

# Auckland Transport Strategy and Funding Project

## Regional Update for Councillors

### Oct 2003

Auckland has been working with Central Government on the Auckland Regional Transport Strategy and Funding Project. To keep the region's councillors informed of the project, we have compiled this brief update on progress of the work so far.

#### **Special Regional Meeting - Friday, December 12, 2003**

A special regional presentation of the outcomes of this process will be made by Mayors, the Chairperson of the Regional Land Transport Committee and Government Ministers to all the region's councillors on the morning of Friday December 12. The venue of the meeting will be confirmed as soon as possible. Please note this date in your diary.

#### **Progressing this important issue**

In late January or early February, councils will meet formally to discuss the final report and its recommendations as part of a process aimed at developing an agreed regional position and agreement with Government. It is expected that Auckland councils will consider the report in time to feed into the Government's Budget preparation next year.

#### ***Jill McPherson***

**Regional Transport Strategy and Funding - Auckland group leader**

*"The reality facing the Auckland region is that there is a backlog of strategic transport infrastructure investment that cannot be implemented through conventional funding mechanisms."*

- Regional Land Transport Strategy (RLTS), 2003 (p96)

#### **How do we fund Auckland's transport needs?**

A regional initiative to answer this important question was begun in late 2002 by the Regional Land Transport Committee and followed up with a joint workshop of the Auckland Mayoral Forum and the Regional Land Transport Committee in January this year. Meetings with Government Ministers followed, and the project was referred to the region's Chief Executives' Forum.

In April, the Regional Land Transport Committee resolved that officers prepare a work programme to develop a

funding plan for an Auckland network strategy. Council resolutions supported the region working in partnership with Government on the work programme to urgently progress the issues. (pgs 96-99, *RLTS 2003*)

A Joint Officials Group ("JOG") - made up of Auckland local and central Government representatives (see below for members) was formed in July to investigate transport funding in our region.

The group's objective is

- *to develop a transport funding package for the Auckland region that will enable timely implementation of an agreed Auckland Network strategy, having assessed the fit of the Auckland Regional Land Transport Strategy with central government's New Zealand Transport Strategy and public policy outcomes.*

A team of regional officers is assisting the 'JOG' group, with representatives from all councils and Infrastructure Auckland. Auckland 'JOG' reps are drawn from this group, and other regional officers have participated in JOG workshops conducted in recent months.

### Who's in the 'JOG' group?

**Auckland reps:** Jill McPherson (Auckland City), Peter Winder (Auckland Regional Council), Tony Garnier (Auckland City) and Barry Mein (project manager).

**Local Government NZ:** Tim Davin

**Central Govt. reps:** Chris Mackenzie (adviser to the Minister of Finance), Michael Parker (adviser to the Minister of Transport), Rosemary Cook (Treasury), Tony Fenwick (Ministry of Economic Development), Peter Martin (Department of Prime Minister and Cabinet); Elise Webster (Ministry of Transport) and David Simpson (JOG project manager).

### What is Auckland's transport problem and solution?

New Zealand requires Auckland to be a growing economy adding wealth and value to the NZ economy. To perform better Auckland needs to manage growth and provide a quality of life that attracts talented people to live and work here.

Transport is a key issue, and the region is keen to fund and build as quickly as possible an integrated transport network for Auckland.

### Funding alternatives

A capital requirement in the order of \$8-10b is required to fund Auckland's transport infrastructure requirements as detailed in regional plans.

A core question is

- how is the region going to fund all the transport projects and services that it needs?

Around \$4.5b has been identified as currently available to fund Auckland's transport network over the next ten years. This includes \$3.1b for capital expenditure and \$1.3b for operational expenditure.<sup>1</sup>

The funding gap for the region could be up to \$3.9b, depending on what measures and projects you include in an integrated network.

Potential funding mechanisms identified include:

- Increases in fuel taxes and Road User Charges
- Infrastructure Auckland funding
- Crown contribution
- Debt financing
- Road pricing (e.g. tolling)

Other possible funding mechanisms include

- property rates,
- development contributions,
- local area licensing and vehicle registration levies, and further IA funds.

### What are some of the initial findings of the 'JOG' work?

*Some of the findings are:*

- The current transport system and planned and funded

<sup>1</sup> Based on the Transit 10 year plan. The Land Transport Management Act may shift future funding allocations.

improvements for Auckland over the next 10 years are certainly necessary but are not enough to achieve desired outcomes.

- The pace of growth in Auckland will make the backlog problem worse.
  - Completing an enhanced network is a high priority part of the solution, but not sufficient in itself.
  - Improved passenger transport services on dedicated routes will play an increasingly important part in the medium and long term.
  - Travel demand management (TDM) will be critically needed in the future.
  - The current funding availability will not address the backlog, or the increased demand from growth and may not deliver the benefits required.
- **Travel demand management (TDM)** non-pricing (e.g. walking buses, walking/cycling initiatives, travel plans, network management through information technology) is a key positive part of the mix, but is not a solution on its own.
  - **Providing a viable public transport alternative** and other supporting infrastructure is vital to achieving the full benefits of both TDM and road pricing.

