

Notice of Meeting:

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

Date: Thursday 14 May 2020

Time: 10.00am

Meeting Room: Via Audio Visual Link

Richard Briggs
Chief Executive

Strategic Growth Committee

Komiti Rautaki Whakatupu

OPEN AGENDA

Membership

Chairperson - *Heamana*

Deputy Chairperson - *Heamana Tuarua*

Members

Cr D Macpherson
Cr Ryan Hamilton
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 James Whetu

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Becca Brooke
Governance Manager
Menetia Mana Whakahaere

7 May 2020

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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*

¹ 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.

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	- Peacocke Programme Update	
	- Engagement with Government Update (Economic Stimulus Proposals)	
	- Development Contributions Remission Report Quarter 3 2020	

1 Apologies - *Tono aroha*

2 Confirmation of Agenda - *Whakatau raarangi take*

The Committee to confirm the agenda.

3 Declaration of Interest - *Tauaakii whaipaaanga*

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 - *AAtea koorero*

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 6727.

Council Report

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Rebecca Watson **Authoriser:** Amy Viggers
Position: Governance Advisor **Position:** Governance Team Leader
Report Name: Confirmation of the Open Strategic Growth Committee Minutes - 13 February 2020

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Committee confirm the Open Minutes of the Strategic Growth Committee meeting held on 13 February 2020 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Strategic Growth Open Minutes - 13 February 2020.

Strategic Growth Committee

OPEN MINUTES

Minutes of a meeting of the Strategic Growth Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 13 February 2020 at 9.31am.

PRESENT

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 J Whetu

In Attendance: Richard Briggs – Chief Executive
Jen Baird – General Manager City Growth
Chris Allen – General Manager Development
Eeva-Liisa Wright – General Manager Infrastructure Operations
Blair Bowcott – Executive Director Special Projects
Karen Saunders – Peacocke Programme Manager
Nigel Ward – Communication and Engagement Team Leader
Greg Carstens – Growth, Funding and Analytics Unit Manager
Andrew Parsons – Strategic Development Manager
Luke O’Dwyer – City Planning Manager
Lucie Robinson – CIP Project Manager
Robyn Denton – Network Operations and Use Manager

Governance Staff: Amy Viggers – Governance Team Leader
Rebecca Watson and Claire Guthrie – Governance Advisors

1. Apologies

Resolved: (Cr Macpherson/Cr Hamilton)

That the apologies for partial absence from Crs Thomson and Naidoo-Rauf and for lateness from Mayor Southgate are accepted.

2. Confirmation of Agenda

Resolved: (Cr Macpherson/Cr Hamilton)

That the agenda is confirmed.

3. Declarations of Interest

No members of the Committee declared a Conflict of Interest.

4. Public Forum

Andrea Graves spoke to Item 8 (*Peacocke Programme Update*), noting Rototuna is seen as a typical subdivision in New Zealand. She advised that overseas there are subdivisions there were designed with the environment and other modes of transport at the forefront. She requested Hamilton follow the design principles seen overseas in these subdivisions.

Cr Forsyth joined the meeting (9.35am) during the above item.

Mayor Southgate joined the meeting (9.37am) during the above item.

5. Strategic Growth Committee Chairs Report - 13 February 2020

The Chair spoke to the report, noting that when reports are included in the agenda for information only and no decision is required, any questions should be directed to staff outside of the meeting.

The Chair responded to questions from Committee Members concerning the process of raising questions if Members are not able to attend meetings or workshops.

Resolved: (Cr Macpherson/Cr Bunting)

That the Strategic Growth Committee receives the report.

6. General Manager's Report

The report was taken in parts.

The General Manager City Growth spoke to the subject of infill, providing Committee Members with an overview of projects.

The Executive Director Special Projects spoke to the report sections concerning Future Proof, the strategic regional collaboration update and UNISA. Staff responded to questions from Committee Members concerning the District Plan, the status of current projects and process for items being raised at Futureproof meetings.

Staff action: *Staff undertook to circulate the date of the next Futureproof meeting to Members.*

Resolved: (Cr Macpherson/Cr Wilson)

That the Strategic Growth Committee receives the report.

Cr Thomson left the meeting (10.32am) during the above item. She was not present when the matter was voted on.

The meeting adjourned from 10.55am to 11.25am.

7. Infrastructure Funding and Financing Models - Project Update and Legislative Process

The CIP Project Manager and Executive Director Special Projects spoke to the report, noting the dates for submissions to the Draft Infrastructure Funding and Financing Bill had been moved. This meant that the Council draft submission would be presented at the 12 March 2020 Council meeting.

Staff responded to questions from Committee Members concerning:

- potential development of community structure in Rotokauri;
- process of development of business cases and benefits of using them;
- stormwater system standards; and
- ability to use the Infrastructure Funding and Finance model to fund retrospective projects and to fund community infrastructure.

Resolved: (Cr Macpherson/Cr Wilson)

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.

Mayor Southgate joined the meeting (11.34am) during the item. She was present when the matter was voted on.

8. Peacocke Programme Update

The report was taken as read. Staff responded to questions from Committee Members concerning:

- conditions placed on the Amberfield development and process of developing an opinion on resource consent conditions;
- key community stakeholders and development of community assets;
- partnerships with neighbouring Councils;
- the structure plan;
- impact of a potential structure plan update on resource consents which have been already

- lodged or granted;
- implications of current case before the environment court; and
- budget.

Staff Action: Staff undertook to include in the future reports an update on conversations with key community stakeholders.

Resolved: (Cr Macpherson/Cr van Oosten)

That the Strategic Growth Committee receives the report.

Cr Thomson joined the meeting (12.37pm) during the above item. She was present when the matter was voted on.

The meeting adjourned from 12.40pm to 1.30pm.

Mayor Southgate and Cr Naidoo-Rauf left the meeting during the above adjournment.

9. National Transport Policy Submissions

The report was taken as read. Staff responded to questions from Committee Members concerning efficiency of rail services vs road transport, effects on speed limits through the speed management plan, and standards of roading.

It was noted that point 5.4 in the submission would be updated to read “that would service *either* road or rail need into the future”.

Staff Action: Staff undertook to schedule a future report back to the Infrastructure Operations Committee on speed management.

Staff Action: Staff undertook to include cultural considerations when drafting submissions.

Resolved: (Cr Macpherson/Cr Wilson)

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.

Cr Thomson left the meeting (1.53pm) during the above item. She was not present when the matter was voted on.

10. HCC draft submission on the Urban Development Bill

The Executive Director Special Projects took the report as read. Staff responded to questions from Committee Members concerning the Resource Management Act.

Resolved: (Cr Bunting/Deputy Mayor Taylor)

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.

Cr Thomson rejoined the meeting (1.59pm) during the above item. She was present when the matter was voted on.

11. Development Contributions Remissions Quarters 1 & 2 2020

The Growth, Funding and Analytics Unit Manager spoke to the report, and provided an overview of the differing types of Development Contributions remissions available. Staff responded to questions from Committee Members concerning the increase of developments in the CBD since the remission policy has been in place.

Resolved: (Cr Macpherson/Cr Hamilton)

That the Strategic Growth Committee receives the report.

Mayor Southgate rejoined the meeting (2.07pm) during the above item. She was present when the matter was voted on.

12. Strategic Growth Committee Draft Schedule of Reports 2020

The report was taken as read.

Resolved: (Cr Macpherson/Cr van Oosten)

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.

13. Resolution to Exclude the Public

Resolved: (Cr Macpherson/Cr van Oosten)

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)
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The meeting moved into a public excluded session at 2.30pm.

The meeting was declared closed at 3.24pm.

Council Report

Item 6

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Jen Baird **Authoriser:** Jen Baird
Position: General Manager City Growth **Position:** General Manager City Growth
Report Name: General Manager's Report

Report Status	<i>Open</i>
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Purpose - *Take*

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 - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee;
 - a) receives the report; and
 - b) approves the review of the Gateways Policy be delegated to the Infrastructure Operations Committee, to be considered in conjunction with the Streetscape Beautification and Verge Maintenance Policy.

Discussion - *Whakaraapopototanga matua*

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

Evolving approach to intensification (GM, City Growth)

4. At an Elected Member Briefing on 18 March 2020, staff received feedback from Elected Members on the outcomes and direction they want to see from the city's approach to higher density living, in particular the provisions within the District Plan that govern it.
5. Elected Members provided clear advice on their broad desired outcome from this work. We covered the following themes in some detail: location of higher density housing, urban design, transport and infrastructure considerations including parking, public participation, amenity and 'feel' of neighborhoods and rubbish and recycling.

6. Staff will collate this feedback and advise the Council of their options for effecting the desired changes over the short, medium and long term via a briefing in May 2020 and a report to this committee on 18 June 2020. This will include advise on both plan changes and other levers the Council has to influence development in the desired direction.

Gateways Policy delegation of review to Infrastructure Operations Committee (GM Infrastructure Operations)

7. The review of the Gateways Policy commenced in 2019 and included discussion at the 27 May 2019 Access Hamilton Taskforce meeting and the 28 August 2019 Elected Member Briefing. This policy is closely linked to the Streetscape Beautification and Verge Maintenance Policy and the two policies have been progressed together to date.
8. As part of the establishment of the new Governance Structure and assignment of responsibilities to the various committee's the responsibility for these two policies has been split as follows:
 - Gateways Policy – Strategic Growth Committee
 - Streetscape Beautification and Verge Maintenance Policy – Infrastructure Operations Committee
9. Staff recommend that the two policy reviews continue to be progressed together. It is therefore recommended that the review of the Gateways Policy be delegated to the Infrastructure Operations Committee.
10. An Elected Member briefing on these two policies has been booked for 17 June 2020. Following this briefing it is expected that revised policies would be considered at the 27 August 2020 Infrastructure and Operations Committee for recommendation for adoption at the subsequent Council meeting.

Strategic Regional Collaboration (Executive Director Special Projects)

Mayoral Forum

11. A Mayoral Forum retreat was held on 20 and 21 February 2020. This was an opportunity for the Waikato Region Mayors and Chief Executives to network, engage and set priorities for the 2019/2022 triennium. Five key themes emerged from the Mayoral Forum and have been referred to the Chief Executives to progress as work programmes that can be delivered to improve the wellbeing of communities across the Waikato, collective advocacy and alignment of individual Councils initiatives:
 - “One Voice” umbrella story and key priorities from existing regional plans strategies
 - Regional Housing Initiative
 - 3-Waters
 - Transport, including passenger rail services
 - Iwi-Co-Governance
12. The media release of 24 February 2020 can be [read here](#).
13. Since the beginning of the COVID-19 Level 4 lockdown period, the Mayoral Forum has met weekly to discuss issues related to the COVID-19 crisis and recovery across all councils. The Mayoral Forum has also engaged with MPs and Ministers, Iwi, Emergency Management and key regional entities operating in the economic and social/welfare areas through these meetings. Discussion has also centred on economic stimulus activities and proactive

engagement with the Government. To assist the Mayoral Forum, Iwi and various regional entities understand the optimal framework to coordinate recovery efforts, Peter Winder has been engaged to support the Waikato CEO Forum to develop a framework that will:

- provide for role clarity and co-ordination of recovery efforts
- support on-going collaboration and partnership within the Waikato to ensure that the Waikato can partner effectively with government
- provide the best opportunity for the recovery which is as effective as possible
- identify immediate agreed priorities regionally, sub regionally and locally to contribute to the kick-start of the post-lockdown economy.

14. A verbal update of recent meetings will be given at this meeting.

Waikato Plan

15. The Waikato Plan has continued to progress with a focus on implementation since its review in October 2018 by Peter Winder. The following summary of the Waikato Plan has been provided by Amanda Hema, who is the Senior Project Manager – Waikato Plan.

16. The key responsibilities of the Plan being to act as -

- Facilitators of regional collaboration
- Brokers of relationships for regional transformation
- A clearing house between our communities and central government
- Advocates for social impact and community wellbeing

17. With a change to the structure of the original leadership group and additional iwi and central government participation, a collective view of focus areas was agreed for 2019-2020. These saw strong facilitation efforts and work begin in the area of Housing, Youth & Employment, Wellbeing and Mental Health.

18. Of specific interest to Hamilton City Council is the Regional Housing Initiative that has brought together 44 stakeholders to explore needs while identifying opportunities to support both growth in housing stock and associated policies. Over \$500,000 has been granted to the initiative to continue project activation across the Waikato. A comprehensive action plan is currently being finalised with key stakeholders.

19. The Youth and Employment project is a more recent development that looks to shape compelling alternatives to existing service delivery in the youth development space. Newton has been identified as one of the potential pilot communities and the project has received over \$140,000 since February to support its implementation. Priority discussions continue to take place with key stakeholders in order to understand any necessary changes to respond to the Covid-19 climate.

20. Both of the above projects have been well supported by HCC staff.

21. A more recent project considered by the Waikato Plan Leadership Committee, on 18 March 2020, has been the establishment of a regional working party to advance electric vehicle (EV) uptake in the region and explore associated infrastructure needs. HCC has also been invited to be part of these discussion to shape a region-wide plan.

22. The Mental Health workstream continues to be worked through with the Waikato District Health Board to consider where value can be added to existing community efforts and where advocacy is required to ensure significant collective impact by Waikato Plan partners.

23. While the Waikato Wellbeing Project has been an independent initiative lead primarily by WEL Energy Trust and the Waikato Regional Council, the Waikato Plan Leadership Committee has

been involved in oversight and will be looking to support efforts toward Sustainable Development Goals for the region. Discussions around next steps are currently being held.

24. It should be noted that the Waikato Plan Leadership Committee was due to discuss priority areas for the 20/21 year in April, however with the disruption of COVID-19 this has been postponed and discussions have begun with the Waikato Plan Strategic Partner Forum to identify critical community concerns at this time which will be presented to the Leadership Committee for consideration when next possible.
25. It is very much expected that the topic of how to best use the Waikato Plan on the other side of COVID-19 and necessary response efforts to advance community wellbeing will be at the forefront of those discussions. This opportunity is being considered by Peter Winder as part of his investigations and discussions of a framework to assist recovery efforts in the Waikato.
26. In addition to any new or reconfirmed priority areas that might be presented, the Waikato Plan has an ongoing commitment to:
 - Providing a regional context to support robust localised decision-making
 - Identifying synergies across the Waikato to establish opportunities for resource sharing and regional research
 - Establishing partnerships with regional organisations to enact wellbeing efforts and guide meaningful investments within communities
 - Brokering localised connections to achieve central government strategies, accelerate local uptake and build impactful relationships
 - Positioning the region to be “investment ready” for opportunities resulting from the government’s “Wellbeing Budget”
27. In terms of administration, ‘Expressions of Interest’ have been called to fill two community members vacancies. The closing date for this process has been extended until 11 May 2020.
28. Co-chairs and deputy co-chair positions are yet to be appointed, which is recognised as a priority at this time. A workshop for the Waikato Plan Leadership Group has been scheduled for 8 May 2020 to discuss the vacant positions and Co-Chair and Deputy Chair positions, the process to confirm all of these and then funding and support arrangements for the Waikato Plan. Currently, the Waikato Plan Leadership Group is structured as a committee of the Waikato Regional Council for administrative ease, as opposed to a Joint Committee.
29. The next meeting of the Waikato Plan Leadership Committee is scheduled for 18 May 2020 and the agenda and key priority items will be discussed at the workshop on 8 May 2020.
30. A verbal update following the 8 May 2020 Waikato Plan workshop will be provided at this meeting.

Cross Boundary Council Discussions – Growth Matters

31. Waikato District Council – A joint WDC/HCC workshop for all Elected members was held on 17 February 2020.
32. The Governance Group meeting scheduled for 2 March 2020 was deferred. An informal catch up was held on 22 April 2020 to discuss growth matters and COVID-19 – both the effect on the both councils and the response to it. A verbal update of that meeting will be given to this meeting. A further catch up has been scheduled for 20 May 2020.
33. Future WDC/HCC Governance Group meetings are scheduled for 2 June, 1 September and 1 December 2020.
34. Waipa District Council – the Governance Group meeting scheduled for 30 March 2020 was cancelled due to the COVID-19 situation.

35. Future Waipa/HCC Governance Group meetings are scheduled for 19 June, 19 September and 11 December 2020.
36. HCC is represented at both of these Governance Groups by Mayor Southgate, Deputy Mayor Taylor, Councillors Macpherson and Hamilton, CE Richard Briggs and Blair Bowcott.

Upper North Island Strategic Alliance (UNISA)

37. The next UNISA Mayors and Chairs meeting is set for 22 May 2020. An update will be given to this Committee following that meeting.
38. At the UNISA meeting with Minister Twyford on the 31 January 2020, the Upper North Island Supply Chain Study was discussed along with the value of integrated well-being and spatial planning in the upper North Island. As a result of these discussions a letter was sent to Minister Parker requesting the opportunity to work with officials to co-design and test government priorities with regards spatial and well-being planning in the Upper North Island. (Refer Attachment 1)
39. The Mayors and Chairs also raised the issue of waste management and spatial planning/housing at the last Mayors and Chairs meeting, and as a result the UNISA Technical Officer Group are investigating the establishment of workstreams to address waste management and housing Initiatives.
40. The Climate Change Officers Group has prepared a draft term of reference for the working group which outline the scope and purpose of the group.
41. The scope of the UNISA Climate Change Officers Group will cover both mitigation and adaptation matters.
42. The Purpose of the UNISA Climate Change Officers Group is to:
 - Investigate, identify and advise the UNISA Chief Executives on collaborative climate change actions or projects that would be of benefit to UNISA.
 - Implement specific actions or projects approved by the UNISA Chief Executives.
 - Seek opportunities for economies of scale and where appropriate encourage the alignment of systems and approaches to common issues.
43. The UNISA Strategic Work Programme for UNISA for the next 3 years is to continue to monitor and respond in a collaborative and pro-active way to existing matters of national and regional importance. The work programme which was agreed prior to the impact of COVID-19 occurring was the Upper North Island Supply Chain Study, the Marine Pest Management Strategy, Urban Growth Agenda and Roding Infrastructure (Auckland – Hamilton Corridor), and in the future advocate and advance topics such as RMA Reforms, spatial and well-being planning and Climate Change/Sustainability. As a result of COVID-19, the UNISA work programme may need to be amended to respond to any emerging issues where collaboration across the Upper North Island would provide value for our communities.
44. The next Mayors and Chairs meeting is scheduled for 22 May 2020. A decision will be made nearer the time as to the nature of this meeting, depending on the COVID-19 situation.

Financial Considerations - *Whaiwhakaaro Puutea*

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

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

46. This report is for information purposes only.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

47. 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').
48. 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.
49. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks - *Tuuraru*

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

Significance & Engagement Policy- *Kaupapa here whakahira/anganui*

51. Having considered content of the Significance and Engagement Policy, staff have assessed that the report has a low of significance.

Attachments- *Ngaa taapirihanga*

Attachment 1 - UNISA Well-Being and Spatial Planning Letter to Hon David Parker 4 May 2020.



4 May 2020

Hon David Parker
Minister for Environment
Private Bag 18 888
Parliament Buildings
WELLINGTON

Dear Minister Parker

UPPER NORTH ISLAND STRATEGIC ALLIANCE (UNISA), WELL-BEING AND SPATIAL PLANNING

On behalf of UNISA, we write to request an information sharing session with you regarding spatial and well-being planning in the upper North Island.

UNISA is a partnership between Auckland Council, Northland, Waikato and Bay of Plenty Regional Councils, Hamilton and Tauranga City Councils and Whangarei District Council. Mayors and Chairs from the respective regions make up the alliance. The aim of UNISA is to lead, manage and respond to a range of inter-regional and inter-metropolitan issues, including the Resource Management Act 1991 (RMA) reform, infrastructure planning and responding to growth.

UNISA Mayors and Chairs met with Minister Twyford on 31 January 2020 to discuss the upper North Island supply chain study. As part of this conversation, we discussed the value of integrating well-being and spatial planning in the upper North Island. It was requested by Minister Twyford we correspond directly with you on this matter.

Background

The upper North Island (UNI) supports 54 percent of the national population and generates 54 percent of the country's GDP. It also contains three of New Zealand's five largest urban areas and the country's largest international gateways (Northport, Ports of Auckland and Tauranga, and Auckland International Airport), with the UNI ports between them responsible for 65 per cent of cargo movement. As a result, there is a need for strong planning and a holistic well-being approach within the upper North Island, which UNISA represents.

UNISA is aware Central Government is currently considering options for spatial planning and that UNISA, with its 'on the ground' experience is well-placed to advise Central Government and Ministry for the Environment staff. That experience includes Auckland's statutory Auckland Plan 2050 and Development Strategy; Waikato's 'Future Proof' and Bay of Plenty's 'Smart Growth' plans.

We are of the view that a holistic well-being approach should be the primary objective of our resource management and planning system. This could be achieved through integrated spatial well-being plans at a regional or sub-regional scale. Plans for environmental and natural resource management, land use planning, and network and social infrastructure may be required to give effect to these plans. As a result, spatial planning could help to guide integrated decision making under the RMA, Local

Government Act 2002, Land Transport Management Act 2003, as well as other government investment and services.

While some examples of spatial planning exist (Refer to Attachment A), these are inconsistent across the upper North Island. We request the opportunity to work with officials to co-design and test government priorities regarding spatial and well-being planning in the upper North Island.

Furthermore, as discussed at our recent Mayors and Chairs meeting with Minister Twyford, UNISA agrees that well-being planning must be a critical focus of spatial planning. Local Government has a long history of delivery against well-being frameworks and invites Central Government to leverage that experience.

We request that you join us for a session to discuss our experience with spatial planning and wellbeing frameworks. Our scheduled meetings are as follows, from 10am to 1pm at an Auckland Airport venue, and you are invited to join us at the time most convenient for you:


- Friday 22 May, 2020
- Friday 7 August, 2020

Please direct your acceptance or any correspondence to Sally Bowron, PA / Team Admin Governance and Engagement, Northland Regional Council at sallyb@nrc.govt.nz.

Yours sincerely



Douglas Leeder
Chair of Bay of Plenty Regional Council



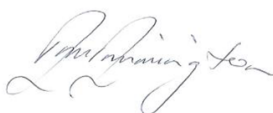
Paula Southgate
Mayor of Hamilton City Council



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: Hon Phil Twyford
Minister for Economic Development and Urban Development and Transport

Attachment A: Examples of spatial and well-being planning within the upper North Island

Hamilton-Auckland Corridor Plan

The project focuses on managing development between New Zealand's two fastest growing metropolitan areas – Auckland and Hamilton – and builds on existing planning processes. While some projects are already underway, managing growth along the corridor will be a 100-year journey.

Six focus areas include:

1. Waters: Sub-regional three waters study and designing a cross-regional blue-green open space and recreational network
2. Stronger corridor connections: A rapid intercity rail service and indicative business case and start-up rail service
3. Papakura-Pokeno sub-region: Drury priority development area and improve public transport
4. River community: River communities spatial plan, Meremere priority development area and improved public transport
5. Hamilton-Waikato sub-region: Metro spatial plan and Metropolitan mass transit plan
6. New tools and options to unlock full potential: New funding, financing and delivery options, environmental credit markets and biodiversity offsetting.

Website: <http://futureproof.org.nz/corridor-plan/>

Western Bay of Plenty Urban Form and Transport Initiative

Collaborative project led by SmartGrowth and the NZ Transport Agency, involving Western Bay of Plenty District Council, Tauranga City Council, the Bay of Plenty Regional Council, iwi and community leader.

This project is focused on supporting liveable community outcomes and finding answers for housing capacity, intensification, multi-modal transport (such as public transport and cycleways) and network capacity.

An opportunity exists for the Waikato's Future Proof and WBOP's Smart Growth to engage in collaborative strategic planning in respect of the road and rail transport solutions ahead of potential increased volumes directed to the Port of Tauranga (PoT) with the proposed staged closure of Port of Auckland (PoA).

Tainui Group Holdings and PoT have reached agreement to develop a 50:50 JV to bring the Ruakura Inland Port at Hamilton to fruition within two years.

Logistics in support of this arrangement will need inter-regional strategic consideration and an opportunity exists for this occur.

