

# North West Transformation Update

## Recommendation

That the Board:

- i. Notes this update on the status of the North West Transformation project.

## Executive Summary

The North West Transformation is a Council project aimed at facilitating growth in Auckland's northwest. Council's strategy for achieving the required growth was to establish a number of partnership agreements with various developers.

In the case of roads and public transport infrastructure, Council's budget and delivery responsibilities have been assigned to Auckland Transport. Under this arrangement Auckland Transport is required to invest \$110m between 2012 and 2022 to provide new roads, upgrade existing and expand public transport infrastructure to accommodate the planned growth. Auckland Transport invested \$17m last year and has programmed \$12m for this year.

## Background

The former Waitakere City Council (WCC) identified that the north western area of the city had insufficient sustainable development to meet the demands of projected growth within the area.

To address the situation it initiated the Northern Strategic Growth Area (NorSGA) project in partnership with land developers with the intention of delivering new employment and housing opportunities in the area. Three plan changes were made operative (see Figure 1 below). These were named Plan Change 13 (Hobsonville Point), Plan Change 14 (Hobsonville Corridor) and Plan Change 15 (Westgate).

Post October 2010, ownership of the NorSGA project (renamed the North West Transformation) transferred to Auckland Council (Council). Council largely adopted the growth vision for this area in its Auckland Plan and identified Auckland's North West as one of the eight priority areas for growth and development within the Auckland region.

Stage 1 of the development is currently underway. This stage entails 435 hectares consisting of Hobsonville Point (PC13), Hobsonville Corridor (PC14) and Westgate/Massey North (PC15).

When completed the development is expected to deliver 20,000 new jobs and 5,500 new homes.

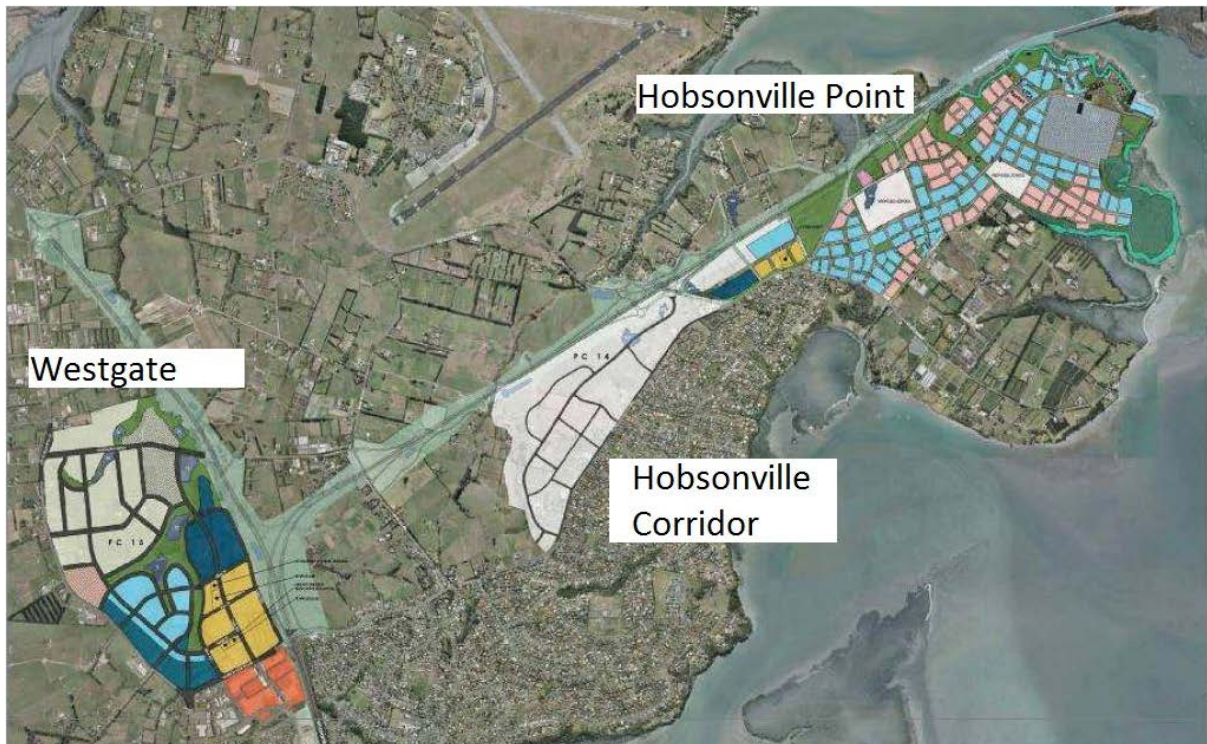


Figure 1: Plan Change Areas

Developers and Auckland Transport have a joint role in the delivery of transport infrastructure. Both parties are responsible for constructing new roads at Westgate and the Hobsonville Corridor with the Hobsonville Land Company having sole responsibility for constructing all of the new roads at Hobsonville Point.

