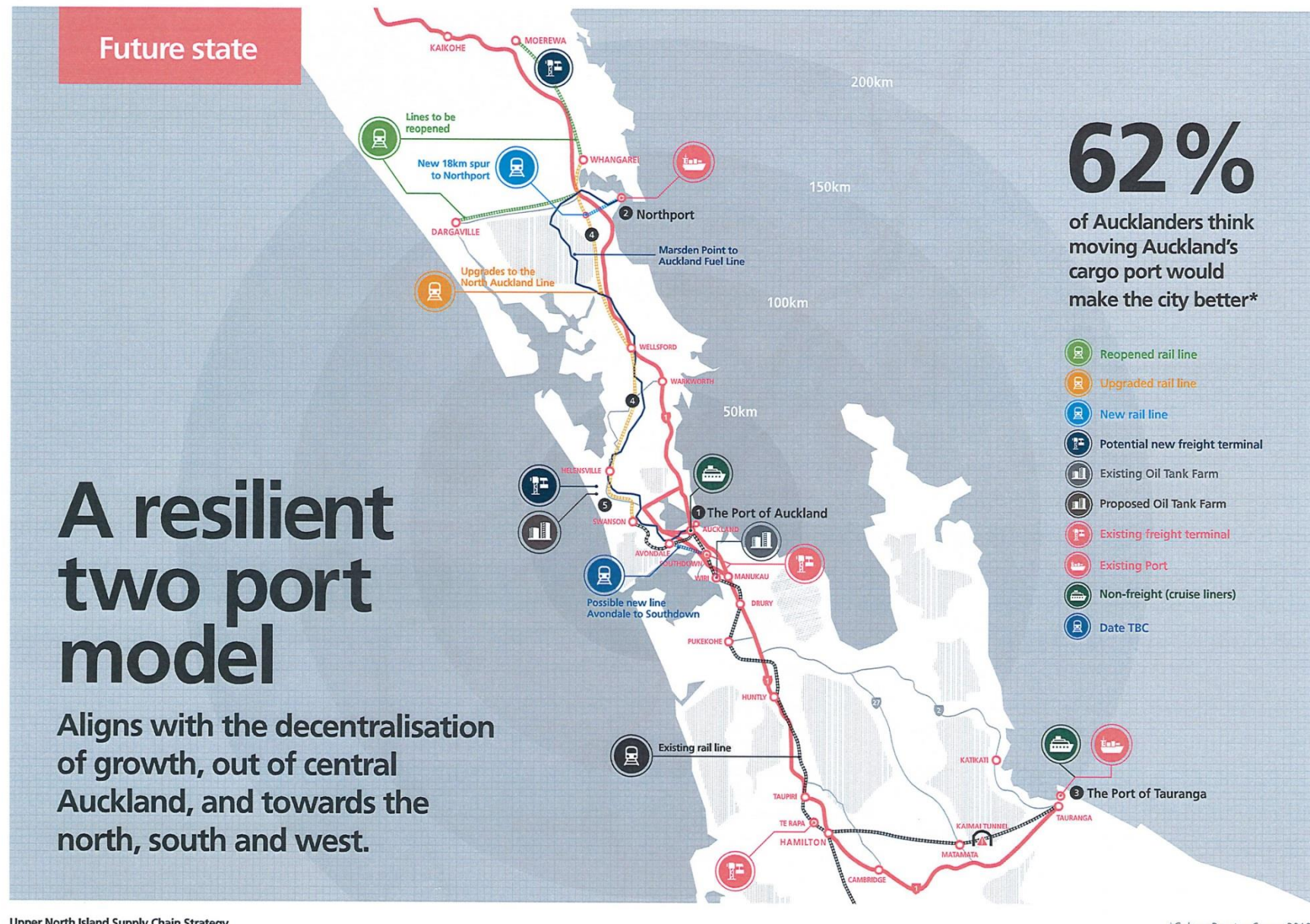
To ensure the best use of scarce resources such as land, especially in metropolitan areas

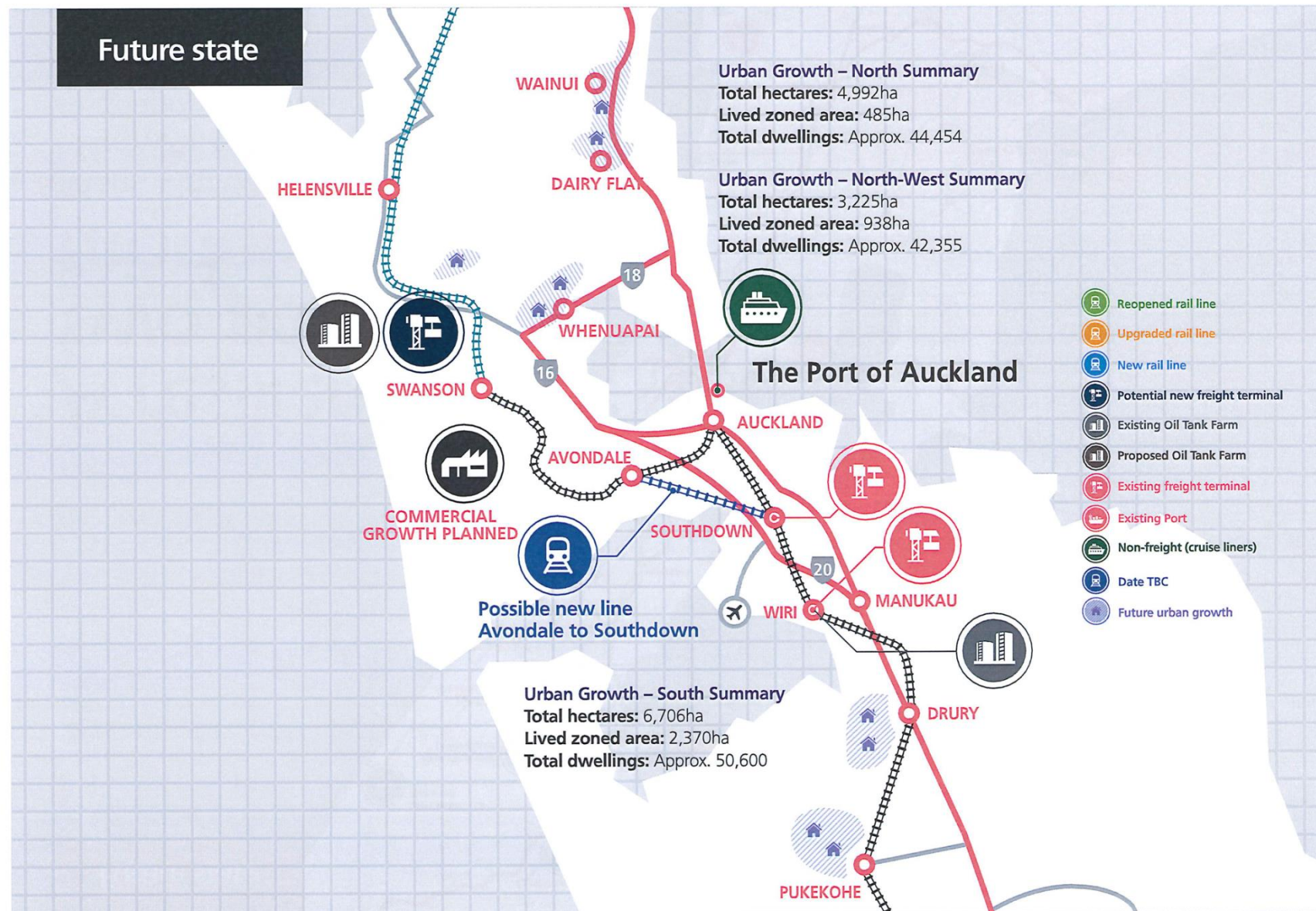
3

To promote opportunities for regional development and employment

Item 9

Attachment 1





Urban Growth – North Summary

Benefits to Northland

- › Promotes regional development and employment across the region
- › Shifts jobs north where housing is more affordable than Auckland
- › Northport site could be used to develop industrial parks and production facilities, stimulating additional economic growth in the local area
- › Local businesses will have easier and faster access to regional, inter-regional, and international markets
- › Maximises the existing port system and surrounding land at Northport
- › Positive cultural impact by supporting Māori enterprises across forestry, agriculture and fishing sectors, as well as health and community services

Benefits to Tauranga

- › Promotes further growth in the Bay of Plenty
- › Tauranga benefits from the new infrastructure by an expected uplift in freight, and an improvement in supply chain efficiency as a whole

Benefits to New Zealand

- › Two distinct north and south entry points for international freight
- › Potentially improves road safety by increasing rail freight capacity
- › Maintains competition, fosters innovation and cost effectiveness/efficiency of freight delivery
- › Greenhouse gas emissions will decrease by diverting road freight onto rail

Inner North Island Supply Chain Strategy

Benefits to Auckland

- ✓ Less congestion in the Auckland CBD and motorway network
- ✓ Releases huge land value to Auckland City Council's balance sheet
- ✓ Less friction with urban personal transport and regional deliveries with a dedicated freight rail line through the Avondale corridor
- ✓ Returns the harbour to the people and helps Auckland become a more 'liveable city'
- ✓ More resilient and sustainable supply chain
- ✓ Stronger balance sheet
- ✓ Creation of higher paying jobs through better land use of the port area

Item 9

Attachment 1

Thank you

**Upper North Island
Supply Chain Strategy**

A strategic recommendation
for the future of our ports



19 December 2019

Rt Hon Jacinda Ardern, Prime Minister
Hon Grant Robertson, Minister of Finance
Hon Phil Twyford, Minister of Transport
Hon Shane Jones, Minister for Regional Economic Development
Members of the Cabinet Economic Development Committee

Dear Prime Minister and Ministers

UPPER NORTH ISLAND SUPPLY CHAIN STRATEGY (UNISCS)

The Upper North Island Strategic Alliance (UNISA) note that the Government has now released the final report of the Upper North Island Supply Chain Study Working Group. UNISA also note that the Government has committed to undertake further analysis of transport, land use, economic and legislative considerations.

UNISA welcome Government's indication of early and open engagement with port owners and port companies, in recognition that Central Government do not hold all the decision-making rights pertaining to supply chain issues. UNISA members also appreciate that the impact of any Upper North Island supply chain strategy has significant impacts for all UNISA members, beyond those with financial interests in the three ports.

The seven councils of UNISA, and the four Regional Transport Committees in the Upper North Island are Central Government's delivery partners in any Upper North Island supply chain strategy. It is crucial that the views of UNISA members are included in any decision-making.

On behalf of the UNISA members we write to request the opportunity for engagement with the Government to assess the work of the Upper North Island Supply Chain Study.

UNISA acknowledges that the views of the seven council members may not be held in common and advocates for Government engagement with each member council.

Yours sincerely

Douglas Leeder
Chair of Bay of Plenty Regional Council

Paula Southgate
Mayor of Hamilton City Council



Penny Smart
Chair of Northland Regional Council



Phil Goff
Mayor of Auckland Council



Russ Rimmington
Chair of Waikato Regional Council

Sheryl Mai
Mayor of Whangarei District Council



Tenby Powell
Mayor of Tauranga City Council

cc: Wayne Brown, Chair of the Upper North Island Supply Chain Study Working Group.

DRAFT 2



Private Bag 3010
Hamilton 3240
New Zealand

TEL 07 838 6699
FAX 07 838 6599
EMAIL info@hcc.govt.nz
hamilton.govt.nz

Item 9

Submission by

Hamilton City Council

LAND TRANSPORT (NZTA) LEGISLATION AMENDMENT BILL

13 February 2020

1.0 INTRODUCTION AND OVERALL COMMENTS

- 1.1 Hamilton City Council (HCC) welcomes the opportunity to make a submission to the Land Transport (NZTA) Legislation Amendment Bill.
- 1.2 HCC notes that the Bill provides legislative mechanisms for a simplified process for speed limit changes and is strongly supportive of these changes.
- 1.3 HCC has been active in speed management planning for a number of years. In June 2017 HCC adopted Vision Zero for our road safety target by 2028. In September 2018 we updated the Hamilton City Speed Limits Bylaw 2018 to enable the Council to set speeds limits by resolution on any road within its jurisdiction. This change was made to enable timely and efficient speed limit changes to be made in the future.
- 1.4 The Speed Management Plan for Hamilton City was adopted at the Council meeting on 27 June 2019. The plan sets out the principles and prioritisation methodology that will be used to deliver speed management related activities including education, engineering and speed limit changes throughout Hamilton City. A copy of the Hamilton City Speed Management Plan is attached (Appendix 1).
- 1.5 We developed the Speed Management Plan for Hamilton by working closely with our community, Waka Kotahi NZ Transport Agency (the Transport Agency) and the Waikato Regional Council as part of the rollout of the new Speed Management Guide.
- 1.6 HCC is an active member of the Regional Speed Management Working Group and provides advice and support to other road controlling authorities and other stakeholders in the region to achieve an active speed management programme and a consistent approach to speed management in the region.
- 1.7 HCC supports the objective of the Land Transport (NZTA) Legislation Amendment Bill as it relates to conferring powers to the Transport Agency in respect to speed management.
- 1.8 This includes support for the Transport Agency to enable rules to establish a register to give public notice of land transport records (for example speed limits) and issue infringement notices for moving vehicle offences (for example as detected by a safety camera). The establishment of a committee (to review the National Speed Management plan) is also supported.
- 1.9 HCC also supports amendments to Section 106 of the LTMA providing regional transport committees with any other functions conferred on it by any other Act.

2.0 PART 1: AMENDMENTS TO THE LAND TRANSPORT MANAGEMENT ACT 2003

- 2.1 HCC supports Clause 12 - Amendment to Section 106 of the LTMA, which states that each Regional Transport Committee must also carry out functions conferred on a Regional Transport Committee under any other provisions in this Act or any other Land Transport Act.
- 2.2 HCC understands that this clause may relate to new powers proposed to be given to it to prepare a Regional Speed Management Plan.

HCC Ref: D-3195167 / Submission #: 576 B

Page 1 of 2

Attachment 3

3.0 PART 2: AMENDMENTS TO THE LAND TRANSPORT ACT 1998

- 3.1 HCC supports Clause 101 in the Bill, which amends Section 157(e) of the Land Transport Act to add the word 'or require' after the word 'empower'. This means that a rule can be made (by the Minister) to require Road Controlling Authorities (RCAs) to set speed limits for roads within their jurisdiction (rather than just empower them). We assume this is, in part, in respect to Government's desire to have RCAs contribute to the development of Regional Speed Management Plans, which include a plan for the rollout of new speed limits set around all urban and rural school within 10 years, along with safer speed limits in urban centres where there a high numbers of active mode users.
- 3.2 HCC supports new Section 159A, which enables ordinary rules to be provided for any matters necessary to establish, maintain and operate the register of land transport records established under Section 200C. We support this addition on the basis that it enables the establishment of a national register for speed limit records, which in effect will remove the bylaw requirement for local authorities for changing speed limits on roads under their jurisdiction. This will enable simplification of the speed limit process to the benefit of all parties.
- 3.3 HCC supports new Section 159B, which states that an ordinary rule may require the Transport Agency to establish a committee. We support this addition on the basis that it enables the Transport Agency to set up an independent committee to review the National Speed Management Plan (which will include the roll out of additional safety cameras) and provide transparency between its road controlling authority and regulatory roles.
- 3.4 HCC supports new Section 200B, which states that a Land Transport Act may require that a land transport record be created for a decision or any other thing to be done under that Act, for example the setting of speed limits.
- 3.5 HCC supports Sections 200C to 200K relating to the ability of the Registrar (the Transport Agency) to establish registers and operate them. This register will enable the Transport Agency to record speed limit changes in a central location, thus simplifying the speed limit setting process and ensuring that we are in a position to respond to the future technology opportunities in the vehicle fleet which will also improve safety.
- 3.6 HCC supports new Section 208A, which confers the Transport Agency as an Enforcement Officer for certain infringement notices relating to moving vehicle offences, including where the alleged offence is detected by approved vehicle surveillance equipment. We support this new power on the grounds that speed management safety camera ownership and operation will be transferred from the NZ Police to the Transport Agency.

