

Council

**Wednesday, 28 October 2009
Commencing at 5.30 pm**

Item 4: Urgent Business

**Item 4A: New Lynn Transit Oriented
Development Project –
Delegated Authority to Make
Payments to Auckland Regional
Transport Authority**

**AGENDA SUPPLEMENT TO A MEETING OF THE COUNCIL TO BE HELD AT WAITAKERE
CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON, WAITAKERE,
ON WEDNESDAY, 28 OCTOBER 2009, COMMENCING AT 5.30 PM**

4 URGENT BUSINESS

It is recommended that the Council resolve to:

Agree that Item 4A: New Lynn Transit Oriented Development Project - Delegated Authority to Make Payments to Auckland Regional Transport Authority be accepted as urgent business due to the need to give authorisation to the Chief Executive Officer to make an interim payment to the Auckland Regional Transport Authority before the date of the next Council meeting which is scheduled for Wednesday, 18 November 2009.



**4A NEW LYNN TRANSIT ORIENTED DEVELOPMENT PROJECT - DELEGATED
AUTHORITY TO MAKE PAYMENTS TO AUCKLAND REGIONAL TRANSPORT
AUTHORITY**

GLOSSARY

Auckland Regional Transport Authority	(ARTA)
Chief Executive Officer	(CEO)
Transit Oriented Development	(TOD)

EXECUTIVE SUMMARY

The Council has approved the physical infrastructure components of the New Lynn Transit Oriented Development (TOD) project, including walkways and cycleways, road bridges, roads and public transport infrastructure associated with the transport interchange facility.

As well, the Council has authorised the Chief Executive Officer (CEO) to enter into agreements with ONTRACK and Auckland Regional Transport Authority (ARTA) to build elements of the Council's physical infrastructure within the rail corridor through ONTRACK's existing construction contract with Fletcher Construction Limited.

While the Council has an agreement for provision of roading elements with ONTRACK, the agreement for provision of the Council's infrastructure associated with the Transport Interchange facility has been negotiated at ONTRACK's insistence, such that ARTA is required to pay ONTRACK for the full costs of the Transport Interchange facility and the Council is required to reimburse ARTA for its share of these costs. Previously, it had been envisaged that the Council would pay ONTRACK directly and the Council authorised the CEO to make payments to ONTRACK for this purpose. Under the newly established agreements, additional authorisation is required for the CEO to make payments to ARTA for the Council's share of costs associated with the New Lynn Transport Interchange facility.

Thus, the purpose of this report is to seek approval to delegate authority to the CEO to make payments to ARTA for the Council's share of costs associated with the New Lynn Transport Interchange facility.

RECOMMENDATIONS

It is recommended that the Council resolve to:

1. **Receive** the New Lynn Transit Oriented Development Project - Delegated Authority to Make Payments to Auckland Regional Transport Authority report.
2. **Agree** that the Chief Executive Officer be authorised to make payments to Auckland Regional Transport Authority for the New Lynn Transit Oriented Development project, provided that the payments do not exceed the amounts in the Annual Plan 2009/2010 and Long Term Council Community Plan 2009-2019.
3. **Direct** the Chief Executive Officer to provide regular reports to the Infrastructure and Works Committee on payments made to the Auckland Regional Transport Authority for the New Lynn Transit Oriented Development project.

BACKGROUND

1. The Council authorised the CEO to enter into agreements with ONTRACK and ARTA to build elements of the Council's physical infrastructure within the rail corridor through ONTRACK's existing construction contract with Fletcher Construction Limited. This was confirmed at the Council meeting of 29 April 2009 whereby Council resolved as follows:

"The Council resolved to:

1. **Receive** the New Lynn Transit Oriented Development Project: Approval Of Transport Interchange Design And Approval Of Delegated Authority report.
2. **Agree** that the Detailed Design for the New Lynn Transport Interchange be approved.
3. **Agree** that authority to enter into agreements with New Zealand Railways Corporation: ONTRACK and Auckland Regional Transport Authority to construct the New Lynn Transport Interchange be delegated to the Chief Executive Officer.
4. **Agree** that authority to enter into agreements with Watercare Services Limited to construct a trunk wastewater pipeline as part of Council's transport infrastructure contract be delegated to the Chief Executive Officer."

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2. In accordance with the partnership model envisaged at that time, the Council expected to be required to make payments to ONTRACK for the New Lynn Transport Interchange facility. This was confirmed at the Council meeting of 17 December 2008 whereby Council resolved as follows:

"The Council resolved to:

1. **Receive** the New Lynn Transit Oriented Development Project - Delegated Authority To Make Payments To ONTRACK report.
2. **Agree** that the Chief Executive Officer be authorised to make payments to ONTRACK for the New Lynn Transit Oriented Development project, provided that the payments do not exceed the amounts in the Annual Plan 2008/2009 and Long Term Council Community Plan 2009-2019 once approved.