Auckland Transport also has the responsibility for designing and building a new bus interchange at Westgate and has already completed the ferry terminal at Hobsonville Point (refer to Attachment 5 for details of Auckland Transport's investment responsibilities). Its whole of life financial commitment to the project is expanding. \$140m with a projected spend of \$110m over the next ten years (between 2012 and 2022). (See Financial section below for detail).

## Status Update

### Westgate

The Westgate development covers an area of 156 hectares (refer to Attachment 1 for layout) and consists of:

- 100 hectare regional centre including a town centre, library, town square, shopping centre, offices, education, administration, leisure, recreation, retail and residential developments catering for about 6,000 jobs and 7,000 residents;
- 56 hectare employment special area with a range of business uses providing about 3,000 jobs.

**Completed**

Developers have acquired all of the land needed to build the new town centre and the majority of the site has been developed to building platform level. Resource consents have been lodged for the retail development occurring in Precinct A (refer to Attachment 1 for precinct identification) and a building consent has been lodged for a Mitre 10 development at the northern end of the town centre. The earthworks in Precinct C are substantially complete in preparation for a new Pak and Save supermarket which is expected to open in 2014. (The orange boxes in Figure 2 below indicate developments currently underway).

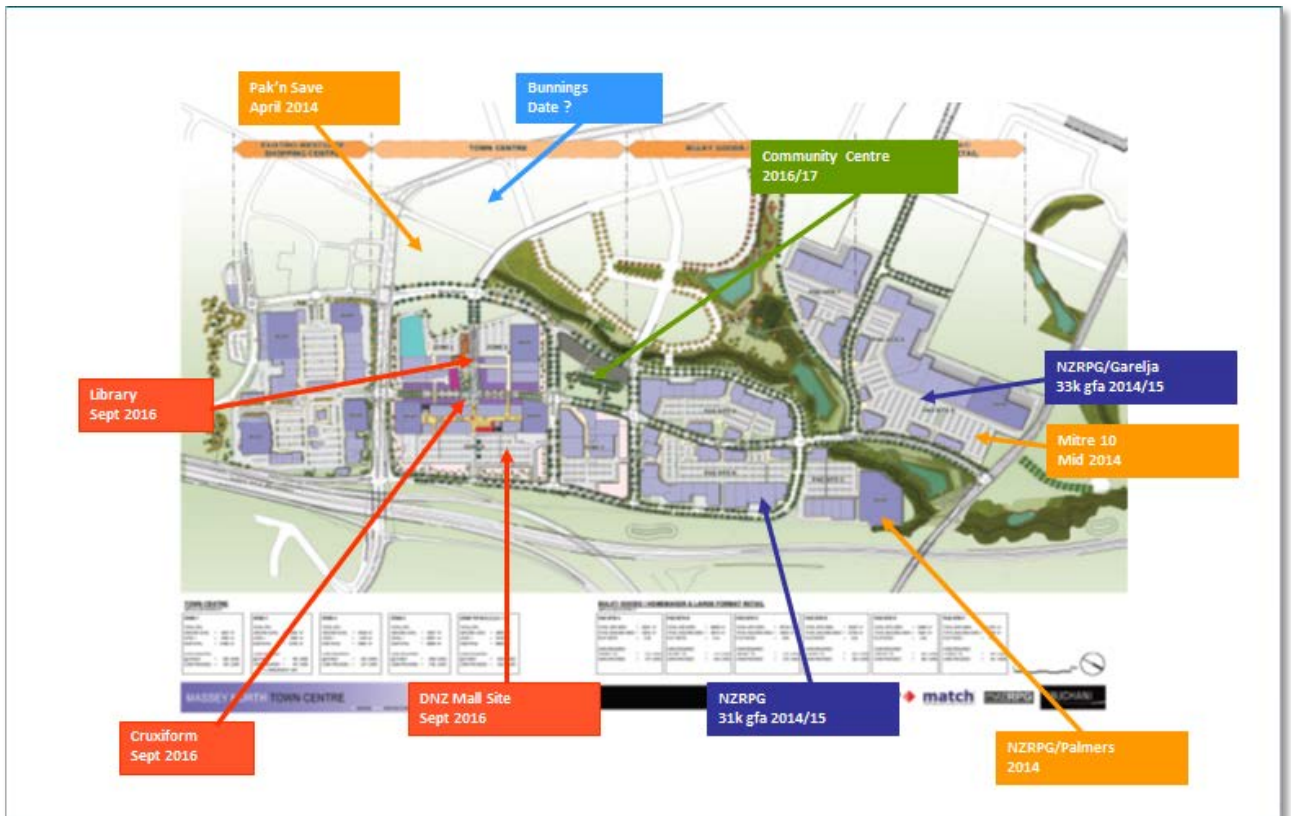


Figure 2: Indicative development timetable - See Attachment 7 for a larger diagram

**Ahead**

Council is working with the developers to have the retail development in Precincts A and B including a new shopping mall completed in late 2016 (red boxes in Figure 3).

In conjunction with the commercial development, Council will be constructing a new library (Attachment 2), town square (scheduled to open at the same time as the mall) and community centre scheduled to open a year later.

The development plan also anticipates the progressive construction and opening of bulk retail in the northern precincts with residential development to follow as growth occurs.

### Key Developers in Westgate:

- New Zealand Retail and Property Group (NZRPG) – owners and managers of the existing Westgate centre and one of the primary developers for the new town centre.
- DNZ – has recently acquired part of NZRPG's interest in the development and will now be building the new shopping mall that is a key element of the new town centre.
- Midgley Family – own a significant part of the Precinct C land and will be selling/developing the land they own in that precinct. They have already sold part of their land interest to the National Trading Company (NTC) who will be building a Pak and Save supermarket on the site.
- Garelja Family – own a significant area of land that is zoned as Employment Special Area and intend to develop the land in conjunction with NZRPG.

