



**AGENDA NO.
5.5**

BOARD PAPER

Paper no:	2017/07/1161
Meeting date:	7 July 2017
Prepared by:	Tim Conder, Manager Auckland Planning and Development
Recommended by:	Jenny Chetwynd, General Manager Strategy and Performance (as at 30 June 2017)
Board function:	Significant planning, investment and operational matters
Subject:	Nationally Significant Urban Corridors in Auckland



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

- **Support** the proposed approach to identify urban corridors that provide nationally significant functions
- **Endorse** a greater role for the NZ Transport Agency in delivering nationally significant urban corridors
- **Agree** that the NZ Transport Agency should consult with Government, Auckland Transport and Auckland Council on the Agency taking responsibility for delivery of [redacted] Mill Road projects **subject to:**
 - a) Additional funding being available from government for the Agency's share of the cost; and
 - b) Agreement with Auckland Transport on a funding contribution based on 'local benefit'
- [redacted]
- **Note** that the Penlink project does not meet the criteria for a nationally significant urban corridor; but that it could be a candidate for alternative delivery and funding models, of which the NZ Transport Agency could be a part, and that these will be explored with Auckland Council and Auckland Transport

Previous decisions by the NZ Transport Agency Board ...

Out of scope



Out of scope



There are significant challenges to deliver the transport system Auckland needs

Out of scope

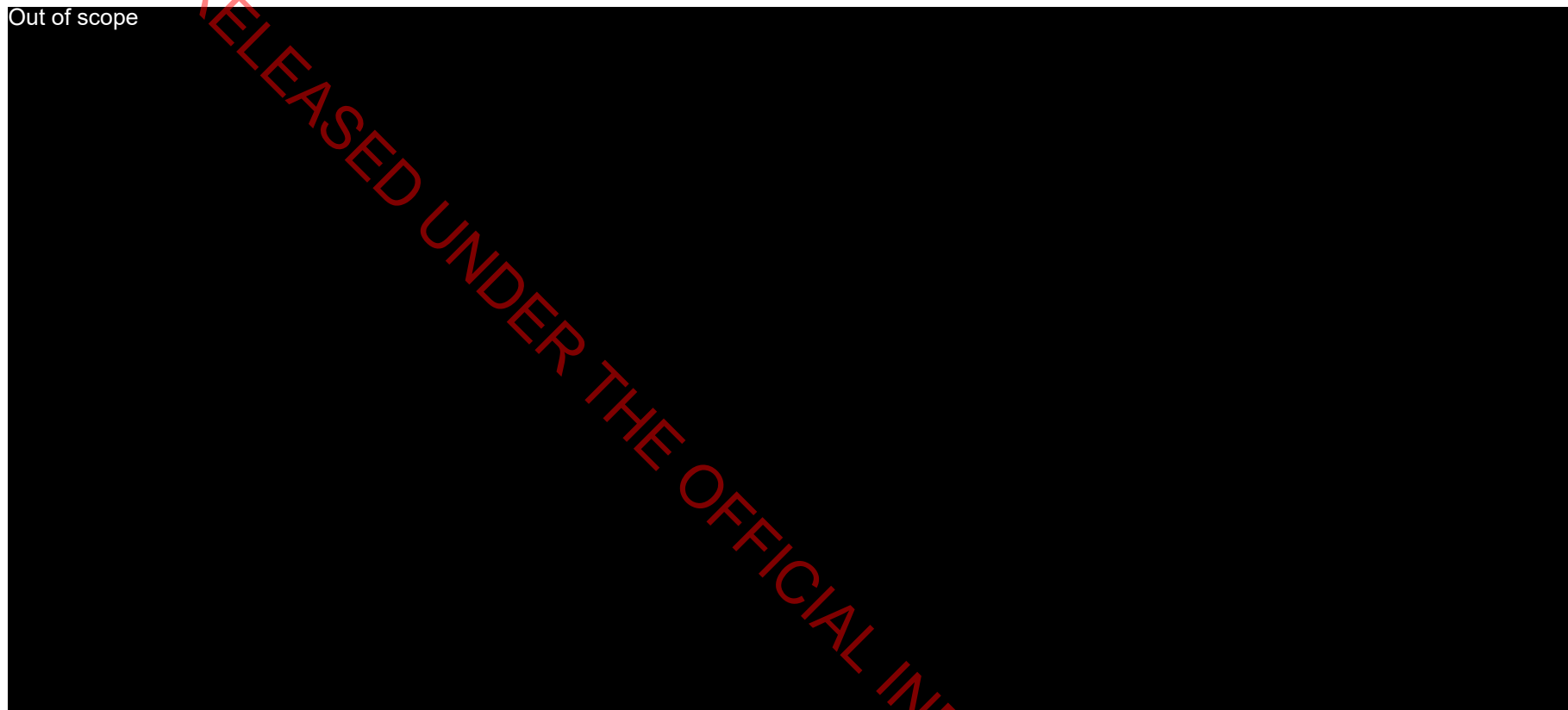
- Recently Auckland Transport has requested the Transport Agency take over responsibility for delivering some corridors (including funding) or to provide greater funding assistance; specifically: Out of scope Mill Road, Penlink Out of scope