4.0 FURTHER INFORMATION AND HEARINGS

- 4.1. Should Parliament's Transport and Infrastructure Committee require clarification of the above, or additional information, please contact Robyn Denton (Operations Team Leader, City Transportation) on 07 838 6910 or 021 971 127, email robyn.denton@hcc.govt.nz in the first instance.
- 4.2. Hamilton City Council **does wish to speak** at the Transport and Infrastructure Committee hearings in support of this written submission.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

SPEED MANAGEMENT PLAN

Version 2, June 2019

HAMILTON CITY COUNCIL

HE AHA TE MEA NUI O TE AO
WHAT IS THE MOST IMPORTANT THING IN THE WORLD?
HE TANGATA, HE TANGATA, HE TANGATA
IT IS THE PEOPLE, IT IS THE PEOPLE, IT IS THE PEOPLE



CONTENTS

1. PURPOSE OF THIS DOCUMENT	3
2. WHAT IS SPEED MANAGEMENT AND WHY DO WE NEED IT?	3
2.1. GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT	3
2.2. SAFER JOURNEYS	4
2.3. ACCESS HAMILTON STRATEGY	4
2.4. ONE NETWORK ROAD CLASSIFICATION (ONRC)	4
2.5. SPEED MANAGEMENT	5
2.6. THE SPEED MANAGEMENT GUIDE	5
2.7. IS SPEED AN ISSUE FOR HAMILTON?	6
2.8. WHAT HAS HAMILTON CITY DONE ABOUT SPEED IN THE PAST?	8
3. DEVELOPMENT OF THE SPEED MANAGEMENT PLAN	9
3.1. STAKEHOLDER ENGAGEMENT	9
3.2. COMMUNITY ENGAGEMENT	9
4. SPEED MANAGEMENT PRINCIPLES	10
5. SPEED MANAGEMENT PRIORITIES	10
6. SPEED MANAGEMENT MAPS	11
7. SPEED MANAGEMENT ACTIVITIES	11
7.1. WHAT ROLE DOES HAMILTON CITY COUNCIL PLAY IN SPEED MANAGEMENT?	12
7.2. THE SPEED MANAGEMENT TOOLBOX	12
8. FOR MORE INFORMATION	13

1. PURPOSE OF THIS DOCUMENT

The purpose of this document is to take the information provided in the NZ Transport Agency Speed Management Guide and create an implementation plan related to safer speeds in Hamilton City.

Hamilton has a Vision Zero goal for road safety. We don't believe any loss of life on our city's roads is acceptable. With more and more people using our roads, we need to make sure they're as safe as they can be.

Road safety risk can be reduced by investing in infrastructure improvements to make a road safer at current speeds, or by managing speeds down through a combination of road design, risk targeted enforcement and education on safe behaviour, all reinforced by speed limits appropriate for the roads.

The plan sets out what work needs to be done, by who, where and finally an indication of funding to implement this work, with a focus on the next two financial years leading into the 2021-31 10-Year Plan.

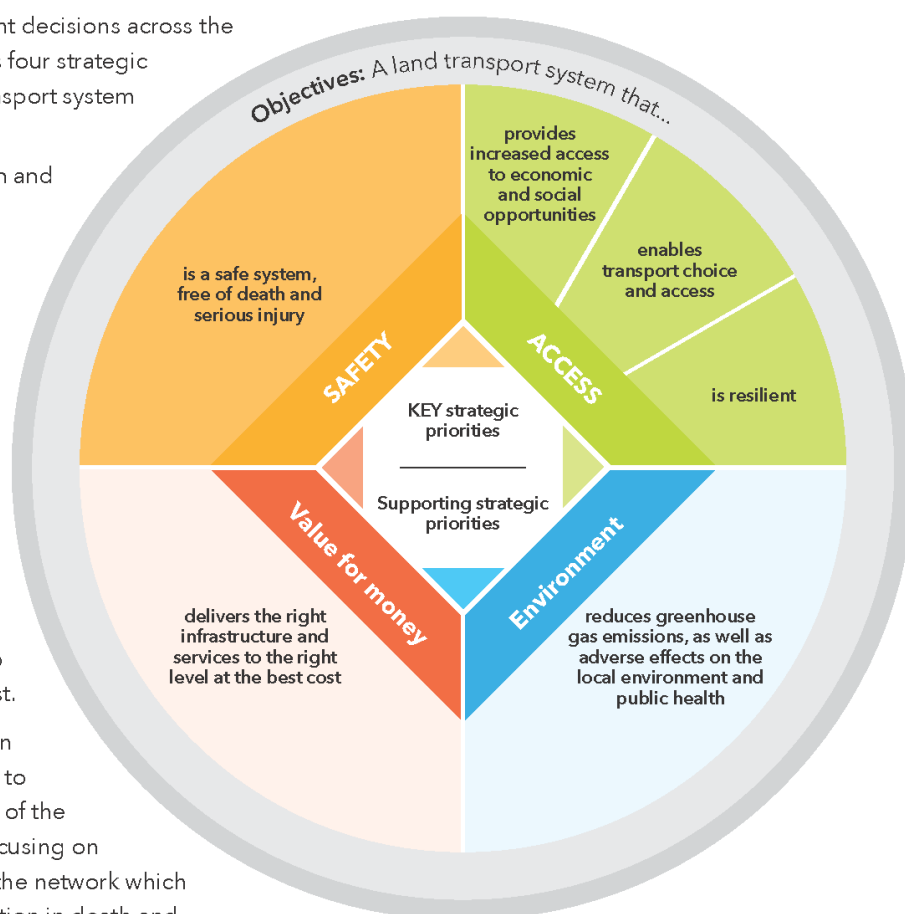
2. WHAT IS SPEED MANAGEMENT AND WHY DO WE NEED IT?

2.1. GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT

The GPS is central to investment decisions across the land transport system, and sets four strategic priorities to achieve a land transport system that:

- Is a safe system, free of death and serious injury;
- Provides increased access to economic and social opportunities, enables transport choice and access, and is resilient;
- Reduces greenhouse gas emissions, as well as adverse effects on the local environment and public health;
- Delivers the right infrastructure and services to the right level at the best cost.

The GPS supports investment in state highways and local roads to accelerate the implementation of the Speed Management Guide, focusing on treating the top 10 percent of the network which will result in the greatest reduction in death and serious injury as quickly as possible.



2.2. SAFER JOURNEYS

Safer Journeys is the Government's strategy to guide improvements in road safety from 2010 to 2020. The strategy's vision is a safe road system increasingly free of death and serious injury and introduces the Safe System approach to New Zealand.

To achieve this it takes a Safe System approach, looking across the entire road system to improve safety by creating safer roads and roadsides, safer speeds, safer vehicles and safer road use. Within these categories, it sets a number of areas of concern where action is needed.

The Safe System recognises that people make mistakes and are vulnerable in a crash. It reduces the price paid for a mistake so crashes don't result in loss of life or limb. Mistakes are inevitable – deaths and serious injuries from road crashes are not.

The Safe System approach aims for a more forgiving road system that takes human fallibility and vulnerability into account. Under a Safe System we design the whole transport system to protect people from death and serious injury.

We need to strengthen all parts of the system – roads and roadsides, speeds, vehicles, and road use – so that if one part fails, other parts will still protect the people involved.



2.3. ACCESS HAMILTON STRATEGY

The Access Hamilton strategy identifies 3 key outcomes and investment objectives for Hamilton's transport system.

- Safety – Hamilton's transport system is safer.
- Choice – Hamilton will be a more accessible city with increased mode share by PT, walking and cycling.
- Growth – residential and business growth is supported by investment in Hamilton's transport system.

Speed management has a key role to play in all of these.

2.4. ONE NETWORK ROAD CLASSIFICATION (ONRC)

The [One Network Road Classification](#) (ONRC) is a classification system, which divides New Zealand's roads into six categories based on how busy they are, whether they connect to important destinations, or are just providing access to local residential properties:

- National
- Arterial
- Regional
- Primary collector
- Secondary collector
- Access

The classification is used to guide how roads are maintained, managed and operated. It links into wider planning and investment programmes, and other systems and processes. The Speed Management Guide takes advantage of this consistent way of describing and managing road function across the country.

2.5. SPEED MANAGEMENT

Speed management is about achieving safe and appropriate speeds that reflect road function, design, safety and use.

We need people and goods to move efficiently around our transport network; however, aligned to the Safe System approach, we also need to see a reduction in deaths and serious injuries.

Speed management is more than just speed limits and requires input from policy makers, engineers, educators and the police to educate, encourage and influence road users to adopt safe and appropriate speeds.

2.6. THE SPEED MANAGEMENT GUIDE

The [Speed Management Guide](#) provides a national single assessment framework for determining safe and appropriate speeds on New Zealand's entire road network. It provides guidance on how to progressively align travelling speeds with road function, design, safety and use, utilising the ONRC to take traffic volumes, freight volumes and place functions into account.

Previous speed limit frameworks were developed when there was no overarching road classification system. While speed limit reviews involved a consistent process that took land use and road use into account, they did not give sufficient weight to road classification, design, geometric characteristics, network efficiency or the Safe System approach. The result is that on some routes, travel speeds are not appropriate to road use and function.

The Speed Management Guide includes a set of best practice principles to inform decisions to ensure outcomes support the broader goal of national consistency. This is especially important where some roads don't easily fit into various classifications and different lengths along a road may be classified with different functions.

The Guide draws on the four key principles from the Dutch Sustainable Safety Programme:

1. **Functionality** - Differentiate speeds and speed limits according to a hierarchical classification, with clear differences between levels, to support self-explaining road systems.
2. **Predictability and consistency** - Support road user expectations through consistency and continuity of design, speed limit setting, enforcement, communication, adherence to standards and collaboration between partners.
3. **Homogeneity** - Keep like with like (mode separation) and encourage speeds within a narrow band to increase both safety and efficiency.
4. **Credibility** - Identify and manage safe and appropriate speeds for an entire route (and manage out of context risks by exception) to support the overall credibility of the limits and of enforcement.

The Guide sets out safe and appropriate speed ranges which consider road function, design, safety and use. It is intended that this Guide should begin to underpin all speed management activity, such as engineering and investment decisions, land use planning, fleet management, communication and enforcement, and become embedded into planning, engineering and network management moving forward.

The proposed safe and appropriate speeds for different types of road fall within the ranges shown in the figure below. The proposed speed ranges are not in themselves speed limits.

Classification	Straight open road/ urban motorways	Curved open road	Winding open road	Urban (not motorway)
Class 1 High volume national	100-110km/h Depends on design and safety risk (e.g. divided 4-5 star, grade separated intersections, safety barriers) and factoring in enforcement thresholds	80-100km/h	60-80km/h	
Class 2 National, Regional, Arterial	80-100km/h Depends on safety risk and whether volumes justify investment to bring the road up to 3 star equivalent, also enforcement thresholds			50km/h
Class 3 Primary and secondary collector				60-80km/h where safety risk allows, e.g. fewer intersections, mode separation for active users
Class 4 Access and low-volume access All winding/tortuous	60-80km/h Depending on roadside development, pedestrian and cyclist volumes, whether sealed or not			30-50km/h 30km/h if high volumes of cyclists/pedestrians Recognise access and place 10km/h for Shared Spaces

2.7. IS SPEED AN ISSUE FOR HAMILTON?

Hamilton City Council has adopted Vision Zero as the philosophy for road safety in the city, an aspiration to achieve zero road deaths and serious injuries within Hamilton city.

The total number of fatalities in the city for 2018 was nine.

Crashes that are attended by the New Zealand Police (NZ Police) have a Traffic Crash Report (TCR) completed and the information from that report is then entered into the national Crash Analysis System (CAS) which is managed by the New Zealand Transport Agency (NZ Transport Agency).

The analysis of the data for Fatal and Serious Crashes which occurred in Hamilton City 2014-18 for Hamilton (including the state highways) indicates the following:

- There have been 24 fatal and 212 serious crashes
- These crashes resulted in 26 deaths, 234 serious and 47 minor injuries
- A total of 307 injured road users

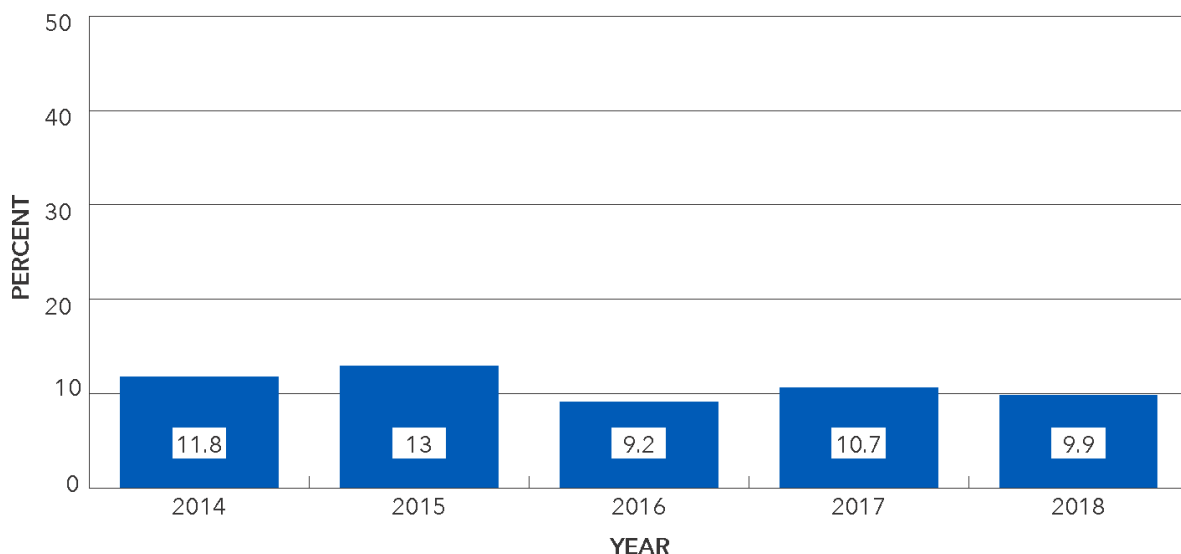
The top four contributing factors to fatal and serious injury crashes were:

- Poor Observation (40%)
- Alcohol (27%)
- Failed to Give Way/Stop (26%)
- Too Fast (22%)

The relationship between speed and road trauma is well-established internationally and that's why managing speed is one pillar of the Safe System approach.

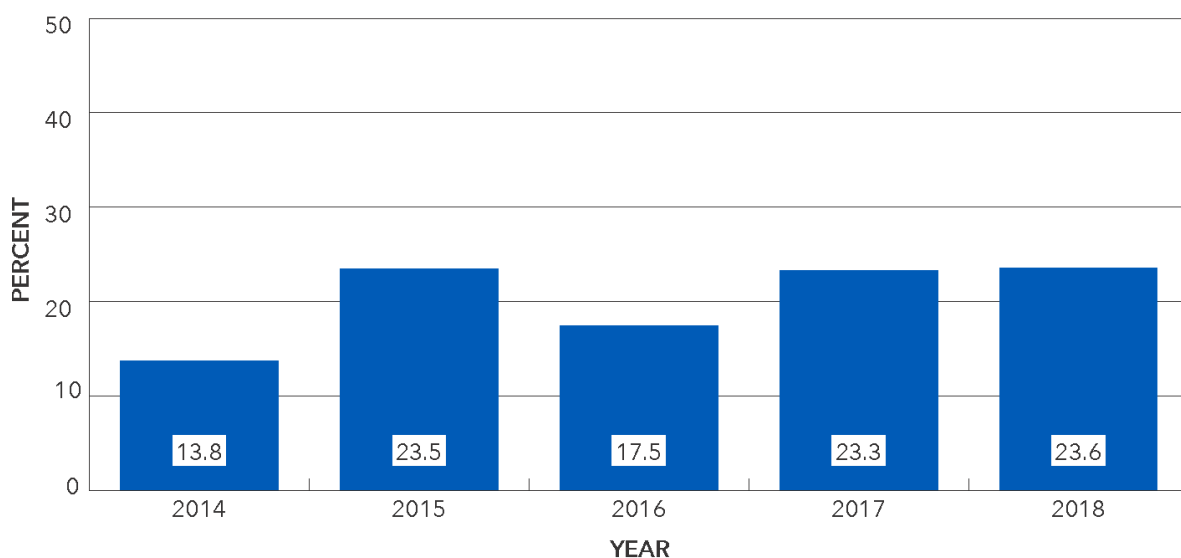
For Hamilton the percentage of all crashes involving inappropriate speed 2014-18 has varied from 9% up to 13%.