### Existing agreements

The following agreements exist between Council/Auckland Transport (as indicated) and the developers.

- Infrastructure Funding Agreement (IFA): This is a legacy agreement between WCC and NZRPG whereby Council agrees to pay NZRPG a fixed amount (\$23m) and NZRPG agrees to build certain roads within the town centre which are to be vested in Council upon completion. In addition Council agrees to pay NZRPG a further \$2.2m for enhanced streetscapes.
- Works Development Agreements (WDAs): This is a legacy agreement between WCC and NZRPG whereby Council agrees to engage and pay NZRPG to construct public infrastructure (estimated value \$32m) in the town centre. The infrastructure to be built includes roads, open spaces, stormwater, water and wastewater reticulation.
- Precinct C Bulk Earthworks Agreement: This is an agreement between Auckland Transport, NTC and the Midgley family where Auckland Transport agrees to engage a contractor to undertake bulk earthworks in Precinct C to form roads and create building platforms for adjoining land owned by NTC and the Midgley family. The value of the work is \$1.5m and as part of the agreement, NTC agrees to reimburse Auckland Transport for the cost of the NTC works.

### Transport Infrastructure

- **Completed:** Northside Drive West and Tahi Rd north on the northern periphery of Westgate have been completed and Rua Rd south in Precinct C is currently under construction. NZRPG has also completed the earthworks for the roads located on its land.



- **Ahead:** Don Buck Rd extension and Waru Rd west in Precinct C are currently being consented and these roads are planned to be completed in 2014. A Notice of Requirement for Northside Drive East has recently been lodged with Auckland Council and it is anticipated that a public hearing will be held late 2013/early 2014. It is anticipated that land acquisition for Northside Drive East will be completed in 2014 allowing construction to commence in 2015. It is also anticipated that the new bus interchange (which will be funded by Auckland Transport and built by NZRPG as part of their development works) will be completed in 2016. The roads being built by NZRPG are expected to be completed in 2016.

The park and ride strategy paper identifies the need for an additional 200 spaces for park and ride by 2020. and an additional 300 spaces by 2035. This is in the Westgate and Triangle Road Area. This is based on a number of criteria including demand, upstream of congestion and an emerging metropolitan centre in the future. There is currently no park and ride spaces at Westgate or Triangle Road.

### **Hobsonville Corridor**

The Hobsonville corridor development covers an area of 80 hectares (refer to Attachment 3 for layout) and consists of:

- a 13 hectare village centre including a 4,000m<sup>2</sup> supermarket, a small number of retail shops, residential apartments, offices and other business users to support the large scale residential development in Hobsonville Point;
- a 67 hectare employment special area with industrial and commercial business parks providing about 4,000 jobs.