Website: <https://ufti.org.nz/>

Waikato Plan

The Waikato Plan is the overarching strategic plan for the whole region. It was developed by the region's leaders, based on the four well-being's, to address the challenges the region faces. The Waikato Plan is governed by a Joint Committee, the Waikato Plan Leadership Group, of representatives from local government, iwi, business, community and government agencies. The guiding principles of the Plan:

1. Together we are stronger. Collaboration builds strength and understanding, fills gaps, and cuts duplication.
2. To succeed as a region, all parts of the Waikato must be as successful as they can be.

The Waikato Plan priorities for improving the Waikato's social, economic, cultural and environmental outcomes are:

1. Planning for population change,
2. Connecting our region through targeted investment,
3. Partnering with iwi/Māori,
4. Addressing water allocation and quality, and
5. Advancing regional economic development.

Website: <https://waikatoplan.co.nz/>

Waikato Wellbeing Project

The Waikato Wellbeing project is a community-led initiative to develop a set of SMART wellbeing targets for the Waikato, based on the United Nations Sustainable Development Goals (SDGs). This offers a tool to enable our Waikato to work together to achieve regional priorities and creating a partnership between Te Tiriti o Waitangi, the sustainable development goals and the aspirations of Waikato residents.

Website: <https://www.waikatowellbeingproject.co.nz/>

Potential Northland to Auckland Spatial Plan

Initial discussions are underway for a possible spatial plan in this area, with the Ministry of Housing and Urban Development identified as the lead agency.

Council Report

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Tony Denton **Authoriser:** Chris Allen
Position: City Development Manager **Position:** General Manager
Development
Report Name: Ruakura Road Transport Corridors

Report Status	<i>Open</i>
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Purpose - *Take*

1. To seek approval from the Strategic Growth Committee of the formal macrocope for the existing Ruakura Road Upgrade project and to outline the process for developing a business case for the Ruakura Spine Road

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Strategic Growth Committee:
 - a) approves the macrocope of the Ruakura Road urban upgrade project as set out in this report; and
 - b) requests staff report back following adoption of the Metro Spatial Plan expected in June 2020, with a project plan to develop a business case for the Eastern Spine Road..

Executive Summary - *Whakaraapopototanga matua*

3. The Strategic Growth Committee requested that staff seek formal macrocope approval for the upgrade of Ruakura Road to an urban standard at its meeting of 13 February 2020.
4. This report was an agenda item for the 2 April 2020 Strategic Growth Committee meeting which was cancelled due to COVID-19.
5. The Ruakura Road Urban upgrade is currently a project funded in years 1-3 of the 2018-28 10-Year Plan which has been timed to align with the Waikato Expressway completion expected in late 2021.
6. The Ruakura Road Urban upgrade project along with the Ruakura Road West realignment projects are "shovel ready" and have been included in the proposals sent to government through Crown Infrastructure partners.
7. There is some urgency now to get the Ruakura Road Urban upgrade ready for the 2020/21 construction season and agreement on the macrocope is on the critical path.
8. Notwithstanding agreement to macrocope, the decision to proceed or not in 2020/21 will be a matter for confirmation in the 2020/21 Annual Plan, informed in part by governments response to the stimulus programmes submitted.

9. The Strategic Growth Committee also asked staff to report back on a process for the development of a business case for the full Ruakura Spine Road from Silverdale Road in the south to Gordonton Road in the north.
10. Staff have considered the scope of the Ruakura Spine Road and renamed it the Eastern Spine Road to signify that a broader strategic consideration is required for the entire potential transport corridor east of the city Ring Road as per the previous February 2020 Strategic Growth Committee resolution, and to take into account the city's developing transport thinking.
11. Staff propose that a project plan for the Eastern Spine Road is brought back to the Strategic Growth Committee after adoption of the draft Metro-Spatial Plan expected by June 2020.
12. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Kooreo whaimaarama*

13. At the 13 February 2020 meeting, the Strategic Growth Committee received a public excluded report on the Waikato Expressway Ruakura Interchange including consideration of the Ruakura Road urban upgrade project and the future Ruakura Spine Road (**Attachment 1** and **Attachment 2**).
14. The Strategic Growth Committee resolved amongst other resolutions at this meeting to request staff to;

“approve Option 1A as set out in the report to upgrade the existing Ruakura Road which includes full road pavement renewal, noting that additional renewal costs will be managed within the existing Renewal and Compliance Programme”;

“report back to the Strategic Growth Committee on 2 April 2020 for formal macroscope approval of the existing Ruakura Road Upgrade, including the provisions to be made for pedestrians and cyclists on Ruakura Road and the existing Silverdale intersection”; and

“report back to the Strategic Growth Committee on 2 April 2020 to agree a process for the development of the business case for the full Ruakura Spine Road from Silverdale Road in the South to Gordonton Road in the north”.
15. This report is focused on these resolutions.

Ruakura Road Urban Upgrade

16. A project is included in the 2018-28 10-Year Plan to urbanise the existing Ruakura Road between Wairere Drive and midblock between Knighton/Ruakura and Ruakura/Silverdale Intersection, to tie in with the Ruakura Road West project being undertaken as part of the Waikato Expressway.
17. The Ruakura Structure Plan section of the District Plan (**Attachment 3**) indicates;
 - Existing Ruakura Road is a minor arterial (Figure 2-15A)
 - Ruakura Road will continue to function as a two-lane minor arterial road between the Wairere Drive Ring and the Spine Road and it needs to provide for public transport and shared footpath and cycle paths (clause 3.7.2.1)
 - Cyclist and Pedestrian requirements (Figure 2-18)
18. The current approved Biking Plan indicates that existing Ruakura Road is a “Primary Existing Route”.

19. The resolution of the Strategic Growth Committee is to also consider the Silverdale intersection which is part of the Ruakura Road West (RRW) project which has been designated by Waka Kotahi NZ Transport Agency.
20. The scope of Ruakura Urban Upgrade project is to urbanise the corridor catering for all modes including determining the appropriate intersection treatments at Nottingham Drive, Ruakura Lane and Knighton Road intersections.
21. The road is still built to rural standards and has been enveloped by urban development. The existing road corridor has some significant constraints including Transpower lines and land drainage facilities (**Attachment 5**).
22. The proposed macroscopic for existing Ruakura Road Urban Upgrade is as follows (refer **Attachment 5**):
 - i. new pavement/surfacing, kerb and channelling, drainage, lighting and landscape improvements
 - ii. retaining the give way-controlled intersection at Nottingham Drive
 - iii. traffic signals with cycling/pedestrian facilities at Ruakura Lane intersection
 - iv. traffic signals or a roundabout with cycling/pedestrian facilities at Knighton Road intersection (to be determined through design phase)
 - v. two 3.5m traffic lanes (1 in each direction)
 - vi. public transport stops with shelters at key locations to meet land-use demands
 - vii. two 1.8m on-carriageway cycle lanes (one in each direction) with physical separators
 - viii. one 3.0m (min) off-carriageway shared path on southern side
 - ix. consideration of an additional 3.0m off-carriageway shared path on northern side depending on master planning for Innovation Park and ability to shift stormwater drain.
 - x. stormwater improvements to manage quality and quantity discharge to existing networks (looking to amalgamate with stormwater for Innovation Park)
 - xi. the detailing of the Silverdale intersection will be informed by safety auditing through the design process.
23. A Point of Entry with the Transport Agency has been agreed and staff are working with them in partnership to develop the Single Stage Business Case required to secure subsidy funding.
24. The subsequent phases of work will look to engage a consultant to complete:
 - Investigation and HCC/NZTA business case development/approvals
 - Detailed design and construction documents
 - Procurement, construction and supervision
25. The project plan has been developed to complete design and tendering to be able to meet the 2020/21 construction season prior to additional traffic loading from the Waikato Expressway Ruakura Road West link.

Ruakura Spine Road

26. Committee requested that staff report back to agree a process for the development of a business case for the full Ruakura Spine Road from Silverdale Road in the south to Gordonton Road in the north.
27. The current District Plan provides the existing land use, transport and 3 waters provisions (**Attachment 3**) providing certainty for existing community and developers. This principally establishes the form and function of the corridors and adjoining land use.
28. Since the District Plan provisions were adopted there have been a number of developments including the emergence of the Hamilton to Auckland (H2A) Corridor project which includes the development of a Metro-Spatial Plan.

29. Rather than continue to proceed with development of the Ruakura Spine Road as envisioned in the District Plan, it is an opportune time to consider any potential impacts arising out of the Metro-Spatial Plan and the associated mass transit network.
30. It is proposed that staff develop a project plan to consider the Eastern Spine Road, which will broaden the scope to include consideration of:
 - i. the southern, central and northern sections of the Ruakura Spine Road (**Attachment 3**)
 - ii. the Fifth Avenue Extension (**Attachment 3**)
 - iii. the potential transport corridor through the out of district R2 growth area
 - iv. potential connections into Borman Road/Horsham Downs Road
 - v. the Borman Road East extension
31. The project plan would take into account any direction from the Metro-Spatial Plan and include in addition to general engagement:
 - Engagement with Ruakura Ltd and Chedworth Properties Ltd with whom HCC has Private Development Agreements with relating to delivery of the Ruakura Spine Road components
 - Engagement with landowners of the R2 growth area
 - Partnership with the Transport Agency to develop a business case
32. Funding provision is included in years 6-10 of the 2018-28 10-Year Plan for a contribution to the development of the Ruakura Spine Road. The business case would inform a funding and timing plan for the delivery of the potentially staged Eastern Spine Road.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

33. The project plan will identify any legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

34. 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 wellbeing's).
35. The subject matter of this report has been evaluated in terms of the 4 wellbeing's during the process of developing this report as outlined below.
36. The recommendations set out in this report are consistent with that purpose.
37. When fully developed Ruakura will become New Zealand's largest integrated inland port operation and will serve to bring social, economic, environmental and cultural benefits to Waikato and New Zealand.

Social

38. The completion of the Ruakura transport network will help provide for a connected city allowing communities to access employment, education, health and other essential services as well as access to recreational and social opportunities.
39. The social impacts of transport were considered as part of the designation of the Ruakura Road Interchange undertaken by the Transport Agency in 2015 and through the Board of Inquiry for the inland port and the subsequent plan change to bring the broader Ruakura area into the District Plan.

40. The recommendation to reconsider the transport corridor more broadly and taking into account any direction from the Metro-Spatial Plan provides an opportunity to also reconsider social opportunities.

Economic

41. The completion of the Ruakura transport network will allow for economic wellbeing city-wide but particularly for Ruakura and its intended inland port and associated logistics and industrial land zoning.

Environmental

42. Environmental impacts will be considered as part of the business case.
43. The Ruakura transport network enables development of significant employment opportunities on the eastern side of the city reducing the demand for travel given the housing opportunities on the eastern side. The transport proposals will also include significant walking and cycling facilities.
44. Completion of the Ruakura transport network is an important enabler of the Ruakura Inland Port which is intended to drive a mode shift from road to rail when fully developed, which is particularly important given the expected 53% growth in the freight task by 2042.
45. Mode shift from road to rail has positive environmental impacts including a reduction in road crashes involving trucks and heavy vehicles and fewer carbon emissions from the burning of transport fuels.

Cultural

46. “Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Ruakura”
Enabling the development of an attractive and sustainable community in the Ruakura Growth Area
47. Completion of the Ruakura transport network will not only allow connection of the Expressway with the local transport network, it will also enable development of Ruakura and the commencement of the Ruakura Inland Port.
48. Ruakura is a critical platform for enabling Waikato Tainui economic development aspirations. Tainui advise it is intended to provide a long-term source of income to support the health, wellbeing and education of the future generations of Waikato-Tainui.
49. The Project Plan will consider how to properly engage with tangata whenua.

Risks - Tuuraru

50. There is insufficient funding provision in the 2018-28 10-Year Plan to complete the Eastern Spine Road.
51. The business case will determine funding, timing and staging plans.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

52. 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

53. The decisions in this report relate to confirming macroscope for a transport corridor and to prepare a project plan.
54. Some community views and preferences are already known to the Council through engagement over the Waikato Expressway and the Hamilton Operative District Plan.
55. The project plan for developing a business case will determine the levels of engagement required.
56. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

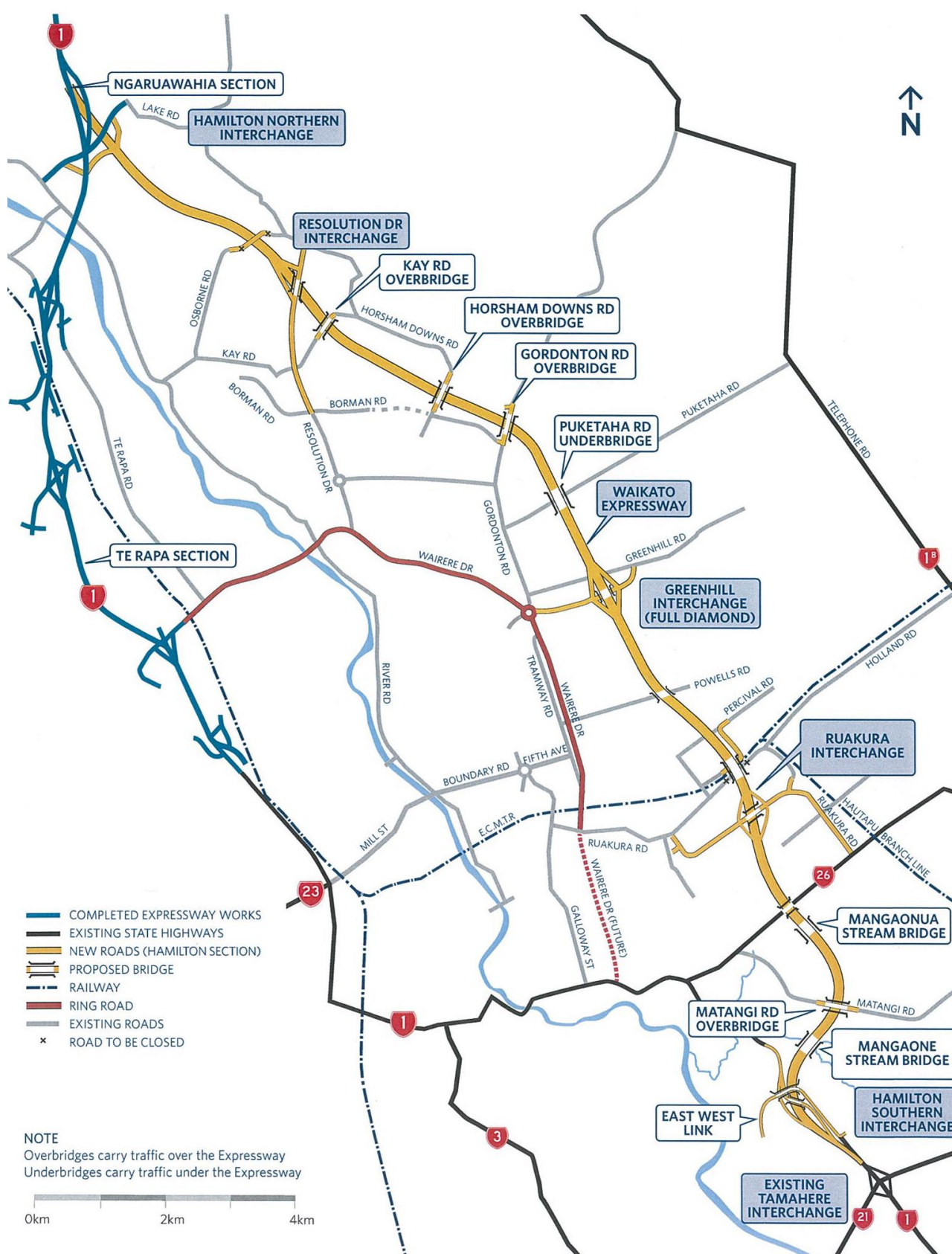
Attachment 1 - Waikato Expressway Hamilton Section - Ruakura Interchange

Attachment 2 - Ruakura Interchange and Associated Transport Links

Attachment 3 - Operative District Plan 2017 - Ruakura Strategic Infrastructure - Transport

Attachment 4 - Ruakura Road Existing

Attachment 5 - Ruakura Road Proposed.



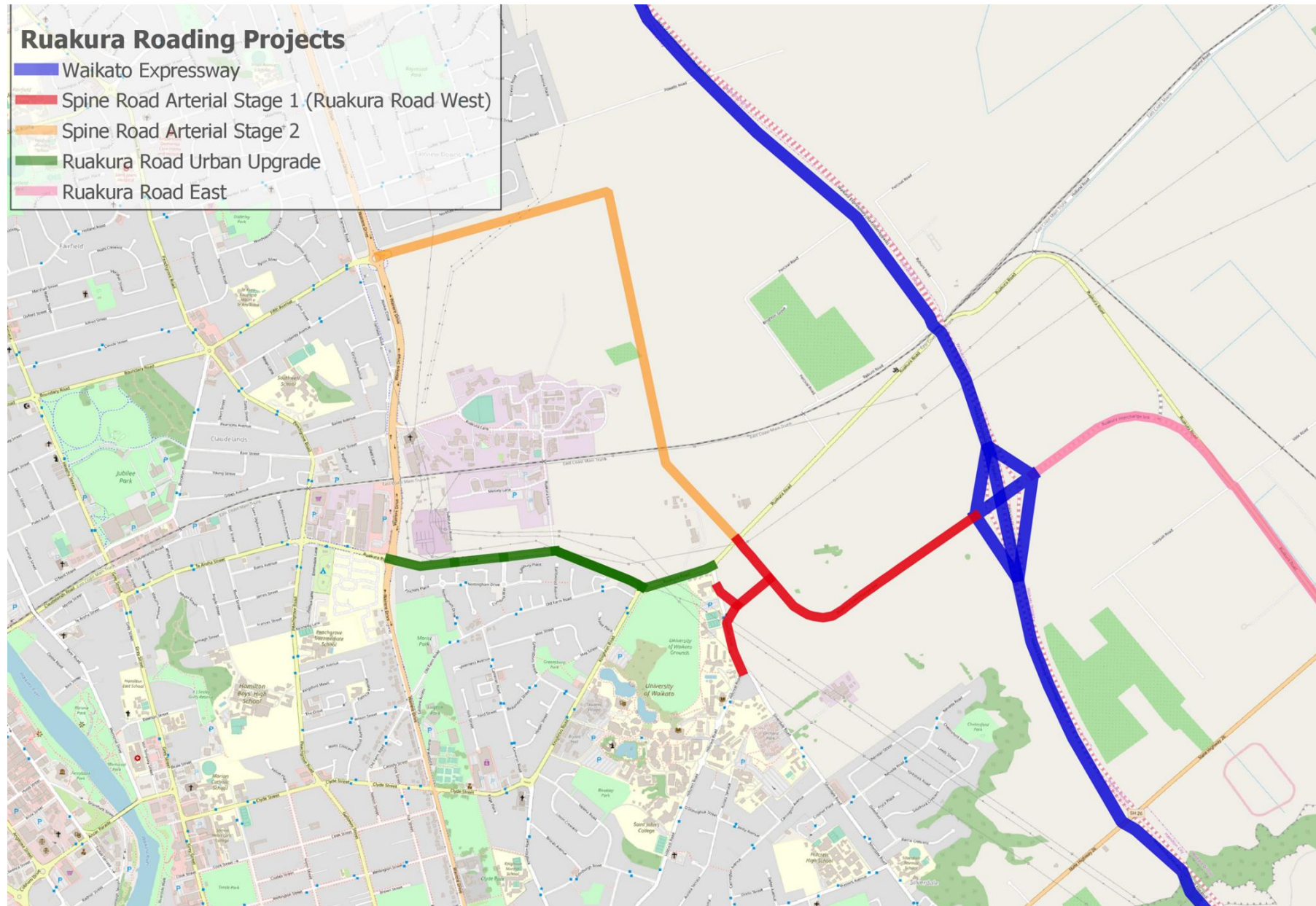


Figure 2-15A: Ruakura Strategic Infrastructure – Transport

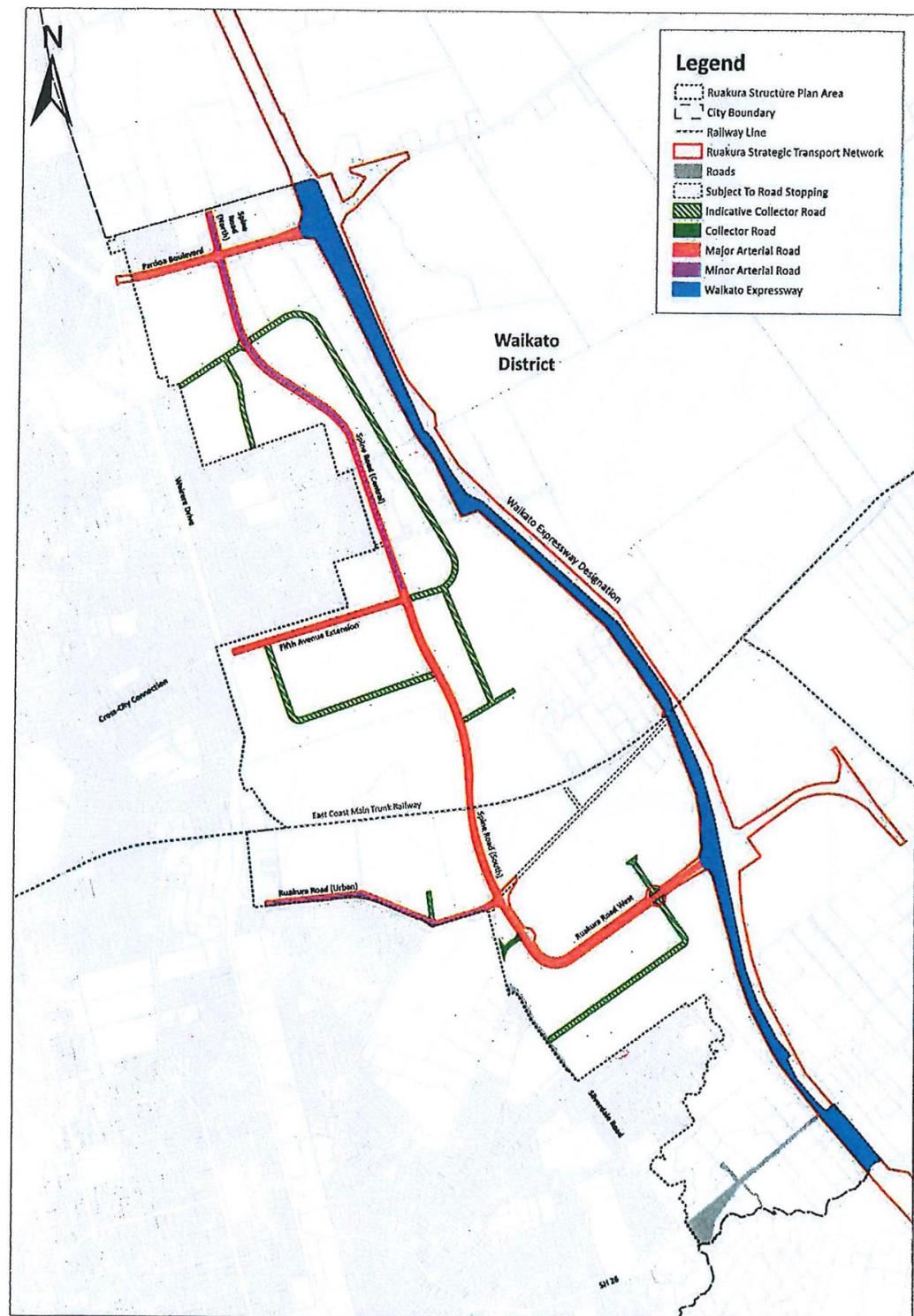
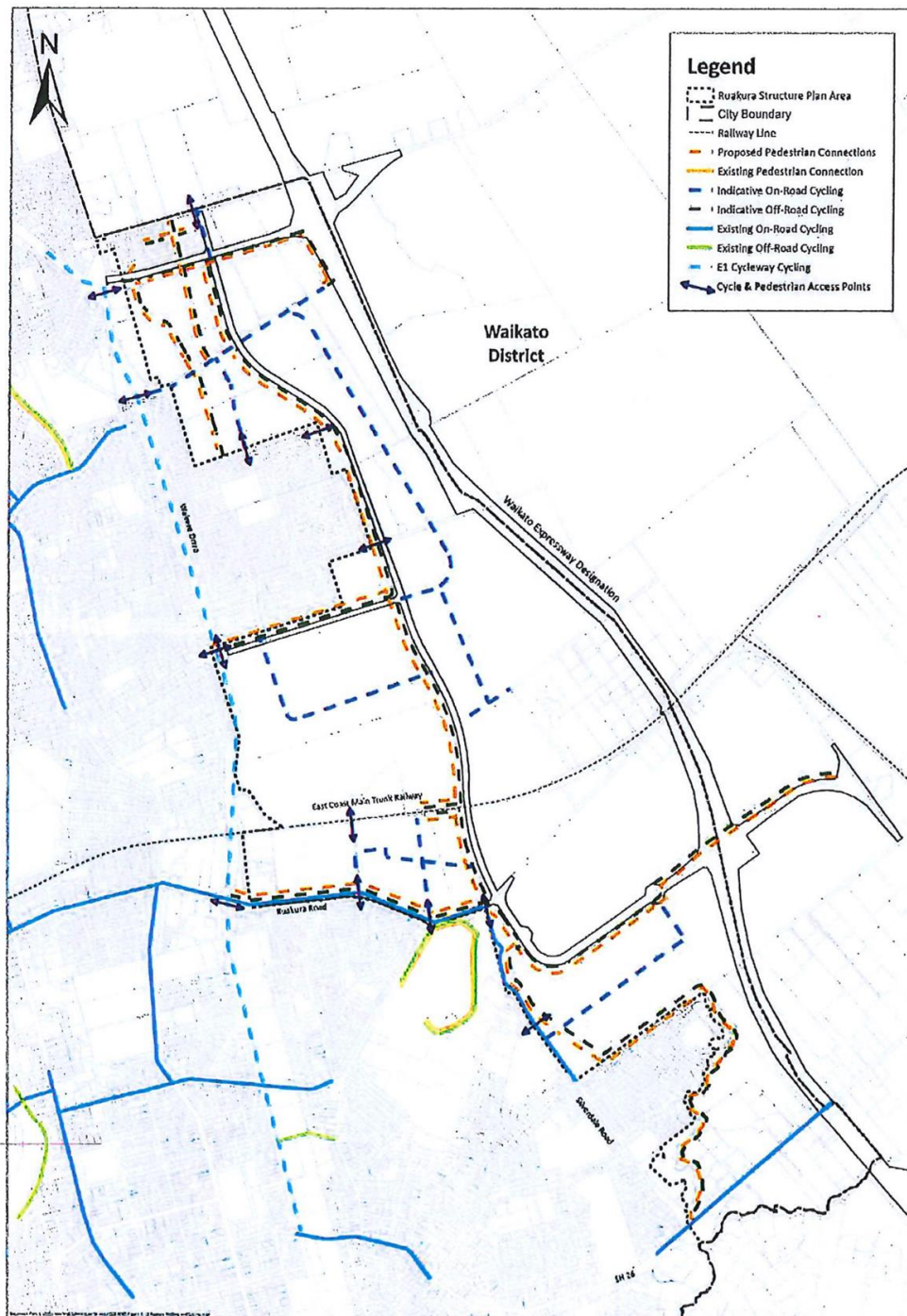


Figure 2-18: Ruakura Cyclist & Pedestrian Network Plan



3.7.2 Ruakura Strategic Infrastructure

The Ruakura Strategic Infrastructure that is to be provided in conjunction with urban development is set out below.