3. *Direct the Chief Executive Officer to provide regular reports to the Infrastructure and Works Committee on payments made to ONTRACK and cash flow forecasts for the New Lynn Transit Oriented Development project."*

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3. While the Council has entered into an agreement with ONTRACK for provision of roading elements associated with the New Lynn TOD, the agreement for provision of the Council's infrastructure associated with the Transport Interchange facility has been negotiated at ONTRACK's insistence, such that ARTA is required to pay ONTRACK for the full costs of the Transport Interchange facility and the Council is required to reimburse ARTA for its share of these costs. Previously, it had been envisaged that the Council would pay ONTRACK directly and the Council authorised the CEO to make payments to ONTRACK for this purpose. However, under the newly established agreements, additional authorisation is required for the CEO to make payments to ARTA for the Council's share of costs associated with the New Lynn Transport Interchange facility.

DECISION MAKING

Issues

4. There has been no change to the scope of works required by the Council for physical works to be provided by ONTRACK on behalf of the Council under their existing construction contract with Fletcher Construction Limited. The only change that has occurred during the negotiations between ONTRACK, ARTA and the Council has been in the partnering relationship in regard to the implementation of the Transport Interchange facility. At ONTRACK's insistence, the previously envisaged partnership model was altered such that separate agreements have been established between the three primary partners, Waitakere City Council, ARTA and ONTRACK as follows:
 - **ONTRACK/Waitakere City Council:** for provision of roading related components including roads, bridges and services;
 - **ONTRACK/ARTA:** for provision of the rail station platform and Transport Interchange facility; and
 - **Waitakere City Council/ARTA:** for cost reimbursement by the Council to ARTA for the Council's share of costs associated with the Transport Interchange facility.
5. During the early stages of the project prior to ARTA's direct involvement, the Council had envisaged that all works within the rail corridor for the Transport Interchange facility would be facilitated by the Council and ARTA would reimburse the Council for its share of these costs. As the project developed, ARTA became fully involved as a partner and has secured its funding for the Transport Interchange facility. The outcome from this is that the Council will not be required to facilitate the Transport Interchange facility on behalf of ARTA. In fact ARTA will facilitate the entire Transport Interchange facility with ONTRACK and the Council will be required to reimburse ARTA for its share of these costs.
6. Therefore delegated authority will be required to enable the CEO to make payments to ARTA.

Options Identified

7. In terms of the conditions of the partnering agreements there are no other viable options.

Assessment of Options

8. As this is the only viable option, no further assessment has been carried out.

Consideration of Community Views

9. Community views with regard to the New Lynn TOD project have been canvassed through a wide variety of methods that have already been reported to the Council.

STRATEGIC CONTEXT

10. The New Lynn TOD project is aligned with the Sustainable and Integrated Transport community outcome and a number of strategies, as follows:
 - The Regional Growth Strategy, whereby New Lynn has been identified as a regional growth centre;
 - The Regional Land Transport Strategy;
 - The Council's Transport Strategy; and
 - Council's plans for urban intensification and economic developments.

CONSULTATION

11. There is no consultation required.

RESOURCES

12. Funding for the New Lynn TOD project has been provided in the Long Term Council Community Plan 2009-2019 and the Annual Plan 2009/2010. This funding includes all costs associated with the Council's partnering agreement with ARTA.

IMPLEMENTATION ISSUES

13. Progress reports will be provided to the Infrastructure and Works Committee to report on payments made to ARTA during the course of the project.

AUCKLAND COUNCIL TRANSITION ISSUES

14. The Local Government (Tamaki Makaurau Reorganisation) Act 2009 section 31(4)(b) imposes restrictions on Waitakere City Council's decision making capabilities in respect of a decision to adopt or amend a long-term council community plan or to adopt an annual plan.
15. The Auckland Transition Agency notified the Council on 29 June 2009 that it approved the Long Term Council Community Plan 2009-2019, but issued a notice under section 20 and 31(1)(b) of the Act, that any decision with regards to the wider New Lynn project required specific Auckland Transition Agency confirmation prior to implementation.
16. Subsequently, the Auckland Transition Agency notified the Council on 31 August 2009 of approved expenditure on the New Lynn project (ATA No. 0099) and thus the recommendations in this report can be made without referral to the Auckland Transition Agency.

Report prepared by: John Schermbrucker, Programme Director: New Lynn Integrated Programme.