### **Completed**

Progressive has acquired land for a supermarket in the Hobsonville Village and has recently received Environment Court approval to proceed with the development. Developers owning land in the western part of Plan Change 14 have obtained resource consent to undertake earthworks for the new developments and it is planned that this work is undertaken during the summer of 2013/2014.



Figure3: Hobsonville Village

### Ahead

Council to finalise Infrastructure Funding Agreements (IFAs) with developers and acquire land for stormwater ponds. Developers to complete earthworks and sell or develop sites.

### Key Developers in the Hobsonville Corridor

- *Neil Development* – owns a 14.5 hectare parcel of land at 102 Hobsonville Rd which it plans to develop for industry and mixed commercial use.
- *Brigham Creek Business Park* – owns a 19.5 hectare parcel of land comprising 106, 108 and 102 Hobsonville Rd which it plans to develop for industry and mixed commercial use.

### Existing agreements

Council is currently finalising IFAs with each developer under which Council agrees to pay the developer for the land acquisition and construction of stormwater ponds to treat stormwater from the upstream catchments and to function as open spaces.

### Transport Infrastructure

- **Completed:** Neil Development and Brigham Creek Business Park have obtained earthworks consents for the first stage of their developments and work on site is scheduled to commence this coming summer. Auckland Transport has recently revised the design for the Hobsonville Rd widening to accommodate the development of Scotts Point and the introduction of Frequent Network (FN) services in Hobsonville Rd. The Notice of Requirement documentation for Hobsonville Rd is about to be updated for re-lodgement with Auckland Council.

- **Ahead:** Auckland Transport will complete a 300m section of the Spine Rd and developers will complete the balance of Spine Rd and other roads serving their developments. Auckland Transport will focus on acquiring the land once the designation has been secured for Hobsonville Rd and Brigham Creek Rd widening. (Widening of the corridor is expected to be completed in 2020/2021).

## Hobsonville Point

The Hobsonville Point development covers an area of 167 hectares (refer to Attachment 4 for layout) and consists of:

- a 10 hectare marine industry precinct for boat building and maintenance which is being developed by Auckland Council Properties Ltd (ACPL) and is expected to provide 2,000 jobs;
- a 2 hectare mixed use development (The Landing) on the waterfront with new ferry terminal;
- a residential development comprising 3,000 houses with open spaces, a primary and secondary school, small areas of retail and offices and a retirement village.

## Completed

175 homes have been completed (See Figure 4 below) and 60 homes are now occupied with consents lodged for the first apartments and planning proceeding for the retirement village. The new ferry terminal and primary school were opened in February 2013.



Figure 4: Hobsonville Point housing

## Ahead

The residential development programme will be rolled out in accordance with market demand over a five to ten year horizon. Due to the low interest expressed to date by the marine industry, the future of the Marine Industry Precinct (MIP) will be reviewed in three years' time and if there is no uptake in interest, ACPL will seek to have the land re-zoned residential and develop the site for housing. The new secondary school is scheduled for opening in February 2014.

### Key Developers in Hobsonville Point

- *Hobsonville Land Company (HLC)* - is a wholly owned subsidiary of Housing New Zealand and is the developer of the land at Hobsonville Point that was previously used as an air force base by the Defence Department.
- *ACPL* – is developing the land at Hobsonville Point that has been designated as a marine industry precinct.

### Existing agreements

There is a legacy agreement in place between Council and HLC which obligates Council/Auckland Transport to pay HLC for land required for future road widening at certain intersections in the new roading network serving the development and for sections of new footpath (Approx. value of IFA is \$1m).

### Transport Infrastructure

- **Completed:**
  - Ferry terminal commissioned in February 2013 (see Figure 5 below).
  - Hobsonville Point Rd (new spine road for the Hobsonville Point development) is under construction and planned to be completed in 2014.
  - Roads have also been completed in the Buckley A precinct (refer Attachment 4).
- **Ahead:**
  - Secure land in MIP for permanent park and ride and construct (complete 2016/2017).
  - Complete balance of roads in all precincts to meet housing demands (5 to 10 years).