3.7.2.1 Transportation Network

The transport network to service the Structure Plan area comprises the following hierarchy, which describes the form and function of the various routes (see Figure 2-15A Ruakura Strategic Infrastructure – Transport (Appendix 2):

- a) The **Waikato Expressway** forms the eastern boundary of the Structure Plan area. There are two interchanges to the Waikato Expressway connecting to major arterials within the City's network at the Pardoa Boulevard interchange in the north, and the re-aligned Ruakura Road interchange in the south.
- b) **Pardoa Boulevard** will initially be two-lane with provision for a four-lane major arterial City Gateway route connecting the Waikato Expressway to the City's Ring Road at Wairere Drive/Crosby Road roundabout. Access is provided via the Spine Road intersection. Strategic water and wastewater infrastructure should co-locate in this corridor.
- c) The **Spine Road (North)** is a minor arterial to the north of Pardoa Boulevard and provides strategic connectivity to the future residential development in the north. This will be a two-lane minor arterial road, with direct property access on the western side and intersection only access on the eastern side of the Spine Road. The road corridor will provide for public transport, on-street parking, a shared walking and cycle path and swales for stormwater management. Strategic wastewater and water infrastructure should co-locate within the corridor, coupled with the underground 110kv Transpower transmission line.
- d) The **Spine Road (Central)** will be a two-lane minor arterial road south of Pardoa Boulevard to the Fifth Avenue extension. The road corridor provides for public transport, parking, shared footpath and cycle path and a swale area for stormwater management. Strategic wastewater and water infrastructure should co-locate within this road corridor, coupled with the underground 110kv Transpower transmission line through the Medium Density Residential Zone north of Fairview Downs. There is a requirement for staged completion of sections of the Spine Road (Central) prior to development of Land Development Plans.
- e) **Fifth Avenue Extension** will initially be two-lane with provision for a four-lane major arterial road extending the Cross City Connector arterial network from Wairere Drive to the Spine Road. It provides for public transport, a shared walking and cycle path and a swale area for stormwater management.
- f) The **Spine Road (South)** will initially be two-lane with provision for a four-lane major arterial road from Fifth Avenue south to Ruakura Road West. This extends the Cross City Connector arterial to the Ruakura Industrial Park area. This section includes a road bridge over the East Coast Main Trunk Railway. It provides for public transport, shared footpath and cycleway and a swale area for stormwater management. Strategic wastewater and water infrastructure will co-locate within the road corridor.

- g) **Ruakura Road (Urban)** will continue to function as a two-lane minor arterial road between the Wairere Drive Ring Road and the Spine Road. It provides for public transport and shared footpath and cycle path.
- h) **Ruakura Road West** will initially be a two-lane minor arterial road with provision for a four-lane major arterial City Gateway route, connecting the Spine Road major arterial to the Waikato Expressway. A series of signalised intersections will provide access to the Inland Port Ruakura Logistics Zone north, Ruakura Industrial Park Zone and the proposed service centre to the south. The corridor provides for public transport, shared footpath and cycle path and swale area for stormwater management.

The Collector road network serving the arterial network shows indicative connections but will be assessed at each Land Development Plan stage to ensure transport connectivity between development areas and the greater structure plan area.

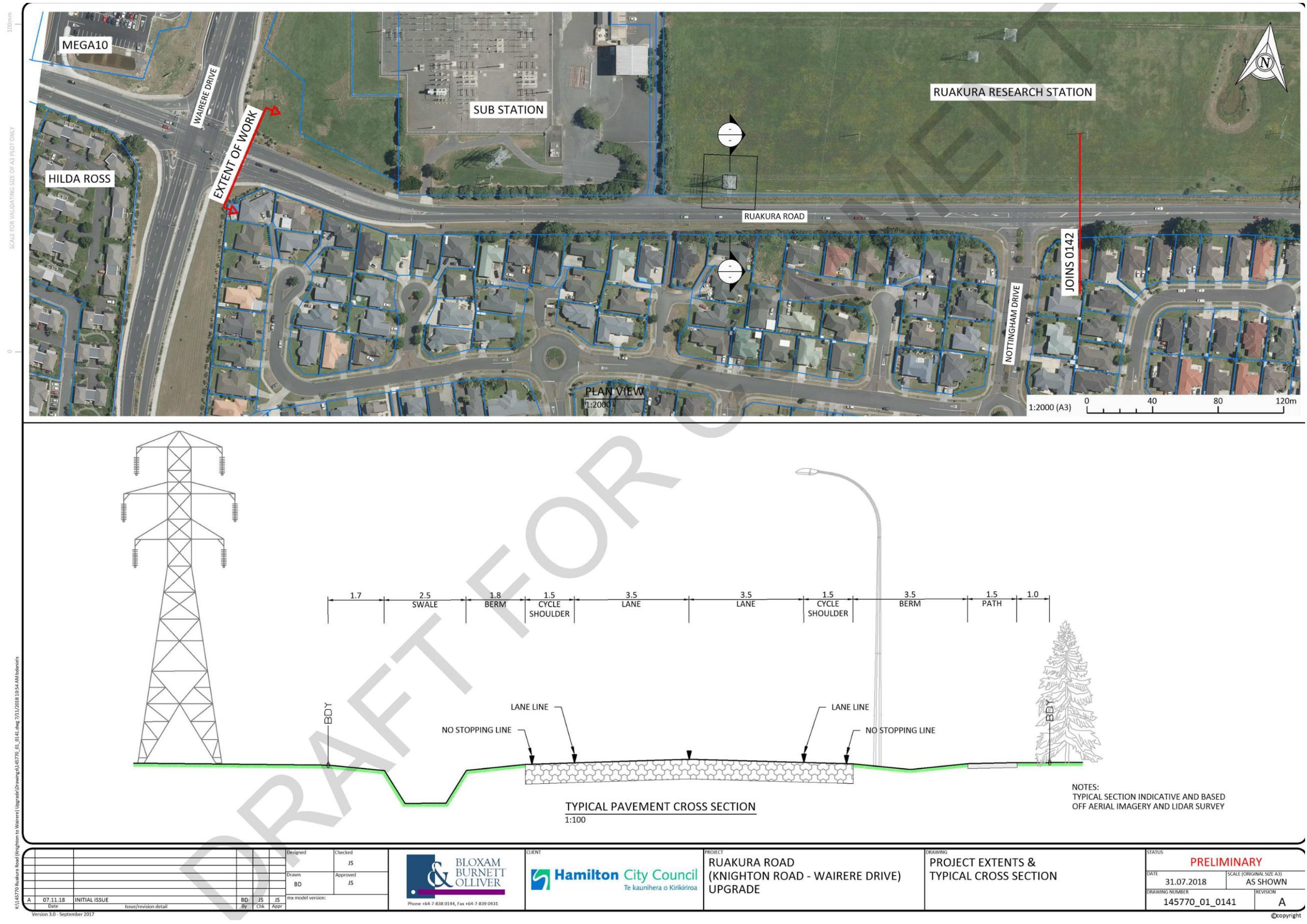
3.7.2.2 Open Space Network

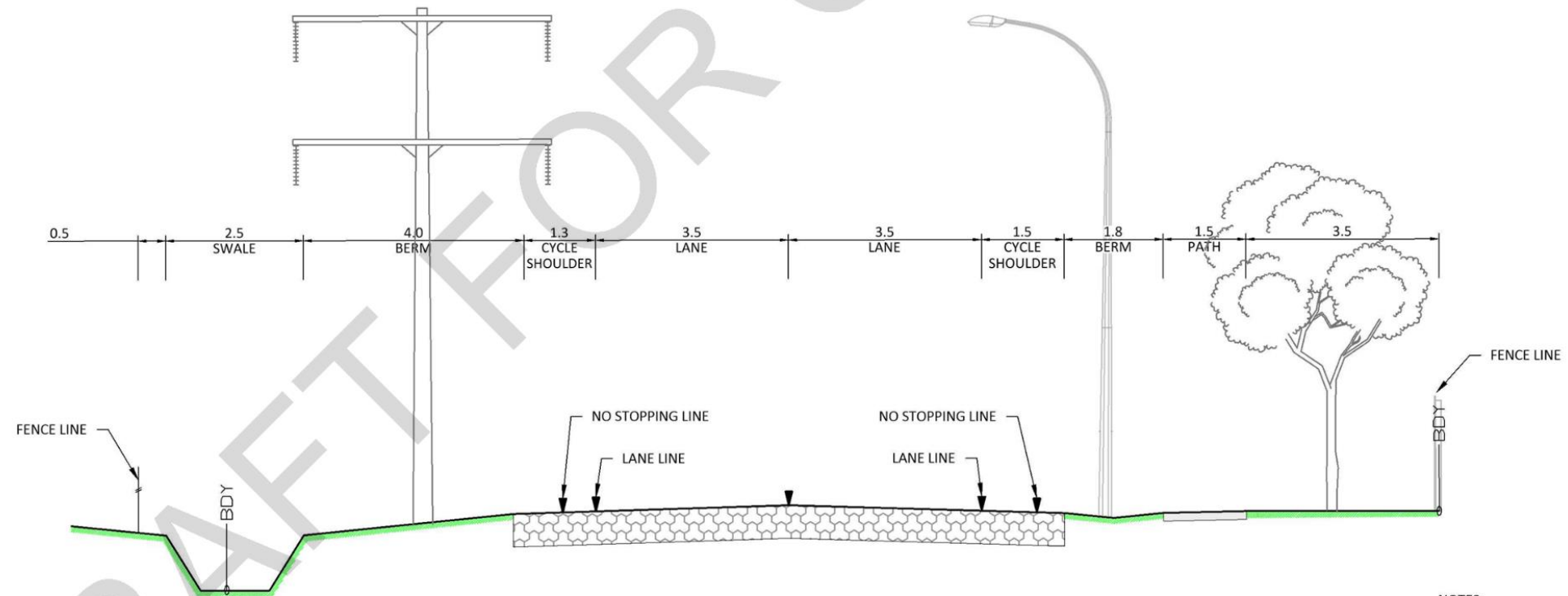
Open space at Ruakura (Figure 2-14 Ruakura Structure Plan – Land Use (Appendix 2) provides for a range of functions including stormwater and ecological management, a well-connected pedestrian and cycleway network linking open space land, neighbourhood reserves for passive and informal recreation, and amenity strips between different areas. The following are key components of the open space network:

- a) **Greenway** – the green corridor that runs from the north west along Pardoia Boulevard and down adjacent to the Spine Road to link to open space along Silverdale Road and the Mangaonua gully to the south. The greenway includes linear wetlands and vegetated margins, storage basins, low-flow channels, indigenous vegetation plantings, and buffer and interface amenity planting. The greenway will also provide for other functions including pedestrian and cyclist paths, and passive recreation such as seating areas.
- b) **Gullies** – at the northern end (Kirikiriroa Stream headwaters) and southern end (Mangaonua gully) of the structure plan area are gullies which will be protected in the same manner as those across the rest of the City in accordance with Chapter 21 Waikato River Corridor and Gully Systems.
- c) **Visual amenity and buffer between incompatible activities** – open space areas and planting shall provide an effective/suitable buffer, between different types of land uses.
- d) **Neighbourhood reserves** - these provide a range of informal recreation facilities including children's play areas, and spaces for passive and active recreation. Each neighbourhood reserve is expected to provide an area of 0.5 ha and serve a population of 500m radius.
- e) **Connectivity** – open space at Ruakura is intended to contribute to a well-connected network for pedestrians and cyclists.

3.7.2.3 Stormwater

- a) The structure plan sits across four hydrological catchments, being the Kirikiriroa, Komakorau, Hamilton East and Mangaonua catchments. Due to the flat topography, most public stormwater devices will be provided for within the swale/linear wetland network adjacent to the transport network or underneath the national grid transmission lines where opportunities for other land uses are limited. In addition to these linear wetlands and swales, on-site stormwater



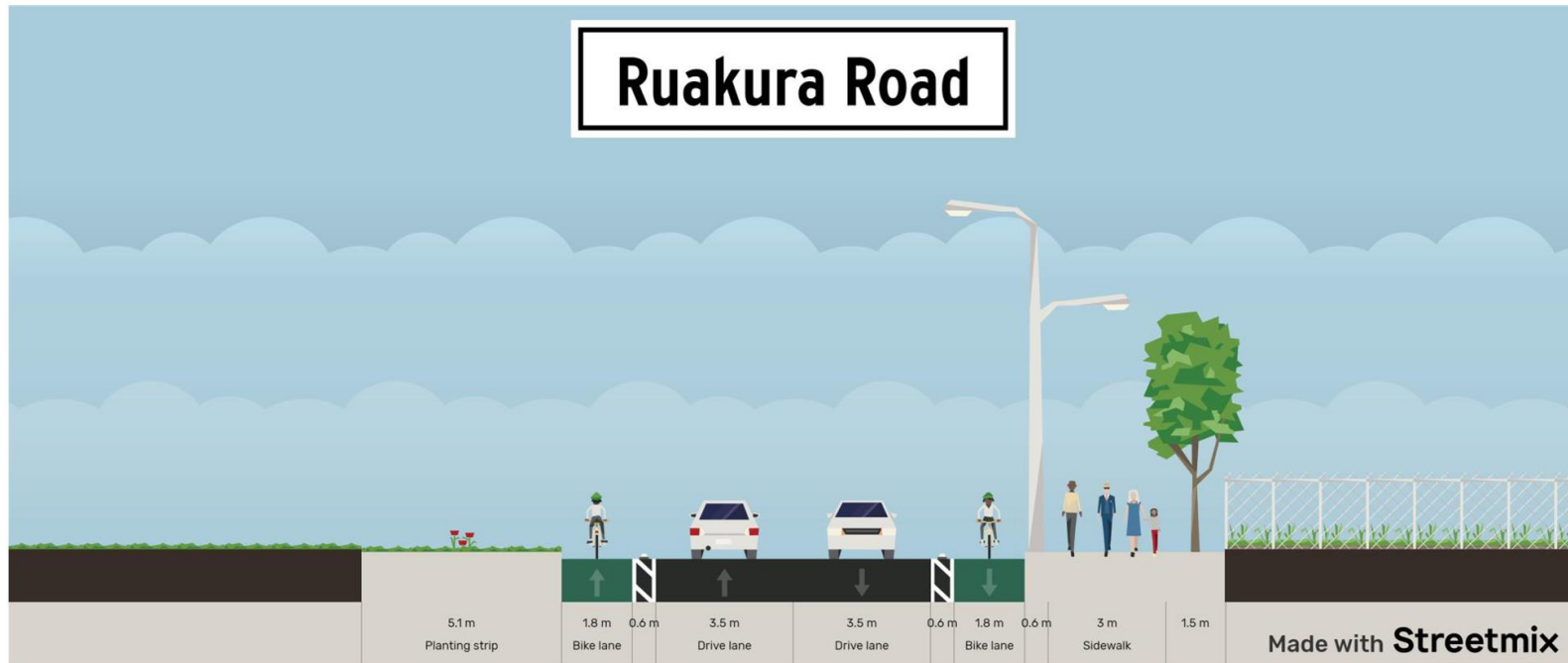


TYPICAL PAVEMENT CROSS SECTION
1:100

NOTES:
TYPICAL SECTION INDICATIVE AND BASED
OFF AERIAL IMAGERY AND LIDAR SURVEY

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Council Report

Committee: Strategic Growth Committee **Date:** 14 May 2020

Author: Robyn Denton **Authoriser:** Chris Allen

Position: Network Operations and Use **Position:** General Manager
Leader, City Transportation Development
Unit

Report Name: Hamilton City Council's Draft 1 Submissions to the draft Government Policy Statement on Land Transport 2021 and the draft New Zealand Rail Plan

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on the draft Government Policy Statement on Land Transport 2021/22–2030/31 (Draft GPS 2021) and to seek approval of Council's **Draft 1** submission in response to the Ministry of Transport's request for feedback.
2. To inform the Strategic Growth Committee on the draft New Zealand Rail Plan and to seek approval of Council's **Draft 1** submission in response to the Ministry of Transport's request for feedback.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Strategic Growth Committee:
 - a) receives the report;
 - b) approves Hamilton City Council's **Draft 1** submission (Attachment 1) to the draft Government Policy Statement on Land Transport 2021;
 - c) approves Hamilton City Councils **Draft 1** submission (Attachment 2) to the draft New Zealand Rail Plan; and
 - d) notes that following the Strategic Growth Committee's approval of the draft submissions, the final submissions be sent to the Ministry of Transport by 15 May 2020 (noting that the Ministry of Transport has provided HCC an extension to the official 11 May submission closing date through to 15 May 2020).

Executive Summary - *Whakaraapopototanga matua*

4. The Ministry of Transport has released the draft Government Policy Statement on Land Transport 2021/22–2030/31 (draft GPS 2021) for public feedback. A copy of the 'At a Glance' overview of the GPS can be viewed [here](#), with a copy of the full GPS statement viewed [here](#).

5. The Government Policy Statement (GPS) operates under the Land Transport Management Act 2003 (LTMA 2003) and provides a long-term strategic view (10 years) of the Government's priorities for investment in the land transport network.
6. The GPS influences decisions on the allocation of over \$4 billion per year from the National Land Transport Fund (NLTF) across activity classes, such as state highways and public transport. It also guides local government and Waka Kotahi NZ Transport Agency on the type of activities that should be included in Regional Land Transport Plans (RLTPs) and the National Land Transport Programme (NLTP).
7. The Government is proposing four Strategic priorities for draft GPS 2021:
 - **Safety** – developing a transport system where no-one is killed or seriously injured
 - **Better travel options** – providing people with better transport options to access social and economic opportunities
 - **Improving freight connections** – improving freight connections for economic development
 - **Climate change** – developing a low carbon transport system that supports emission reductions, while improving safety and inclusive access
8. 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* has informed funding decisions in the GPS 2021.
9. Council responded to the request to provide feedback on the release of an earlier version of the draft New Zealand Rail Plan and the proposed supporting legislation. The form of feedback was by submission which was presented to the 13 February 2020 meeting of the Strategic Growth Committee. A copy of the approved submissions can be found [here](#).
10. As well as inviting feedback, Ministry of Transport proposed to undertake direct engagement but this has not occurred due to COVID-19. They are now calling for formal submissions on the same document, the draft Rail Plan which is unaltered since Council's earlier feedback.
11. In releasing the draft documents for feedback Ministry of Transport also advised the following:

"The COVID-19 virus has impacted almost every aspect of life in New Zealand and we know everyone is focused on doing their part. Here at the Ministry we are working at pace to protect our transport system, particularly as the nation works towards elimination and, over time, lower alert levels.

We are closely considering the social and economic effects of the coronavirus and how they could impact our transport system over the medium and longer terms. However, until these effects are more fully modelled, the priorities of the draft GPS 2021 / draft Rail Plan still represent the Government's 10 year aims. Within this context, your views on these policy projects, and how they propose to shape the future of New Zealand's transport system, are very important".
12. At its 13 February 2020 meeting Strategic Growth Committee also received a report on Arataki and made a submission. Arataki is Waka Kotahi's 10-year view on what is needed to deliver on the government's current priorities and long-term objectives for the land transport system.
13. Waka Kotahi NZ Transport Agency have advised that they are currently updating Arataki to consider the impacts of COVID-19 on the land transport system and to identify post COVID-19 opportunities. They expect to produce Arataki version 2 by mid-June 2020.

14. HCC's **Draft 1** submissions were circulated to Elected Members and Maangai Maaori for feedback on 5 May 2020.
15. Elected Members and Maangai Maaori were then invited to participate in a Zoom meeting on 8 May 2020 to discuss the **Draft 1** submissions.
16. Feedback will be incorporated into **Draft 2** submissions, which will be circulated to Committee members prior to the 14 May 2020 Strategic Growth Committee meeting.
17. Staff consider the decision in this report has low significance and that the recommendations comply with the Council's legal requirements.