PERCENTAGE OF ALL CRASHES INVOLVING INAPPROPRIATE SPEED



However the percentage of death and serious injury crashes involving inappropriate speed is much higher, varying from almost 14% up to almost 24%.

PERCENTAGE OF DEATH AND SERIOUS INJURY CRASHES INVOLVING INAPPROPRIATE SPEED

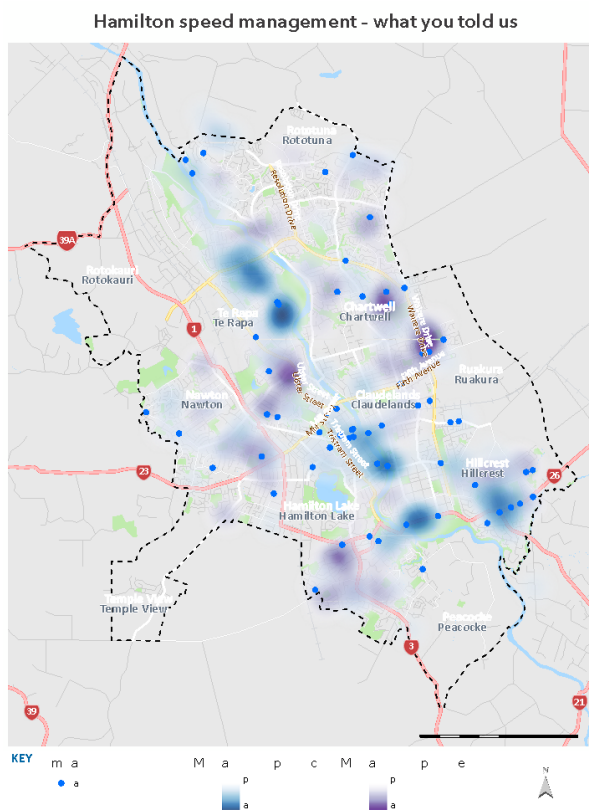


This means that under our Vision Zero road safety philosophy we can make a big difference in the number of death and serious injuries on our roads by implementing a good speed management programme. If we can increase the number of drivers driving at a safe and appropriate speed we can reduce the number of people in our community whose lives are devastated by road trauma.

We also know that:

- Most of our crashes involving inappropriate speed happen in areas with a 50km/h speed limit (60% 2014-2018)
- 58% of our crashes involving inappropriate speed (2014-2018) occur during the day
- Just over half of crashes involving inappropriate speed occur at intersections (52% 2014-2018)

Our community has also told us that speed is an issue around the city. To the right is a heat map illustrating where they have told us speed is a safety issue, either through our engagement process or customer service complaints and feedback.

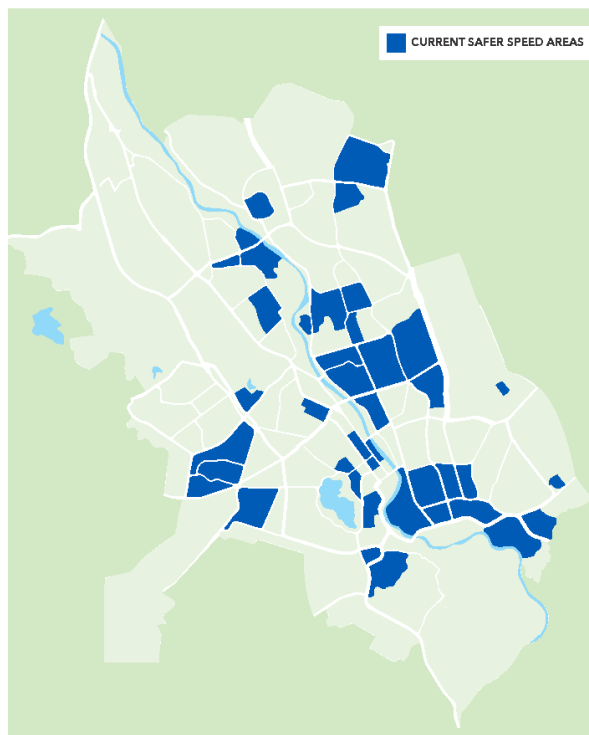


2.8. WHAT HAS HAMILTON CITY DONE ABOUT SPEED IN THE PAST?

Hamilton City has in the past been very active in the area of Speed Management and had developed a Speed Management Policy which set out the high level approach to Speed Management that was used for a number of years to guide Council's decision making.

The initial programme of works focused on the introduction of 40km/h speed limits outside schools via electronic variable signage. Once all these sites were completed, a solution was needed for the school sites that didn't meet the warrant requirements for the electronic signage. A "Safer Speed Areas" programme on local residential streets was developed and ultimately lead to the introduction of over 380 streets with a permanent 40km/h speed limit, throughout the city. Engineering and education around speed limits also played a key part in rolling out the programme. Our data shows that there has been a reduction in severe injury crashes in the 40km/h Safer Speed Areas since they were implemented.

Current Safer Speed Areas



3. DEVELOPMENT OF THE SPEED MANAGEMENT PLAN

3.1. STAKEHOLDER ENGAGEMENT

To assist in the development of a Hamilton Speed Management Plan a series of workshops with industry stakeholders and politicians were held. Represented on this group were councillors from Hamilton City and Waikato Regional councils, and staff from Hamilton City, Waikato Regional, Waikato District and Waipa District councils, NZ Transport Agency, AA, Police, Road Transport Association and Waikato District Health Board.

Drawing on the principles set forward in the national Speed Management Guide, this working group defined eight principles and four prioritisation tools for the application of speed management across Hamilton.

3.2. COMMUNITY ENGAGEMENT

A key element of speed management is community input. Council recognised it was crucial to take the work by the stakeholder group to the community to understand their views. The proposed principles and priorities were related to real life situations and people in the community were asked to share their views. The opportunity was also given to share on maps where they think there are issues with speed on Hamilton's transport network.

During October and November 2018 engagement took place through the Council's "Your Ideas" online engagement portal, static displays in libraries at Hillcrest, Glenview and Chartwell, at the "Treats in the Park" event at the Western Community Centre, and via social media.

Across Facebook and the online survey, we had approximately 200 comments about the draft principles and prioritisation approach. We also received over 500 pin drops on the on and offline maps, of which 67% had comments about why speed was considered an issue.

While there were a small number of people who spoke against any reduction in speed and would like all roads to be faster, the overwhelming majority were supportive in principle. The key themes identified regarding speed management were:

- Changing the speed limit alone isn't sufficient
- The infrastructure must reflect the required speed of the road, and this must be maintained
- Behaviour change and education is essential, and speed is not the only problem - distracted driving and school gate behaviour is a significant road safety issue.
- There is greater enforcement required, including of current speed limits
- Targeting vulnerable users, particularly children, should be given priority.

Overall the response to speed management is positive. Engagement with the community in advance of any proposed speed management change needs to be maintained. A wraparound approach including supporting infrastructure and education, with a strong focus on protecting children and vulnerable users to encourage more people to walk and bike is needed to support any change.

4. SPEED MANAGEMENT PRINCIPLES

The following principles will guide the application of speed management within Hamilton:

- The speed environment around schools at school times the start and end of the school day will be 30km/h
- Where there are high numbers of people walking, biking and crossing the road the speed environment will be 30km/h
- Residential local roads will be constructed for a 40km/h environment
- New roads will be constructed appropriate to the function and to create a safe and appropriate environment
- Existing roads may be upgraded appropriate to the function and to create a safe and appropriate environment
- A logical, area-based approach will be used for the implementation of speed management
- Investment will be targeted to achieve the best access and safety outcomes
- We will work with partnering RCAs to provide a consistent approach in line with the Speed Management Guide

5. SPEED MANAGEMENT PRIORITIES

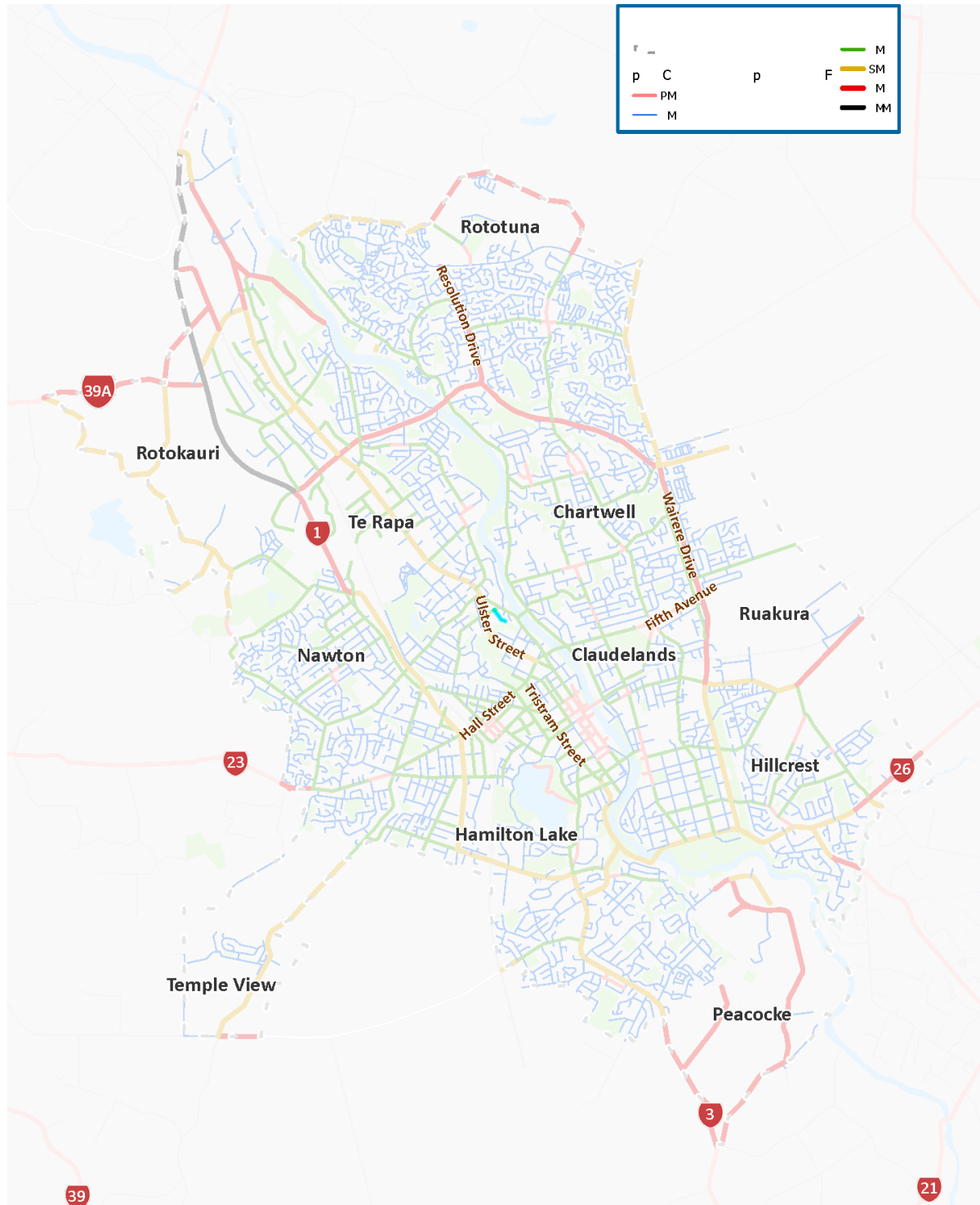
We need to be able to prioritise our work. The following priorities will guide us in our approach to implementing speed management:

- High benefit routes which deliver maximum benefit in reducing deaths and serious injuries
- Places where there is strong community demand for change
- Supporting changes in neighbouring areas to achieve consistent and logical implementation
- Places where lots of people walk or bike, or where they will soon walk and bike

6. SPEED MANAGEMENT MAP

Using these principles, as well as tools provided by the NZ Transport Agency, we have mapped a speed management vision for Hamilton.

Hamilton safe and appropriate speeds - proposed



7. SPEED MANAGEMENT ACTIVITIES 2019

Our delivery of this vision for speed management will be governed by the priorities identified above and will be consulted on with and communicated to stakeholders and the community.

7.1. WHAT ROLE DOES HAMILTON CITY COUNCIL PLAY IN SPEED MANAGEMENT?

Council has the following roles under the Safe System approach:



7.2. THE SPEED MANAGEMENT TOOLBOX

Speed management is about more than just speed limits. Achieving safe and appropriate speeds for roads also requires engineering and infrastructure, education and communication, and enforcement.

If the Council's speed management process shows a change to a speed limit is required or desirable there is a legal process to change the registers to the Hamilton City Speed Limit Bylaw 2018. To do this consultation must take place with stakeholders and the community, before asking Council to resolve to approve a change to the register of speed limits in the bylaw. It is likely this will be undertaken in conjunction with consultation on physical infrastructure changes.

Speed limits aren't the only tool in the speed management toolbox to ensure drivers are driving at safe and appropriate speeds. Roads must also be built appropriately for their use and function. For example, on residential streets raised safety platforms, or pedestrian refuges or lanes for people on bikes may be installed. These are all visual signals to drivers to expect to see more people walking and biking, and to drive at a safer lower speed. On roads expected to move more vehicles at faster speeds, such as Wairere Dr, off-road walking and biking paths would be expected to be built, and include other safety features such as separating oncoming traffic through median barriers or plantings.





We work with local communities, schools and businesses to ensure proposed infrastructure delivers safety benefits, improves access for all and fits with what the community has told us about their streets. Local communities will always be kept informed on any proposed infrastructure changes.

Council works closely with our road safety partners at the Transport Agency and the Police on campaigns to inform and educate all road users on speed and road safety, and support the Police in their enforcement activities.

Our road safety promotions are targeted to risk and include activities like:

- Road risk information campaigns, including Safer Roads for All/Safer Streets for All
- Seasonal campaigns targeted to road safety issues, such as winter driving or watch for motorcycles
- Annual campaigns focused on intersections, e.g. Roundabout Respect and Stop On Red/Yellow
- Promotional activities around speed and speed limit changes
- School-based campaigns such as Mix It Up at School Pick-up

8. FOR MORE INFORMATION

Safer Streets for All

hamilton.govt.nz/saferroadshamilton

Current safety improvement projects

hamilton.govt.nz/our-services/transport/safetyaccessimprovementprogramme

Myths and FAQs about speed

hamilton.govt.nz/our-services/transport/safetyaccessimprovementprogramme/road-risk/Pages/FAQs-on-Road-Risk.aspx

NZ Transport Agency Speed Management Guide including toolbox

nzta.govt.nz/safety/speed-management-resources/

Hamilton Speed Limit Bylaw 2018

hamilton.govt.nz/bylaws

DRAFT 2

Submission by

Hamilton City Council**THE DRAFT NEW ZEALAND RAIL PLAN 2019****13 February 2020****1.0 KEY SUBMISSION POINTS**

- 1.1 Hamilton City Council (HCC) supports the focus on rail.
- 1.2 HCC considers that a Rapid Regional Rail Authority should be established to progress regional passenger rail and to optimise investments.
- 1.3 HCC considers that a priority action should be to consider hydrogen opportunities.
- 1.4 HCC requests activities that support the Hamilton to Auckland Passenger Rail be priority funded, including Puhinui Station enhancement.

2.0 INTRODUCTION

- 2.1 HCC welcomes the opportunity to provide early feedback (prior to the formal engagement process) to the Ministry of Transport on the Draft New Zealand Rail Plan 2019.
- 2.2 We would like to congratulate the Government on its foresight in developing the Draft New Zealand Rail Plan (DNZRP).
- 2.3 HCC notes that the DNZRP states that:
 - The rail network has suffered from under-investment and significant parts of the network are facing a state of managed decline.
 - Over the next decade investment is needed to retain the current level of service from the national network and to achieve a reliable and resilient national freight network, providing a platform for further investment to support growth in rail freight.
 - In Auckland and Wellington early investment in the metro rail networks has seen passenger growth outstrip expectations.
 - Funding is currently allocated through the National Land Transport Fund (NLTF) to support the passenger networks and interregional passenger services, such as the Hamilton to Auckland Start-Up Passenger Rail Service.
 - The freight rail network has continued to suffer from under-investment and short-term decision-making and so changes are being proposed to the Land Transport Management Act 2003 (LTMA) to improve integrated planning and investment across road and rail.
 - The proposed investment priorities in the DNZRP will also underpin future budget considerations for Crown investment.