Figure 5: Completed Hobsonville Ferry Wharf

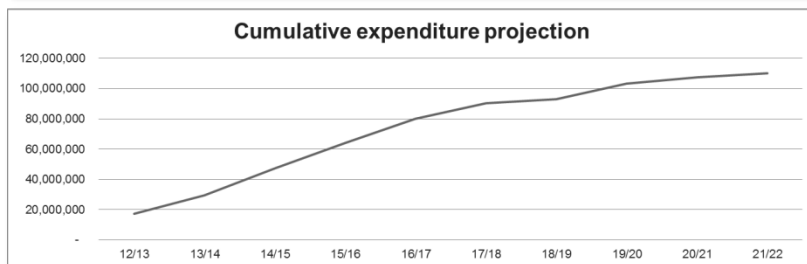
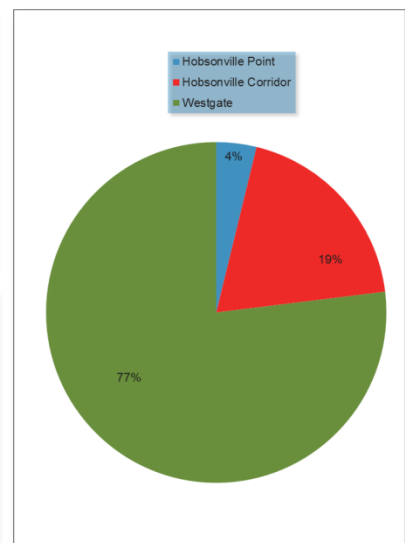
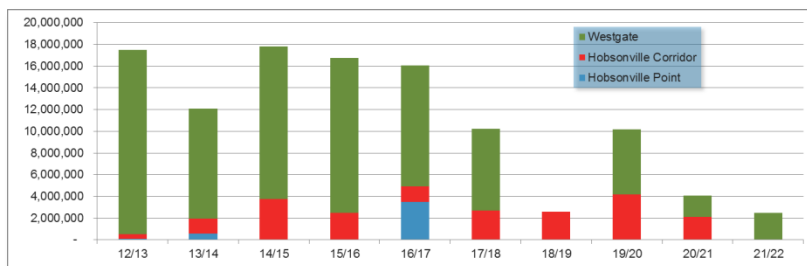


## Financial

A summary of Auckland Transport’s projected investment in transportation infrastructure for the North West Transformation area is illustrated below.

A total of \$110 million is expected over the next ten years (between 2012 and 2022). This projection may change as further work is undertaken to understand if additional capacity improvements would be required to accommodate RUB changes in the area.

The majority of the \$110m investment will be required to service the Westgate area (77%) whilst Hobsonville Road corridor will require 19% of the funding. It is expected that the rate of development would necessitate an average \$16 - \$18 million per annum investment over the next three years.



## Programme





The current development programme (refer to diagram below) is based on the 2012 development programme received from Council. This programme is subject to funding availability.

	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
PC13 - Temporary Park n Ride	█									
PC13 - Permanent Park n Ride	█									
PC14 - New Road - Spine Road Stub			█							
PC14 - Brigham Creek Rd Upgrade					█					
PC14 - Hobsonville Rd Upgrade (Westpark to Suncrest)						█	█	█	█	
PC14 - Hobsonville Rd Upgrade (Suncrest to Ockleston)						█	█	█	█	
PC15 - Northside Drive - West	█									
PC15 - Tahiri Road	█									
PC15 - Rua Road	█	█								
PC15 - Precinct C - Bulk Earthworks		█	█							
PC15 - Northside Drive Ramps								█		
PC15 - Upgrade Trig / Luckens Intersection									█	█
PC15 - Upgrade Fitzherbert Intersection									█	
PC15 - New Road - Don Buck Extension			█	█						
PC15 - Upgrade - Fred Taylor Widening					█	█				
PC15 - Rehabilitation - Westgate Street				█	█					
PC15 - New Road - Northside Drive East Construction					█	█				
PC15 - New Intersection - Gareija Road		█	█							
PC15 - New bus interchange - town centre			█	█						
PC15 - Town centre - footpath / shared space			█	█						

## Attachments

Number	Description
1	Westgate Town Centre and Employment Special Area
2	Proposed new library in Westgate Town Centre
3	Hobsonville Corridor Planning Map
4	Hobsonville Point Master Plan
5	Auckland Transport Investment Responsibilities
6	Construction photos
7	Indicative development timetable