Background - Kooreo whaimaarama

Draft Government Policy Statement on Land Transport 2021/22–2030/31

18. The Ministry of Transport has released the draft Government Policy Statement on Land Transport 2021/22–2030/31 (draft GPS 2021) for public feedback.
19. The GPS helps to guide investment in land transport by providing a long-term strategic view of the Government's priorities for investment in the land transport network.
20. It outlines the government's strategy to guide land transport investment over the next 10 years. It also provides guidance to decision-makers about where and under what conditions Government will focus resources. The GPS operates under the Land Transport Management Act 2003 (LTMA 2003), which sets out the scope and requirements.
21. The GPS provides direction and guidance to those who are planning, assessing, and making decisions on investment of over \$4 billion a year from the National Land Transport Fund (NLTF). It also provides signals for a further \$1 billion co-investment each year by local government.
22. The GPS influences decisions on how money from the NLTF will be invested across activity classes, such as state highways and public transport. It also guides local government and Waka Kotahi NZ Transport Agency on the type of activities that should be included in Regional Land Transport Plans (RLTPs) and the National Land Transport Programme (NLTP).
23. On 2 May 2018 HCC made a comprehensive submission to the draft Government Policy Statement on Land Transport 2018/19-2027/28 – refer [here](#)
24. The key points noted in the submission on the draft 2018 GPS were:
 - i. HCC supports the content and direction of the draft 2018 GPS.
 - ii. HCC supports the adoption of a 'Vision Zero' framework when developing a new road safety strategy, and in the interim supports safety being a strategic priority.
 - iii. HCC supports the increase in the road policing activity class and would also like to see processes adopted that allow the city and the region to have direct involvement in determining priority areas for road policing.
 - iv. HCC would like to see safety cameras in the city funded from this activity class that support the zero-road death target adopted by HCC and which will be necessary for any 'Vision Zero' framework.
 - v. HCC supports the new investment signals given for footpaths and looks forward to these being progressed through the NZ Transport Agency Investment Assessment framework.
 - vi. HCC would like to see priority given to increasing safety on State Highway 1 south of Cambridge and on State Highway 29 to Tauranga, together with protection of a four-lane corridor for the future, if there are no immediate plans to implement four-laning.

- vii. HCC supports the ongoing focus and priority on transport that supports urban growth and opens up areas to existing and new housing development.
 - viii. HCC would like the investment decision processes to be reviewed to ensure that value for money also considers timely decision-making.
 - ix. HCC supports the new activity class 'Transitional Rail Funding' and looks forward to the continuation of this funding following the rail review and Stage 2 of the GPS.
25. Local Government NZ (LGNZ) will also be making a submission to draft GPS 2021 and has established a small Advisory Group of mostly senior RCA representatives along with Transport Special Interest Group (TSIG) representatives to help provide sector advice on their submission's content.
26. HCC's Network Operations and Use Leader (City Transportation) is part of LGNZ's Advisory Group and has shared the key elements of HCC's submission with the Advisory Group members and with staff from Waikato Regional Council for the development of the Regional Transport Committee submission.

Draft New Zealand Rail Plan

27. The draft Rail Plan notes;
- a) 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).
 - b) 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.
 - c) In Auckland and Wellington early investment in the metro rail networks has seen passenger growth outstrip expectations.
 - d) 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).
 - e) 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.
 - f) The proposed investment priorities in the *Draft Rail Plan* will also underpin future budget considerations for Crown investment.
28. At the 13 February 2020 Strategic Growth Committee approved submissions to the draft Rail Plan and the supporting proposed legislation changes through the Land Transport (Rail) Legislation Bill. Councillor Macpherson and General Manager Development presented the submissions to the Transport and Industrial Select Committee on 26 February 2020. The Bills are due to be reported by June 2020.

Government Policy Statement on Land Transport 2021/22 – 30/31 (GPS 2021)

29. The purpose of the transport system is to improve people's wellbeing, and the liveability of places. It does this by contributing to five key outcomes, identified in the Ministry of Transport's (MOT) Transport Outcomes Framework shown in Figure 1 below:

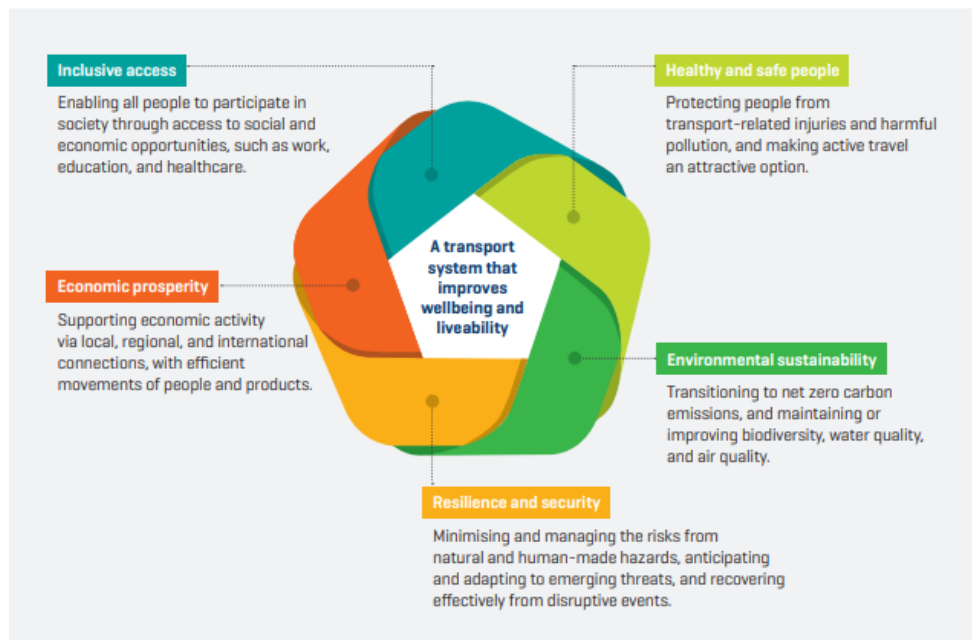


Figure 1: Transport Outcomes Framework

30. The Draft GPS 2021 builds on the strategic direction of GPS 2018 by maintaining the priorities but updating them to align with recent policy work and simplifying them.
31. The Government has identified **four Strategic Priorities** for land transport investment to best contribute to improving our communities' wellbeing and liveability as shown in Figure 2 below:

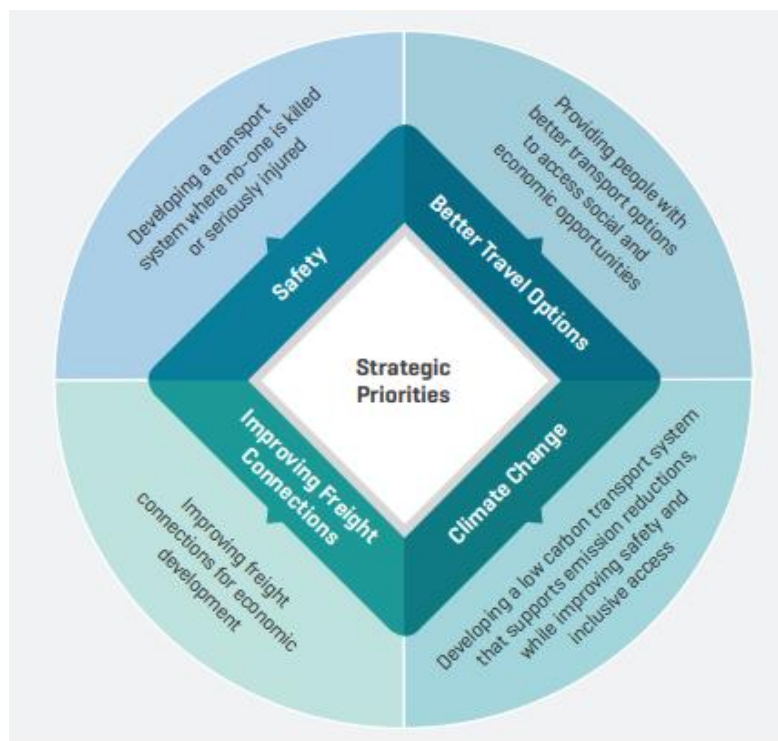


Figure 2: Strategic Priorities for GPS 2021

32. The strategic priorities in GPS 2018 were Safety, Access, Environment and Value for Money. Value for Money has now been embedded throughout GPS20-21 and Access has been split into

Better Travel Options and Improving Freight Connections. Environment has been renamed Climate Change.

33. GPS 2021 identifies **four Government Commitments** for which the Government expects forthcoming NLTPs to meet investment expectations across total investment in activities. This does not mean that the Government considers other projects or activities to be less likely to meet GPS 2021 outcomes. Rather, it seeks to provide certainty of funding to the four programmes that have specific existing commitments made by the Government and also provides transparency for GPS 2021 users.
34. The four Commitments are:
 - Auckland Transport Alignment Project (ATAP)
 - Let's Get Wellington Moving (LGWM)
 - Road to Zero (around 70 percent of this investment will be outside of Auckland and Wellington)
 - supporting implementation of the New Zealand Rail Plan
35. GPS 2021 provides more guidance on how additional approaches to funding and financing land transport investment should be considered.
36. This is the **first GPS under which KiwiRail is directly funded from the NLTF**. As indicated in GPS 2018, GPS 2021 implements the findings of the Future of Rail Review.
37. The purpose of the Rail Network activity class is to implement the Rail Plan. It provides significant funding to KiwiRail to maintain and renew the national rail network. The Rail Plan is also currently out for engagement and legislation change is required to implement a new planning and funding framework. The proposed funding for rail and its incorporation into the draft GPS is contingent on the passing of the Land Transport (Rail) Legislation Bill, which will implement a new planning and funding framework for rail.
38. The infrastructure for the Auckland and Wellington metropolitan rail networks and inter-regional rail that began under the Transitional Rail activity class in GPS 2018 will now be delivered through the public transport infrastructure activity class.
39. Ultimately the **Government's expectation for investment in coastal shipping** is to embed mode neutrality and choice for freight transporters, to allow New Zealand flagged coastal shipping to operate on a level playing field with other freight operators, and to enhance the sustainability and competitiveness of the domestic sector. It also reflects the Government's interest in partnering with industry to understand the challenges facing coastal shipping and working with it to address these challenges. The initial three years of funding will include relevant research to see what future support for the sector may help achieve Government's aims.
40. The **Road to Zero activity class** incorporates road policing funding, and the safety promotion funding from the Road Safety Promotion and Demand Management activity class from GPS 2018. It also incorporates infrastructure funding previously delivered through the state highway improvements, local road improvements, and regional improvements activity classes.
41. The combination of local road improvements, state highway improvements, and improvement activities delivered through the Road to Zero activity class exceed the investment in road improvements delivered through GPS 2018.

42. **Travel demand management activities** will be funded from multiple activity classes in GPS 2021. Alongside integrated planning and optimisation of existing networks, travel demand management is an important tool for avoiding or delaying the need for major investment in new capacity – and is therefore a critical part of achieving value for money from transport investment.
43. Following the **disbandment of the Road Safety Promotion and Demand Management activity class**, travel demand management activities should be funded from other relevant activity classes, depending on the intervention undertaken. We have ensured that activity class definitions are sufficiently broad to allow this.
44. To more clearly set out the **Government's expectations for investment in public transport**, the Public Transport and Rapid Transit activity classes have been replaced by the Public Transport Services and Public Transport Infrastructure activity classes. This change allows the Waka Kotahi NZ Transport Agency (Waka Kotahi) to separate regular investment to support continuous services, from investment in brand new infrastructure and services, and gives it the flexibility to deliver the most appropriate improvements as urban areas grow.
45. The **Regional Improvements activity class** was established in 2015 to provide assurance of investment to regions. GPS 2021 instead builds regional priorities across funded activity classes, particularly focusing on:
 - implementing the Road to Zero strategy – this GPS 2021 invests significantly in safety infrastructure, and around 70 percent of safety improvements will be outside of Wellington and Auckland
 - improving the freight network for primary produce and commodities to markets – including activity classes for rail and coastal shipping
 - sufficient funding to maintain road networks to the condition required to ensure a safe and resilient network – included in local and state highway road activity classes.
46. The **New Zealand Upgrade Programme** announced in December 2019 will provide \$6.8 billion of transport investment into roads, rail and walking and cycling from 2019/20. While this is Crown funding outside GPS 2021, it will be delivered by Waka Kotahi and KiwiRail, and will significantly progress the transport strategic priorities.
47. **GPS 2021 includes 11 separate activity class funding ranges** which do not include the Crown investment programme. Section 3.6 of GPS 2021 sets out the Crown investment and how it adds to the fund over the ten years of GPS 2021. It is noted that this will be updated following Budget 2020. When combining the Crown funding and the activity class funding ranges, total investment under GPS 2021 is around \$54 billion. Investment levels are the same or higher for all activities as they were under GPS 2018.
48. Finally, Section 3 sets out the **Ministerial expectations** for how Waka Kotahi gives effect to the investment strategy

Hamilton City Council Submission

49. The Draft GPS 2021 consultation pack includes a Submission Form with a series of questions posed for the various components of the proposal.
50. HCC's Draft 1 submission was circulated to Elected Members and Maangai Maaori for feedback on 5 May 2020.
51. Elected Members and Maangai Maaori were then invited to participate in a Zoom meeting to discuss and provide to GPS feedback on Draft 1.
52. Feedback will be incorporated into Draft 2, which will be circulated to Committee members prior to the 14 May 2020 Strategic Growth Committee meeting.

53. Staff sought and were granted an extension to the official 11 May submission closing date through to 15 May 2020 by the MOT's GPS Team to enable Draft 2 to be considered and approved at the 14 May Strategic Growth Committee meeting.
54. The submission is generally supportive of the proposed changes and includes specific feedback on the questions posed in the submission form.
55. The proposed changes will assist in the delivery of the following Access Hamilton Strategy outcome areas:
 - **Choice:** everyone has travel options for moving around the city.
 - **Safe:** everyone experiences a safe and enjoyable journey.
 - **Smart:** our transport network is adaptable and resilient to change.

The fourth outcome area of the access Hamilton Strategy is: **Growth:** we are forward thinking with our city planning and create attractive neighbourhoods which keep our city moving

57. Growth is supported mainly through the strategic priority of Better Travel Options with expected outcomes of improved access to social and economic opportunities and of modal shift to public transport and/or active modes.
58. GPS 2021 also signals that it together with the Housing and Urban Development (HUD) GPS will provide consistent strategic direction across the spectrum of transport and land-use policy. HUD are leading their own GPS on Housing and Urban Development which will communicate the Governments long-term vision for the housing and urban development system.
59. The key points from the HCC submission on the draft GPS 2021 are:
 - i. Overall HCC supports the content and direction of the Draft GPS 2021.
 - ii. HCC welcomes the acknowledgment of the local government sectors role in transport (paragraph 29) as the largest "owner" of the roads and biggest co-funder in the National Land Transport Programme (NLTP).
 - iii. HCC note that the COVID-19 situation will have a strong impact on the NLTF and Council revenue. The GPS may require reviewing as a result of this and any economic recovery decisions.
 - iv. HCC support the approach being proposed for large-scale and intergenerational projects, whereby alternative funding sources and financing options should be investigated and that for investments creating value (e.g. rapid transit) that this value should be considered to offset the costs of the transport investment.
 - v. HCC support making investments ahead of demand. The Hamilton to Auckland Passenger Rail Start-up service, enhancements to this service, Rapid Rail from Hamilton to Auckland, Mass Transit options and appropriate transit orientated design principles are all examples of this and reflective of the work that Government is doing with the FutureProof partnership.
 - vi. HCC support implementing the NZ Rail Plan to enable reliable and resilient metropolitan rail networks in Auckland and Wellington but notes no reference is made on enhancing the Hamilton to Auckland Passenger Rail Start-up service or to consider a Waikato-Hamilton Metro rail service. HCC has submitted on this matter to the draft NZ Rail Plan as well. HCC would like to see support for inter-regional rail services in GPS2021.
 - vii. HCC support the inclusion of Coastal Shipping in the NLTF if it can be demonstrated there is a benefit to the Land Transport system.
 - viii. While HCC is supportive of Government's commitments to the delivery of Auckland Transport Alignment Project (ATAP) and "Let's Get Wellington Moving" (LGWM) it would

also like Government to commit to key programmes and projects emerging from the Hamilton to Auckland Corridor initiative, which will shape Hamilton's Urban Form, make shared and active modes more attractive and influence travel demand and transport choice.

- ix. HCC is concerned about the removal of the Travel Demand Activity Class and do not believe that all of the activities that are currently delivered via this funding will be accommodated in the proposed methodology of including funding within projects. Consideration needs to be given to a "Behavioural Change" activity class that would include the "soft" measures that are associated with both road safety and TDM.
- x. HCC support the change in the strategic priority from previous "Environment" to "Climate Change" but notes a concern that a single focus on greenhouse gas emissions may come to the detriment of wider environmental considerations and resilience.
- xi. It is essential that there are a common set of indicators used nationally across all strategic documents so that there is efficiency and consistency in data gathering and information/results reporting. The work outlined in the Investment Decision-Making Framework released by Waka Kotahi late in 2019 had a wide range of indicators that should be the starting point for how progress will be measured for the implementation of GPS 2021.
- xii. HCC request that the Statement Ministerial Expectations on behaviours and actions required from Waka Kotahi (section 3.7) provide stronger emphasis on working in partnership with the local government sector and highlight the level of knowledge and expertise within the local government sector.

Draft New Zealand Rail Plan

60. 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

61. Council has made its submission to the Land Transport (Rail) Legislation Bill supporting rail investment decisions being taken under the Land Transport Management Act.

62. Part B-Investing in the Rail Network

63. The DNZRP submission proposes that:
- i. 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.
 - ii. 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).
 - iii. 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.

- iv. 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.
- v. HCC submits that a priority action should be to explore the hydrogen opportunities.

Part B-Investing in Metropolitan Rail

64. The submission proposes that:

- i. 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.
- ii. 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.
- iii. HCC supports all of the Future Opportunities noting that funding availability is a determinant.
- iv. 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.
- v. 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]

- 65. Staff have updated the submission to reflect that the FutureProof Councils have identified a "shovel ready" package to improve the level of service for the Hamilton to Auckland Start-up service which includes the need to undertake concept planning for a Hamilton Central rail station to be at the heart of a Metro Rail service.

Financial Considerations - *Whaiwhakaaro Puutea*

- 66. The costs associated with the preparation of this submission is a regular operating activity funded through the 2018-28 Long-Term Plan.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

- 67. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

- 68. 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').
- 69. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
- 70. The recommendations set out in this report are consistent with that purpose.
- 71. There are no known social, economic, environmental or cultural considerations associated with this matter.

Risks - *Tuuraru*

- 72. There are no known risks associated with the decisions required for this matter.
- 73. There is a risk that if HCC does not submit on Draft GPS 2021, then it will be assumed that HCC is in full agreement with all proposals.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

- 74. 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

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

Attachments - *Ngaa taapirihanga*

Attachment 1 - Hamilton City Councils Draft 1 Submission to the Draft GPS 2021 on Land Transport (14 May 2020)

Attachment 2 - Hamilton City Councils Submission to the Draft New Zealand Rail Plan (14 May 2020).

DRAFT 1

Submission by

Hamilton City Council

DRAFT GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT 2021/22–2030/31 (DRAFT GPS 2021)

14 May 2020

1. SUMMARY OF KEY POINTS

- 1.1. Overall HCC supports the content and direction of Draft GPS 2021.
- 1.2. HCC welcomes the acknowledgement of the local government sectors role in transport (paragraph 29) as the largest 'owner' of roads and biggest co-funder in the National Land Transport Programme (NLTP).
- 1.3. HCC note that the COVID-19 situation will have a strong impact on NLTF and Council revenue. The GPS may require reviewing as a result of this and any economic recovery decisions.
- 1.4. HCC support the approach being proposed for large-scale and intergenerational projects, whereby alternative funding sources and financing options should be investigated and that for investments creating value (e.g. rapid transit) that this value should be considered to offset the costs of the transport investment.
- 1.5. HCC support making investments ahead of demand. The Hamilton to Auckland Passenger Rail Start-up service, enhancements to this service, Rapid Rail from Hamilton to Auckland, Mass Transit options and appropriate transit orientated design principles are all examples of this and reflective of the work that Government is doing with the FutureProof partnership.
- 1.6. HCC support implementing the NZ Rail Plan to enable reliable and resilient metropolitan rail networks in Auckland and Wellington, but notes no reference is made on enhancing the Hamilton to Auckland Passenger Rail Start-up service or to consider a Waikato-Hamilton Metro rail service. HCC has submitted on this matter to the draft New Zealand Rail Plan as well. HCC would like to see support for inter-regional rail services in GPS 2021.
- 1.7. HCC support the inclusion of Coastal Shipping in the NLTF if it can be demonstrated there is benefit to the Land Transport system.
- 1.8. While HCC is supportive of Government's commitments to the delivery of Auckland Transport Alignment Project (ATAP) and "Let's Get Wellington Moving" (LGWM) it would also like Government to commit to key programmes and projects emerging from the Hamilton to Auckland Corridor initiative, which will shape Hamilton's Urban Form, make shared and active modes more attractive and influence travel demand and transport choice.
- 1.9. HCC is concerned about the removal of the Travel Demand Activity Class and do not believe that all of the activities that are currently delivered via this funding will be accommodated in the proposed methodology of including funding within projects. Consideration needs to be given to a "Behavioural Change" activity class that would include the "soft" measures that are associated with both road safety and TDM.

Item 8
Attachment 1

- 1.10. HCC support the change in the strategic priority from previous “Environment” to “Climate Change” but notes a concern that a single focus on greenhouse gas emissions may come to the detriment of wider environmental considerations and resilience.
- 1.11. It is essential that there are a common set of indicators used nationally across all strategic documents so that there is efficiency and consistency in data gathering and information/results reporting. The work outlined in the Investment Decision-Making Framework released by Waka Kotahi late in 2019 had a wide range of indicators that should be the starting point for how progress will be measured for the implementation of GPS 2021.
- 1.12. HCC request that the Statement Ministerial Expectations on behaviours and actions required from Waka Kotahi (section 3.7) provide stronger emphasis on working in partnership with the local government sector and highlight the level of knowledge and expertise within the local government sector.

2. BACKGROUND

- 2.1 Hamilton City Council (HCC) supports the overall long-term direction and intent of the Draft Government Policy Statement on Land Transport 2021/22-2030/31 (draft GPS 2021), which is strongly and strategically aligned to Hamilton City’s key transport plan - Access Hamilton.
- 2.2 HCC understands that draft GPS 2021 is the first stage of Government’s development of the GPS, and that a revised GPS 2021 may be released by the Ministry of Transport towards the end of the year – especially as the impacts of COVID-19 are better understood.
- 2.3 The partnership with central government on a number of matters, including funding, is critical to achieve the outcomes sought for the Waikato sub-region. In particular, HCC is appreciative of the role central government and its agencies have played in the Hamilton to Auckland Corridor initiative.
- 2.4 HCC would like to see funding support either in the NLTP or through other Crown investments to deliver some of the key projects arising out of the emerging Waikato/Hamilton Metro-Spatial Plan and the Mass Transit Plan.

Specific Comments on the Draft GPS 2021 Consultation Document

3. SECTION 2: STRATEGIC DIRECTION

3.1 Section 2.1 The Strategic Priorities for GPS 2021

- 3.1.1 Alignment between the strategic priorities and the Ministry of Transport’s Transport Outcomes Framework is critical, as this recognises that transport planning and investments have long lead times and that investment needs to be guided by a long-term strategic approach. The consistent guidelines for RLTP 2021 development around the country will be using this framework as the foundation of RLTP strategic frameworks.
- 3.1.2 HCC support the 4 Strategic priorities outlined in draft DPS 2021 subject to the points made in this submission.

3.2 Section 2.2 Strategic Priority: Safety

- 3.2.1 HCC strongly support the Government in the move towards a Vision Zero approach to road safety included in Road to Zero.
- 3.2.2 HCC adopted Vision Zero in June 2017. Strong leadership at a national level makes it easier for Hamilton, the Waikato Region and other regions to progress on transport safety issues, to save more lives sooner, and reduce costs while doing so.
- 3.2.3 Vision Zero is a proven approach being applied by many jurisdictions globally, is customer-focused and human centered, and identifying this as a Strategic Priority in GPS 2021 will help build trust across New Zealand communities that people’s safety is at the heart of what we do.

3.2.4 HCC make the following comments on the 'How to deliver these outcomes' section (page 17):

- HCC support the focus on increased access to safer travel modes in the main metropolitan centres, including Hamilton.
- The identification of infrastructure safety treatments is being provided by the Waka Kotahi 'Safety Pipeline tool', which is useful, but the Standard Safety Interventions are very rural network focused and the process for funding approval is still taking too long. The process also doesn't accommodate the development and approval of packages of work which move outside vehicle safety to incorporate accessibility for those walking and cycling.
- Enhancing the safety and accessibility of footpaths, bike lanes and cycleways needs to include the creation of these facilities – not just enhancing the existing facilities.