- **Road pricing is emerging as potentially the critical component** to deliver the desired outcomes if distributional impacts can be overcome, and community acceptance achieved.

#### **What is meant by road pricing?**

Road pricing refers to charging road users directly for their use of a particular piece of road, varying accordingly as to what road is used and when. It can be implemented in a variety of forms, ranging from network-wide electronic pricing to conventional point gathering tolls.

#### **In summary...**

- There is a consensus that continuing down the present path is not an option.
- Instead the view emerging is that our target should be an integrated transport network across all transport modes, that is also integrated with a land use policy that caters for expected growth.
- Auckland needs a funding toolbox to increase revenues for transport investment and operations and to fund the integrated network progressively.
- While the exact composition of an integrated network required by Auckland needs to be agreed and defined...

...With increased funding and a more timely implementation programme, Auckland could decide over the next 10 years to..

- Complete an enhanced network.

- Complete the public transport components as a matter of urgency and improve existing services.
- Increase travel demand management progressively and
- Address implementation issues.

JOG is working on levels of funding to enable implementation of yet to be agreed strategy and funding project objectives.

## Evaluating the options

An evaluation of the solution to the problem is being made against a framework of criteria based upon the New Zealand Transport Strategy ("NZTS"), the Auckland Regional Land Transport Strategy ("RLTS") and other Government policies.

The evaluation framework includes the five objectives of the NZTS and two additional objectives of affordability and minimising implementation risks. These objectives, for which more detailed criteria and measures have been developed, have not been given weightings at this stage in the process.

The objectives are:

- Economic development
- Safety and security
- Accessibility and mobility
- Public health
- Environmental sustainability
- Affordability and cost effectiveness
- Implementation risks

## Next steps

The JOG group is now completing its final report. Mayors, the Chairperson of the Regional Land Transport Committee and Ministers will be discussing its recommendations during November and

December before making the presentation to the region's councillors on the morning of Friday December 12.

Resolutions from councils focused on the report and its recommendations are expected to go to the Regional Land Transport Committee for final regional resolution at its February meeting next year.

## Keeping informed

To keep yourself informed and give feedback, please contact your Mayor or your council's representative on the regional officers' group. See below.

## If you have any questions..

Please contact your Mayor, Chair (Auckland Regional Council), Chair (Regional Land Transport Committee), Chief Executive or your council's representative on the regional officers' team working on this project listed below.

### **Auckland Regional Council:**

Peter Winder, Don Houghton

### **Rodney District:**

Ray Ginnever

**North Shore City:** Don Munro

**Auckland City:** Jill McPherson

**Manukau:** Chris Freke

**Waitakere:** Kevin Wright

**Papakura:** Theresa Stratton

**Franklin:** Phillippa Wilson

If you have any further queries please contact

**Jill McPherson**

Auckland group leader:

[Jill.McPherson@aucklandcity.govt.nz](mailto:Jill.McPherson@aucklandcity.govt.nz)

**Bernie Walsh**

JOG - communications co-ordinator

[bernadine.walsh@northshorecity.govt.nz](mailto:bernadine.walsh@northshorecity.govt.nz)

Tel: 09-486 8623 or 027 231 0253.

**MINUTES OF AN ORDINARY MEETING OF THE PROJECTS SPECIAL COMMITTEE  
HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,  
WAITAKERE CITY, ON WEDNESDAY, 1 OCTOBER 2003  
COMMENCING AT 9.37 AM**

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**PRESENT:** Councillors RP Dallow, QPM, JP (Chairperson)  
JP Lawley (Deputy Chairperson)  
BA Brady, JP  
JM Clews, QSO, JP (until 12 .25 pm)  
AC Fenton

**OBSERVERS:** C Shepherd (Chairperson, Waitakere Community Board)  
P van der Voort (Deputy Chairperson, New Lynn Community Board)

**IN ATTENDANCE:** Director: City Services  
Director: Finance  
Group Manager: Planning & Community Services  
Group Manager: Strategic Planning and Policy  
Group Manager: Project Services  
Group Manager: Service Management  
Consultancy Services Business Manager  
Manager: Public Affairs  
Arts Project Manager  
Collaboration Projects Manager  
Project Manager: Revitalisation  
Manager: Sustainable Engineering: Asset Management  
Project Leader (Programmes and Marketing)  
Interim Manager: Aquatic & Recreation Centre  
Leisure Planner: City Services  
Leisure Services Manager  
Fitness Centre Supervisor  
Committee Secretary: A Chan

**1 APOLOGIES**

1991/2003  
MOVED by Cr Clews, seconded Cr Fenton:

That apologies from Crs Battersby, Russell and Stone for absence be received and sustained.