3.0 STRATEGIC PRIORITIES FOR RAIL

3.1 The strategic priorities for rail in the DNZRP are outlined in two key parts:

- **Part A:** Establish a new long-term planning and funding framework under the LTMA (for heavy rail network, not light rail investments).
- **Part B:** Investing in the national rail network to maintain freight rail and provide a platform for future investments for growth; and to also invest in metropolitan rail to support growth in our largest cities.

4.0 PART A: PLANNING AND FUNDING FRAMEWORK

- 4.1 HCC supports rail investment decisions being taken under the LTMA which will result in the national rail network being planned and funded alongside the rest of the land transport system, including the road and public transport networks. Please find attached a copy of our submission to the Land Transport (Rail) Legislation Bill (Appendix 1).
- 4.2 HCC advocates in the longer-term for a single central government primary agency that has governance and ownership responsibilities for inter-regional passenger services (Regional Rapid Rail) that has powers across different regions.
- 4.3 We note that the DNZRP proposes that the main agencies involved in rail (Ministry of Transport, the Transport Agency, KiwiRail, Auckland Council, Auckland Transport and Greater Wellington Regional Council) work with other councils who have responsibility for inter-regional rail services. This is a potential problem and an arrangement needs to be considered where the smaller inter-regional council has an appropriate voice in several issues, including access and timetabling. In the longer-term, a Rapid Regional Rail Authority should be considered.
- 4.4 HCC requests that the Minister, given the emergence of the Hamilton to Auckland Start-Up Passenger Rail Service and the need to make ongoing service improvements and if the HCC submission to the legislation to name the Waikato Region specifically is not adopted, at the earliest possible opportunity exercises new proposed powers under the LTMA amendments to give notice in the Gazette that the Waikato Regional Transport Committee is required to have a KiwiRail representative and to include any rail activities in their RLTP.
- 4.5 We note that KiwiRail is responsible for preparing a 3-year Rail Network Investment Programme with a 10-year forecast for the rail network to be approved by the Minister of Transport following Transport Agency advice. The DNZRP focuses on the needs of Auckland and Wellington and is largely silent in other regions. The Auckland Region should be required to endorse the rail activity needs of Waikato in their RLTP.
- 4.6 HCC notes concern that sufficient funding will be available to meet the emerging rail needs as well as all of the other government priorities, including Road to Zero initiatives and in particular for Hamilton, increasing urban mobility.
- 4.7 We note that while further work is underway to establish track user charges to ensure equity contributions from track users and that the Crown as owner is investing separately in KiwiRail to enable intergenerational replacement of key assets such as locomotives and ferries, the funding situation is not clear and will not be until the release of GPS 2021.

5.0 PART B: INVESTING IN THE RAIL NETWORK

- 5.1 HCC supports the stated Strategic Investment priorities for the national rail network to maintain freight rail and provide a platform for future investment in growth.
- 5.2 HCC supports the stated future opportunity to double track Auckland to Hamilton, noting that this may be informed by the Hamilton to Auckland Intercity Connectivity Business Case (being undertaken by Ministry of Transport as an initiative under the Hamilton to Auckland Corridor project).

5.3 HCC also notes that the Business Case may support an increased priority for double tracking and this should be pursued as a priority in areas where there will be greater benefit.

5.4 HCC would also like to see priority investments into improving the transport connections from Hamilton to Tauranga given successive strategies that identify the freight routes between the Ports of Auckland (and/or NorthPort) and Tauranga is via Hamilton. Early consideration needs to be given to Kaimai Tunnel options that would service both road and rail needs into the future.

5.5 HCC notes the listed future opportunity for earlier electrification to support the Government's commitment to emissions reductions and also notes the emergence of hydrogen as an alternative to electrification.

5.6 HCC submits that a priority action should be to explore the hydrogen opportunities.

6.0 PART B: INVESTING IN METROPOLITAN RAIL

6.1. HCC commends the Government for investing in inter-regional rail from the NLTF and for also providing Crown funding to the "mandated Hamilton to Auckland InterCity Connectivity business case", which will consider the potential for rapid rail between the two cities.

6.2. HCC supports all of the stated Strategic Priorities for Auckland Metropolitan rail, particularly the completion of the CRL, the provision of a third main rail line between Westfield and Wiri and electrification from Papakura to Pukekohe.

6.3. HCC **also** supports all of the Future Opportunities, noting that funding availability is a determinant.

6.4. Hamilton to Auckland Service enhancements are noted under future opportunities and not as an immediate priority. HCC would like to see urgent incremental investment into the Puhinui Rail Station in order to accommodate inter-regional passenger rail (and a link to proposed airport services), and for the provision of more services on the Hamilton to Auckland Start-up Passenger Rail Service.

6.5. Government is participating in the significant Hamilton to Auckland Corridor project, recognising the opportunity that exists to transform current thinking and be more forward looking. HCC requests investment into progressing the opportunity for a Hamilton Metro Rail Network if it is confirmed as part of the Metro-Spatial Plan.

6.6. We note that the Hamilton to Auckland Corridor Plan includes the development of a **Hamilton-Waikato Metro-Spatial Plan** including consideration of mass transit networks. The initial work has indicated that the existing heavy rail network (North Island Main Trunk Line and East Coast Main Trunk Line) provides the backbone of a very operationally efficient metro-Rail network.

6.7. HCC would like to see an Investment Priority from the **Government through the NLTF or other sources such as the** Provincial Growth Fund to Support Waikato Tainui in their development of the nationally significant Ruakura Inland Port.

7.0 FURTHER INFORMATION

7.1. Should the Ministry of Transport require clarification of the above points, or additional information, please contact please contact Chris Allen (General Manager Development) on 07 838 6748 or 021 224 7939, email chris.allen@hcc.govt.nz in the first instance.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

DRAFT 2**Submission by****Hamilton City Council****LAND TRANSPORT (RAIL) LEGISLATION BILL****13 February 2020****1.0 REQUESTED CHANGES TO BILL**

- 1.1 Hamilton City Council (HCC) would like to see an amendment to Section 22A (2) (b) requiring KiwiRail to clearly outline where the funding sources for rail network improvements will come from.
- 1.2 HCC would like to see amendments to Section 22C (1)(a) and 22F (1) (c) requiring Waka Kotahi NZ Transport Agency to also advise whether the Rail Network Investment Programme (RNIP) has an appropriate balance of funding sources, as well as whether it contributes to the purpose of the Act and is consistent with the GPS.
- 1.3 Given the commencement of the Hamilton to Auckland Passenger Rail service and also given that this is being administered by the Waikato Regional Council, HCC submits that the Waikato Regional Transport Committee (RTC) should be added to Section 105 A (1).

2.0 INTRODUCTION

- 2.1 HCC welcomes the opportunity to make a submission to the 'Land Transport (Rail) Legislation Bill' (the Bill).
- 2.2 HCC supports appropriate investment into the rail network for both freight and passenger services.
- 2.3 HCC has been actively involved working with central government, Waka Kotahi NZ Transport Agency (the Transport Agency), KiwiRail and other Waikato councils to establish the Hamilton to Auckland Start-up Passenger Rail service and would like to see this progress to a Rapid Rail service which will grow into a New Zealand wide initiative.
- 2.4 Overall, HCC supports the intent to ensure that rail investment decisions are taken under the Land Transport Management Act, which will result in the national rail network being planned and funded alongside the rest of the land transport system, including the road and public transport networks.
- 2.5 HCC intends to provide early feedback (prior to the formal engagement process) to the Draft New Zealand Rail Plan 2019. The feedback will be of a similar nature to matters raised in this submission.

3.0 SPECIFIC COMMENTS**3.1 Rail Funding Sources**

- 3.1.1 It is unclear at this stage how much investment from the NLTF will be directed to heavy rail activities in relation to the funding that will be contributed by rail.
- 3.1.2 There will be no certainty on this issue until the further work underway to establish track user

charges is complete and the Government signals its investment priorities through the GPS on Land Transport (GPS), and KiwiRail develops its first Rail Network Investment Programme (RNIP).

- 3.1.3 HCC is concerned that the quantum of NLTF investment required to upgrade the rail network will be significantly out of proportion with the contributions from rail related fees and charges at the expense of achieving other Government land transport objectives e.g. Road to Zero initiatives.
- 3.1.4 The only safeguard built into the legislation is that the Minister must seek advice from the Transport Agency regarding whether the RNIP contributes to the purposes of the LTMA and is consistent with the GPS.
- 3.1.5 HCC understands that the GPS will determine likely Government investment in rail activities and that the GPS is not a matter for this legislation.
- 3.1.6 HCC understands that the RNIP can include rail activities to be provided by KiwiRail directly and rail activities that could be funded fully or partially by the NLTF.
- 3.1.7 HCC considers that there should be a mechanism to ensure an appropriate balance of funding from the NLTF compared to other funding sources.
- 3.1.8 **HCC would like to see an amendment to Section 22A (2) (b) requiring KiwiRail to clearly outline where the funding sources for rail network improvements will come from.**
- 3.1.9 **HCC would like to see amendments to Section 22C (1)(a) and 22F (1) (c) requiring the Transport Agency to also advise whether the RNIP has an appropriate balance of funding sources, as well as whether it contributes to the purpose of the Act and is consistent with the GPS.**
- 3.1.10 Section 22F (1) (d) requires the Transport Agency to provide advice on whether the activity or combinations of activities are *“efficient and effective”*.
- 3.1.11 Section 22F (3) requires the Transport Agency to develop and make available an assessment method(s) to use when giving advice on whether the RNIP contributes to the purpose of the Act and is consistent with the GPS, as well as each activity or combinations of activities are *“efficient and effective”*.
- 3.1.12 HCC supports the Waikato Regional Transport Committee’s submission that submits these assessments must be consistent with the assessment methods used by the Transport Agency when evaluating other transport activities being included in the NLTP.

3.2 Role of the Waikato Region

- 3.2.1 For the purposes of the Bill, Section 105A (1) defines Regional Transport Committee to mean only those for the Wellington Region and for Auckland.
- 3.2.2 **Given the commencement of the Hamilton to Auckland Passenger Rail service and given that this is being administered by the Waikato Regional Council, HCC submits that the Waikato Regional Transport Committee (RTC) should be added to Section 105 A (1).**
- 3.2.3 If this recommendation is not adopted, HCC would request that the Minister names Waikato RTC as an RTC for the purposes of the Bill by notice in the *Gazettes* as allowed for by Section 105 A (5) of the Bill.
- 3.2.4 HCC supports the Waikato RTC submission that submits that KiwiRail should be required to consult or engage on the RNIP with Regional Transport Committees prior to it being received by the Minister.

3.3 Track Charges

- 3.3.1 Part 2 of the Bill amends the Land Transport Act 1998 to allow fees and charges to be treated as land transport revenue for the purposes of the LTMA.

- 3.3.2 HCC supports the Waikato RTC submission that supports greater transparency of the track network charging process to ensure that the charges do not rise to levels that do not support passenger transport outcomes.

3.4 Partial Integration

- 3.4.1 HCC supports the Partial Integration Model proposed.

4.0 CONCLUSION

- 4.1 HCC thanks the Transport and Infrastructure Select Committee for the opportunity to submit on the Land Transport (Rail) Legislation Bill.
- 4.2 HCC is **supportive** of the provisions in the Bill which implement a new planning and funding framework for the heavy rail track network owned by KiwiRail.
- 4.3 HCC seeks that a number of changes as sought in the submission be made to the legislation before it is finalised.

5.0 FURTHER INFORMATION AND HEARINGS

- 5.1 Should the Transport and Infrastructure Select Committee require clarification of the points raised in this submission, or additional information, please contact Chris Allen (General Manager Development), phone 07 838 6748 or 021 224 7939, email chris.allen@hcc.govt.nz in the first instance.
- 5.2 Hamilton City Council **does wish to speak** at the Transport and Infrastructure Committee hearings in support of this written submission.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

DRAFT 1**Submission by****Hamilton City Council****LAND TRANSPORT (RAIL) LEGISLATION BILL****13 February 2020****1.0 INTRODUCTION**

- 1.1 Hamilton City Council (HCC) welcomes the opportunity to make a submission to the 'Land Transport (Rail) Legislation Bill' (the Bill).
- 1.2 HCC has been actively involved working with central government, Waka Kotahi NZ Transport Agency (the Transport Agency), KiwiRail and other Waikato councils to establish the Hamilton to Auckland Start-up Passenger Rail service and would like to see this progress to a Rapid Rail service which will grow into a New Zealand wide initiative.
- 1.3 Overall, HCC supports the intent to ensure that rail investment decisions are taken under the Land Transport Management Act, which will result in the national rail network being planned and funded alongside the rest of the land transport system, including the road and public transport networks.
- 1.4 HCC intends to provide early feedback (prior to the formal engagement process) to the Draft New Zealand Rail Plan 2019. The feedback will be of a similar nature to matters raised in this submission.

2.0 SPECIFIC COMMENTS**2.1 Rail Funding Sources**

- 2.1.1 It is unclear at this stage how much investment from the NLTF will be directed to heavy rail activities in relation to the funding that will be contributed by rail.
- 2.1.2 There will be no certainty on this issue until the further work underway to establish track user charges is complete and the Government signals its investment priorities through the GPS on Land Transport (GPS), and KiwiRail develops its first Rail Network Investment Programme (RNIP).
- 2.1.3 HCC is concerned that the quantum of NLTF investment required to upgrade the rail network will be significantly out of proportion with the contributions from rail related fees and charges at the expense of achieving other Government land transport objectives e.g. Road to Zero initiatives.
- 2.1.4 The only safeguard built into the legislation is that the Minister must seek advice from the Transport Agency regarding whether the RNIP contributes to the purposes of the LTMA and is consistent with the GPS.
- 2.1.5 HCC understands that the GPS will determine likely Government investment in rail activities and that the GPS is not a matter for this legislation.
- 2.1.6 HCC understands that the RNIP can include rail activities to be provided by KiwiRail directly and rail activities that could be funded fully or partially by the NLTF.

- 2.1.7 HCC considers that there should be a mechanism to ensure an appropriate balance of funding from the NLTF compared to other funding sources.
- 2.1.8 **HCC would like to see an amendment to Section 22A (2) (b) requiring KiwiRail to clearly outline where the funding sources for rail network improvements will come from.**
- 2.1.9 HCC would like to see amendments to Section 22C (1)(a) and 22F (1) (c) requiring the Transport Agency to also advise whether the RNIP has an appropriate balance of funding sources, as well as whether it contributes to the purpose of the Act and is consistent with the GPS.
- 2.1.10 Section 22F (1) (d) requires the Transport Agency to provide advice on whether the activity or combinations of activities are *“efficient and effective”*.
- 2.1.11 Section 22F (3) requires the Transport Agency to develop and make available an assessment method(s) to use when giving advice on whether the RNIP contributes to the purpose of the Act and is consistent with the GPS, as well as each activity or combinations of activities are *“efficient and effective”*.
- 2.1.12 HCC supports the Waikato Regional Transport Committee’s submission that submits these assessments must be consistent with the assessment methods used by the Transport Agency when evaluating other transport activities being included in the NLTP.
- 2.2 Role of the Waikato Region**
- 2.2.1 For the purposes of the Bill, Section 105A (1) defines Regional Transport Committee to mean only those for the Wellington Region and for Auckland.
- 2.2.2 Given the commencement of the Hamilton to Auckland Passenger Rail service and given that this is being administered by the Waikato Regional Council, HCC submits that the Waikato Regional Transport Committee (RTC) should be added to Section 105 A (1).
- 2.2.3 If this recommendation is not adopted, HCC would request that the Minister names Waikato RTC as an RTC for the purposes of the Bill by notice in the *Gazettes* as allowed for by Section 105 A (5) of the Bill.
- 2.2.4 HCC supports the Waikato RTC submission that submits that KiwiRail should be required to consult or engage on the RNIP with Regional Transport Committees prior to it being received by the Minister.
- 2.3 Track Charges**
- 2.3.1 Part 2 of the Bill amends the Land Transport Act 1998 to allow fees and charges to be treated as land transport revenue for the purposes of the LTMA.
- 2.3.2 HCC supports the Waikato RTC submission that supports greater transparency of the track network charging process to ensure that the charges do not rise to levels that do not support passenger transport outcomes.
- 2.4 Partial Integration**
- 2.4.1 HCC supports the Partial Integration Model proposed.
- 3.0 CONCLUSION**
- 3.1 HCC thanks the Transport and Infrastructure Select Committee for the opportunity to submit on the Land Transport (Rail) Legislation Bill.
- 3.2 HCC is **supportive** of the provisions in the Bill which implement a new planning and funding framework for the heavy rail track network owned by KiwiRail.
- 3.3 HCC seeks that a number of changes as sought in the submission be made to the legislation before it is finalised.