3.2.5 HCC support the proposed approach in the 'How progress will be measured' section (page 17) of linking to the indicators proposed in Road to Zero and the New Zealand Rail Plan. It is essential that there are a common set of indicators used nationally across all strategic documents so that there is efficiency and consistency in data gathering and information/results reporting. The work outlined in the Investment Decision-Making Framework released by Waka Kotahi late in 2019 had a good range of indicators that reflected the wider health benefits of safety by enabling healthy and accessible communities that go beyond reduced deaths and serious injuries.

3.3 Section 2.3 Strategic Priority: Better Travel Options

3.3.1 HCC support the change in language (Paragraph 44) toward 'livable cities and towns, people friendly places, healthy environments, improved wellbeing'. This encourages land use and transport planning as an integrated process, a shift toward movement and place functionality in both planning and design considerations.

3.3.2 The Better Travel Option priority is to "provide people with better travel options to access places for earning, learning and participating in society" – but misses out access to essential services such as Health. Essential services are being increasingly focused in major cities and there is a need therefore to *Continue investing in specialised mobility services to support accessibility, such as 'Total Mobility'* and greater recognition and funding of community-based transport providers such as Health Shuttle services, particularly in rural areas who have to travel to centres for essential services.

3.3.3 HCC make the following comments on the 'How to deliver these outcomes' section (page 19):

- Support the "optimise and maintain existing infrastructure" focus as this strongly correlates to the intervention hierarchy used by Access Hamilton since its adoption in 2010.
- Support the focus on the implementation of Mode Shift Plans in the main centres including Hamilton and the partnering opportunity with Waka Kotahi to accelerate mode shift. The Mode Shift Plans need to be delivered and supported as a business case which will make delivery faster and simpler and not treated on a project by project basis.
- Shaping urban form, making shared and active modes more attractive and influencing travel demand and transport choice are core activities that local government have been struggling to achieve due to funding constraints and increasingly difficult and protracted funding approval processes.
- HCC is appreciative of the partnership approach to the Hamilton to Auckland Corridor initiative which will build on the good work that the City has undertaken to plan its land use and urban form. The Waikato-Hamilton Metro Spatial Plan in particular arising out of the Corridor initiative will enhance urban form across the sub-region of Hamilton City and the Waikato and Waipa districts.
- While HCC is supportive of Government's commitments to the delivery of Auckland Transport Alignment Project (ATAP) and "Let's Get Wellington Moving" (LGWM), it would also like Government to commit to key programmes and projects emerging from the Hamilton to Auckland Corridor initiative, which will shape Hamilton's Urban Form, make shared and active modes more attractive and influence travel demand and transport choice.

- HCC support implementing the NZ Rail Plan to enable reliable and resilient metropolitan rail networks in Auckland and Wellington, but notes no reference is made on enhancing the Hamilton to Auckland Passenger Rail Start-up service or to consider a Waikato-Hamilton Metro rail service. HCC has submitted on this matter to the draft New Zealand Rail Plan as well. HCC would like to see support for inter-regional rail services in GPS 2021.

3.3.4 HCC make the following comments on the “How progress will be measured” section (page 19):

- Request clarification between rapid/mass transit public services and localised public transport services for measuring “access to frequent public transport services”.
- The work outlined in the Investment Decision-Making Framework released by Waka Kotahi late in 2019 had a good range of indicators that should be the starting point for this section.

3.4 Section 2.4 Strategic Priority: Improving Freight Connections

3.4.1 HCC support inclusion of rail as a key component of achieving the freight task in New Zealand. The efficient movement of freight is vital to our economic success. The upper North Island’s road and transport network connects Auckland, Hamilton and Tauranga and carries the majority of New Zealand’s people and goods.

3.4.2 The country’s highest traffic volumes are found in and around these cities, and the road and rail freight routes between Tauranga and Auckland (via Hamilton) form the country’s most significant freight corridor.

3.4.3 The majority of the freight task is carried on roads rather than rail, however the Waikato and Bay of Plenty have the most densely used section of the national rail network, accounting for about one third of rail traffic, with a focus on the Port of Tauranga.

3.4.4 It is estimated that growth of throughput processed by the Port of Tauranga could add up to 75 percent to rail freight movements over the next 30 years.

3.4.5 For the Waikato Region, protecting the North Island Main Trunk (NIMT) and East Coast Main Trunk (ECMT) for interregional freight movement is a priority. The growth of Auckland and level of passenger train movements on the NIMT will progressively create a conflict with freight operations, so ongoing investment in rail’s resilience, capacity and efficiency is critically important to be able to respond to the current and projected freight task.

3.4.6 HCC also notes that it is important to support inland ports such as Ruakura in the City and Northgate at Horotiu including road and rail investment.

3.4.7 HCC support the inclusion of Coastal Shipping in the NLTF if it can be demonstrated there is benefit to the Land Transport system. HCC notes that Government’s intent in including Coastal Shipping is to embed mode neutrality and choice for freight transporters, and that the initial three years of funding will include relevant research to see what future support for the sector may help achieve Government’s aims.

3.4.8 Waikato roads carry large freight volumes compared to our population and trucks are significantly over-represented in serious and fatal road crashes. Ensuring that there are appropriate improvements to the key routes unable to be serviced by rail will be crucial to ensuring we achieve Road to Zero targets.

3.4.9 It is important that there is transparency over rails contribution to the NLTF in comparison to what it draws out of the fund over time. The level of contributing funding for rail was not known at the time of preparing draft GPS 2021. It is proposed that rail track user charges will be implemented and be included in the NLTF as a contribution to the costs of rail and there is an indication in Appendix 1 that Crown funding is also expected to contribute towards these costs. Until this is known it is difficult to comment whether the level of NLTF funding for rail will be detrimental to the other outcomes sought from GPS 2021.

3.5 Section 2.5 Strategic Priority: Climate Change

- 3.5.1 HCC support the change in the strategic priority from previous “Environment” to “Climate Change” but notes a concern that a single focus on greenhouse gas emissions may come to the detriment of wider environmental considerations and resilience.
- 3.5.2 HCC request that consideration also be given to the other negative impacts on the environment that result from the transport activity e.g. stormwater quality, and reflects the increasing costs associated with ensuring the impact of transport on the water quality is avoided, remedied or mitigated. In the Waikato there is a responsibility to “enhance” rather than mitigate as a result of River legislation.
- 3.5.3 HCC request that the scope of this strategic priority be widened to accommodate the changes needed to the network to ensure it is resilient to the changes that will result from Climate Change e.g. rising sea level impacts on coastal roads or alternatively Resilience could be a new strategic priority.
- 3.5.4 HCC note the overlap of this strategic priority with the priority of better travel options and the common need for modal shift including having inter-regional and metro rail options.
- 3.5.5 HCC looks forward to being involved in the prioritisation of actions resulting from the development of the National Climate Risk Change Assessment (NCCRA).

3.6 Section 2.6 Indicators for How Progress will be Measured

- 3.6.1 HCC welcomes the inclusion of the indicators that will be used to measure progress on the implementation of GPS 2021 and note that these may be updated when the investment strategy is finalised.
- 3.6.2 HCC request that the proposed indicators build upon work that has already been commenced by Waka Kotahi in their Investment Decision-Making Framework as this will enable more efficient and consistent reporting to be completed by the sector.
- 3.6.3 HCC notes the following specific comments in regard to the proposed indicators:
 - Indicator 2.F – the number of dedicated road policing staff is an important indicator for achieving a safer land transport network and an increase in these numbers would be supported. We note that in the New Activity Classes Road to Zero information in paragraph 118 that there is an indication that the intention is just to maintain current numbers.
 - Indicator 3.H – instead of the percentage of people who can access, it will be important that we are actually able to identify those that cannot access essential services and then look to reduce those numbers.
 - Indicators 4.I – as noted previously, HCC requests clarification between rapid/mass transit public services and localised public transport services for measuring “access to frequent public transport services”.
 - Indicator 6.N – reliable freight routes are important for ensuring the economic benefits are able to be maximised. HCC suggests that the number of affected travel hours that priority routes are unavailable should utilise the One Network Road Classification (or One Network Framework when that is fully implemented) to identify these routes and that this should only relate to “unplanned” events e.g. weather or crashes.

4. SECTION 3 INVESTMENT IN LAND TRANSPORT

4.1 Section 3.1 Funding Land Transport

- 4.1.1 HCC support the approach being proposed for large-scale and intergenerational projects, whereby alternative funding sources and financing options should be investigated and that for investments creating value (e.g. rapid transit) that this value should be considered to offset the costs of the transport investment.

4.1.2 HCC note that it is already working closely with Government looking at alternative funding and financing options for some of its larger growth programmes.

4.2 Section 3.2: Principles for Investing

4.2.1 HCC support the methods outlined for seeking value for money in our activities and in particular;

- Effectiveness is strongly correlated with the hierarchy of interventions (paragraph 91) which Hamilton City adopted in its 2010 Access Hamilton Strategy and which remains a core principle in the refresh strategy.
- Efficiency including an assessment of the “whole of life costs” is strongly supported – often the “value engineering” process used to manage project costs result in short-term savings but long-term costs. This will be particularly important for arrangements that arise out of alternative funding and financing arrangements where assets are expected to be delivered to Council for ongoing operation and maintenance.
- While a business case approach is supported, there is ongoing concern about the efficiency of the current transport business case process. A business case needs to be fit for purpose and more strongly related to the value of the proposed project. There is still too much time and money being spent on this process for many transport decisions that don’t require the same level of analysis as large complex projects.
- Making the most of our existing land transport network is strongly correlated with the hierarchy of interventions (paragraph 91), which HCC adopted in its 2010 Access Hamilton Strategy and which remains a core principle in the refresh strategy.
- HCC strongly support the role of policies and behavior change programmes – “soft” methods to support travel demand management (TDM). While we support TDM being developed as part of transport planning and business case processes, then funded from the most appropriate activity class this only allows for TDM to be associated with physical projects.
- HCC strongly advocate for continuation of a fund for non-project related “soft” education and promotional activities e.g. workplace travel advisors promoting walking, cycling, public transport and car sharing are not able to be tied to physical projects but are great methods for reducing single occupant vehicle usage.
- Innovation can increase the net benefits from land transport investment and use
HCC support Waka Kotahi investing from the fund to support innovation.
- Sometimes lead investments will be appropriate
- HCC strongly support making investments ahead of demand. The Hamilton to Auckland Passenger Rail Start-up service, enhancements to this service, Rapid Rail from Hamilton to Auckland, Mass Transit options and appropriate transit orientated design principles are all examples of this and reflective of the work that Government is doing with the FutureProof partnership.
- The early introduction of public transport services to newly urbanising areas to help establish multi-modal travel patterns in a community from day one is another example of where lead investments are important to achieve the Outcomes that GPS 2021 is seeking. There is however, a cost to this and the current fare-box recovery requirements need to be flexible enough to accommodate the likelihood of decreased financial performance of the services in this area in the shorter term - noting that the whole of life benefits from the investment will in the longer-term outweigh these deficits in the short-term. Demand Services are also appropriate in this situation and are being developed.

4.3 Section 3.3: Dedicated Funding for Delivering Transport Priorities

- 4.3.1 HCC notes that GPS 2021 specifically states (paragraph 106) ‘that there will be no increase to FED (Fuel Excise Duty) and RUC (Road User Charges) in the first three years of this GPS’. While it is appreciated that this degree of certainty will be useful for the freight industry (for RUC in particular), given the COVID-19 implications are not fully understood this will need reconsideration in finalisation of GPS 2021. There is a strong likelihood of decreased travel moving forward and therefore less income.
- 4.3.2 Council’s ability to co-fund projects to achieve the outcomes Government expects from GPS 2021 will be challenging given COVID-19. Government will need to consider in finalising GPS 2021 short, medium and long-term impacts on council funding streams and their ability to co-invest. The variable impacts across metropolitan councils, provincial councils, rural councils, unitary councils and regional councils will vary and will need consideration.

4.4 Section 3.4 Activity Class Framework

- 4.4.1 HCC support the proposed signals that the 11 activity classes provide towards the achievement of the strategic direction signaled in draft GSP 2021. As signaled in paragraph 114, key to achieving this will be the need to ensure that Waka Kotahi has systems that can consider projects that may require investment across the activity classes. The current processes continue to be cumbersome and narrow in focus and do not facilitate the wider investment that is often needed for projects to achieve better travel options that are safe – particularly in the urban setting e.g. the Standard Safety Intervention toolkit has minimal provision for walking and cycling safety improvements and is very vehicle safety orientated. It is essential that projects requiring funding across different activity classes are supported, and that the process for obtaining funding is simple.
- 4.4.2 HCC also request that there is not only the ability to have programmes or packages of work to be funded from different activity classes, but also potentially from different Approved Organisations. This will align with the consistent prioritisation method proposed to be used by regions across New Zealand as they develop their RLTP Programme and assist in the delivery of key programmes such as Speed Management Plans at a regional level.
- 4.4.3 HCC makes the following comments in regard to the proposed new activity classes:
- Road to Zero
 - HCC is supportive of the greater focus provided to road safety activities that is provided by the proposed new activity class for “Road to Zero”.
 - HCC notes that \$1.2 billion additional investment in local roads is estimated as part of the Road to Zero interventions and that this is therefore included in this new activity class.
 - HCC is concerned that the road safety promotional activity will be such a small amount in this new activity class that it will easily be lost in the future – in a way that is similar to what is being proposed for the TDM activity.
 - HCC therefore request that consideration be given to a “behavioural change” activity class that would include the “soft” measures that are associated with both road safety and TDM. It is often hard to separate these activities in reality because one of the key reasons why people are not using sustainable modes of travel is often related to safety perceptions and concerns.
 - Rail network
 - HCC notes that the previous “Transitional Rail” activity class projects will now be funded from the Public Transport Infrastructure activity class.
 - The Transitional Rail activities were funded at up to 100% from the NLTF and HCC requests that a continuation of this approach is taken in any Investment Framework.

- Public transport services and public transport infrastructure
 - HCC supports the proposed separation between the infrastructure and the services, and then for each of these activities classes to have expenditure reporting lines for existing and new. This provides an improved level of transparency on the investment proposed into these activities.
- Coastal Shipping
 - HCC support the inclusion of Coastal Shipping in the NLTF if it can be demonstrated there is benefit to the Land Transport system. HCC notes that the initial three years of funding will include relevant research to see what future support for the sector may help achieve Government's aims.

4.4.4 HCC strongly supports greater focus on TDM opportunities to support and enhance the achievement of project outcomes, but requests reconsideration of the proposed removal of a dedicated Travel Demand Management activity class.

4.4.5 As noted previously, HCC support TDM being funded as part of an infrastructure project, but there also needs to continue to be a fund for non-project related education and promotional activities. HCC believes that TDM will get lost in the proposed change and therefore argue the need for it to remain as an activity reporting line or merged with road safety promotion to create a "behavioural change" activity class as noted above.

4.4.6 HCC supports the proposed 5 percent increase in local road maintenance and is also supportive of the proposed increase in funding for state highway maintenance. In recent years there has been a steady decline in the levels of service (including safety) be delivered via the maintenance activity and this will need to be addressed if the Road to Zero targets are to be achieved.

4.4.7 HCC notes the following specific comments in relation to Table 3: Activity classes and proposed funding ranges:

- The way the information for the activity classes been bundled together makes it hard to assess whether there is funding proposed in the expenditure reporting lines e.g. the Road to Zero activity class has four expenditure reporting lines (safety infrastructure, road policing, automated enforcement and road safety promotion) and it is possible that road safety promotion may not be appropriately funded.

4.5 Section 3.5 Delivering Government Commitments

4.5.1 While HCC is supportive of Government's commitments to the delivery of Auckland Transport Alignment Project (ATAP) and "Let's Get Wellington Moving" (LGWM), it would also like Government to commit to key programmes and projects emerging from the Hamilton to Auckland Corridor initiative, which will shape Hamilton's Urban Form, make shared and active modes more attractive and influence travel demand and transport choice.

4.5.2 HCC is concerned that investment to deliver on the Government commitments to two major metropolitan centres will be detrimental to other parts of New Zealand, including the Waikato and Tauranga metropolitan centres which also have high growth pressures.

4.6 Section 3.6 Crown Funding for Land Transport

4.6.1 The New Zealand Upgrade Programme announced in December 2019 included projects that were aimed at "*speed up travel times, ease congestion and make our roads safer*" (paragraph 13 and 139).

4.6.2 Hamilton would like to see consideration for additional Crown Funding for Waikato Land Transport Projects. The \$6.8 billion investment announced in December 2019 had very little Waikato investment.

4.7 Section 3.7 Statement of Ministerial Expectations

- 4.7.1 Section 3.7 sets out a Statement of Ministerial Expectations highlighting important behaviours or actions of Waka Kotahi to give effect to GPS 2021. Amongst other things the Minister expects that Waka Kotahi will play a more proactive role in accelerating mode shift across New Zealand, have a greater role in long-term integrated planning for the sector and to work closely with local government in developing and implementing the NLTP to give effect to the GPS.
- 4.7.2 HCC appreciates the transparency created by the inclusion of the Statement of Ministerial Expectations.
- 4.7.3 While HCC welcomes this increased focus from Waka Kotahi, it needs to be recognised that a partnership approach will be required to meet these expectations and consideration will need to be given to improving local leadership of Waka Kotahi and to recognising the level of knowledge and expertise within the local government sector both at an elected member level and a staff level. It is local government that has the direct links into the community and the responsibility for managing and delivering a large portion of the GPS 2021 outcomes that also need to contribute to improving the wellbeing of our community.
- 4.7.4 HCC specifically notes the leading role that it has taken in testing new innovative approaches to transport solutions, especially in the collection and management of land transport data and road safety initiatives. While HCC has worked closely with Waka Kotahi, HCC has been in a better position to progress early trials and initiatives on new and innovative data management and road safety improvements e.g. raised safety platforms.
- 4.7.5 There are already areas within local government that have high levels of knowledge and expertise and there is a need to ensure that Waka Kotahi is able (and expected) to utilise these skills in a partnership approach and not be expected to have all the expertise in-house.
- 4.7.6 HCC also notes and supports the emphasis provided in the Ministerial Expectations to Waka Kotahi increasing core capability and supports an increase in their capacity to undertake the work, including improved local leadership.

5. ANSWERS TO THE SPECIFIC QUESTIONS ASKED IN THE CONSULTATION DOCUMENT

- 5.1 Please note blue text taken directly from the consultation document.

5.2 Strategic Direction (Section 2/pages 13-25 of the draft GPS 2021)

The Government is prioritising investment in four areas of the land transport system over the next ten years – these are referred to as strategic priorities and are listed below. The four strategic priorities will contribute to achieving the five outcomes of the [Transport Outcomes Framework](#).

1. Do you agree these should be the strategic priorities for investment in land transport?
 - i. Safety
Yes
 - ii. Better travel options
Yes
 - iii. Improving Freight Connections
Yes
 - iv. Climate Change
Yes

2. Do you have any comments on the strategic direction section of the GPS?

- There is clear correlation that shows how GPS 2021 is being informed by the Ministry of Transport Outcomes Framework, which seeks a transport system that improves wellbeing and livability and places the GPS on a long-term strategic footing.
- Support the four new strategic priorities for land transport investment being Safety, Better Travel Options, Improve Freight Connections and Climate Change’.
- Support removing “value for money” as a strategic priority and making it a principle relevant for all investments.
- Note specific comments included in Paragraph 3 of the submission above relating to the Strategic Direction and the strategic priorities proposed in land transport.

5.3 Principles for Investing (Section 3/pages 29-30 of the draft GPS 2021)

The government provides a dedicated fund National Land Transport Fund (NLTF) to support its investments in the land transport system. The draft GPS guides how the NLTF, and funds from local government, will be invested in the land transport system to progress the four strategic priorities.

The draft GPS provides three Principles for Investing (that describe value for money) for the Waka Kotahi NZ Transport Agency (Waka Kotahi) and local government to apply to their decision-making about whether to fund land transport projects through the NLTF. These are:

- Alignment:** investments that align with the strategic direction of the GPS
- Effectiveness:** the extent to which a proposal for funding achieves the strategic priorities of the GPS
- Efficiency:** investments that are both at the best cost and achieve the best possible outcome for the total cost of ownership.

3. Do you understand the value for money principles in the draft GPS?

- ☒ Yes
☐ No

4. Do you have any other comments to make on the Principles for Investing?

Note specific comments included in Paragraph 4.2 of the submission above relating to the Principles for Investing.

5.4 Activity Classes (Section 3.4/pages 32-35 of the draft GPS 2021)

The draft GPS allocates money from the NLTF to eleven activity classes. Activity classes signal how Waka Kotahi and local government should balance investment in the land transport system. The funding ranges have been calculated in a way that assumes sufficient funding for maintenance of the network and continuing existing services before implementing the GPS strategic direction.

Local councils’ funds can still be used for projects outside of the eleven classes, but the allocations of money from the NLTF in the draft GPS should achieve the desired outcomes of the draft GPS.

The draft GPS includes three new activity classes. These are:

- Road to Zero**, which will target interventions that are key to achieving the target reductions in road deaths and serious injuries sought through the [Road to Zero strategy](#).
- Rail network**, to implement the draft [New Zealand Rail Plan](#) by funding the NLTF share of approved activities from the Rail Network Investment Programme.
- Coastal shipping**, to give freight operators more choice for how they transport their freight, and improve the competitiveness and environmental sustainability of the domestic coastal shipping sector.

5. Do you agree that funding to support Road to Zero activities (such as safety infrastructure, road policing, and road safety promotion) should come from a single activity class?

☐ Yes
☒ No
☐ I don't know

6. Do you agree that the GPS should fund maintenance and renewal of the rail freight network?

☒ Yes
☐ No
☐ I don't know

7. Do you agree that the GPS should fund coastal shipping?

☒ Yes
☐ No
☐ I don't know

The activity classes are set in a way that balances delivering the strategic priorities and maintaining the existing network. The funding allocations in the draft GPS are expected to utilise expected revenue. Allocating more funding to an activity class would require a decrease in funding for a different activity class, or additional revenue (i.e. increases to [fuel excise duties and/or road user charges](#)).

8. Considering the information above, would you support increasing or decreasing the funding levels for any activity classes? *Please add an 'x' to indicate your views on either decreasing; retaining; or increasing the allocations in the draft GPS.*

Activity Class	Decrease GPS allocation	Retain GPS allocation	Increase GPS allocation
1. Road to Zero			x
2. Public transport services			x
3. Public transport infrastructure			x
4. Walking and cycling improvements			x
5. Local road improvements	x		
6. State highway improvements	x		
7. State highway maintenance		x	
8. Local road maintenance		x	
9. Investment management		x	
10. Coastal shipping	x		
11. Rail network		x	

9. Increasing fuel excise duty (and equivalent road user charges) by one per cent a litre generates around \$50 million in revenue each year for the NLTF. The draft GPS does not propose an increase to fuel excise duty or road user charges for the next three years.

Would you support an increase to provide more funding to invest in any of the above activity classes?

☒ Yes
☐ No
☐ I don't know

10. Do you have any other comments on the activity classes in the draft GPS 2021?

Note specific comments included in Paragraph 4.4 of the submission above relating to the activity classes.

5.5 General**11. Do any of your responses contain commercially sensitive information? No****6. FURTHER INFORMATION AND OPPORTUNITY TO DISCUSS SUBMISSION POINTS**

- 6.1 Should the Ministry of Transport require clarification of the above submission points, 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.
- 6.2 Hamilton City Council would welcome the opportunity to meet with representatives from the Ministry of Transport to discuss the content of our submission in more detail.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Draft 1

Submission by

Hamilton City Council

THE DRAFT NEW ZEALAND RAIL PLAN

14 May 2020

Item 8

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 as well as the establishment of a Waikato/Hamilton Metro Rail Service.

2.0 INTRODUCTION

- 2.1 HCC welcomes the opportunity to make a submission to the Draft New Zealand Rail Plan.
- 2.2 On 17 February 2020, HCC also provided early feedback (prior to the formal engagement process) to the Ministry of Transport on the Draft New Zealand Rail Plan 2019.
- 2.3 This submission replaces the earlier February 2020 submission.
- 2.4 We would like to congratulate the Government on its foresight in developing the Draft New Zealand Rail Plan (DNZRP).
- 2.5 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.