**CARRIED**

**2 URGENT BUSINESS**

There was no Urgent Business.

**3 CONFIRMATION OF MINUTES**

1992/2003

MOVED by Cr Clews, seconded Cr Lawley:

That the minutes of the Ordinary Meeting of the Projects Special Committee held on Wednesday, 6 August 2003, as circulated, be taken as read and now be confirmed.

**CARRIED**

**4 HOUSING FOR OLDER ADULTS PROGRAMME**

1993/2003

MOVED by Cr Brady, seconded Cr Fenton

1. That the information be received.
2. That the allocation of any necessary resources to follow up on strategic issues and funding/partnership matters be strongly supported, and that the allocation of the resources be addressed in the six monthly review.
3. That prior to being presented to the City Development Committee, a report be bought back to the Projects Special Committee to provide further information in respect of all issues, strategic and otherwise, on adult housing including a full survey of all units.
4. That Council write to Government to register its interest on the funding scheme to support upgrading of adult units.

**CARRIED**

**PRECEDENCE OF BUSINESS**

1994/2003

MOVED by Cr Lawley, seconded Cr Clews:

That Item 7: Youth Facility Development be accorded precedence at this time.

**CARRIED**

**7 YOUTH FACILITY DEVELOPMENT**

**ADJOURNMENT**

1995/2003

MOVED by Cr Lawley, seconded Cr Clews:

That the meeting adjourn into a Workshop until 11.30 am.

**CARRIED**

10 32 am The meeting adjourned.

11.37 am The meeting reconvened.

1996/2003

MOVED by Cr Brady, seconded Cr Lawley:

That the information be received.

**CARRIED**

1997/2003

MOVED by Cr Dallow, seconded Cr Brady:

That a report be brought back to the Projects Special Committee outlining the next major phases for the development of the proposed Youth Facility.

**CARRIED**

#### **PRECEDENCE OF BUSINESS**

1998/2003

MOVED by Cr Clews, seconded Cr Brady:

That Item 8: Events Programme be accorded precedence at this time.

**CARRIED**

#### **8 EVENTS PROGRAMME**

1999/2003

MOVED by Cr Lawley, seconded Cr Brady:

That the information be received.

**CARRIED**

#### **5 PROPOSED SUMMERLAND DRIVE COMMUNITY FACILITY**

2000/2003

MOVED by Cr Clews, seconded Cr Lawley:

1. That the information be received.
2. That Summerland Drive Community Facility detailed design commence during the 2003/2004 year and be funded from the funding provided in the 2003/2004 Annual Plan for a facility size of 300 sqm, with potential to extend.
3. That it be recommended to Council that the cost of the Summerland Drive Community Facility as provided in years 2004/2005 and 2005/2006 be re-confirmed at \$660,000 and be available for 2004/2005.

**CARRIED**

**6 YOUTH EVENT INITIATIVES**

2001/2003

MOVED by Cr Fenton, seconded Cr Brady:

That the information be received.

**CARRIED**

**7 YOUTH FACILITY DEVELOPMENT**

This item was considered following item 4: Housing for Older Adults Programme.

**8 EVENTS PROGRAMME**

This item was considered following item 7: Youth Facility Programme.

**9 CLOSED LANDFILL REGULATORY COMPLIANCE**

2002/2003

MOVED by Cr Clews, seconded Cr Brady:

That the information be received and that staff be congratulated on their work.

**CARRIED**

**10 WEST WAVE AQUATIC CENTRE FINANCIAL FORECASTS**

2003/2002

MOVED by Cr Clews, seconded Cr Lawley:

That the information be received.

**CARRIED**

**11 WEST WAVE MARKETING AND PROMOTIONS UPDATE**

12.25 pm Cr Clews left the meeting.

2004/2003

MOVED by Cr Fenton, seconded Cr Brady:

That the information be received.

**CARRIED**

**12 WEST WAVE FITNESS CENTRE - PURCHASE OF ADDITIONAL FITNESS EQUIPMENT**

2005/2003

MOVED by Cr Dallow, seconded Cr Lawley:

1. That the information be received.
2. That it be recommended to Council that borrowings of up to \$40,000 be approved for the purchase of additional equipment for the West Wave Fitness Centre.

**CARRIED**

**NOTE:** Pursuant to Standing Order 32.12 Cr Fenton requested that her vote against the motion be recorded.

**13 HERITAGE STRATEGY AND DECISION MAKING**

2006/2003

MOVED by Cr Fenton, seconded Cr Lawley:

1. That the information be received.
2. That the Projects Special Committee recommend to the City Development Committee, the project scope of the Heritage Action Plan and the Cultural Heritage Inventory as outlined in this report.

**CARRIED**

1.20 pm

CONFIRMED AT AN ORDINARY MEETING OF  
THE PROJECTS SPECIAL COMMITTEE HELD ON

**DATE:**.....

**CHAIRPERSON:**.....