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An initial review for Auckland has identified the types of corridors that would meet the criteria

- The Auckland Transport Alignment Project (ATAP) identified the key existing and new corridors that need significant scale investment over the next 30 years
- The types of corridors which meet the criteria as being nationally significant are some mass transit corridors and major new arterials. These are in addition to existing State highways and rail corridors.
- Three high priority corridors from ATAP that meet the criteria are:
 - Out of scope [REDACTED]
 - Mill Road
 - Out of scope [REDACTED]
- Out of scope [REDACTED]

Out of scope

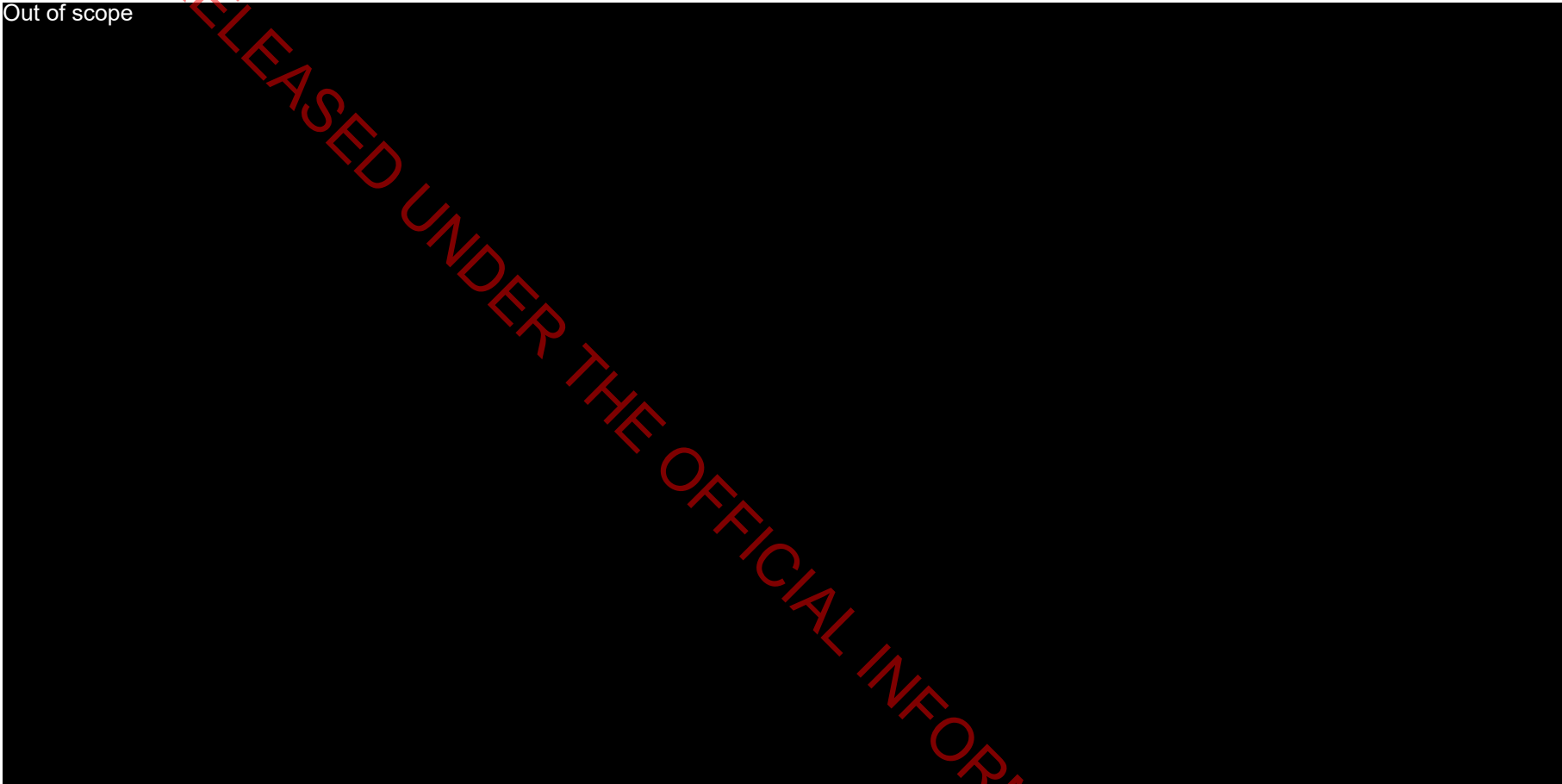


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Mill Road is a key corridor to unlock growth in the south and is important to delivering the benefits of the Southern Corridor improvements

- The Mill Road corridor will provide additional north-south capacity in the growing area of south Auckland. Around 42,000 new households and 19,000 employment opportunities will be created in the southern growth area – much of which is under development now
- The corridor would also provide a significant contribution to the resilience of the national State Highway network. The full resilience benefits arise on completion of the whole corridor
- The corridor was identified as a priority an early priority in the Auckland Transport Alignment Project (ATAP) as it enables housing and commercial development in the southern greenfield area
- The first stage of the Mill Road project is the northern end between Manukau and Alfriston and comprises a 4-lane road and upgraded intersections, improved public transport infrastructure and services, on-road cycle lanes and shared path facilities
- The first stage corridor has an estimated cost of approximately \$415 million (2016 dollars) and the total cost of the full corridor improvements over 30 years is estimated in the order of \$1 billion (2016 dollars)

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Penlink is a key project which provides local access and enables growth in the north, but is not a nationally significant corridor

- Penlink is a proposed new road connecting State Highway 1 and the Whangaparaoa Peninsula and is a key part of the transport network required to serve future growth in the North – anticipated to be 27,000 additional households and 13,000 new jobs