Attachment 2

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 A**). HCC presented its submission to the Transport and Infrastructure Select Committee on 26 February 2020. We understand that the Bill is due to be reported by June 2020.
- 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.

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 options that would service transport 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 HCC, through the FutureProof Partnership, has submitted a programme of projects in response to the Crown Infrastructure Partners invite on behalf of Government for 'shovel ready' projects that would secure the enhancements noted in 6.4 above. The programme also includes a project to undertake concept planning for central city rail facilities that would be at the heart of any future Rapid Rail between Auckland and Hamilton and a Metro Rail network.
- 6.6 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 which is emerging as part of the Metro-Spatial Plan work.

7.0 FURTHER INFORMATION AND OPPORTUNITY TO DISCUSS SUBMISSION POINTS

- 7.1 Should the Ministry of Transport 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.
- 7.2 Hamilton City Council would welcome the opportunity to meet with representatives from the Ministry of Transport to discuss the content of our submission in more detail.

Yours faithfully

Richard Briggs
CHIEF EXECUTIVE

Submission by

Hamilton City Council**LAND TRANSPORT (RAIL) LEGISLATION BILL****14 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

Council Report

Item 9

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Lucie Robinson **Authoriser:** Blair Bowcott
Position: CIP Project Manager **Position:** Executive Director Special Projects

Report Name: Infrastructure Funding and Financing (IFF) Workstream Update

Report Status	<i>Open</i>
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Purpose - *Take*

1. To provide the Strategic Growth Committee with an update on the Infrastructure Funding and Financing (IFF) workstream and the impact, if any, that COVID-19 has had on this workstream.
2. To outline the opportunity to the Strategic Growth Committee of using the Infrastructure Funding and Financing (IFF) model, in conjunction with other traditional funding mechanisms, for infrastructure costs in Rotokauri, or more generally in support of other growth areas as part of the 2021-31 Long Term Plan.
3. To seek the Strategic Growth Committee's approval for staff to continue preparing a Detailed Business Case for Rotokauri Stage 1.

Staff Recommendation - *Tuutohu-aa-kaimahi*

4. That the Strategic Growth Committee:
 - a) receives the report;
 - b) notes that the Infrastructure Funding and Financing workstream is still a high priority for Government despite the COVID-19 outbreak and there has been no significant delay to the proposed anticipated enactment date of the Infrastructure Funding and Financing legislation;
 - c) notes that the Rotokauri Detailed Business Case is still being progressed but that other opportunities for the Infrastructure Funding and Financing model may be explored when the economic stimulus packages put forward by Council have been considered by the Government;
 - d) approves the continued development of the Detailed Business Case for Rotokauri Stage 1, as referred to in points 25-28 of this report; and
 - e) requests staff to report back at the completion of the Detailed Business Case for Rotokauri no later than the end of Quarter 3 2020 (September 2020), noting that these timeframes may be affected by COVID-19, but that the Council will be kept fully informed of any changes to key milestones or deliverables.

Executive Summary - *Whakaraapopototanga matua*

Item 9

5. New Zealand's current infrastructure funding and financing system presents a range of constraints that are making it difficult for the market and local authorities to respond to these urban pressures.
6. High growth councils are close to their maximum debt levels, which means they cannot finance the critical infrastructure needed to enable the development needed for growth. Arguably, even more importantly, this constraint leads to inadequate investment and development of community infrastructure needed to build strong communities.
7. This problem will be even more prevalent in a post COVID-19 environment as debt levels will be significantly more constrained.
8. The economic stimulus packages that have been submitted to Government, via the Shovel Ready Projects initiative and the nine Focus Areas under the Urban Growth Partnership, will require a substantial Government contribution, but may also rely heavily on innovative funding and financing tools to pay for them.
9. The IFF tool is therefore more critical than ever, as a part of a suite of new tools, to aid in the planning, funding, financing and delivery of key infrastructure, as innovative delivery mechanisms are needed to support the economic recovery post COVID-19.
10. The IFF workstream is still a high priority for Government despite the COVID-19 outbreak and there has been no significant delay to the proposed anticipated enactment date of the IFF legislation, which is scheduled for July/August 2020.
11. Hamilton is still seen as a potential early adopter of the IFF model; Rotokauri (Stage 1) is considered a key viable test project for the IFF tool, but other opportunities for the model may be explored when the economic stimulus packages have been considered by the Government and the 2020/21 Annual Plan is finalised. The IFF tool will also be a key funding consideration for use in the 2021-31 LTP to enable the funding of growth related infrastructure.
12. In addition, there are private developer agreement (PDA) options being explored to complement the Council's planned growth infrastructure investments. There is a public-excluded supplementary report with more information on the commercial discussions that are underway in Hamilton, including Rotokauri.
13. The Council acknowledges that risk is a big factor in growth development. The IFF model may presents a significant and well-supported opportunity, but there are considerations and potential constraints that need to be fully analysed to enable a fully-informed decision to be made by the Council on how best to utilise the IFF tool. As such, the Council is undertaking a detailed business case approach based on robust analysis and use of thorough project management methodologies.
14. Communication with Elected Members has included:
 - a briefing on 28 August 2019 on the IFF model (see the presentation [here](#))
 - a public excluded Council report on 17 September 2019 on the Government discussions surrounding the IFF model
 - a Strategic Growth Committee report on 13 February 2020 to provide a legislative and detailed project update (see the full report [here](#))
 - a Council submission for the IFF Bill Select Committee, which was approved at the 12 March 2020 Council meeting (see the full report [here](#)).
15. Staff consider the decisions in this report to be of low significance and that the recommendations comply with the Council's legal requirements.

Infrastructure Funding and Financing Update

Legislative Update

16. A Council submission for the IFF Bill was approved by Council at the 12 March 2020 Council meeting and submitted to the Transport and Infrastructure Committee on 13 March 2020.
17. Hamilton City Council were due to make an oral submission to the Transport and Infrastructure Committee on Thursday 2 April 2020 on the Infrastructure Funding and Financing (IFF) Bill, but this was cancelled due to the COVID-19 Level 4 lockdown as Parliament was adjourned until 28 April 2020.
18. Despite this, some Select Committees have been operating remotely via videoconference to undertake key hearings and as a result, Hamilton City Council's oral submission to the Transport and Infrastructure Committee on the IFF Bill was re-arranged to Thursday 16 April 2020. Council presenters for this oral submission were Greg Carstens and Councillor Ryan Hamilton.
19. The Department of Internal Affairs (DIA) presented their initial briefing to the Transport and Infrastructure Committee on 19 March 2020, to which feedback was that the Committee were very engaged with the IFF Bill.
20. The Transport and Infrastructure Committee are due to report back to the House on 17 June 2020. The DIA are working closely with the Committee and Parliamentary Counsel Office, providing advice, analysing submissions and recommending changes to the IFF Bill to ensure it is fit for purpose
21. The DIA have also stated that there is no expected delay to the anticipated enactment of the IFF legislation, which is still scheduled to happen in July /August 2020.

Rotokauri Detailed Business Case Update

22. Hamilton is still seen as a key stakeholder and early adopter of the IFF model; Rotokauri (Stage 1) is considered a key viable test project for the IFF tool, but other opportunities for the IFF model may be explored when the economic stimulus packages have been considered by the Government and the 2020/21 Annual Plan is finalised. The IFF tool will also be a key funding consideration for use in the 2021-31 LTP to enable the funding of growth related infrastructure.
23. Rotokauri has been included in both economic stimulus packages that have been submitted to Government, via the Shovel Ready Projects initiative and the 9 Focus Areas under the Urban Growth Partnership. Both packages for Rotokauri relate to the critical infrastructure needed to enable development, in particular stormwater and key arterial transport network infrastructure. Regardless of any Government funding which may become available, Council will also rely heavily on innovative funding and financing tools to pay for the infrastructure.
24. Crown Infrastructure Partners (CIP) are continuing to progress modelling of an IFF levy in Rotokauri and Council staff will continue to support CIP with these investigations.
25. In addition, Council staff are continuing with the development of a detailed business case for Rotokauri (Stage 1). If the IFF tool were to be utilised in Rotokauri, it would represent a new funding stream for the 10-Year Plan. Work is being undertaken by staff, as part of the detailed business case, to ensure that timeframes are aligned with the LTP discussions and decision-making processes.
26. Staff will continue the investigation, analysis and writing of the detailed business case for Rotokauri. It is expected to be prepared the end of Quarter 3 2020 (September 2020), to align with key decision-making timeframes for the next LTP. Any decision made by the Council on

the final business case would be subject to the relevant 10-Year Plan decisions being made. Staff will report back to the Council with updates prior to the full detailed business case being finalised. If any of these timeframes change due to COVID-19, Elected Members will be kept updated on new timeframes accordingly.

27. 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.
28. 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.

The Development of Rotokauri

29. Under the Hamilton Urban Growth Strategy (HUGS), Rotokauri was identified as one of the four greenfield growth cells in Hamilton. It was identified that Rotokauri would be developed in two stages and a Structure Plan has been developed. The detailed business case will consider Rotokauri Stage 1, which has an indicative potential residential yield of 2,857 lots, in addition to an employment gross floor area yield of 14.53 Ha. The total residential yield for Rotokauri stages 1 and 2 is 6,444 lots, in addition to an employment gross floor area yield of 24.88 Ha. More information on the major landownership in Rotokauri and the indicative residential and commercial-industrial areas can be seen on the map in **Attachment 1**.
30. Rotokauri is a desirable urban development location and investment option as it is located within close proximity to The Base, the WINTEC Rotokauri campus, Hamilton Zoo, and major employment areas located on the western side of the city. Rotokauri also has high levels of amenity due to its natural landscape and proximity to the Waiwhakareke National Heritage Park and Hamilton Zoo. It also leverages off the recent significant investments in the Te Rapa Bypass and the Rotokauri Transport Hub. Rotokauri will also benefit from the integrated transport centre project and the start-up Hamilton to Auckland rail service. Longer term the envisaged metro commuter rail service linking the Hamilton CBD to key nodes includes Rotokauri as a key rail station. There are also extensive provisions for multi modal transport solutions within Rotokauri covering walking, cycling and buses.
31. Rotokauri needs critical strategic bulk water infrastructure to open up residential development in this area. It is proposed that a strategic bulk water connection will go from Pukete to Rotokauri. This will allow potable water from the Pukete Reservoir to be redirected to Rotokauri. This water project is currently funded by the Council as part of the 2018-28 LTP but is the key part of the overall programme of works in Rotokauri.
32. To date, the Council has completed a significant wastewater interceptor extension into Rotokauri to support zoned industrial land and economic development. A further extension of the far western interceptor will provide the strategic wastewater infrastructure for the residential Rotokauri Stage 1 area.
33. Stormwater is a key constraint to development in Rotokauri, as this is critical to opening up residential development in this area. The Council is best placed to provide the Rotokauri floodway to deal with stormwater issues rather than an individual landowner or developer. This is because of the nature of stormwater, including the function of the floodway to deal with a 100-year storm event and related property ownership. However, stormwater and the construction of the Rotokauri floodway is currently a prohibitive cost for the Council to accommodate within its financial strategy, particularly if it is to deliver this as lead strategic infrastructure.
34. As such, only a proportion of the floodway costs are presently provided for in the later years of the Council's 2018-28 LTP. This is the reason why the floodway needs to be funded from a

combination of external funding arrangements with developers, existing funding tools such as DC's, and the application of the IFF. Without the floodway it is very challenging, if not impossible, for developers to individually develop a floodway solution. Despite this, Rotokauri is zoned residential and is subject to a number of RMA requests to commence works and a joined-up solution is needed to mitigate piecemeal development.

35. Development of Rotokauri is also consistent with the Waikato Regional Policy Statement (RPS), sub-regional growth strategies and Hamilton's District Plan. Hamilton City Council has made significant investment in wastewater infrastructure and is currently procuring water distribution works. The Rotokauri area has an operative structure plan including an arterial road network to complement the Te Rapa section of the Waikato Expressway. The Rotokauri arterials are recognised as regionally significant in the RPS.

The Rotokauri Commercial Story

36. Alongside the opportunity for residential growth, Rotokauri is also an attractive proposition for commercial growth in Hamilton.
37. The Council's Hamilton Urban Growth Strategy (HUGS) 2008 identified the Rotokauri Structure Plan as being appropriate for residential and employment growth in the longer term in Hamilton but signaled Rotokauri Stage 1 for immediate residential development. Stage 1 provides for a total of 438 hectares for residential development, along with a suburban centre, employment area and industrial zoning. This is outlined on the map in **Attachment 1**.
38. The broader Rotokauri Stage 1 area also comprises of two main hydrological stormwater catchments, these stormwater catchments have been utilised to identify between the IFF catchment (Lake Rotokauri), and the industrial land east of the Te Rapa bypass (Mangaheka). The IFF catchment (Lake Rotokauri) comprises the suburban centre and a portion of the employment area.
39. The suburban centre encompasses an area of 7.5 hectares and has been zoned and provided for. This provides for a suburban centre that provides a mix use environment with health-care services, goods, services and employment at a scale appropriate to suburban catchments, while not undermining the primacy, function, vitality, amenity or viability of the Central City. This is provided at a scale and nature appropriate to the needs of the surrounding residential areas and provides an opportunity to reduce the need for travel, by providing for a diverse range of activities, services and trading formats.
40. The Rotokauri Stage 1 employment area, which is within the IFF catchment, comprises an area of 10.8 hectares. This provides for a wide range of light industrial activities and promotes higher amenity standards than other industrial areas. Activities expected here are light and service industrial activities, wholesale retail and trade supplies, trade and industry training facilities, building improvement centres, food and beverage outlets.
41. The wider Rotokauri Structure Plan area comprises a total of 51 hectares of employment land, however this is split between the IFF catchment, the Mangaheka catchment, and the Rotokauri Stage 2 catchment.
42. Outside of the IFF Catchment, an area of 189 hectares is zoned industrial. This comprises the land area between the Te Rapa bypass and railway line. A large part of this area has been developed in recent times and comprises a mix of industrial activities, wholesale retail and trade supplies, yard-based retail, transport depots, warehousing, light industrial services and the like.

43. Ancillary offices and retail are provided for on a small scale in conjunction with industrial uses provided, however it has been clearly identified that the industrial zone seeks to ensure that industrial land is not occupied by land activities that are non-industrial.
44. The above shows that in conjunction with residential activities, commercial and industrial development has been provided for, which provides an opportunity for co-location of these land uses, providing the opportunity for greater sustainability and live, work, and play.
45. A neighbourhood centre of 1 hectare has also been planned for in Rotokauri North (Part of Stage 2 – 140 hectare of residential development), which provides for a small commercial area serving residents for their day to day needs. This area is proceeding through a Private Plan Change to rezone the land and will provide up to 2000 dwellings. This will adjoin an area of 26 hectares of future employment area.

The Rotokauri community story

46. Rotokauri is located alongside the existing communities in Nawton, Grandview, Western Heights and Crawshaw. There is an established network of parks and open spaces in the area, which include:
 - Dominion Park (includes Dominion Park destination playground)
 - Crawshaw Park
 - Elliott Park (includes a playground and skate park)
 - Te Kooti Park (includes recently renewed neighbourhood playground)
 - Derek Heather Park (includes recently renewed neighbourhood playground)
 - Farnborough Drive Reserve
 - Rakautahi Park
 - Brymer Park
47. Rotokauri also neighbours Waiwhakareke Natural Heritage Park, a 65-hectare natural area, which opened to the public in November 2019. In addition, the Council has already purchased land in Rotokauri Stage 1 (approximately 6.5 hectares), which will be developed to provide up to four winter sports fields, when demand necessitates.
48. There are a number of schools in the area including:
 - Fraser High School
 - Nga Taiatea
 - Rotokauri School
 - Crawshaw School
 - Nawton Primary School
 - Wintec's Rotokauri Campus.
49. The Western Community Centre and Good News Community Centre are both located in Nawton/Crawshaw area and are regarded as among the best community centres in Hamilton, providing a range of services and information to residents.
50. Rotokauri is about 7km from other community facilities, including indoor recreation (Te Rapa Sportsdrome), a library (Dinsdale) and aquatic facilities (Waterworld in Te Rapa). Some work is required to enable access to these by public or active transport from Rotokauri. The Council has developed a network of these facilities in other local areas and it would be more ideal to locate the following closer to Rotokauri as the community grows:
 - More parks and playgrounds
 - A local library
 - Local indoor recreation opportunities (potentially in conjunction with schools as they are developed)

- Potential for a local learn-to-swim facility.
51. The key focus for community infrastructure is ensuring that the Council is focused on supporting the creation of a vibrant, liveable community where possible. The detailed business case will outline the community infrastructure available under a range of options and all options will be analysed from a wellbeing perspective, as part of a specific wellbeing case.

A Funding Mix

52. To bring forward development in Rotokauri, it is expected that the necessary investments would be funded through a combination of Development Contributions (DCs), Private Developer Agreements (PDAs), rates and the IFF tool, in terms of ensuring a financially viable proposition that does not breach the Council's financial strategy. The optimal funding mix will be fully explored as part of the financial case within the detailed business case.
53. DCs will remain the primary funding source for growth infrastructure in Rotokauri, along with general rates. If IFF funding is secured for selected assets, they will essentially be swapped out of the DC schedule of assets, and instead be funded by an IFF levy. The balance of infrastructure to be funded by the Council will be funded by DCs, for example citywide components and upsizing. There is still some work to be done to fully understand the relationship between DCs and IFF funding, which will be outlined in the detailed business case as more information becomes available.
54. IFF funding is appealing because it would have the effect of incentivising landowners to release their holdings, due to the levy being in place, so speeding up the development process and bringing more houses to the market sooner. Conversely, the IFF model is subject to legislation being enacted and a potentially lengthy proposal period, and so it is possible that PDAs will be in place in Rotokauri before the IFF tool is utilised.
55. Crown Infrastructure Partners (CIP) were investigating the feasibility of transferring a portion of the Peacocke Housing Infrastructure Fund (HIF) facility into an off-balance sheet IFF model, while retaining the HIF interest free benefit. CIP have been working closely with developers in Peacocke to understand the commercial appetite for this type of arrangement, as the Minister responsible will not approve any IFF proposal where major landowners are opposed to the IFF model being used. The public excluded supplementary report outlines the commercial discussions underway in Peacocke.
56. Staff are closely monitoring and analysing both privately led and Council-led proposals in Rotokauri and surrounding areas, as part of the detailed business case, for example a private plan change, a Special Housing Area with associated consent and 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 PDA 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. The public excluded supplementary report outlines the commercial discussions currently underway in Rotokauri.

Financial Considerations - *Whaiwhakaaro Puutea*

57. The Rotokauri detailed business case has a project budget of \$750,000 and is currently on-budget.
58. This report was written as part of those core project costs and no external costs have been incurred in the preparation of this report.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

59. IFF models are Government policy; however, legislation is required to support this new funding tool. The Infrastructure Funding and Financing Bill was referred to the Transport and Infrastructure Committee on 17 December 2019 and is currently going through the Select Committee process. A Hamilton City Council submission was approved at the 12 March 2020 Council meeting and submitted to Parliament on 13 March 2020. Councillor Ryan Hamilton and Greg Carstens made an oral submission to support this further on Thursday 16 April 2020.
60. The Council's Development Contribution Policy will need to be amended to reflect the changes in infrastructure to be funded by the Council.
61. Staff confirm that the content of this report complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

62. 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').
63. 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.
64. Each of the 4 wellbeings will be thoroughly analysed as part of the detailed business case for Rotokauri (Stage 1), as part of a wellbeing case.
65. The recommendations set out in this report are consistent with that purpose.

Social

66. The detailed business case for Rotokauri will investigate 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 liveable community.

Economic

67. The detailed business case for Rotokauri will undertake detailed economic analysis by a qualified economist. This will support the recommendation to proceed with investigations that support the growth of Hamilton and the need to provide housing to meet a growing population.

Environmental

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

Cultural

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

Risks - *Tuuraru*

70. The risks of not proceeding with the investigations are that the 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 is low.
71. A full risk workshop was undertaken on 13 March 2020 and the results will be provided to Elected Members as part of the detailed business case.

72. A business as usual approach to funding and financing growth infrastructure is unlikely to be financially sustainable, and the Council needs to investigate IFF as an additional new tool to assist in mitigating this risk.
73. Rotokauri is been zoned residential, with developers forging ahead through the RMA process, to progress their developments without the critical strategic infrastructure in place. There is a risk if the Council does not intervene that there will be piecemeal development leading to sub-optimal outcomes for both current and future residents and the city. There may also be significant legal fees incurred in dealing with developers through the RMA process.
74. It is important to note that the IFF model is not only a new tool for New Zealand, but there are no identical funding tools used anywhere in the world (there are similar models in operation overseas). As with all new initiatives, there may be unforeseen risks, but Council will be kept updated as and when these risks are identified and arise.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

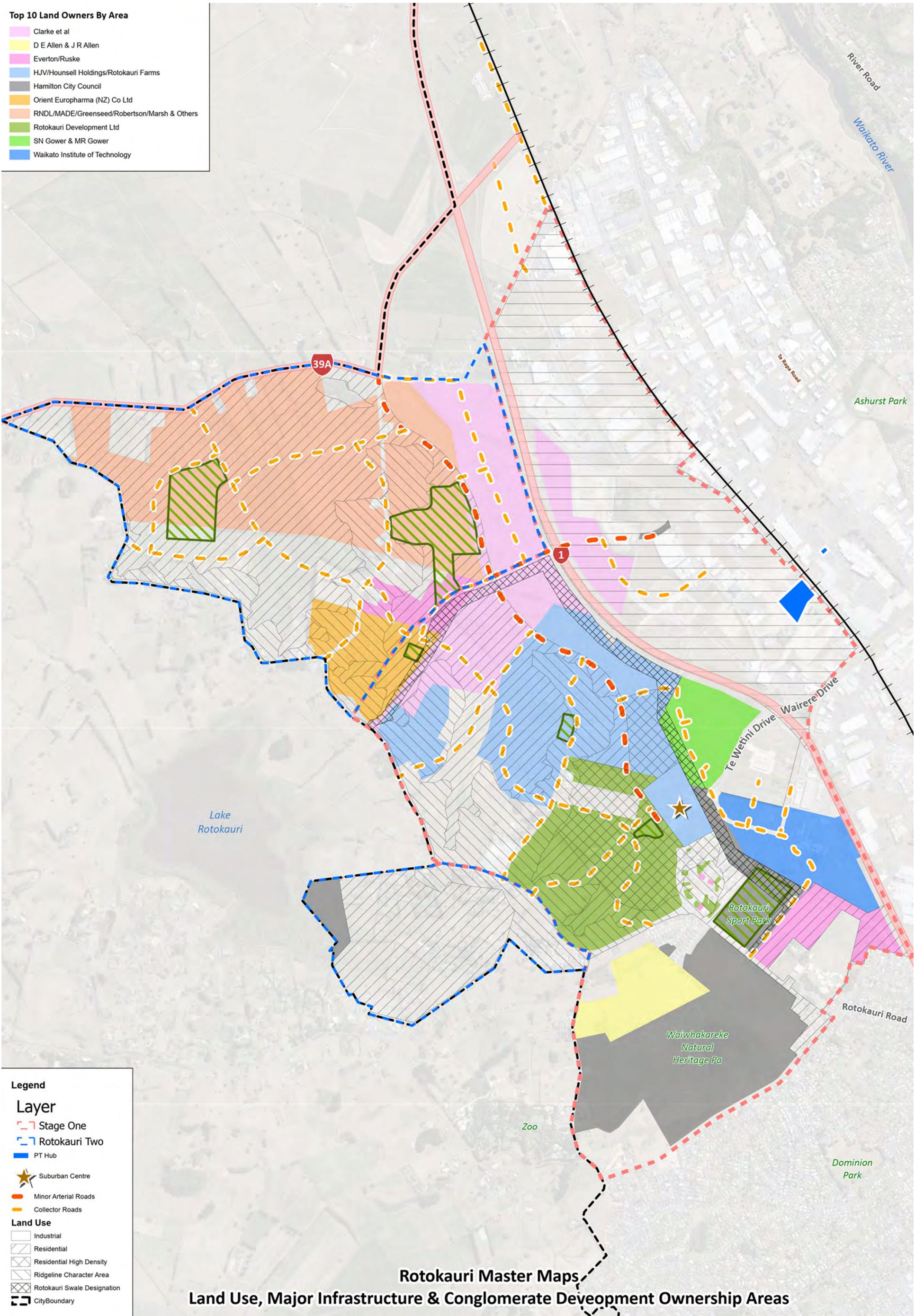
75. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in the report has/have a low level of significance.
76. However, the level of significance may increase as the project progresses.