4.0 FURTHER INFORMATION AND HEARINGS

- 4.1 Should the Transport and Infrastructure Select Committee require clarification of the points raised in this submission, or additional information, please contact Chris Allen (General Manager Development), phone 07 838 6748 or 021 224 7939, email chris.allen@hcc.govt.nz in the first instance.
- 4.2 HCC **does wish to be heard** at the Select Committee hearings for the Land Transport (Rail) Legislation Bill.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

DRAFT 2

Submission by

Hamilton City Council**ARATAKI – WAKA KOTAHI NZ TRANSPORT AGENCY'S 2021-2031 10-YEAR
VIEW OF THE LAND TRANSPORT SYSTEM****13 February 2020****1.0 KEY SUBMISSION POINTS**

- 1.1 Hamilton City Council (HCC) notes this is an initial engagement document and looks forward to the update in April 2020, prior to the final version being published in August 2020.
- 1.2 HCC supports Arataki's six Key Drivers, noting the significant population growth in the Auckland-Hamilton-Tauranga 'golden triangle', highlighted by the Hamilton to Auckland Corridor Project involving multiple stakeholders.
- 1.3 We also note and support the observation over the increasing influence of climate change on transport decisions.
- 1.4 HCC would like to see recognition that alternative funding tools will be required to meet all of the various land transport needs.
- 1.5 HCC supports Arataki's five Step Changes and Hamilton being identified as a major urban centre. We welcome the opportunity to have the Transport Agency as a partner in growth planning.
- 1.6 HCC supports the Levers and Interventions the Transport Agency can use - in particular the Intervention Hierarchy which has been a feature of Access Hamilton from the outset when first adopted in 2010
- 1.7 HCC supports the National Summary and looks forward to partnering with the Transport Agency and others on some of the activities proposed at a national level, including the Good Practice Guide, Roads and Street Framework, Innovative Streets and a Mode Shift Plan for Hamilton.
- 1.8 Overall, HCC supports the Upper North Island Summary and the recognition given to the Hamilton to Auckland Corridor Plan, but notes that the emerging Hamilton-Waikato Metro Spatial Plan identifies significant growth challenges on all north, east, south and west boundaries of Hamilton i.e. it is not all about North Hamilton to Auckland - there are significant growth pressures in Waikato and Waipa District Councils around the City Boundary.
- 1.9 The Upper North Island Summary needs to better reflects the importance of the connection between Taranaki and the Waikato through SH3 and the Southern Links project. The large employment and industrial activities on the West of Hamilton would be significantly enhanced by these transport connections. The Hamilton to New Plymouth linkages should be added to the table of Strategic Areas of Focus and the Southern Links transport network project be highlighted as a key enabler.

- 1.10 Overall, HCC supports the Waikato Summary and appreciates the support provided by the Government and the Transport Agency for the Hamilton to Auckland Corridor work.
- 1.11 HCC requests that the Significantly Reduce Harm and Tackling Climate Change areas of focus be upgraded from medium to high and that the Expressway completion to Piarere, Southern Links and Ruakura Spine Roads and Hamilton City Metro Improvements are added under Focus of Effort for 2018-21.
- 1.12 HCC requests that commentary on ensuring that urban development in Hamilton remains on the western side of the Waikato Expressway in order to maintain efficient inter-regional connections is removed.

2.0 INTRODUCTION

- 2.1 HCC welcomes the opportunity to provide early feedback on **Arataki** – Waka Kotahi NZ Transport Agency's 2021-2031 10-year view of what is needed to deliver on the Government's current priorities and long-term objectives for the land transport system.
- 2.2 On 30 June 2017 HCC made a submission to the Transport Agency's 'Draft Long-Term Strategic View' - refer **Appendix 1**.
- 2.3 HCC's 30 June 2017 submission:
- Acknowledged the Transport Agency's focus at that time on those parts of the country that reflected current government priorities of facilitating economic growth and productivity, enabling urban development and supporting regional economic development.
 - Requested more emphasis be placed on the role of rail to better align with the Waikato Regional Land Transport Plan, and in particular to expand the focus on rail freight to include passenger transport.
 - Requested (in regard to inter-regional journeys), to put a stronger focus on Southern Links and the State Highway 3 connection to Taranaki.
 - Requested recognition of the Access Hamilton programme of works to provide a balanced transport system for Hamilton that is safer and provides reliable access to new growth areas.
 - Maintains access for existing activities to support economic development, and which promote mode shift and enables multi-modal transport choice.

3.0 SPECIFIC COMMENTS - INTRODUCTION

- 3.1 HCC notes that **Arataki** is made up of place-based summaries (one national, three pan-regional and 14 regional) that tell a land transport system story. These are framed by **five step changes** where a need for change is seen in order to deliver the long-term outcomes for the land transport system. The step-changes are in response to **six key drivers** which are trends that influence the choices we make today and in the future. All of these inform what the Transport Agency needs to do across **six levers**, either directly or in partnership with others, to deliver the governments objectives for the land transport system.
- 3.2 We also note that this is an initial engagement document and that it will be updated following the results of this sector engagement and agreed responses. We look forward to the update in April 2020 prior to the final version being published in August 2020.

4.0 ARATAKI'S SIX KEY DRIVERS

- 4.1 The six Key Drivers of **Arataki** are external factors that will influence New Zealand and the land transport system over the next 10 years. They are:
- Demographic Change.
 - Climate Change.
 - Technology.

- Customer Desire.
 - Changing Economic Structure.
 - Funding and Financing Challenges.
- 4.2 HCC supports the six Key Drivers, noting the significant population growth in the Auckland-Hamilton-Tauranga 'golden triangle' area which has been highlighted by the significant and ground-breaking Hamilton to Auckland Corridor Project that involves multiple stakeholders.
- 4.3 HCC also notes and supports the observation over the increasing influence of climate change on transport decisions.
- 4.4 HCC notes that under the Funding and Financing Driver, the notion of prioritising investment is promoted but not the notion of finding new and innovative funding and financing tools. This is viewed as a gap in the thinking and opportunities such as congestion pricing and tolling, for example, should be **given consideration** moving forward.
- 4.5 HCC would like to see recognition that alternative funding tools will be required to meet all of the various land transport needs.

5.0 ARATAKI'S FIVE STEP CHANGES

- 5.1 The five Step-Changes of **Arataki** are:
- Improve urban form.
 - Transform urban mobility.
 - Significantly reduce harms.
 - Tackle climate change.
 - Support regional development.
- 5.2 HCC supports the Step Changes required.
- 5.3 HCC supports Hamilton being identified as a major urban centre and welcomes the opportunity to have the Transport Agency as a partner in growth planning.
- 5.4 HCC notes the omission of reducing environmental harm (outside of controlling air emissions).
[The obligations imposed by the Waikato River Settlement to enhance the environment is significant for transport agencies and needs to be addressed as a step-change in the way it has been carried out in the past.]
- 5.5 HCC support the use of a subset of investment performance measures for the NLTP to measure how various activities impact step changes but notes:
- We would like to see more emphasis in the 'Significantly Reducing Harms' step change action and inclusion of measures relating to the physical health benefits and emissions (as proposed in the Benefits Framework Technical Paper included in the IDMF review documentation).
 - The Temporal Availability of Road measure needs to be reflective of the movement and place function of the road and not specifically whether it is urban or rural. It is assumed that this measure would relate to unplanned closures e.g. crash or weather related.

6.0 SIX LEVERS THE TRANSPORT AGENCY CAN USE IN PARTNERSHIP WITH OTHERS

- 6.1 The six Levers that the Transport Agency can use in partnership with others are:
- Policy and Regulatory Settings.
 - Spatial and Place-Based planning.
 - Network Design, Management and Optimisation.
 - Investment in Infrastructure and Services.

- Economic Tools (pricing and incentives).
- Education, Engagement and Awareness.

6.2 HCC supports the Levers and Interventions, and in particular the Intervention Hierarchy which has been a feature of Access Hamilton from the outset when first adopted in 2010.

7.0 ARATAKI'S NATIONAL SUMMARY

- 7.1 HCC supports the National Summary and looks forward to partnering with the Transport Agency and others on some of the activities proposed at a national level, including the Good Practice Guide, Roads and Street Framework, Innovative Streets and a Mode Shift Plan for Hamilton.
- 7.2 HCC would like to reinforce that the principle responsibility for land use planning lies with local government and that while integrated planning of the land transport system is critical, local government has other priorities and **other matters** that it needs to consider.
- 7.3 HCC supports evolving the One Network Road Classification to a One Network Framework and looks forward to working together **to** build on the work we have completed in Hamilton in the creation of a Network Operating Framework with the Transport Agency and Waikato Regional Council.
- 7.4 HCC notes the lack of focus on environmental management and would like to see this recognised as a step change.

7.5 HCC notes that under "Tackle Climate Change" – "Mitigation" it is stated that the Transport Agency's initial focus to transform urban mobility will be in Auckland, Wellington and Christchurch. HCC would like Hamilton added as a focus area, given that Arataki (under Waikato Summary) identifies the Waikato as having the second highest carbon emission profile in the country **and recent NIWA reports identify Hamilton's transport infrastructure as significant contributors.**

7.6 HCC supports the Transport Agency's observation that there is a need to also maintain appropriate levels of service across the land transport system.

8.0 UPPER NORTH ISLAND

- 8.1 HCC supports the Upper North Island Summary and the recognition given to the Hamilton to Auckland Corridor Plan.
- 8.2 HCC notes that the emerging **Hamilton-Waikato** Metro Spatial Plan, which is a significant project under the Corridor plan, identifies significant growth challenges on all north, east, south and west boundaries of Hamilton and it is not all about North Hamilton to Auckland. There are significant growth pressures in Waikato and Waipa District Councils around the City Boundary.
- 8.3 HCC requests that the Upper North Island Summary better reflects the importance of the connection between Taranaki and the Waikato through SH3 and the Southern Links project. **The large employment/industrial activities on the West of Hamilton would be significantly enhanced by these transport connections.** The Hamilton to New Plymouth **linkages** should be added to the table of Strategic Areas of Focus **and the Southern Links transport network project be highlighted as a key enabler.**
- 8.4 HCC requests that the Waikato Airport be included in the Upper North Island Strategic Connections diagram, noting that the significance of the Waikato Airport is being recognised in the Corridor Plan work.
- 8.5 The connection between Auckland and Tauranga via SH2 should be recognised as "Nationally Significant" for tourism only – not tourism and freight (as shown in the plan), in order to be consistent with current strategies for this area including the ONRC, and comments included elsewhere in the documents. The main freight corridor for both road and rail is SH1 from Auckland to Hamilton and then SH29 from Hamilton (Piarere) to Tauranga.

9.0 WAIKATO SUMMARY

- 9.1 HCC supports the Waikato Summary.
- 9.2 HCC appreciates the support provided by the Government and the Transport Agency for the Hamilton to Auckland Corridor work.
- 9.3 HCC requests that commentary on ensuring that urban development in Hamilton remains on the western side of the Waikato Expressway in order to maintain efficient inter-regional connections is removed.

[This matter is being examined further in the Hamilton to Auckland Corridor project and in particular as part of the Hamilton-Waikato Metro Spatial Plan. The Transport Agency should not pre-judge the outcome of this work, particularly as the Transport agency is a key partner in the development of the Hamilton-Waikato Metro Spatial Plan. HCC recognises the importance of maintaining the efficiency of the Expressway but does not believe that this would preclude development east of the Expressway. The role of the Expressway is also to enable development and the expansion of the Ruakura precinct, including east of the expressway, is a key element in realising iwi economic development aspirations.]

- 9.4 HCC requests that more emphasis is put on the very poor safety record in the Waikato. For example, no areas for 'Significantly Reducing Harm' are shown on the front-page diagram and the rating given is 'Medium'. This doesn't reflect the commentary elsewhere in *Arataki* on the Waikato safety record.
- 9.5 HCC requests that consideration be given to upgrading "Tackling Climate Change" from medium to high. HCC accepts that Hamilton is unlikely to have a high requirement for Adaption being an inland city in particular but given that Hamilton is being identified as having high carbon emissions the importance of Mitigation must be high.
- 9.6 HCC agrees with Transforming Urban Mobility as high and supports any initiative that will remove barriers to increasing public transport mode share.
- 9.7 HCC also requests that completion of the Expressway from Cambridge to Piarere be added, particularly given the poor safety record.
- 9.8 HCC requests that the Southern Links project be added to the 2018-21 Focus of Effort as a project in pipeline alongside the Peacocke Arterials which are underway. Significant land purchase is required in this 3-year period to ensure that the Southern Links Corridor is ready to implement.
- 9.9 HCC requests that the Ruakura Spine Road project be added to the 2018-21 Focus of Effort as a project in pipeline alongside the completion of the Waikato Expressway.
- 9.10 HCC welcomes the intended focus on the Hamilton Cycle Network in the next 3-years and looks forward to progress.
- 9.11 HCC requests that Hamilton metro improvements be also included as a focus to acknowledge the significant congestion and safety issues that exist in the busy city metro network.

10.0 FURTHER INFORMATION

- 10.1 Should Waka Kotahi NZ Transport Agency require clarification of the above points, or additional information, please contact please contact Chris Allen (General Manager Development) on 07 838 6748 or 021 224 7939, email chris.allen@hcc.govt.nz in the first instance.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

APPENDIX 1



Submission by

Hamilton City Council

NZ TRANSPORT AGENCY'S DRAFT LONG TERM STRATEGIC VIEW

30 June 2017

1 INTRODUCTION

- 1.1 Hamilton City Council (HCC) appreciates the opportunity to comment on the Draft Long Term Strategic View 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 View 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 View (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.
- 2.1.3 As a general note, HCC would like to see more emphasis placed on the role of rail to better align with our current 2015 Waikato Regional Land Transport Plan (RLTP).
- 2.1.4 A 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.

- 2.1.5 The RLTP also indicates that 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.
- 2.2 **Strategic Context: Upper North Island**
- 2.2.1 Although this section of the Draft Long Term Strategic View 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 View.
- 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 View, 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 promote mode shift and enable multi-modal transport choice 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 View.

- 2.4.6 In particular, HCC would like to see recognition of components of Hamilton's strategic transport network, including Southern Links, the 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 the 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 in the first instance.

Yours faithfully



Richard Briggs
CHIEF EXECUTIVE

DRAFT 2**Item 9****Submission by****Hamilton City Council****INVESTMENT DECISION-MAKING FRAMEWORK REVIEW****13 February 2020****1.0 INTRODUCTION**

- 1.1 Hamilton City Council (HCC) welcomes the opportunity to provide feedback to Waka Kotahi NZ Transport Agency's consultation on the Investment Decision-Making Framework Review.

2.0 INVESTMENT PRINCIPLES

- 2.1 *IDMF building block: Investment principles - The Transport Agency's existing investment principles have been reviewed and rewritten to ensure that their role in investment decision making is clear, from both an internal and external customer perspective, and to better reflect current investment priorities and practice.*

Five new investment principles have been created, to sit alongside the operating principles set out in the Land Transport Management Act. The new principles are high level, holistic and enduring, supported by underlying investment policies that will help guide investment choices and provide more detailed information, where needed.

The revised investment principles will be used to guide new investment policies, the application of existing investment policies, and in developing transport solutions to be funded out of the National Land Transport Fund.

The five principles are:

- Invest in the transport system to achieve multiple government outcomes.
- Take a comprehensive approach to delivering best value for money.
- Ensure solutions are future focused and adaptable.
- Promote alignment on local and national priorities and impacts.
- Make decisions following a transparent process linked to a strong evidence base.

