

Agenda item 8.1

SeaPath Project - Approval of Detailed Business Case and Funding

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**AGENDA NO.
8.1**

BOARD PAPER

Paper no:	2018/12/1322
Meeting date:	14 December 2018
Prepared by:	Prasad Tala, Senior Transport Planner Rebekah Pokura-Ward, Principal Transport Planner
Recommended by:	Brett Gliddon, General Manager, System Design & Delivery
Board function:	Significant planning, investment and operational matters
Subject:	SeaPath Project – Approval of Detailed Business Case and Funding



It is recommended that the NZ Transport Agency Board resolves to . .

- **Endorse** the Detailed Business Case for the SeaPath Project, which provides for a 4 kilometre walking and cycling connection between Northcote Point and Esmond Road in Takapuna.
- **Approve** funding allocation of \$6 million (50th percentile) for pre-implementation in respect of the SeaPath Project.
- **Approve** funding allocation of \$5.85 million (50th percentile) for property acquisition in respect of the SeaPath Project.
- **Note** that the total cost of construction of the SeaPath Project is estimated to be \$62.4 million – \$73 million (50th to 95th percentile range), with an investment assessment profile of HL (Benefit Cost Ratio (BCR) 1.0-2.9) (High Results alignment and a BCR of 1.2).

SeaPath aligns well with Government direction, the Auckland Transport Alignment Project, and the Auckland Cycling Programme Business Case

- The SeaPath Project (SeaPath), in conjunction with SkyPath, was included in the Minister of Transport's October 2018 public announcement on the National Land Transport Programme (NLTP) 2018-2021
- SeaPath meets a number of investment priorities identified in the Government Policy Statement on Land Transport (GPS):
 - SeaPath and SkyPath will deliver a critical missing link between Auckland's North Shore and the Auckland CBD
 - SeaPath is one of the significant cycling investments included in the Auckland Transport Alignment Project (ATAP) 2018 package, as a first decade delivery priority
 - SeaPath aligns with the Auckland Cycling Programme Business Case (PBC) – providing enhanced active mode network connectivity in suburbs with intense housing development

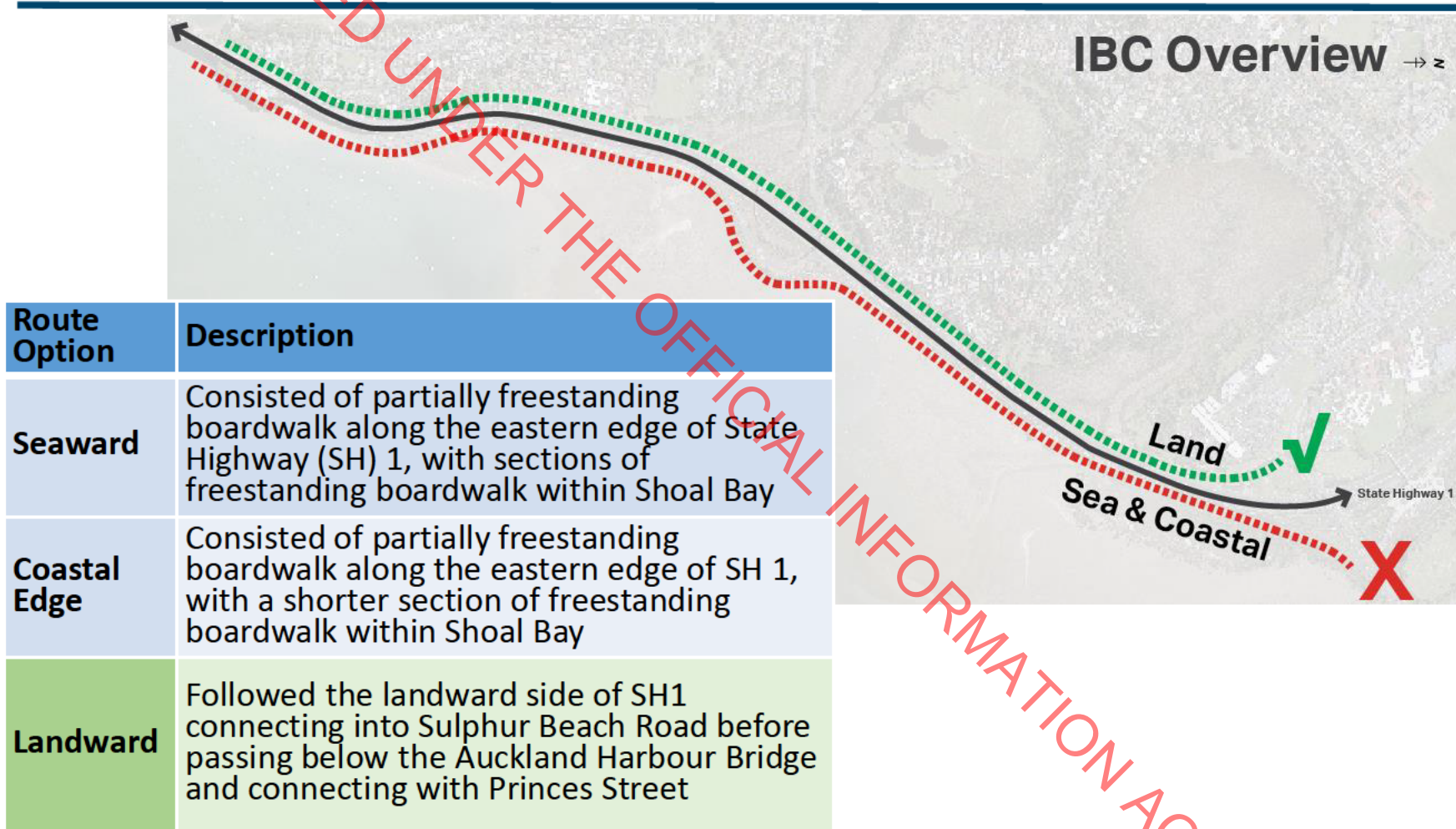
SeaPath also aligns well with the NZ Transport Agency's Strategic Responses