Engagement

77. It is likely that there will be specific consultation and engagement undertaken for each IFF project at the appropriate time.
78. Engagement is underway with key developers in Rotokauri and a stakeholder engagement plan will be included in the commercial case section of the detailed business case.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Rotokauri Master Map.



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. Confirmation of the Public Excluded Strategic Growth Committee Minutes - 13 February 2020) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Rotokauri Detailed Business Case (Infrastructure Funding and Finance))	

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 prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)

Date: Thursday 14 May 2020
Time: 10.00am.
Meeting Room: Via Audio Visual link

OPEN REPORTS FOR INFORMATION ONLY

Strategic Growth Committee ***Komiti Rautaki Whakatupu***

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Council Report

Committee: Strategic Growth Committee **Date:** 14 May 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>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on progress of the Peacocke Programme of work for February 2020 to May 2020.

Executive Summary - *Whakaraapopototanga matua*

3. Staff have been reviewing the Peacocke programme following the Alert Level 4 lockdown measures being put in place. There is also a capital portfolio assessment for existing contracts being reported to the Finance Committee meeting on 28 April 2020.
4. Overall, the programme is currently still on time for delivery; however, this may change as we move through Alert Levels 2, 3 and 4 over the coming months. The COVID-19 lockdown will affect the type and delivery of community engagement activities across several projects and may also have some cost implications as highlighted in the risk section of this report. Staff will continue to monitor and report on the impacts to the Strategic Growth Committee.
5. Activities and achievements since the previous report on [13 February 2020](#) include:
 - i. The bridge and other lead wastewater network infrastructure procurement processes are well underway and on track for a Council construction award resolution in September 2020.
 - ii. Construction is progressing on the SH3/Ohaupo Road intersection with the exception during the Alert Level 4 lockdown period.
 - iii. The land acquisition process is on track. The Council has secured property rights for 23 of the 39 properties within the designation footprint. The 23 properties include 14 by agreement and nine by Proclamation. Of the 15 Section 23 Public Works Act (PWA) notices served, there have been two objections – one from the Shaws and one other requesting total acquisition, which was promptly resolved by agreement.
 - iv. The Integrated Catchment Management Plan (ICMP) is on track for completion in August 2020. The ICMP document is undergoing internal review.
 - v. The Peacocke Plan Change project has commenced, noting that the network infrastructure (3 waters and transport) components of the plan change project are currently unfunded. A new plan change briefing date is being rescheduled to a date in June 2020 for elected members.

- vi. Engagements are being prepared to start implementing 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:
 - a) 80 artificial bat roosts (bat boxes) have been installed in the Peacocke area to date as part of implementing the EMMP.
 - b) An additional 20 bat boxes will be installed once access to various sites has been secured.
 - c) Significant restoration work has started. Eight hectares will be planted over the next 3-4 years. Work to install lizard monitoring equipment within the first lizard habitat restoration area has been completed. Pest removal will start this year and planting is scheduled for 2021.
- Development activity in Stage 1 of Peacocke has continued, including:
 - a) A new neighbourhood park at Inuwait Street reserve in Dixon Heights. Construction was scheduled to begin in March 2020 for completion in mid-2020. This was delayed owing to COVID-19 and is re-commencing from May 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 was 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 sports parks and ecological mitigations. Environment Court mediation was scheduled for 24 March 2020 and is currently on hold due to COVID-19.
 - 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 awaiting further information from the applicant.
 - c) A land use consent for bulk earthworks (Qestral Corporation Ltd) at 55 Weston Lea Drive was lodged with the Council on 27 February 2020. The bulk earthworks comprise a total 5,000m³ of cuts and 40,000m³ of fills over 4ha land area. The bulk earthworks will enable some interim works with the aim of re-lodging a land use consent for establishing a retirement village over a 19-ha area by Qestral Corporation Ltd in due course. This application is currently on hold pending further information.
- As part of the Peacocke engagement strategy, there has been a focus on engaging with the existing communities in south-west Hamilton, as well as wider Hamiltonians, to make sure we bring the whole community on the journey with us. Highlights from March to May 2020 include:
 - a) SH3/Ohaupo Rd roundabout construction continued up until the Alert Level 4 lockdown. Surrounding residents were updated about upcoming construction milestones including the closure of Dixon Road.

- b) A key milestone was celebrated for the Peacocke Strategic Transport procurement entering the final stage of tender. A story was shared on [Our Hamilton](#).
 - c) Peacocke Strategic Wastewater is also nearing this procurement milestone in early May 2020. A story shared on [Our Hamilton](#) was picked up by local media.
 - A focus of the next few months will be looking at new ways to effectively engage our key stakeholders and the community as a result of COVID-19, particularly around the Peacocke Structure Plan and upcoming infrastructure projects.
6. Overall the programme is running to schedule, in particular:
- i. The HIF network infrastructure project is either on track or, in the case of the bridge, up to 6 months ahead of programme. Contract award decisions are expected around September 2020.
 - ii. 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. However, it should be noted that the economic impacts of COVID-19 are likely to affect the timing of this uptake, particularly the timing of construction of housing. This will continue to be monitored over the coming months and staff will provide updates in future Peacocke reports to the Strategic Growth Committee.
 - iii. The Ministry of Education is continuing with securing sites for two new schools in Peacocke and is progressing a review of Melville High and Melville Intermediate schools; consultation dates are yet to be confirmed and are likely to commence in Term 3 (July – September 2020). Staff will advise elected members when and how they can become involved.
 - iv. 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.
7. Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

Background

8. This is the seventh Peacocke Programme progress report, covering the period February 2020 – May 2020. The previous Peacocke Programme update was presented to the Strategic Growth Committee on [13 February 2020](#) for the period September 2019 – January 2020.
- The Peacocke Programme financial report was not reported as part of the Capital Portfolio report to the Finance Committee meeting on 28 April 2020 (owing to COVID-19 disruption). Full reporting will resume at the next Finance Committee meeting on 16 June 2020.
9. 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 commenced a programme of investigations, stakeholder engagement, elected member engagement, concept design development and land acquisition work for the projects. Activity during 2019 included continuation of the 2018 activities plus commencement of detailed design, continued property acquisition, and enabling works including diversion of some utility services.

10. 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

11. 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.
12. Over the next 10 years, the Peacocke Programme is projected to deliver a third of Hamilton's medium-term housing needs.
13. 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.
14. 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.
15. 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 - *Matapaki*

Programme resourcing and governance

16. The Peacocke 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

17. Commercial infrastructure negotiations and planning consent pre-application discussions are underway with three major developers in Peacocke.
18. The initial focus for the infrastructure negotiations is to progress property acquisition and to integrate development proposals with the Council's programme of works to achieve better

whole-of-life asset outcomes or create more efficient integrated assets such as joint stormwater treatment devices.

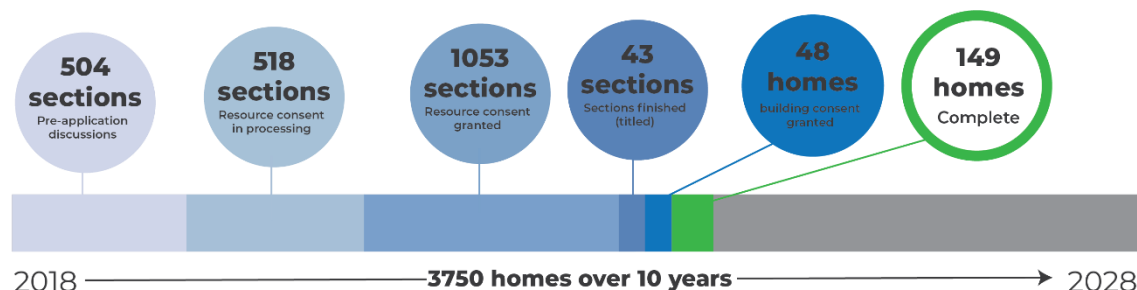
Development activity

19. The Council's latest quarterly economic and housing indicator reports to March 2020 can be accessed on the Hamilton Invest website at: www.hamiltoninvest.co.nz/resources. Note that these indicator reports do not reveal the impact of COVID-19 on the Hamilton residential construction sector. Council's Growth Funding & Analytics team will continue to monitor consenting and construction activities and will regularly report through to the Economic Development Committee on the overall economic impacts of COVID-19. Some of these economic impacts may affect timing of developments in Peacocke, in particular timing of housing construction in Peacocke.
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 was 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 sports parks and ecological conditions. Environment Court mediation was scheduled for 24 March 2020; however, it was deferred due to COVID-19 and we are awaiting revised directions from the Court. 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 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 awaiting further information from the applicant.
24. A land use consent for bulk earthworks (Qestral Corporation Ltd) at 55 Weston Lea Drive was lodged with Council on 27 February 2020. The bulk earthworks comprise a total 5,000m³ of cuts and 40,000m³ of fills over 4ha land area. The bulk earthworks will enable some interim works with the aim of re-lodging a land use consent for establishing a retirement village over a 19-ha area by Qestral Corporation Ltd in due course. This application is currently on hold pending further information.
25. A map showing the location of development activity in Peacocke can be seen in **Attachment 1**.

Progress towards the Housing Infrastructure Fund housing yield

26. 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.
27. 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**). However, it should be noted that the economic impacts of COVID-19 are likely to affect the timing of this uptake, in particular the timing of construction of housing. This will continue to be monitored and staff will provide Peacocke specific updates to the Strategic Growth Committee as more is known.

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 20 April 2020



28. Pending COVID-19 impacts, development is expected to accelerate once the bridge and the wastewater infrastructure solutions are in place from 2023/24.

Peacocke District Plan Changes

29. The Plan Change and structure plan refresh for Peacocke is a public policy process where elected members have the final say. 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 is occurring, given their unique political role in the process.
30. As part of the preparation of the structure plan background studies are continuing to be prepared. Along with this work, several Council briefings will be held over the next 6 months on the plan change process. However, due to the COVID-19 lockdown the first briefing has been rescheduled from 8 April 2020 to a date in June 2020 (to be confirmed).
31. As a result of the impacts of COVID-19 and the need to reschedule the Council briefings from April 2020 to May 2020, the project time frames have changed. They 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	June (date TBC)
Community and key stakeholder engagement (pending COVID-19 measures)	Workshops, open days, media etc.	June - October 2020
Final structure plan documents and District Plan provisions	Present to Council	November 2020
Final Iwi review prior to public notification	Sign-off by Waikato-Tainui	November 2020
Council Resolution to notify plan change	Council Meeting	End November 2020
Notify plan change (subject to interaction with current infrastructure, procurement and acquisition processes)		January 2021
Prepare s42A report		May – July 2021
Hearing of Submissions	Hearing Commissioners	August 2021
Decisions released and appeal period	Commissioners/Environment Court	September 2021

32. The network infrastructure (3 waters and transport) components of the plan change project are unfunded and will require either a new operational budget or reprioritisation of existing operational budgets. Infrastructure estimates indicate that \$250k operational funding is required up to Hearing of Submissions stage (August 2021).

Network Infrastructure

Key activities in 2020

33. Overall, the network infrastructure programme is on track and progressing extremely well. Little time has been lost through the Alert Level 4 restrictions to date, but this could change as New Zealand moves between Alert Levels 2, 3 and 4 in the future. The current programme to start construction on the strategic wastewater pipe and transport packages is still expected to make full use of the coming summer construction season.
34. Physical works and site investigations have resumed where possible and safe, following the drop to Alert Level 3. Some contractual cost claims and associated time extensions may result from the state of emergency. These will be considered and assessed on their contractual merits. A portfolio approach is being taken for this matter through the Finance Committee meeting on 28 April 2020.
35. Nine properties have recently been acquired using the compulsory powers provided for within the PWA with proclamations now signed by the Minister of Land and the Governor General. The nine parcels of land are now vested in Council. The next step in the PWA process is the Land Valuation Tribunal to determine final compensation; however, staff are continuing to work in good faith with property owners to resolve final compensation matters swiftly through commercial negotiation.
36. Network infrastructure activities in 2020 are set out 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"> The Council has secured property rights for 23 of the 39 properties within the designation footprint. The 23 properties include 14 by agreement and nine by Proclamation. Of the Section 23 PWA notices served, there have been two objections – one from the Shaws which is proceeding to court assisted mediation and, one other requesting total acquisition, which was promptly resolved by agreement.
Further developing tangata whenua engagement, community, environmental and social opportunities	<ul style="list-style-type: none"> Social outcomes being sought within physical works contracts eg apprenticeships and other local employment. Currently establishing formal roles for tanaga whenua supervision within projects including cultural design co-ordination. Extensive discussion about Te Awa (river) values and how these are protected and enhanced throughout bridge construction.
SH3 Ohaupo Road/Peacocke East West Arterial roundabout	<ul style="list-style-type: none"> Great construction progress prior to state of the Alert Level 4 restrictions. Project team and contractors working on business continuity planning to re-establish back onsite during alert level 3 and below. At this point, still expecting to be completed in 2020, but this will be challenging. The time and cost implications of the Alert level 4 shutdown and/or the ongoing impact of the Alert Levels is uncertain. This matter is dependent on the total time spent at each of the alert levels over the construction period.
Peacocke Strategic	<ul style="list-style-type: none"> Overall work is progressing well.

Project/Activity	Key activities in 2020
Wastewater package (transfer pipeline (Peacocke to Crosby Road), main transfer pump station and strategic pipelines in Peacocke)	<ul style="list-style-type: none"> • Significant effort and focus on operational resilience while responding to current environmental, cultural and social standards relating to wastewater. Specifically focused on protecting the river and waterways. • Project cost estimates are currently going through an external challenge process with all operational and compliance requirements and independent peer reviews are under way. • The time and cost impact of the Alert Levels is uncertain but could increase the overall cost of the project by up to 20%. This matter will be better understood through the procurement phase. • Significant innovation is actively being developed to reduce operational energy and chemical consumption and, improved operational health and safety.
Peacocke Strategic Transport package (river bridge and roads)	<ul style="list-style-type: none"> • Progressing extremely well and approximately 6 months ahead of programme. • Project cost estimates are now being independently peer reviewed. Excluding Council's "shopping list" items, the budget is adequate with slightly lower contingency than preferred. However, the time and cost impact of the alert levels is uncertain and could increase the overall cost of the project by 10-20%. This matter will be better understood through the procurement phase.

Procurement

37. Potential implications from the alert levels are being explored and understood in relation to the Peacocke Network Infrastructure programme. Active discussion within the construction industry has given confidence in continuing the procurement process for new contracts, with award decisions coming to the Council around August 2020. The implications of the alert levels will be better understood through the procurement phase to enable the Council to make an informed contract award decision later in 2020.
38. There will be a formal position developed as part of procuring the physical works for both the strategic wastewater and transport packages (and across all of the Council's construction contracts) which will set out how risk of impact from continued alert level restrictions could be managed between the Council and the contracting industry.

Land acquisition

39. Acquiring the land needed for the network infrastructure is progressing in accordance with the PWA. It is now a decreasing risk to the programme but there are several difficult conversations being had with landowners currently.
40. Land access for the wastewater pipeline through the few areas of private property are now well progressed; however, administrative matters are currently taking longer than initially expected due to the Alert Level 4.
41. Nine properties have progressed utilising the compulsory powers provided for in the PWA with endorsement by the Minister of Lands, signed by the Governor-General and, by the time of this committee meeting, vested in the Council.
42. Most property acquisition, whether acquired compulsorily or by way of an advanced agreement, preserves the landowners' rights under the PWA to continue negotiating compensation payable. The Council has taken a position of adherence to the PWA which includes consideration of betterment and most landowners remain strongly opposed to this principle. The option remains for landowners (or the Council) to refer the matter to the Land

Valuation Tribunal to consider all information and make a determination on final compensation payable.

43. 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*	For the current HIF programme	Overall on track but very tight timeframes
Properties now in HCC control	23	<ul style="list-style-type: none"> • Five were already Council owned before HIF commenced • Nine following recent proclamation • Rest by agreement or advanced agreement 	Properties under management Access arrangements being progressed
Properties still to secure	16	15 in compulsory process, 1 is land from NZTA	39-23 = 16 Prioritised most the critical properties

* Some other land access agreements or consequential acquisitions are additional to the 39 designated properties

Construction budgets

44. Project budgets for the current bridge package and northern wastewater pipeline are in the final stages of independent reviews. These reviews further confirm initial views that while budgets are generally appropriate for the original scope, increases in operational resilience requirements, higher required levels of service and safety, and increased ecological expectations are likely to reduce project contingencies below levels typically recommended. Ultimately, the 'real' estimate will be determined at the tender box. Staff will report the timing and significance of budget or contingency impacts as part of the contract award recommendation for Council approval.
45. Project budgets, activities and contingencies are being managed at a programme level in accordance with delegations for cost/scope management.

Other Council projects in surrounding areas

46. Due to Alert level 4, Base Civil was not able to fully complete the construction works at the eastern end of Bader Street. Post lockdown, they will be back on site infilling the new traffic islands with concrete, constructing the fence along the boundary of the old school and finishing off the new road marking. This work should take them only one week (weather permitting).

Parks and Open Spaces

47. A Notice of Requirement for an approximately 14ha northern sports park has been lodged. 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.
48. The decision by the independent commissioners for Amberfield included the southern sports park and this has been appealed by the applicant. The Environment Court has deferred mediation due to COVID-19. In the meantime, the Council is progressing work on land valuation to assist with settlement of this appeal.
49. Construction of a new neighbourhood playground at Inuwai Street Park has begun; it has been on hold due to COVID-19. The playground is expected to be completed by June 2020, depending on the evolving COVID-19 situation.

Wellbeing considerations - *Whaiwhakaaro-aa-oranga tonutanga*

50. 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').
51. 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.
52. The recommendations set out in this report are consistent with that purpose.
53. The Peacocke programme is underpinned by Sustainability Principle 1: Council includes environmental, economic, social, and cultural considerations in its decision-making criteria.

Social

54. 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 wellbeing – the extent to which individuals feel a sense of belonging and social inclusion.
55. 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.

Engagement with the community

56. As part of the Peacocke engagement strategy, there has been a focus on engaging with the existing communities in south-west Hamilton, as well as wider Hamilton, to make sure we bring the whole community on the journey with us. Highlights from March to May 2020 include:
 - SH3/Ohaupo Rd roundabout construction continued up until the Alert Level 4 lockdown. Surrounding residents were updated about upcoming construction milestones including the closure of Dixon Road.
 - A key milestone was celebrated for the Peacocke Strategic Transport procurement entering the final stage of tender. A key milestone was celebrated for the Peacocke Strategic Transport procurement entering the final stage of tender. A story was shared on [Our Hamilton](#).
 - Peacocke Strategic Wastewater is also nearing this procurement milestone in early May 2020. A story shared on [Our Hamilton](#) was picked up by local media.
 - A focus of the next few months will be looking at new ways to effectively engage our key stakeholders and the community as a result of COVID-19, particularly around the Peacocke Structure Plan and upcoming infrastructure projects.

Education and community facilities

57. Staff have been working closely with the Ministry of Education as they determine the schooling needs in the Peacocke area as well as the existing surrounding schools in the south-west Hamilton. Ministry of Education team members briefed the elected members in February 2020 on plans for schooling in the area as part of a wider Ministry of Education update.
58. The Ministry of Education is currently investigating locations for two primary schools in Peacocke and a business case is in progress for regenerating Melville High and Melville Intermediate Schools. Consultation timeframes have been on hold due to the recent school closures arising from COVID-19 and are likely to commence in Term 3 (July – September 2020).
59. 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

60. 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

Peacocke-wide environmental activities

61. Environmental wellbeing – the extent that the sustainability of the environment is protected now and into the future – is a major consideration for the Peacocke programme.
62. The Integrated Catchment Management Plan (ICMP) is on track for completion in August 2020. The ICMP document is undergoing internal review. Targeted consultation is planned for May-June 2020.
63. Significant Natural Areas of our fauna (bats, fish and lizards) and flora are being identified from various projects and sources of information.
64. A stream water quality monitoring research project is being implemented in collaboration with NIWA in the Mangakootukutuku Catchment.
65. There are several other related city-wide and national policies and strategies that may impact or guide development direction of Peacocke, e.g. the Council's 'Nature in the City' biodiversity strategy which has commenced and the Government-led National Policy Statement for Indigenous Biodiversity.
66. Hamilton City Council and Waikato Regional Council staff have taken the initiative to start collective conversations with staff at our neighbouring councils (Waipa District and Waikato District) to investigate the feasibility of creating a regional bat plan in conjunction with key partners, iwi, DoC, Waka Kotahi and other key agencies. The intention is to develop a strategy or plan that enables a joined-up approach to protecting and enhancing long-tailed bat populations and their habitat, as areas are urbanised. Staff will report back with further information in the coming months.

Southern Links and transport corridor-related environmental activities

67. Work is underway to implement the Ecological Monitoring and Management Plan (EMMP). This includes 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:
- 80 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).
 - An additional 20 bat boxes will be installed once access to various sites has been secured.
 - Significant restoration work has started. Eight hectares will be planted over the next 3-4 years.
 - Work to install lizard monitoring equipment within the first lizard habitat restoration area has been completed however baseline surveys could not be completed due to Alert level 4 restrictions. Restoration work will continue but any programme will be influenced by ongoing Alert Level 2, 3 and 4 restrictions.

Cultural

68. 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.
69. 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.
70. 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.
71. Staff recognise and consider relevant sections of the Waikato-Tainui and Ngaati Hauaa Environmental Plans when planning projects within the Peacocke catchment.
72. Maangai Maaori provide a political voice for Maaori within the decision-making of select Council committees.
73. Waikato-Tainui interests are represented on the Peacocke Governance board through Waikato-Tainui General Manager Rights and Interests.
74. 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.
75. 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.
76. There is an agreement in place between the Council and Waikato-Tainui to resolve first rights of refusal for designated land that was originally derived from the Crown.
77. The programme team are continuing to engage with the Tangata Whenua Working Group (TWWG) to enable the construction of network infrastructure in Peacocke in partnership with local iwi. Cultural inductions and training have helped educate the wider team and contractors about the importance of keeping cultural considerations at the forefront of everything we do.
78. Kaiarahi and Kaitiaki contracts are being established to guide and provide cultural guardianship during construction works.
79. Kaiarahi and Kaitiaki contracts are being established to guide and provide cultural guardianship during construction works.
80. Iwi/Mana whenua has been engaged for the Peacocke Plan Change (Peacocke District plan change 5).

Financial Considerations - *Whaiwhakaaro Puutea*

81. 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 to re-phase budgets between years, allowing timing to be amended to reflect actual expenditure needs (not reflective of project progress). An example is property where final payments will be determined by the Land Valuation Tribunal in the next 12-24 months.
82. The approved budget for 2019-20 is \$73.8M. However, through the deferral process, this budget is being forecast as \$35.4M. The forecast deferral is largely due to the land acquisition programme which is reliant on the PWA and the Land Valuation Tribunal decision timeframes (NB: the timing of payment for land is separate to when land might be vested in Council).

83. Actual expenditure at 31 January 2020 was \$18.4M. Costs to date have largely been for professional service fees associated with design and investigation and land acquisition. This actual is in line with revised forecast.
84. 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.
85. As at 30 April 2020, six HIF funding drawdowns have been claimed. These total \$9.5M. The remaining HIF funding available is \$170.8M.
86. 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
#06	Quarter 1, 2019/20	\$3,621,000	\$2,383,000	\$6,004,000
TOTAL		\$9,534,000	\$7,568,000	\$17,102,000

87. The claim for the second quarter (Oct 19-Dec 19) is in progress and expected to be submitted to the Government in early May 2020.
88. Attachment 2 is the Peacocke Programme Capital Report (as at 31 March 2020). This report contains an overview of the Peacocke programme including high levels financial graphs. Please note that this report has not been presented to the Finance Committee owing to COVID-19 disruption. Full reporting will resume at the next Finance Committee meeting at 16 June 2020.