IDMF building block: Right-sized business case guidance - The Transport Agency has developed guidance on preparing a right-sized business case, based on the level of risk, uncertainty and complexity involved. This will be added to point of entry guidance so that the level of effort needed to complete a business case is clear at the outset.

The Transport Agency is also developing a short-form business case known as a 'single stage business case lite' for investments up to \$5m.

- 2.2 **How can we improve these?**
- 2.3 HCC supports the five proposed Investment Principles as an improvement, being more targeted on investment (and not planning) and have removed unnecessary duplication with legislative requirements.

Attachment 7

- 2.4 HCC requests that consideration of “cultural” impacts be added to Principle 2.
- 2.5 HCC requests the replacement of “costs and benefits” in the expansion of Principle 2 be changed to “whole of life costs and benefits”.
- 3.0 RIGHT SIZING THE BUSINESS CASE**
- 3.1 *IDMF building block: Right-sized business case guidance - The Transport Agency has developed guidance on preparing a right-sized business case, based on the level of risk, uncertainty and complexity involved. This will be added to point of entry guidance so that the level of effort needed to complete a business case is clear at the outset. The Transport Agency is also developing a short-form business case known as a ‘single stage business case lite’ for investments up to \$5m.*
- 3.2 **What could be done to improve the guidance for right-sizing your business case effort?**
- 3.3 HCC welcomes the new Guidance and the new tools being developed to expedite investment decision-making, including the development of a ‘business case lite’.
- 3.4 HCC requests that Asset Management Plans be accepted as the business case without the need for a separate process **for certain activities**. For example, the simple refurbishment of a transport facility, developing a transport model.
- 3.5 HCC request the Transport Agency to continue looking at its consideration of business cases across different parts of their complex business, noting that the **process for review and** Guidance indicates judgement is required. As stakeholders we need consistency of assessment. It is recognised that there is a competency gap in this area and we believe that it is an issue for **both** local government and the Transport Agency to work together to address. This would build on the activities outlined in Arataki ‘Supporting the Sector’ in the National Summary document and recognise the existing competencies that exist in both sectors.
- 3.6 *IDMF building block: Standard interventions - Guidance has been developed to streamline the investment pathway for standard interventions. Standard Safety Interventions (SSIs) provide an efficient approach to access funding for 15 SSIs for which the costs and benefits are already well understood. The guidance sets out high-level requirements that need to be supported by a robust evidence base.*
- 3.7 **In your opinion, what type of standard interventions would be appropriate to develop and use this framework for?**
- 3.8 HCC requests that consideration be given to public transport improvements and walking and cycling improvements as further standard interventions and that packaging of individual low-cost initiatives into a corridor approach be supported.
- 3.9 **Are the criteria for standard interventions appropriate?**
- 3.10 HCC requests that further consideration is given to setting realistic cost ranges for SSI - our experience is that the real costs to do work is higher than the cost ranges indicated in the toolkit.
- 3.11 **How could we improve them?**
- 3.12 HCC requests that more flexibility needs to be given to consideration of SSI that might deliver on more than safety. As an example, when making an intersection safety improvement **it** is appropriate to also look at PT and active mode improvements which are not strictly driving the initial need for the safety project, but which should be included in any work being delivered i.e. utilise a ‘package’ approach.
- 3.13 *IDMF building block: Low cost, low risk programmes (LCLR) - The Transport Agency is reviewing the threshold for low cost, low risk (LCLR) activities. (The threshold was increased by the Transport Agency to \$1M in 2017). The Transport Agency is updating guidance on LCLR programmes to ensure an appropriate level of*

information is provided about benefits.

- 3.14 **What constraints do you see for your organisation in providing the additional information?**
- 3.15 HCC believes that the additional information requested is not onerous and is in keeping with the level of information that we are currently providing in our regular discussions with the Transport Agency staff in our Hamilton Office.
- 3.16 HCC notes that 'Promotion of Road Safety and Demand Management' activities are also proposed to be included in this work category moving forward and assume therefore that these will no longer have separate work categories. The additional information requirements for LCLR need to recognise the very different nature of these activities from the traditional LCLR engineering orientated activities.
- 3.17 HCC requests that the reporting requirements are sized appropriately to the level of expenditure and the ability to directly measure the benefits that could be expected to result from that expenditure.
- 3.18 **What do you consider an appropriate threshold to be for your LCLR activities and why?**
- 3.19 HCC considers that the LCLR threshold should remain at \$1M but be no less than \$1M, noting that the Transport Agency is working on a Business Case Lite for projects up to \$5M and is looking to introduce further standard interventions.
- 3.20 **Additional Comments**
- 3.21 HCC request that clarity is provided in regard to the funding of Innovating for Streets projects and whether these can also be funded from LCLR work category. The increasing focus on 'place' is exciting but this often requires trialing layouts and treatments in order to achieve an optimal outcome that is embraced by the community. This takes time and money and currently it is not clear where these activities should be funded from.
- 3.22 HCC requests that the current funding associated with the 'Promotion of Road Safety and Demand Management' activities is transferred to the LCLR work category to ensure that there is sufficient funding to continue to provide these very important activities.

4.0 PROGRAMMES AND PACKAGES

- 4.1 *IDMF building blocks: Programmes and Packages - The Transport Agency has updated its guidance for AOs on programmes and packages in the context of business case development. This guidance will help AOs determine whether to develop a business case for an individual activity or for a programme or package of activities. It:*
- Clarifies what is needed if the business case is being developed to obtain funding approval for implementation, and what is needed if it is seeking to develop a further business case.
 - Helps the Transport Agency make investment decisions based on a business case for a programme.
 - Builds on existing approaches to programmes (e.g. maintenance programmes, public transport services continuous programmes, the Safe Network Programme, and LED lighting programmes).
- 4.2 **What further clarity do you need about the application of programmes and packages?**
- 4.3 HCC is satisfied with the clarity required and notes the need for appropriately evidenced and sized business cases.

5.0 BENEFITS FRAMEWORK

- 5.1 *IDMF building blocks: Benefits framework - A new benefits framework has been developed to show how benefit information is used in planning and reporting. The framework allows both benefits and disbenefits to be identified, forecast and measured. The framework is mode neutral and aligns with the Ministry of Transport's Transport Outcomes Framework. The framework will be used in business cases, when recording information in Transport*

Investment Online (TIO) about new activities, and when reporting on benefits that are realised. The investment performance measures (the benefit measures) are the quantitative component of the framework. The set of 52 measures and associated centralised data provide the basis for an evidence-based approach to identifying transport problems, assessing and prioritising investment, and tracking benefits realisation into the future.

- 5.2 **Do the benefits represent what your community values?**
- 5.3 HCC confirms the benefits are comprehensive and represent our community values.
- 5.4 HCC would like to see consideration of the current frameworks being used by local government (the four dimensions of Wellbeings), national government (Living Standards Framework) and internationally (Sustainable Development Goals) regarding the Wellbeing benefits of economic and non-economic decisions.
- 5.5 While the Transport Agency has indicated where they have central data, it needs to be clear on qualifications on data that is provided by councils.
- 5.6 The Benefit Framework consists of 52 quantitative investment performance measures split over 12 benefit clusters. However, there is no direction as to the 'priority or weighting value' of each benefit cluster or benefit. Hence it will be difficult to link the decision in relation to the impact on the benefits.
- 5.7 **Are there any benefits missing?**
- 5.8 The list of benefits appears to be comprehensive.

6.0 BUSINESS CASE ASSESSMENT TOOLS

- 6.1 *IDMF building blocks: Early assessment sifting tool - A new early assessment sifting tool (EAST) will support the 'coarse' screening of alternatives and options at the long list stage of a business case. The EAST has been adapted from UK best practice to quickly and robustly document options that need to be ruled out.*
- 6.2 **What issues or opportunities do you see in using the EAST?**
- 6.3 HCC is supportive of any tools that assist in providing a streamline, consistent and easy to assess Business Case. Like all new tools, it is not until it has been used for several different projects that the kinks and opportunities for improvement or benefits are fully recognized. HCC would support the inclusion of a monitoring and review process for the EAST and active involvement of local government in this process.
- 6.4 *IDMF building blocks: Appraisal summary table - The appraisal summary table (AST) is a new tool that can be used to present decision-makers with concise information about benefits and costs. It can be used at the short list and preferred option stages of a business case. The AST is widely used internationally and has been adapted to the New Zealand transport context.*
- 6.5 **What issues or opportunities do you see with the use of an appraisal summary table?**
- 6.6 *IDMF building blocks: Multi-criteria analysis - Multi-criteria analysis (MCA) is an analysis technique (or tool) that can be used to consider a range of criteria, both quantitative and qualitative. The Transport Agency's MCA methodology/guidance is being refreshed, and an MCA template is being created to ensure that a broad range of alternatives and options have been considered, and to ensure consistent investment decisions are made at the long list stage. The MCA will be used when options are being appraised in the business case process.*
- 6.7 **What issues or opportunities do you see in using the multi-criteria analysis template and guidance?**
- 6.8 HCC is supportive of any tools and guidance that assist in providing a streamline, consistent and easy to assess Business Case. Like all new tools, it is not until it has been used for several different projects that the kinks and opportunities for improvement or benefits are fully recognised.

6.9 Do you have any further comments or feedback you would like considered?

6.10 No further comments or feedback, thank you.

7.0 FURTHER INFORMATION

7.1 Should Waka Kotahi NZ Transport Agency require clarification of the above points, or additional information, please contact Chris Allen (General Manager Development) on 07 838 6748 or 021 224 7939, email chris.allen@hcc.govt.nz in the first instance.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Council Report

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Stafford Hodgson **Authoriser:** Blair Bowcott
Position: Senior Strategic Policy Analyst **Position:** Executive Director Special Projects
Report Name: HCC draft submission on the Urban Development Bill

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To seek approval of HCC's **Draft 3** submission to the Select Committee on the Urban Development Bill.

Staff Recommendation

2. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves HCC's **Draft 3** submission to the Select Committee on the Urban Development Bill; and
 - c) notes the final submission will be sent to the Select Committee following approval by the Strategic Growth Committee.

Executive Summary

3. The Urban Development Bill was introduced to Parliament on 5 December 2019 and had its first reading on 10 December 2019. It has now been referred to Parliament's Environment Committee.
4. The objective of the Urban Development Bill is to better co-ordinate use of land, infrastructure, and public assets to maximise public benefit from complex urban development projects. The Urban Development Bill seeks to enable this through giving Kāinga Ora access to a tool-kit of development powers through the specified development project (SDP) process.
5. HCC's **Draft 3** submission will be circulated prior to the 13 February 2020 Strategic Growth Committee. Attached to the report is **Draft 2** of the submission.
6. HCC's **Draft 2** submission supports the Urban Development Bill's intent to facilitate urban development through coordinated use of land, infrastructure, and public assets.
7. The Urban Development Bill has significant implications for land use, infrastructure and financial planning for HCC and other local authorities. It could impact existing spatial planning and infrastructure planning in Hamilton City.

8. To mitigate these implications and for the objectives of the Bill to be achieved, it remains of the utmost importance that central and local government work collaboratively and in a 'boundaryless' manner to deliver urban growth most efficiently and effectively.
9. The Urban Development Bill's objective speaks directly to maximising the public benefit from complex urban development projects. HCC is supportive of this objective and our draft submission is intended to help improve Kāinga Ora's ability to deliver on this objective.
10. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background

11. "The objective of Kāinga Ora—Homes and Communities is to contribute to sustainable, inclusive and thriving communities that:
 - a) provide people with good quality, affordable housing choices that meet diverse needs; and
 - b) support good access to jobs, amenities and services; and
 - c) otherwise sustain or enhance the overall economic, social, environmental and cultural well-being of current and future generations."
12. "When performing its functions or exercising powers under any other legislation, Kāinga Ora—Homes and Communities must act in a way that furthers any relevant objectives or purposes stated in that legislation."
13. HCC submitted on (in strong support of) the Kāinga Ora—Homes and Communities Bill as requested by the 18 June 2019 Growth and Infrastructure Committee. A copy of that submission can be viewed [here](#). That Bill laid the foundations which the Urban Development Bill builds upon.
14. The Urban Development Bill was introduced to Parliament on 5 December 2019 and had its first reading on 10 December 2019. It has now been referred to Parliament's Environment Committee.
15. The objective of the Urban Development Bill is to better co-ordinate use of land, infrastructure, and public assets to maximise public benefit from complex urban development projects.
16. The Urban Development Bill seeks to enable this through giving Kāinga Ora access to a tool-kit of development powers through the specified development project (SDP) process. This process is purported to provide certainty, simplicity, and more effective and co-ordinated urban development.
17. Powers include the ability to:
 - a) override, add to, or suspend provisions in RMA plans or policy statements in the development plan that applies to the project area;
 - b) act as a consent authority (city/district level) and requiring authority under the RMA;
 - c) use funding tools for infrastructure and development activities;
 - d) levy targeted rates and development contributions;
 - e) build and change infrastructure;
 - f) reconfigure reserves.

18. HCC's **Draft 1** submission was circulated to Elected Members in late January. HCC's **Draft 2** submission is attached to this report and staff are continuing to refine this. HCC's **Draft 3** submission will be circulated prior to the 13 February 2020 Strategic Growth Committee.
19. **Draft 3** will be a refined version of **Draft 2**.

Discussion

20. Specified Development Projects (SDPs) and similar structures, elsewhere referred to as urban development areas, are not a new idea. These models, or ones similar to them have been used to deliver comprehensive urban development overseas, where the private market could not, since the 1980's.
21. [Honeysuckle Urban Renewal Programme](#) is an example from Australia which, from 1998 to 2010, transformed 156 hectares into a major centre for recreation, business, sports and tourism.
22. [Hobsonville Point](#) is a peninsula that juts out into the Waitemata Harbour, a 20-minute drive northwest of Auckland's CBD. Hobsonville Point is being developed by Kāinga Ora (and through its predecessor Hobsonville Land Company) and demonstrates how urban development may be delivered by a Government agency at scale.
23. An SDP could be utilised in Hamilton to open new greenfield areas and/or redevelop existing areas of the city. An example of an infill development may be facilitating the amalgamation of fragmented parcels in the north of the CBD to facilitate urban development. A greenfield SDP may be used to accelerate the development of an already anticipated and spatially planned growth cell such as the areas to the East of Hamilton (both within and outside Hamilton's boundary).
24. HCC's **Draft 2** submission supports the Urban Development Bill's intent to facilitate urban development through coordinated use of land, infrastructure, and public assets. The strategic growth framework is in place and underway to facilitate and guide growth. For more details see the [Hamilton-Auckland Corridor](#) and the Hamilton Waikato Metro Spatial Plan.
25. The Urban Development Bill has significant implications for land use, infrastructure and financial planning for HCC and other local authorities. It could impact existing spatial planning and infrastructure planning in Hamilton City.
26. To mitigate these implications and for the objectives of the Bill to be achieved, it remains of the utmost importance that central and local government work collaboratively and in a 'boundaryless' manner to deliver urban growth most efficiently and effectively.
27. HCC staff have collated a series of technical points/examples but ultimately, it is the staff view, that the success of SDP's hinges on the extent that Kāinga Ora collaborate with key regional stakeholders.
28. HCC's submission needs to be lodged with the Parliament's Environment Committee by 14 February 2020.
29. HCC will request to be heard by the Select Committee. Staff will continue to develop relationships with Government and Kāinga Ora to best facilitate dialogue and seek to deliver the best outcomes possible for Hamiltonians.

Financial Considerations

30. The staff cost to develop the submission was approximately \$9,000.

Legal and Policy Considerations

31. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.

Wellbeing Considerations

32. The purpose of Local Government changed on the 14 May 2019 (through the Local government (Community Well-being) Amendment Act 2019) to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
33. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
34. The recommendations set out in this report are consistent with that purpose.
35. The Urban Development Bill's objective speaks directly to maximising the public benefit from complex urban development projects. HCC is supportive of this objective and our submission is intended to help improve Kāinga Ora's ability to deliver on this objective.
36. Also, Kāinga Ora are required to otherwise sustain or enhance the overall economic, social, environmental and cultural wellbeing of current and future generations as part of their purpose.

Social

37. By bringing about urban development Kāinga Ora seek to build communities including the provision of community facilities. HCC's submission is intended to help improve Kāinga Ora's ability to deliver on this objective.