SeaPath aligns with the NZ Transport Agency's Strategic Responses, and Focus Areas/Position Statements by providing:

- Safe and accessible transport choice
- Promoting active modes
- Improved accessibility to customer destinations (schools, work, retail, natural environment)



Three broad options were assessed during the Indicative Business Case phase. The Landward option is preferred for its connectivity, cost and environmental benefits



The recommended option connects Esmonde Road in Takapuna to the future SkyPath and provides connections to local roads and recreational reserves along the route



The recommended SeaPath option, in conjunction with SkyPath, will provide a number of benefits

BENEFIT	INVESTMENT OBJECTIVE	KPI	EXPECTED OUTCOMES
Improved transport system capacity	Increase the total number of walking and cycling trips between Esmonde Road and Harbour Bridge to 1,500p/day by 2046*	Increase people throughput using active modes between Esmonde Road and Auckland Harbour Bridge	The recommended option increases the average daily walking and cycling trips by over 40% by 2046 in comparison to the forecast demand using the existing local road and cycling network
		Reduce the cycling time between Esmonde Road and Auckland Harbour Bridge	The recommended option reduces travel distances by 1.2km, is 30% faster and saves users over 4mins per trip
		improve the cycling quality of service between Esmonde Road and Auckland Harbour Bridge	The recommended option is almost entirely separated from traffic, appropriate for a wide range of users, offers shallow gradients and is more direct
Improved access to community assets and the natural and built environment	Increase the number of households within access to the natural environment and community assets between Esmonde Road and Harbour Bridge by active modes.	Increase the number of walking and cycling connections points to Onepoto Domain, Tuff Crater and other natural assets within the project extent	There are eight connections to the local roads and recreational reserves. These provide the connectivity and access to the local communities, activating the facility as well improving the resilience of the transport choice for the neighbourhood
		Increase the 30 minute walking and cycling catchment to education facilities, public transport hubs and other community assets within the project extent	Takapuna to city centre achieved within 30 minutes cycle due to the flat, direct and grade separated nature of SeaPath and SkyPath

*The recommended SeaPath option has been assessed against the existing local road and cycle network via Esmonde Road, Akoranga Drive and Auckland Transport’s Northcote Safe Cycle Route and assumes the implementation of SkyPath

There has been positive stakeholder and public feedback from six community engagement events and the distribution of 2,500 newsletters and social media coverage

Stakeholder	Feedback themes/Outstanding issues
Local Communities (lower North Shore)	Strong support for SeaPath and integration with SkyPath Consider SeaPath and SkyPath are long overdue – just need to get on with it
Auckland Council, Auckland Transport	The Transport Agency is actively working with Auckland Council (AC) and Auckland Transport to guide the next stage of the project and to maximise the wider network integration benefits that can be gained by building SeaPath. The project team will continue discussion in relation to the use of AC reserves land for SeaPath purposes
Northcote Point Heritage Protection Society	Some outstanding concerns about potential impacts on their neighbourhood from SkyPath patronage should the full SeaPath scheme not be constructed from the outset
Mana Whenua	Iwi have participated through the Indicative Business Case and Detailed Business Case phases and the Project Team has collaborated on decisions impacting iwi values and sensitive issues during Iwi Integration Group (IIG) meetings held every month. The Project Team will continue to work with Iwi to avoid or minimise implementation impacts on these values. Further design and geotechnical investigation in the next phase of the project will reduce risks in this area
Bike Auckland	Highly supportive. Working with design team to optimise user experience and safety at local road interfaces
Local Boards and Environmental Advocates (Forest and Bird, Department of Conservation)	Local Board and environmental advocacy groups see opportunity to integrate with existing walking and cycling activities and plans (such as the Tuff Crater greenways) and to restore natural habits and improve biodiversity for native flora and fauna in the area