Risks - Tuuraru

89. The Peacocke Programme has adopted the Council's risk management framework with further alignment with the Waka Kotahi NZ Transport Agency risk register format.
90. A full review of programme risks is currently underway as the programme moves into a construction phase in the coming months, combined with the Peacocke Structure Plan Change and potential disruption arising from Alert Levels 2, 3 and 4.
91. 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

92. 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).
93. 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.
94. 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 objectives are implemented, these are factored into project cost estimates. Staff now expect to have lower than normal budget contingency available.

Continued value engineering as well as frequent cost updates/reviews will be undertaken, and an external review agent will be used to robustly challenge project cost estimates.

95. The PWA provides a process to resolve objections to the land being taken for the works and for determining the amount of compensation payable (if disputed). Land ownership versus compensation payment follows different timeframes which allows physical works to commence while resolving compensation differences.
96. The PWA process will obligate the Council to purchase complete properties in a limited number of cases. The approved project 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 market price and the proceeds recycled back into the relevant HIF budget for physical works.
97. Cost over- and underruns are now likely on individual project components; however, this risk will be mitigated within the overall funded network infrastructure budget for Peacocke.

COVID-19 RISKS

98. Global and national COVID-19 impact on the programme and projects is unknown and ongoing as the country moves between Alert Levels 2, 3 and 4. This could disrupt the supply chain or workforce availability or result in increased time and cost for projects. Staff are monitoring the situation. However, the nature of any impact on the programme will become clearer as part of the final construction procurement process when contractor cost and methodology proposals are submitted.
99. The economic impacts of COVID-19 may also affect the timing of developments in Peacocke, particularly the timing of housing construction in Peacocke. This may affect the timing of the projected developer uptake of 3,750 homes over 10 years in Peacocke. Staff will continue to monitor and report on the situation and will be seeking more ways to enable development in the area while ensuring wellbeing outcomes for the community.
100. COVID-19 may also impact planned community engagement activities, which may result in a delay to some projects or changes in the delivery of engagement. The project teams are actively monitoring the situation and will respond as more information arises.
101. Construction market volatility resulting from COVID-19 and the associated alert levels is currently an unknown risk. Key construction contracts are proceeding through procurement with specific steps included to engage proactively with industry proponents. Staff will report back to elected members through the regular Peacocke programme reporting and as part of contract award decisions later in September 2020.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

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

The next six months: May 2020 – October 2020

103. 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:
 - a) understanding and monitoring impacts of the various COVID-19 Alert Levels on the programme
 - b) progressing the District Plan Peacocke Structure Plan change
 - c) continued work on key infrastructure including the wastewater transfer pump station design
 - d) completing the construction procurement process for key infrastructure projects including the bridge and wastewater pipeline

- e) progressing construction of the SH3/Ohaupo Road Intersection
- f) investigating ways to minimise impacts of construction traffic on local roads and coordinating with developers
- g) progressing land acquisition
- h) further development of the environmental workstream and implementation of the EMMP
- i) progressing commercial negotiations with developers
- j) looking for more ways to enable development
- k) investigating active recreation reserves
- l) commencing sports park acquisition
- m) continuing to form partnerships
- n) stakeholder engagement.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Peacocke - Development Activity Map as at March 2020

Attachment 2 - Peacocke - Capital Financial Report as at 31 March 2020.



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
Acquiring the land needed for installing the network infrastructure is progressing in accordance with the business case. It remains a risk to the programme and there are several difficult conversations being had with landowners currently. 14 of 15 final land acquisition notices served to date were accepted without objection. By the end of April 2020 Council will own 23 of the 39 properties required following nine Proclamations being endorsed by the Minister of Lands and signed by the Governor-General. Staff are preparing for mediation in response to the one objection to the Environment Court. Council is working with three developers towards agreements and continues to seek agreement with the remaining landowners. In parallel, the remaining properties affected will enter the final land acquisition notice stages in the coming months. Some of the agreements and the compulsory acquisitions are subject to advance compensation agreements. This means that Council owns the property and differences in the amount of compensation offered and expected will be resolved through Public Works Act processes which may take some time to conclude. Budgets will recognise this contingent liability.

Waikato River Bridge
Detailed design is complete in accordance with the Council approved macro scope. The project team have maintained progress and, as planned, construction of the bridge and its associated roads and services is in the final procurement phase and the contract is expected to be awarded by Council in late 2020. This contract, along with the contract for the waste water pipeline, will see more than half of the \$290.4m HIF Funding committed to. The three shortlisted contractors are very supportive of Council progressing procurement in the current environment. The procurement process is responding to social distancing and movement restrictions, using virtual meetings and exploring options for virtual site visits. An independent cost estimate review is complete and has confirmed that the expected cost is at the top end of the budget allowed for. In addition, the impact of the State of Emergency and the pandemic on construction pricing and tolerance for risk is uncertain. Staff are engaging with the shortlisted contractors to work out the best way to deal with this.

Wastewater Pipeline and Pump Station
Working remotely dealing with complex technical issues, the strategic wastewater team will get the Northern Pipeline contract to the final procurement stage in early May 2020. The pipeline is deeper than anticipated, increasing pressure on budgets. The shortlisted contractors are very supportive of progressing procurement in the current environment and the contract is expected to be awarded late 2020, meeting time commitments. As with the bridge project, staff will work with the four shortlisted contractors to manage the cost and time risks of the pandemic and explore options for construction efficiencies with the preferred contractor once selected. The main transfer pump station detailed design is being finalised for going to market later in 2020/early 2021.

Stakeholder Communication
Our commitment to key stakeholder and community engagement on these projects is ongoing and will continue, with less of an emphasis on face-to-face and group interaction, as we move towards construction. Recent media releases have been very well received, with public endorsement from the NZ Construction Sector Accord. There remains interest in the project from less supportive perspectives and staff are working hard to ensure that media coverage is well informed with accurate information. Further site preparation will be completed in the next few weeks if restrictions permit completion within the seasonal window available to protect bats and other wildlife. The project team's engagement with stakeholders, including the Tangata Whenua Working Group (and each other) remains very productive, making full use of technology.

SH3/Chaupe Road
Construction was progressing well prior to the Alert Level 4 state of emergency lockdown. The contractor managed after little notice to shut the site down quickly and effectively to avoid rework and minimise the risk of rework being needed. The project team are now making arrangements for a safe and efficient restart. Council continues to work closely with the adjacent development project. Contract completion is still targeting late 2020. The team is working with the contractor to understand and manage potential time and cost impacts from the lockdown and pandemic.

Parks
Following Iwi and community engagement late last year, construction of the playground at Inuawai Street Reserve in Dixon Heights was expected to begin in mid-March and to be completed by June 2020. It is currently on hold pending Covid-19 measures. A Notice of Requirement for approximately 14ha northern sports was lodged in early March 2020 and statutory consultation will progress over the next few months.

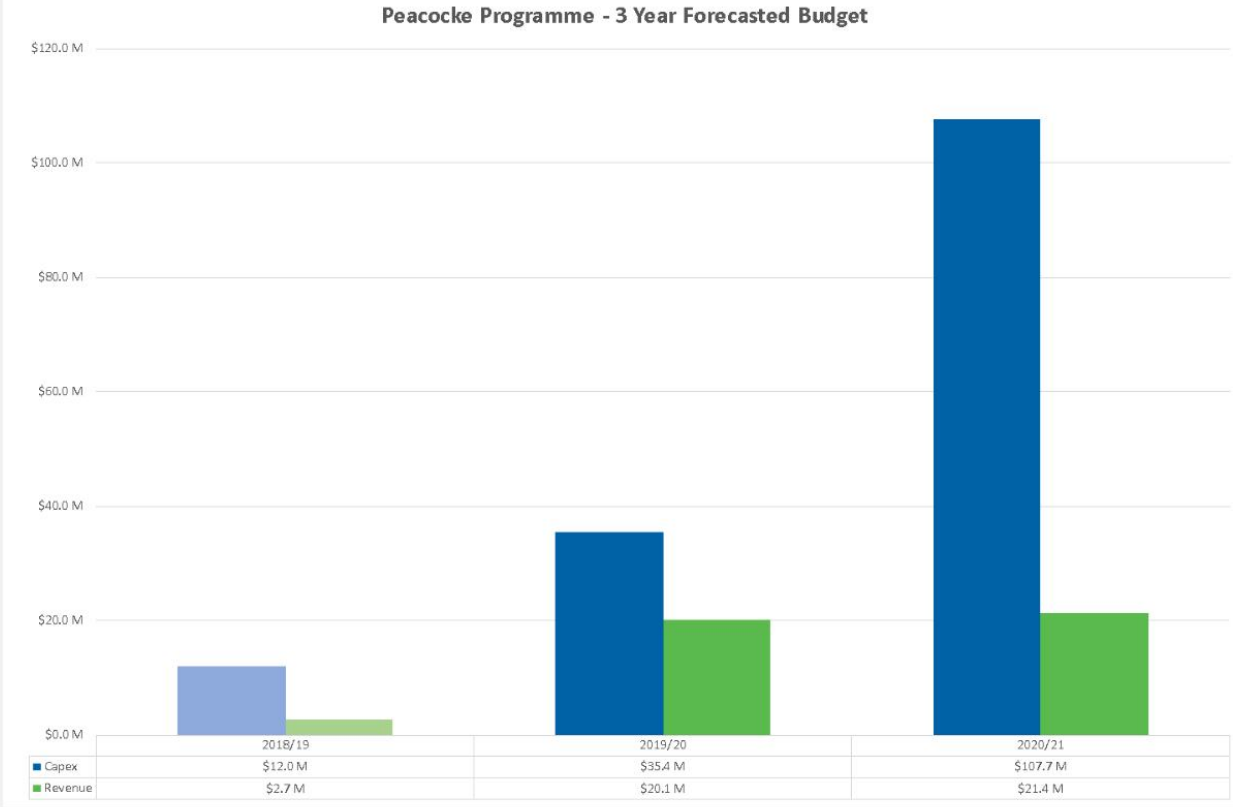
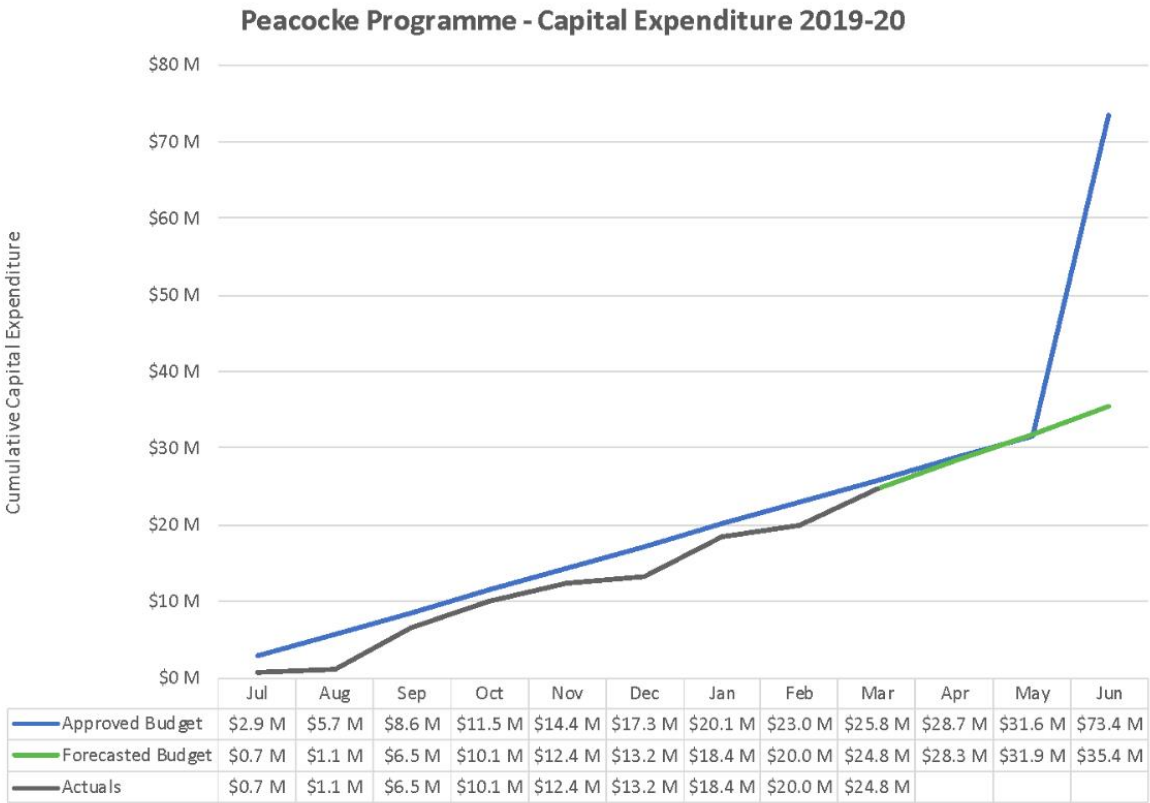
Emerging Risks
The impact on the construction industry and the infrastructure programme from the pandemic and state of emergency is uncertain and staff are working hard, currently remotely, to understand and manage these. Significant potential influences include supply chain and operational disruption from Alert Level restrictions, uncertainty in the response of the local and international supply chain to restrictions, and the potential changes in the construction market from government economic recovery investment such as the "shovel-ready" projects being considered.



SH3 Roundabout site prepared for shutdown



Financial Performance



Council Report

Item 12

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Blair Bowcott **Authoriser:** Blair Bowcott
Position: Executive Director Special Projects **Position:** Executive Director Special Projects
Report Name: Engagement with Government Update (Economic Stimulus Proposals)

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

1. To inform the Strategic Growth Committee on recent work undertaken on submitting programme proposals for potential Government funding and support as part of the post-COVID-19 recovery.

Executive Summary - Whakaraapopototanga matua

3. The COVID-19 pandemic is an unprecedented event in recent New Zealand history and has resulted in significant social and economic disruption.
4. The total impact on the New Zealand and Waikato economy is unknown. Despite this, the impact of COVID-19 is likely to have serious impacts on demand, investment and employment.
5. To counter this the Government has been proactive in establishing a range of programmes to assist in the post COVID-19 recovery. The intention of these programmes is to stimulate short term economic activity and employment while simultaneously creating longer term benefits that increase the wellbeing of New Zealanders.
6. Hamilton City Council (HCC) has submitted a number of economic stimulus proposals to the Government:
 - i. nine focus areas as part of the Government Urban Growth Programmes (UGP) – a Future Proof area submission aligned with the Hamilton to Auckland Corridor Plan and the emerging Hamilton-Waikato Metropolitan Spatial Plan (MSP)
 - ii. the Crown Infrastructure Partners (CIP) “Shovel Ready” Programme containing 23 separate project proposals – a Future Proof area submission
 - iii. Roading Corridor Works employment creation proposal – a Waikato region proposal
 - iv. Environmental Enhancement Projects proposal - a Waikato and NZ wide Regional Councils proposal that HCC was able to add a late supplementary proposal to
7. The requests for information from the Government were made with short notice and little time to coordinate responses. The approach taken was to work collaboratively at a staff level, in an agile and flexible manner, referring to existing strategic processes and information,

knowing that any decisions following the initial supply of information will come back to the relevant Council or Partner for consideration.

8. The detail on the various submissions to the Government can be accessed on the HCC website under the COVID-19 Recovery Plan – [Job creation programme and major economic stimulus](#).
9. Staff consider the matters in this report have low significance and that the recommendations comply with the Council's legal requirements.

Discussion - *Matapaki*

10. A verbal update will be provided at the meeting on all economic stimulus proposals submitted to the Government. No funding has been announced for any of the proposals submitted to Government, and we need to be realistic in terms of managing expectations of the level and timing of any possible funding support.
11. The draft UGP contains a suite of projects that would assist in realising the longer-term transformation changes envisaged in the Hamilton to Auckland Corridor Plan and in the emerging Hamilton-Waikato Metropolitan Spatial Plan. The draft UGP are spatially grouped into nine focus areas and include projects that support mode shift, three waters improvements, employment and residential development, and deliver on iwi aspiration.
12. Funding considerations by the Government to support key projects from the nine focus areas is likely to be packaged in the form of urban growth partnerships and strategic infrastructure funding, similar to the February 2020 \$8B infrastructure funding package announced by Government.
13. Similarly, the CIP programme is aimed at helping Government to understand the availability, benefits, geographical spread and scale of "shovel ready" infrastructure projects across New Zealand, which could be considered as part of a post COVID-19 stimulus package to support the construction industry on remobilisation of the sector.
14. The Infrastructure Industry Reference Group (IIRG), chaired and administered by CIP, are leading this work for Ministers Jones and Twyford. A letter from Mark Binns, Chairman of CIP dated 25 March 2020 was received, calling for a list of infrastructure projects that meet the following criteria:
 - Project is truly construction ready – either immediately or within six months
 - Project is of an infrastructure nature with some wider public benefit
 - Project is of a significant size (or programme of projects) so that employment benefits are material (+\$10M)
 - Project brings real value (in an economic or social sense) to New Zealand or the region in which it is located.
15. The Future Proof area lodged a submission for 23 "shovel ready" programmes totalling \$2.875B from Hamilton City Council, Waikato and Waipa District Councils, Waikato Regional Council, Waikato Tainui, University of Waikato, Hamilton Airport and Momentum Waikato.
16. The programmes put forward are ambitious and transformational. They will modernise the economy and make it more resilient. In addition, they will deliver a substantial number of jobs to support the community and create an economic stimulus for local businesses in the greater Hamilton/Waikato region. They will allow the region to fast-track major projects and specifically reflect major priorities within the Hamilton to Auckland Corridor Plan and the Hamilton-Waikato Metro Spatial Plan. All programmes are linked to the Four Wellbeing's (Social, Economic, Cultural and Environmental), to deliver outcomes that are important to the community.

17. Next steps for the Shovel Ready projects initiatives are:
 - CIP have regional teams in place to review the proposals they have received from across all sectors in NZ, I understand to be approximately 2,000 in number, with a combined bid total of \$150B.
 - CIP will prepare a report for Ministers providing a range of options with projects that are suitable for a Government stimulatory package, specifically those projects which are immediately “shovel ready” within 0-6 months and those which may be ready within 12 months. Job creation remains a primary focus, as well as a mix of different types of shovel ready packages in geographical areas.
 - The process after this is currently unknown but is likely to involve a further round of detailed negotiation for those projects which have been identified as potentially eligible for a Government stimulatory package.
18. Two proposals targeted at creating immediate employment opportunities have also been submitted to the Government. The proposals cover a range of initiatives and projects in the road/transport corridors and environmental enhancement/remediation activities. The intention for these proposals is that any Government funding provided can be used to create jobs for people impacted by COVID-19, who can be easily retrained in a matter of days to be employed into these projects. To support these economic stimulus proposals, our transport alliance partner Downer have provided an innovative proposal for a 5 days comprehensive training programme that could be rapidly deployed for any work in the roading corridor. This training programme has attracted the attention of the Minister of Transport and may be replicated nationally and for other economic stimulus proposals such as “shovel ready.”
19. The economic stimulus employment opportunities submitted are:
 - Roothing Corridor Works employment creation proposal – for the Waikato Region and Hamilton, focused on operating, maintenance and minor capital works in the roading and transport corridors
 - Environmental Enhancement Projects proposal – a supplementary proposal to accompany a submission from all Regional Councils in New Zealand, focused on a range of environmental improvement initiatives across 4 gully networks in Hamilton
20. In addition to the above economic stimulus proposals, staff are pursuing opportunities where enhanced Government funding is available, such as the current request from Waka Kotahi NZTA for applications to the Innovating Streets for People Pilot Fund, that offers 90% funding subsidy for up to \$1m per project. At the time of drafting this report, four proposals were being finalised for submission to Waka Kotahi NZTA by the due date of 8 May 2020.
21. No comments have been made from the Government under any of the packages of information submitted. It is anticipated that further clarity on the quantum of budget allocation for different economic stimulus programmes, and potential funding announcements will be given on or soon after the 14 May 2020 when the Government announces the Budget 2020. Any negotiations or decisions on the priority of projects, funding or accelerating projects will come back to the relevant Council or Partner for a decision on a case-by-case basis.

Financial Considerations - *Whaiwhakaaro Puutea*

22. Any financial implications from the economic stimulus proposals submitted to the Government will be considered on a case-by-case basis.
23. There are no financial commitments to Council as a result of submitting the proposals to the Government. Any successful funding proposals will be subject to formal agreements.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

24. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

25. 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').
26. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing the programmes submitted.
27. The recommendations set out in this report are consistent with that purpose.

Risks

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

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

29. 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.

Engagement

30. Given the current low level of significance determined, the current engagement level is low. Engagement may however be required in the future once decisions from Government are known.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report.

Council Report

Item 13

Committee: Strategic Growth Committee **Date:** 14 May 2020
Author: Ashwini Pillay **Authoriser:** Jen Baird
Position: Development Contributions Analyst **Position:** General Manager City Growth
Report Name: Development Contributions Remission Report Quarter 3 2020

Report Status	<i>Open</i>
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Purpose - *Take*

1. To inform the Strategic Growth Committee on Development Contributions (DC) remissions during the period 1 January 2020 to 31 March 2020 (Q3 2020).

Executive Summary - *Whakaraapopototanga matua*

3. At its 20 June 2019 meeting, the Council approved the proposed Development Contributions Policy 2019/20 (DC Policy), with an operative date of 1 July 2019.
4. The DC Policy allows for three types of remission:
 - Actual demand remissions
 - Private Developer Agreement (PDA) remissions
 - CBD remissions.
5. The DC Policy includes a 66% remission that applies for developments located in the CBD until 30 June 2021.
6. 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.
7. The Council approved two DC remissions with a total value of \$1,259,988 in Q3 2020.
8. The two actual demand remissions totalling \$1,259,988 were approved.
9. All remissions in this report have been determined in accordance with the DC Policy and delegated authority.
10. All DC amounts in this report are exclusive of GST.
11. Staff consider the matters in this report have low significance and that the recommendations comply with the Council's legal requirements.

Summary of approved remissions

12. In Q3 2020, the Council approved two DC remissions with a total value of \$1,259,988.

13. The two actual demand remissions totalling \$1,259,988 were approved.
14. DCs 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 - *Whaiwhakaaro Puutea*

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

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

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

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

18. 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').
19. 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

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

Economic

21. Development contributions play an important part in the Council's overall funding and financial strategy. Actual demand remissions provided for through the DC Policy (and set out in this report) create a better match between the demand for services with the assessed DC charge, for developments of scale with applications supported by appropriate evidence.

Environmental

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

Cultural

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

Risks - *Tuuraru*

24. 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 - *Kaupapa here whakahira/anganui***Significance**

25. 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

26. 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.
27. Given the low level of significance and that the community views and preferences being known to Council, no engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - DC Q3 2020 remissions .

Attachment 1: 2020 Q3 Remissions Report

Actual demand remission		Development description & Development Contributions Officer details/comments	Consent Number	Applicable policy	Original DC assessment	Amount remitted (\$ excl. GST)							Final DC assessment	Remission granted
Address	Developer					Water	Waste water	Storm water	Transport	Reserves				
12 Gilchrist Street	Tristar One Limited	New warehouse next to existing mainfreight building.	010.2019.00010718.001	2019/2020	\$ 626,235	\$ 26,032	\$ 44,824	\$ -	\$ 162,972	\$ -	\$ 392,407	\$ 233,828		
Borman Road	Karaka Pines Limited	Retirement village consisting of 141 residential units, a community centre and bowling green.	010.2019.00010405.001	2018/2019	\$ 3,334,032	\$ 131,328	\$ 113,669	\$ -	\$ 725,864	\$ 55,300	\$ 2,307,872	\$ 1,026,160		
					\$ 3,960,267	\$ 157,360	\$ 158,492	\$ -	\$ 888,836	\$ 55,300	\$ 2,700,279	\$ 1,259,988		
Grand Total					\$ 3,960,267	\$ 157,360	\$ 158,492	\$ -	\$ 888,836	\$ 55,300	\$ 2,700,279	\$ 1,259,988		