Economic

38. SDP areas could be used to enable urban development where the funding of infrastructure was previously constrained by Council debt to revenue ratios. HCC's submission is supportive the establishment of another tool in the urban development tool-box to fund infrastructure in an innovative way.

Environmental

39. There are no known environmental considerations identified by staff. However, Kāinga Ora is required to address these considerations.

Cultural

40. There are no known cultural considerations identified by staff. However, Kāinga Ora is required to address these considerations.

Risks

41. The Urban Development Bill does introduce potential risks to Council. Primarily this risk would eventuate if Kāinga Ora developed in a misaligned manner to Council. However, staff recommend, through the draft submission that this risk is best mitigated through closer collaboration between Kāinga Ora and Council, alongside raising the import of Council strategic financial and land use planning.
42. While HCC's submission itself does not introduce risk, by raising points of concern and opportunities, HCC's submission does mitigate some of the risks inherent in the Urban Development Bill.

Significance & Engagement Policy

Significance

43. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

Engagement

44. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments

Attachment 1 - HCC Draft 2 submission on the Urban Development Bill

DRAFT 2



Private Bag 3010
Hamilton 3240
New Zealand

TEL 07 838 6699
FAX 07 838 6599
EMAIL info@hcc.govt.nz
hamilton.govt.nz

Submission by Hamilton City Council

URBAN DEVELOPMENT BILL

14 February 2020

1.0 INTRODUCTION

- 1.1 Hamilton City Council (HCC) welcomes the opportunity to make a submission to the 'Urban Development Bill' (the Bill). HCC is supportive of the Bill. HCC seeks that the Bill recognise the existing positive collaboration between central and local government within the Waikato.
- 1.2 HCC supported the establishment of Kāinga Ora through the Kāinga Ora–Homes and Communities Act 2019. HCC also supports the existing collaborative endeavors the Government is making toward progression of its Urban Growth Agenda in partnership across regions, mana whenua and local government. HCC is actively engaged with the Government across a range of initiatives, such as the Auckland-Hamilton Corridor Plan and the Hamilton Waikato Waipa Metro Spatial Plan and seeks that the Bill recognise and compliment those existing partnerships.

2.0 EXECUTIVE SUMMARY

- 2.1 HCC supports the Bill's intent to facilitate urban development through coordinated use of land, infrastructure, and public assets. HCC notes that the Bill operates in conjunction with other governmental initiatives and welcomes the establishment of another string in the urban development bow. HCC broadly supports Government initiatives which bring speed, agility, a consolidated approach and new funding tools to the table.
- 2.2 The Bill has significant implications for land use, infrastructure and financial planning for HCC and other local authorities. It could disrupt existing spatial planning and infrastructure planning in Hamilton City. To mitigate these implications and for the objectives of the Bill to be achieved, it remains of the utmost importance that central and local government work collaboratively and in a 'boundaryless' manner to deliver urban growth efficiently and effectively.
- 2.3 HCC requests that Kāinga Ora be required to align with relevant territorial spatial planning when this is undertaken in partnership with Central Government and the wider region. Examples from the Waikato include Futureproof, Auckland-Hamilton Corridor Plan and the Hamilton Waikato Waipa Metro Spatial Plan.
- 2.4 HCC considers that the Bill could strengthen the emphasis on central and local government collaboration and seeks amendments which provide enhanced opportunities for territorial authorities to participate in decision making and delivery of the specified development projects.
- 2.5 When designing infrastructure solutions Kāinga Ora must recognise best practices including compliance with infrastructure technical specification documents, must plan for whole of life costs, and, must comply with central and regional direction on fresh water management. Kāinga Ora should be required to develop infrastructure with a level of service consistent with the adjoining urban development unless the relevant territorial authority otherwise agrees.
- 2.6 HCC is supportive of innovative ways to fund growth infrastructure.

- 2.7 HCC recommends that when a consent is lodged with Kāinga Ora, Kāinga Ora be required to promptly share the consent and all accompanying information with relevant territorial authorities.
- 2.8 Specified Development Project (SDP) governance structures, irrespective of the form they take, will benefit from the experience and knowledge a territorial authority's nominated representative would bring. HCC strongly disagrees with Section 284 that allows only for supporting territorial authorities to nominate a representative to the project governance body. We seek an amendment to the Bill allowing all relevant territorial authorities to nominate a representative to the project governance board or any other form of governance body (e.g. if a company, trust or partnership is formed) irrespective of prior support for the SDP.
- 2.9 The assessment of constraints and opportunities set out at Section 34 does not place enough emphasis on local 3 waters infrastructure. Putting aside any other regulatory barriers, this is a major development constraint within the Waikato and needs greater emphasis in the evaluation process.
- 2.10 Section 68 creates risk for existing designations that are not deemed to be of national significance. Losing long term rights for strategic infrastructure is concerning to HCC. These powers should not be exercised without approval of the relevant territorial authority
- 2.11 HCC supports Section 43 obliging Kāinga Ora to seek support from each relevant local authority for a project assessment report. However, we seek an amendment to Section 43 (2) (b) extending the period for local authorities to respond to 30 working days.

3.0 LOCAL AUTHORITY PLANNING

- 3.1 HCC requests that Kāinga Ora be required to align with relevant territorial spatial planning when this is undertaken in partnership with Central Government and the wider region. Examples from the Waikato include Futureproof, Auckland-Hamilton Corridor Plan and the Hamilton Waikato Waipa Metro Spatial Plan.
- 3.2 HCC would like to see SDPs and associated development plans aligned with council long-term and annual planning processes where possible to ensure that growth planning can include the SDP area and any necessary changes, including additional costs.
- 3.3 Section 69 (c) requires Kāinga Ora to have regard for the long-term plans of relevant local authorities during the preparation of a development plan. We would like to see this as a requirement during the establishment phase of an SDP.
- 3.4 HCC seeks the opportunity to become more actively engaged in the SDP process, rather than simply a party to be consulted. For example, it should be recognised as a potential project governance body under Section 28 and Section 283. In addition, the selection of a project for assessment under Section 31 should include projects recommended by territorial authorities also.
- 3.5 Kāinga Ora will have the potential to change HCC's long-term strategic land use and infrastructure planning and potentially create a wide range of adverse impacts including a shortage of one type of land (e.g. industrial) by changing zoning, and the inefficient provision of infrastructure. These factors must be specifically addressed in any project assessment report in relation to a proposed SDP. Section 34 should be amended to include these matters in the constraints and opportunities assessment. In particular, Section 34 (f) should be amended to focus on an assessment of the extent to which there are inconsistencies with planning documents, and the impacts of those inconsistencies.
- 3.6 Under the criteria for establishing a specified development project set out at Section 30 (h), if territorial authority support is not provided, but the matter is deemed one of national interest, there should also be criteria requiring that all territorial authority concerns are addressed.
- 3.7 Section 34 (2) and 69 (1) (a) could also recognise existing Integrated Catchment Management Plans.

- 3.8 The assessment of constraints and opportunities set out at Section 34 does not place enough emphasis on local 3 waters infrastructure. Putting aside any other regulatory barriers, this is a major development constraint within the Waikato and needs greater emphasis in the evaluation process.
- 3.9 Identifying the long-term impact of zone changes takes time and the proposed consultation period of 10 working days does not enable a thorough impact assessment.
- 3.10 Once a specified development project has been approved, the process requires an Independent Hearings Panel (IHP) to be convened to hear submissions on the associated development plan (see Subpart 2). This process appears cumbersome and will give rise to delays, particularly the process surrounding the IHP recommendations and public participation elements. Streamlining these processes will better achieve the purpose of the Bill.
- 3.11 There should also be an opportunity for the territorial authority to participate in the appointment of the panel under Section 79 and Schedule 3.
- 3.12 Section 60 (a) (i) states that a development plan must not be inconsistent with national policy statements (NPS). We interpret this as meaning that an SDP will be prevented on industrial land if that industrial land is relied upon to meet NPS land supply targets.
- 3.13 Section 68 creates risk for existing designations that are not deemed to be of national significance, or, are not defense related (see Section 67). The power to override a designation is significant and should be exercised sparingly, given that each designation has proven its strategic value at the time it was established. Losing long term rights for strategic infrastructure is concerning to HCC. These powers should not be exercised without approval of the relevant territorial authority, and on terms satisfactory to the requiring authority. Amendments to Section 68 are requested to give this layer of protection.
- 3.14 Hamilton is the third smallest Territorial Authority (TA) in New Zealand but its fourth largest city, so HCC must carefully consider matters on or near its boundary. HCC notes that the legislation does not address how cross boundary urban development will be facilitated. The overarching cut through nature of Kāinga Ora is one of the areas where this development entity will differ from local government. It's abilities and willingness to plan and develop unconstrained by TA boundaries is important. This will determine to what extent it can leverage the opportunities for growth in the wider Hamilton region (underpinned by the Hamilton-Auckland Corridor Plan (H2A), and especially the Hamilton-Waikato Metro Spatial Plan).
- 3.15 HCC requests that the Bill be amended to include powers to enable boundary changes between local authorities. HCC notes that for a boundary change to occur there would have to be overall support from the relevant territorial authorities unless the joint Ministers consider that the project is in the national interest.
- 3.16 HCC suggests that consideration be given to the productivity of the land within a proposed SDP in alignment with the Ministry of Primary Industries Proposed National Policy Statement for Highly Productive Land as part of the establishment process of an SDP.

4.0 INFRASTRUCTURE

- 4.1 HCC submit that for SDP to be successful there needs to be a strong relationship between relevant territorial authorities and Kāinga Ora. This relationship should also be such that there is optimal integration between HCC and Kāinga Ora and their activities. This will allow sound financial planning (such as funding depreciation of new infrastructure and increased Operational and Maintenance costs) as well as infrastructure planning. It will be critical that impacts on existing networks and planning permissions (such as key consents for water allocation, wastewater and stormwater discharges) are understood.
- 4.2 When designing infrastructure solutions Kāinga Ora must recognise best practices including

compliance with infrastructure technical specification documents, must plan for whole of life costs and, must comply with central and regional direction on fresh water management.

- 4.3 Relevant territorial authorities will ultimately be responsible for vested infrastructure. Kāinga Ora needs to consider future planning permissions, including variations to resource consents and easements to access infrastructure, at the outset. HCC suggests that these considerations can be best managed through collaborative planning processes between Kāinga Ora and relevant territorial authorities.
- 4.4 Kāinga Ora should be required to develop infrastructure with a level of service consistent with the adjoining urban development unless the relevant territorial authority otherwise agrees. Alternatively, contributions toward consequential operational and maintenance costs of the infrastructure developed by Kāinga Ora needs to be a consideration in the development plan in order for relevant territorial authorities to meet their other planning obligations. Further to this, there will need to be best management practice applied for transfer of assets that acknowledge defects liability periods and quality checks.
- 4.5 If Kāinga Ora deliver a level of service over and above that of the existing district this may have additional consequential operating costs implications. For example, if the SDP delivered many small pocket parks this will require additional maintenance costs across the SDP area. If a lower level of service was to be delivered the relevant territorial authority may have to top up the service to meet expectations of the community. For example, smaller water mains may not deliver pressure and flows. Smaller width roading will not provide for vehicle access for waste management services.
- 4.6 Territorial authorities are required to comply with Central Government legislative standards. Liabilities for non-compliance with key consents will also need to be understood during the planning of SDPs. This further highlights the need for Kāinga Ora to work closely with relevant territorial authorities early on and continuously.
- 4.7 For the avoidance of doubt, HCC seeks confirmation that local authority connection fees apply in addition to any connection charges set by Kāinga Ora. Section 168 requires as soon as practicable after any non-roading infrastructure constructed by Kāinga Ora is connected to a system operated by a controlling authority, the ownership of that infrastructure must be transferred to the controlling authority. Once this occurs the controlling authority would be responsible for carrying out the physical connection. HCC connection charges cover the cost of the physical works required to physically and administratively connect a property to the wider three waters network.

5.0 FUNDING, DEBT AND DEVELOPMENT CONTRIBUTIONS

- 5.1 The ability for Local Authorities to raise finance through debt is constrained per the Local Government (Financial Reporting and Prudence) Regulations 2014 and our Financial Strategy. HCC is concerned that there will be unplanned/unknown/unbudgeted spill over costs which HCC will have to pick up, and may either not have the capacity to do or come at the expense of other planned projects. Without other interventions, such spillover costs are likely to be borne ultimately by the general ratepayer.
- 5.2 In accordance with the development contribution (DC) Purpose and Principles of the LGA2002, HCC (and most other local authorities) do not and cannot allocate 100% of the cost of infrastructure in DC charges. In fact, on average HCC recovers only 59% of the total cost of its growth capex programme. There is no indication in the Bill as to how any remaining costs, which may be substantial, will be funded. HCC does not support such costs being passed onto local authorities without prior agreement.
- 5.3 Section 220 (c) (ii) sets out that Kāinga Ora can set DCs to cover any DC that they are liable to pay to a relevant territorial authority. HCC seeks clarity as to how and when Kāinga Ora will pay DCs to the relevant territorial authority, and under what policy or authority it will collect them. DCs carry risk for councils, and HCC wish to ensure the mechanisms to collect and transfer DCs between Kāinga

Ora or its agents, and councils is legally robust and transparent. In addition, HCC seeks confirmation that the crown exemption to DCs does not apply to Kāinga Ora.

- 5.4 Council needs to collect DCs to fund new or upgraded citywide infrastructure such as upgrades to water/wastewater treatment plants, new water reservoirs, arterial roads and local infrastructure such as stormwater management devices irrespective of the funding mix in a development plan. For the avoidance of doubt HCC recommends the introduction of provisions explicitly stating that Council has the right to levy DCs on developments in SDP areas.
- 5.5 Development that occurs across territorial authority boundaries needs to be considered. Significant urban development adjacent to Hamilton which leverages HCC infrastructure should contribute toward the costs of the infrastructure necessary to service growth. If they do not, then ratepayers will need to subsidise the services provided to those outside of their district. HCC suggests that the most efficient way to require these contributions toward infrastructure costs would be to leverage the existing DC mechanism. HCC requests provisions within the Bill that allow DCs to be required from development within an SDP connected to network infrastructure provided by the TA whether or not the SDP is outside of the TA's boundary.
- 5.6 HCC strongly supports Section 228 (1) (b) which allows development contributions for reserves to be used to provide or improve community facilities at a school.
- 5.7 Section 238 limits charges fixed under the section to those not otherwise funded by targeted rates, development contributions, or betterment payments. HCC seeks clarification whether this limitation is applied where an asset is part funded, but not wholly funded, by targeted rates, development contributions, or betterment payments. Where targeted rates, development contributions, or betterment payments fund 80% of the infrastructure can fixed charges be used to recoup the remaining 20%?

6.0 ADMINISTRATION AND GOVERNANCE

- 6.1 To facilitate joined up thinking, good record keeping and uncompromised data analytics, HCC recommends that when a consent is lodged with Kāinga Ora, Kāinga Ora be required to promptly share the consent and all accompanying information with relevant territorial authorities.
- 6.2 While HCC is in support of an urban development agency, it should be noted that HCC is concerned about the competition that Kāinga Ora may introduce for staffing resources. HCC has submitted on this matter with the concurrent Three Waters Reforms currently underway. It would be helpful if Kāinga Ora worked with the sector to mitigate this risk.
- 6.3 There are council policies which manage activities outside of the District Plan, resource consents and bylaws, for example erosion management. Kāinga Ora will need to have a clear understanding of what these policies and provisions are intended to deliver as well as clarification of who and how these will be administered. HCC would like to reiterate that the most effective way to manage these risks is for Kāinga Ora to work closely in collaboration with relevant territorial authorities.
- 6.4 SDP governance structures, irrespective of the form they take, will benefit from the experience and knowledge a territorial authority nominated representative would bring. HCC strongly disagrees with Section 284 that only allows for supporting territorial authorities to nominate a representative to the project governance body. We seek an amendment to the Bill allowing all relevant territorial authorities to nominate a representative to the project governance board or any other form of governance body (e.g. if a company, trust or partnership is formed) irrespective of prior support for the SDP.

7.0 CONSULTATION

- 7.1 HCC supports Section 43 obliging Kāinga Ora to seek support from each relevant local authority for a project assessment report. However, we seek an amendment to Section 43 (2) (b) extending the period for local authorities to respond to 30 working days. This would provide adequate time for

senior staff to assess the impacts and for elected members to consider a response.