- Penlink does not meet the criteria of a nationally significant corridor. The projected volumes of people and goods moved would not meet the threshold and the contribution Penlink makes to resilience of the national network is not considered significant
- Penlink is identified as a 2nd decade priority in ATAP
- Preliminary programming work by Auckland Transport in preparation for the 2018-21 Regional Land Transport Programme has indicated the project is likely to be a high priority. Tolling, which has been canvassed with the community and is understood to have widespread support, could potentially cover around a quarter of the project costs
- There are opportunities for other funding and delivery approaches, including a exploring a hybrid public private partnership approach (comprising tolling and other value capture mechanisms), which the NZ Transport Agency could be involved in exploring with Auckland Transport

There are two key considerations for giving effect to the identified corridors

- Who should be accountable to **deliver** improvements
 - This should be determined for each corridor, taking into account respective funding commitments as well as which organisation is best able to manage the risks and opportunities
 - The Transport Agency is well placed to manage the risks and opportunities of Mill Road Out of scope
 - Out of scope
- Who should **fund** the necessary improvements
 - It is proposed that cost sharing arrangements would be determined for each corridor, considering the functional role of the corridor and where the benefits lie. This reflects that some corridors also need to provide local access functions

Cost sharing arrangements need to be agreed

- Cost sharing arrangements need to be agreed with Auckland Transport to reflect the national and local benefits of each corridor

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- Cost sharing arrangements for Mill Road are proposed around 80% funding from the National Land Transport Fund and 20% from Auckland Transport to reflect local access benefits

The funding impacts of these cost sharing arrangements arise in the 1st decade

- The 1st decade impacts on the National Land Transport Fund (NLTF) of these cost sharing arrangements for each corridor would be approximately:
 - Mill Road: increase of \$120 million (as a result of funding moving from 51% to 80%)

Out of scope

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