The key risks and opportunities to SeaPath Project

The key risks:

- The Cost-Benefit Appraisal of the project without SkyPath is <1.0. There is a risk that the investment in pre-implementation funding will not be realised if SkyPath does not progress
- To mitigate future risks, the construction funding for SkyPath and SeaPath will be sought as an integrated single package

The key opportunities (in addition to the expected benefits):

- Working collaboratively with Auckland Transport and Auckland Council regarding the connections to the local road network and access to reserves and natural features
- Facilitating the complementary use of the existing walking and cycling network on the lower North Shore including Auckland Transport's Northcote Safe Cycle Route
- Collaborating with Mana Whenua, Local Boards and local community to incorporate cultural, geological, heritage and ecological values into design elements
- Interfacing with the Auckland Council Greenways and environmental restoration projects in the project area (Tuff crater, Onepoto Domain)

The SeaPath Project is in the NLTP and includes an indicative funding allocation

- The NLTP 2018-2021 includes provision for SeaPath next phases, with an indicative allocation of \$1.11 million for pre-implementation and \$30.37 million for the implementation phase
- The total expected estimate (P50) of the preferred option from the SeaPath Detailed Business Case (DBC) is higher however than that forecasted during the NLTP development

Preferred SeaPath Option	Estimate (P50)	Estimate (P95)	Assessment Profile
Property	\$5.85M	\$6.89M	HL (BCR 1.0-2.9)
Pre-implementation	\$5.95M	\$6.97M	
Implementation	\$62.4M	\$73M	

- The cost increase is due to the need for additional elevated structures, including boardwalk and footbridges, along with design treatments to avoid and mitigate effects on environmentally sensitive features, plus property acquisition
- The Transport Agency will carry out a Value for Money review and continue to look for opportunities to reduce the cost of the SeaPath during the pre-implementation phase

Impact of SeaPath (and SkyPath) on the overall Walking and Cycling Activity Class

- SeaPath was previously forecast during the development of NLTP 2018-2021 and is affordable on these assumptions
- It is forecast that around 85% of construction will be spent in the NLTP 2021-2024 period
- The Transport Agency has commenced a DBC for SkyPath with expected completion in mid 2019. Once complete, there will be greater certainty around the design, costs, construction timeframes, and opening dates for SkyPath
- A final commitment decision on implementation funding for SeaPath and SkyPath will be sought from the Board in mid-2019, when the SkyPath DBC is complete
- Funding for SeaPath and SkyPath will, in due course, require a commitment to a significant portion of the NLTP 2021-2024 Walking and Cycling Activity class
- For this reason, it is recommended that the decision to fund construction for SeaPath and SkyPath be made as a package when programming is confirmed

The following information will be made available on the Transport Agency website

- Under section 20D(2) of the Land Transport Management Act 2003, after approving or declining funding for activities or combinations of activities, the Transport Agency must place a copy of the decision, and the reasons for the decision, on its website
- If the Board agrees to the recommendations in this paper, the following information will be made available on the Transport Agency website:
 - *The investment assessment profile for the preferred option for SeaPath Project has been assessed to be HL (BCR 1.0-2.9), in accordance to the 2018-2021 Investment Assessment Framework.*
 - *The preferred option, including as part of the Auckland Cycle Network:*
 - *provides active mode transport choices;*
 - *improves accessibility between the city centre and the North Shore;*
 - *provides transport infrastructure to support and improve network capacity and transport system resilience; and*
 - *enables better access to, community assets, education and employment opportunities, natural and built environment, core services and amenities.*

Next Steps

The proposed next steps of the SeaPath Project are as follows:

Activity	Completion Date
NZ Transport Agency Board approval of DBC	December 2018
Procurement start: Pre-implementation	Jan/Feb 2019
Procurement: Pre-implementation Tender Complete	April/May 2019
SkyPath – Seek Board approval of DBC and implementation funding for both SkyPath and SeaPath	Mid 2019
Pre-implementation (Design & Consent) Complete	May 2021
Implementation Complete	November 2023

*SeaPath’s interface and interdependence with SkyPath necessitates SeaPath progressing to pre-implementation as soon as possible to coordinate as closely as possible with SkyPath