- 7.2 Section 36 allows for early engagement to satisfy the obligation to engage. HCC does not support this section. An SDP may change significantly from the early engagement phase to recommendations. HCC would support continuous engagement with key stakeholders including local authorities.
- 7.3 However, should Section 36 remain as it currently is, in cases where Kāinga Ora consider early engagement as consultation, this needs to be communicated clearly during the engagement phase so that all parties understand that there will not be another opportunity to provide feedback.
- 7.4 HCC does not support Section 71 (2) which states that supporting documents are not subject to public submission or the Independent Hearings Panel (IHP) processes. The content of these documents covers a broad range of topics which, in HCC's experience, will attract community interest. Robust submissions and objections process generally produce more robust documents. We believe that these documents should be subject to public submission and the IHP processes.
- 7.5 HCC seeks an amendment to Section 35 (3) to include relevant land owners as key stakeholders in the early engagement phase.
- 7.6 If the joint Ministers choose to refer the project assessment report back to Kāinga Ora under Section 48, HCC would recommend that relevant local authorities should be given the opportunity to indicate support (or otherwise) for any changes made to the report.
- 7.7 HCC seeks an amendment to Section 70 (1) to ensure an obligation to consult with local authorities during the preparation of the draft development plan.

8.0 CONCLUSION

- 8.1 HCC thanks the Environment Committee for the opportunity to submit on the Bill.
- 8.2 HCC is supportive of the provisions in the Bill which enable Kāinga Ora to support complex developments in urban areas.
- 8.3 HCC seeks that changes, as outlined in this submission, be made to the legislation before it is finalised.

9.0 FURTHER INFORMATION AND HEARINGS

- 9.1 Should the Environment Committee require clarification of the points raised in this submission, or additional information, please contact Blair Bowcott (Executive Director Special Projects) on 07 838 6742, email blair.bowcott@hcc.govt.nz in the first instance.
- 9.2 HCC does wish to be heard at the Select Committee hearings for the Urban Development Bill.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Council Report

Item 11

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Greg Carstens **Authoriser:** Jen Baird
Position: Growth Funding & Analytics Unit Manager **Position:** General Manager City Growth
Report Name: Development Contributions Remissions Quarters 1 & 2 2020

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To inform the Strategic Growth Committee on Development Contribution (DC) remissions during the period 1 July 2019 to 31 December 2019 (Q1 & Q2 2020).

Staff Recommendation

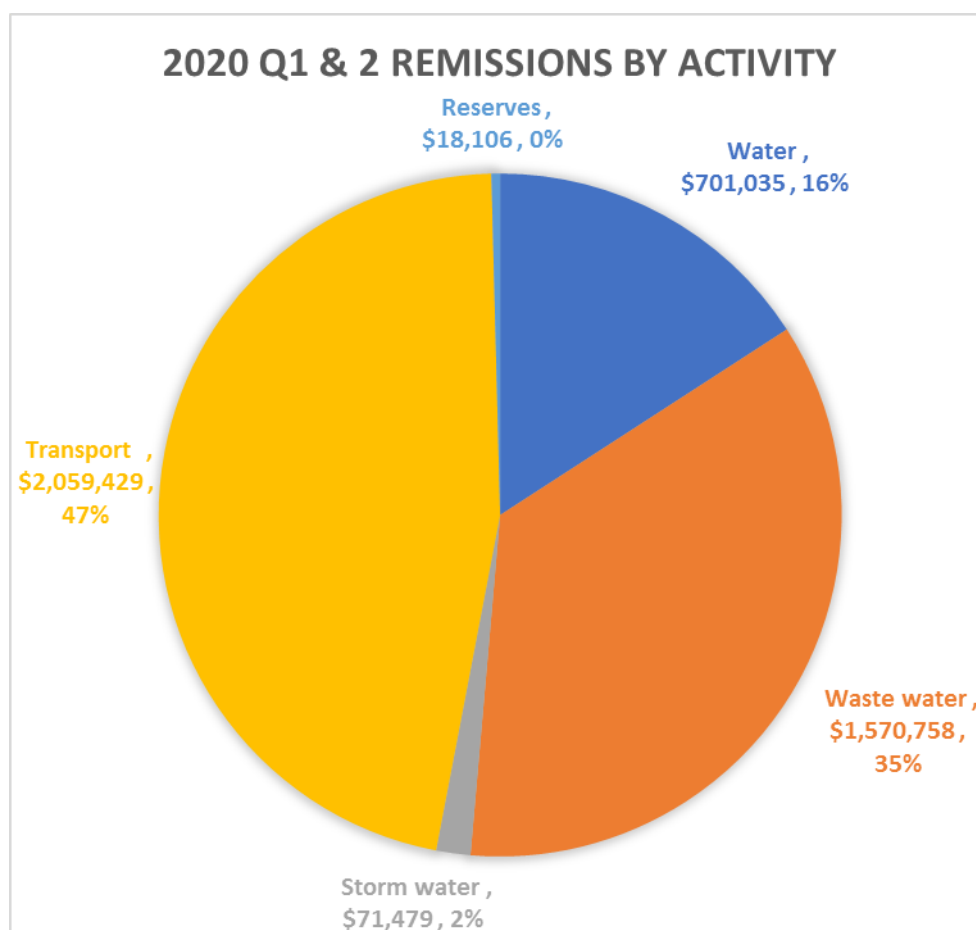
2. That the Strategic Growth Committee receives the report.

Background

3. The Council's Development Contribution Policy (DC Policy) allows for three types of remissions:
 - Actual demand remissions
 - Private Developer Agreement (PDA) remissions
 - CBD remissions.
4. Actual demand remissions and PDA remissions rely on the developer supplying appropriate evidence of a reduction in the impact of actual demand as compared to modelled demand.
5. At its 20 June 2019 meeting, the Council approved the proposed Development Contributions Policy 2019/20, with an operative date of 1 July 2019. The DC Policy includes a 66% remission that applies for developments located in the CBD until 30 June 2021.
6. All remissions in this report have been determined in accordance with the DC Policy and delegated authority.
7. All DC amounts in this report are exclusive of GST.

Summary of approved remissions

8. Council approved seven DC remissions with a total value of \$4,420,808 in Q1 & Q2 2020.
9. This consisted of three CBD remissions totalling \$3,812,207 approved and four actual demand remissions totalling \$608,601 approved.
10. DC remissions are calculated by individual activity components. The graph below shows the percentage of the total remissions granted attributed to each DC activity.



Financial Considerations

11. The financial implications of Council's DC Policy on remissions was considered during the last DC policy review and accounted for in the Council's financial planning.

Legal and Policy Considerations

12. The approved remissions presented in this report satisfy the requirements for a reduction in DCs payable as set out in the DC Policy.
13. Council's DC Policy complies with relevant legislation.

Wellbeing Considerations

14. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
15. The remissions in this report have been evaluated in relation to the 4 wellbeings as outlined below, noting that the decisions themselves are directed by the Policy itself without staff discretion.

Social

16. No social considerations were identified in relation to the reported remissions.

Economic

17. Development contributions play an important part in the Council's overall funding and financial strategy. CBD remissions provided for through the DC Policy and set out in this report contribute to Council's desire to support a vibrant CBD. Actual demand remissions provided for

through the DC Policy and set out in this report create better match between the demand for services with the assessed DC charge, for developments of scale with applications supported by appropriate evidence.

Environmental

18. No environmental considerations were identified in relation to the reported remissions.

Cultural

19. No cultural considerations were identified in relation to the reported remissions.

Risks

20. No specific risks have been identified in relation to the remissions in this report. However, remissions and how they are provided for in the DC Policy and applied are a subject of recent challenge by developers. This more general risk is being closely monitored and the Council will be kept informed of any new developments.

Significance & Engagement Policy

Significance

21. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

Engagement

22. Community views and preferences relating to DC remissions are already known to the Council through public consultation during the review of Council's DC Policy.
23. Given the low level of significance and that the community views and preferences being known to Council, no engagement is required.

Attachments

Attachment 1 - DC Q1 2020 remissions

Attachment 2 - DC Q2 2020 remissions .

Attachment 1: 2020 Q1 Remissions Report

Actual demand remission													Amount remitted (\$ exd. GST)	
Address	Developer	Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Water	Waste water	Storm water	Transport	Reserves	Final DC assessment	Remission granted		
30 Kahikatea Drive	Braemar hospital	Extension to an existing medical services building at Braemar hospital.	010.2019.00010348.001	2018/2019	\$ 138,651	\$ -	\$ -	\$ -	\$ 22,687	\$ -	\$ 115,964	\$ 22,687		
185 Silverdale Road	University of	3 building student accommodation complex for the	010.2019.00010273.001 &	2018/2019	\$ 448,171	\$ 43,249	\$ 37,437	\$ -	\$ 23,543	\$ 6,787	\$ 337,155	\$ 111,016		
					\$ 586,822	\$ 43,249	\$ 37,437	\$ -	\$ 46,230	\$ 6,787	\$ 453,119	\$ 133,703		
CBD remission													Amount remitted (\$ exd. GST)	
Address	Developer	Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Water	Waste water	Storm water	Transport	Reserves	Final DC assessment	Remission granted		
31 Alexandra Street	AFI Investments	The proposal is to demolish all existing buildings and develop five mixed use office blocks.	010.2019.00010433.001	FY 20	\$ 5,670,221	\$ 610,014	\$ 1,442,018	\$ -	\$ 1,681,369	\$ 8,945	\$ 1,927,875	\$ 3,742,346		
					\$ 5,670,221	\$ 610,014	\$ 1,442,018	\$ -	\$ 1,681,369	\$ 8,945	\$ 1,927,875	\$ 3,742,346		
Grand Total					\$ 6,257,043	\$ 653,262	\$ 1,479,455	\$ -	\$ 1,727,599	\$ 15,732	\$ 2,380,994	\$ 3,876,049		

Attachment 2: 2020 Q2 Remissions Report

Actual demand remission		Amount remitted (\$ exd. GST)										Final DC	Remission
Address	Developer	Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Water	Wastewater	Storm water	Transport	Reserves		assessment	granted
51 Te Kowhai Rd East	Anglesea Properties Ltd	Car Yard Development to facilitate the relocation of the Hamilton Holden and Volkswagen franchises.	010.2015.00008357.016	2019/2020	\$ 633,906	\$ -	\$ -	\$ 71,479	\$ 60,313	\$ -	\$ -	\$ 502,113	\$ 131,792
880 Arthur Porter Drive	SPANIT	Two warehouses on two lots.	011.2019.00007009.001	2018/2019	\$ 933,211	\$ 35,209	\$ 60,544	\$ -	\$ 247,353	\$ -	\$ -	\$ 590,105	\$ 343,106
					\$ 1,567,117	\$ 35,209	\$ 60,544	\$ 71,479	\$ 307,667	\$ -	\$ -	\$ 1,092,218	\$ 474,898
CBD remission		Amount remitted (\$ exd. GST)										Final DC	Remission
Address	Developer	Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Water	Wastewater	Storm water	Transport	Reserves		assessment	granted
325 Victoria Street	Helen Lowe	Demolition of existing building and construction of restaurant/cafe on ground floor and 3 apartments above.	007.2019.00039858.001	FY 20	\$ 18,956	\$ 4,606	\$ 5,530	\$ -	\$ -	\$ 2,374	\$ -	\$ 6,445	\$ 12,511
527 Victoria Street	JGH Limited	Additions and alterations to existing ANZ building	010.2019.00010633.001	FY 20	\$ 86,894	\$ 7,958	\$ 25,229	\$ -	\$ 24,163	\$ -	\$ -	\$ 29,544	\$ 57,350
					\$ 105,850	\$ 12,564	\$ 30,760	\$ -	\$ 24,163	\$ 2,374	\$ -	\$ 35,989	\$ 69,861
Grand Total					\$ 1,672,967	\$ 47,773	\$ 91,303	\$ 71,479	\$ 331,830	\$ 2,374	\$ -	\$ 1,128,207	\$ 544,759

Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 13 February 2020
Author: Rebecca Watson **Authoriser:** Becca Brooke
Position: Committee Advisor **Position:** Governance Manager
Report Name: Strategic Growth Committee Draft Schedule of Reports 2020

Report Status	<i>Open</i>
----------------------	-------------

Purpose

1. To inform the Strategic Growth Committee regarding the draft 2020 Schedule of Reports.

Staff Recommendation

2. That the Strategic Growth Committee:
 - a) receives the draft 2020 Schedule of Reports; and
 - b) notes that the Schedule of Reports is intended to be a living document that will be updated as necessary and will be made available to Elected Members and Maangai Maaori on Diligent.

Background

3. The Chief Executive undertook to provide Elected Members with schedules for the tasks and responsibilities to be undertaken each calendar year by the Council and the Council Committees.
4. The purpose of the schedules is to provide Elected Members with oversight of the planned and upcoming activities for which they are responsible as members of the Strategic Growth Committee. The schedules set out the key reports and pieces of work assigned to the Strategic Growth Committee as well as the intended meeting dates where these will be presented.
5. The schedules have been developed by the Principal Advisors and Chair of the Committee in conjunction with key staff, the Strategy Unit, and the Governance Unit. Content covers:
 - Standing agenda items and regular reports;
 - The development, review, and status reporting of strategic plans and policies;
 - Anticipated submissions and legislative reports;
 - Items relating to the Annual Plan and 10 Year Plan;
 - Reporting of joint organisations, stakeholder groups, and established taskforces; and
 - Business as usual matters identified by staff as requiring governance decisions or oversight.

Item 12

6. In order for Elected Members to have a current view of Strategic Growth Committee activities throughout the year, the schedules will need to be updated when new items arise or when timing or circumstances change. Elected Members will have access to the updated schedules on Diligent.
7. The Governance Unit and the Principal Advisors' Executive Assistants will take responsibility for maintaining up-to-date documents.
8. 2020 Report Schedules for all Committees will be presented at each of their first meetings of 2020.

Attachments

Attachment 1 - Draft Strategic Growth Committee Schedule of Reports 2020 .

Strategic Growth Committee Report Schedule 2020								
Standard Reports	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Chair's report								
General Managers Report								
Updates Included in General Managers Report	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Future Proof - Hamilton to Auckland Corridor Plan								
Future Proof - Hamilton-Waikato Metropolitan Spatial Plan								
Future Proof – Mass Transit								
Future Proof – 3-Waters Sub-regional Study								
Strategic Regional Collaboration Update								
Infrastructure Funding and Finance Update (IFF)								
Strategic Reports	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Schedule of Reports								
Hamilton to Auckland Corridor Plan								
Hamilton-Waikato Metropolitan Spatial Plan								
Infrastructure Activity Management Plans								
Smart Cities Strategy								
IFF Business Case								
Policy and Bylaw	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Development Contributions policy								
Growth Funding Policy								
Hamilton Gateways Policy 2015								
Sale and Disposal of Council Land Policy								
Stakeholder Liaison Reports	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
BAU Reports	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Peacocke Programme status update								
Development Contribution remissions								
Infrastructure Funding and Finance Update								
Submissions	13-Feb-20	2-Apr-20	14-May-20	18-Jun-20	20-Aug-20	1-Oct-20	12-Nov-20	Future
Transport (NZTA) Legislation Amendment Bill								
Land Transport (Rail) Legislation Bill								
Urban Development Bill (Note: this is the Second Kāinga Ora - Homes and Communities Bill)								
The Draft New Zealand Rail Plan 2019								
Arataki (10-year view of what is needed to deliver on the government's current priorities and long-term objectives for the land transport system)								
Government Policy Statement - Land Transport		TBC Apr or May	TBC Apr or May					

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Ruakura Road West Expressway Connection) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987)	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to avoid the unreasonably, likely prejudice to the commercial position of a person who supplied or is the subject of the information to protect information which is subject to an obligation of confidence where disclosure would likely damage the public interest	Section 7 (2) (b) (ii) Section 7 (2) (c) (ii)
----------	--	--

ⁱ Unfunded Growth Projects are defined in the Growth Funding Policy as:

- a) Not funded projects
- b) Funded projects but which are proposed to commence earlier than the sequencing and timing established in the long term plan; and/or
- c) Funded projects but which are now proposed to occur beyond the scale, scope and cost prescribed or anticipated for those projects in the long term plan.