## Document ownership

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## Glossary

Acronym	Description	Business Unit
ACPL	Auckland Council Property Limited	
DNZ	DNZ Property Fund	
FN	Frequent Transit Network	
HLC	Hobsonville Land Company	
IFA	Infrastructure Funding Agreement	
MIP	Marine Industry Precinct	
NoR	Notice of Requirement	
Norsga	Northern Region Strategic Growth Area	
NTC	The National Trading Company of New. Zealand	
NZRPG	New Zealand Retail Property Group	
PC#	Plan Change (13, 14 or 15)	
WCC	Legacy Waitakere City Council	
WDA	Works Development Agreement	

### Attachment 1 - Westgate Town Centre and Employment Special Area

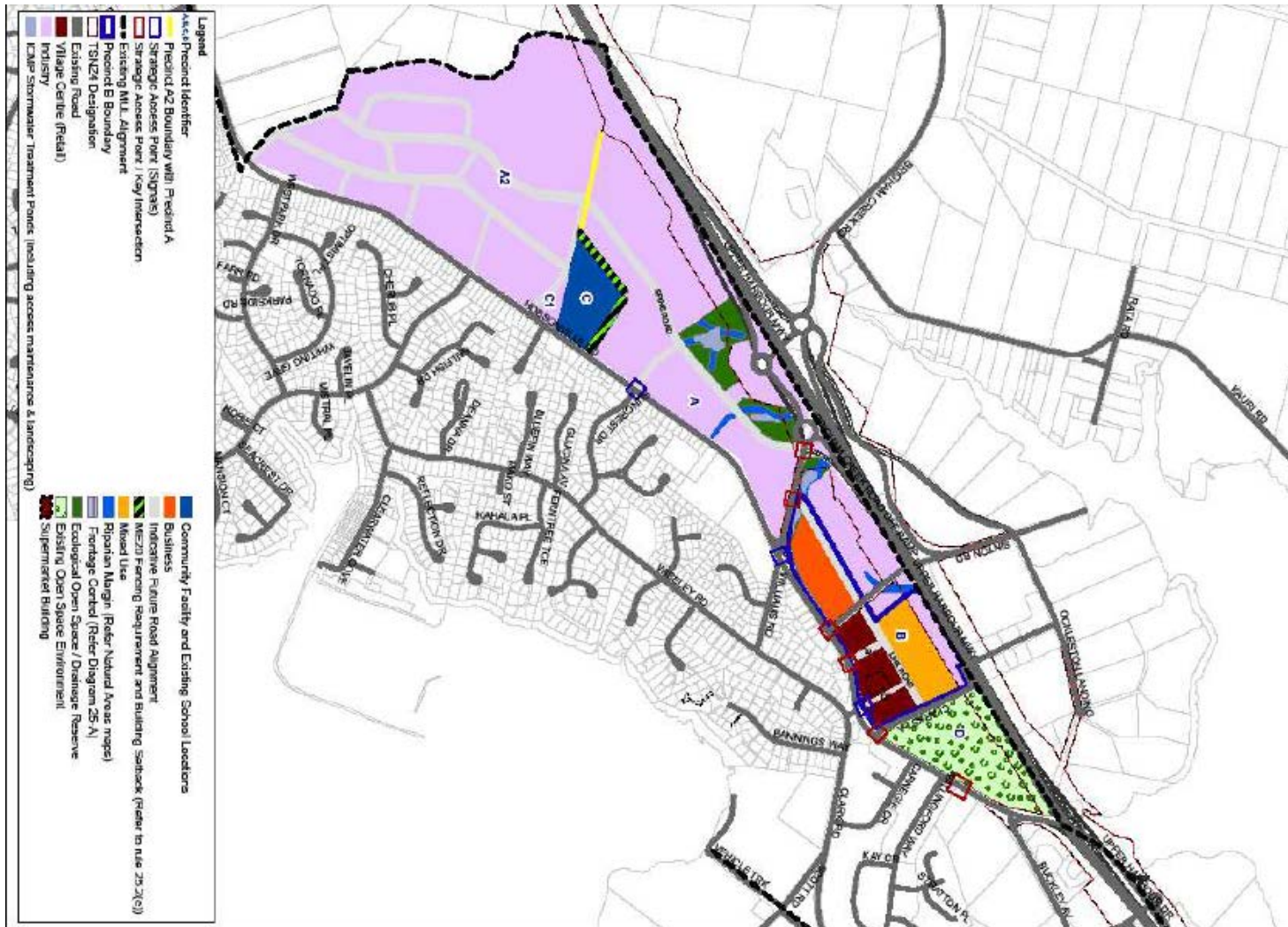




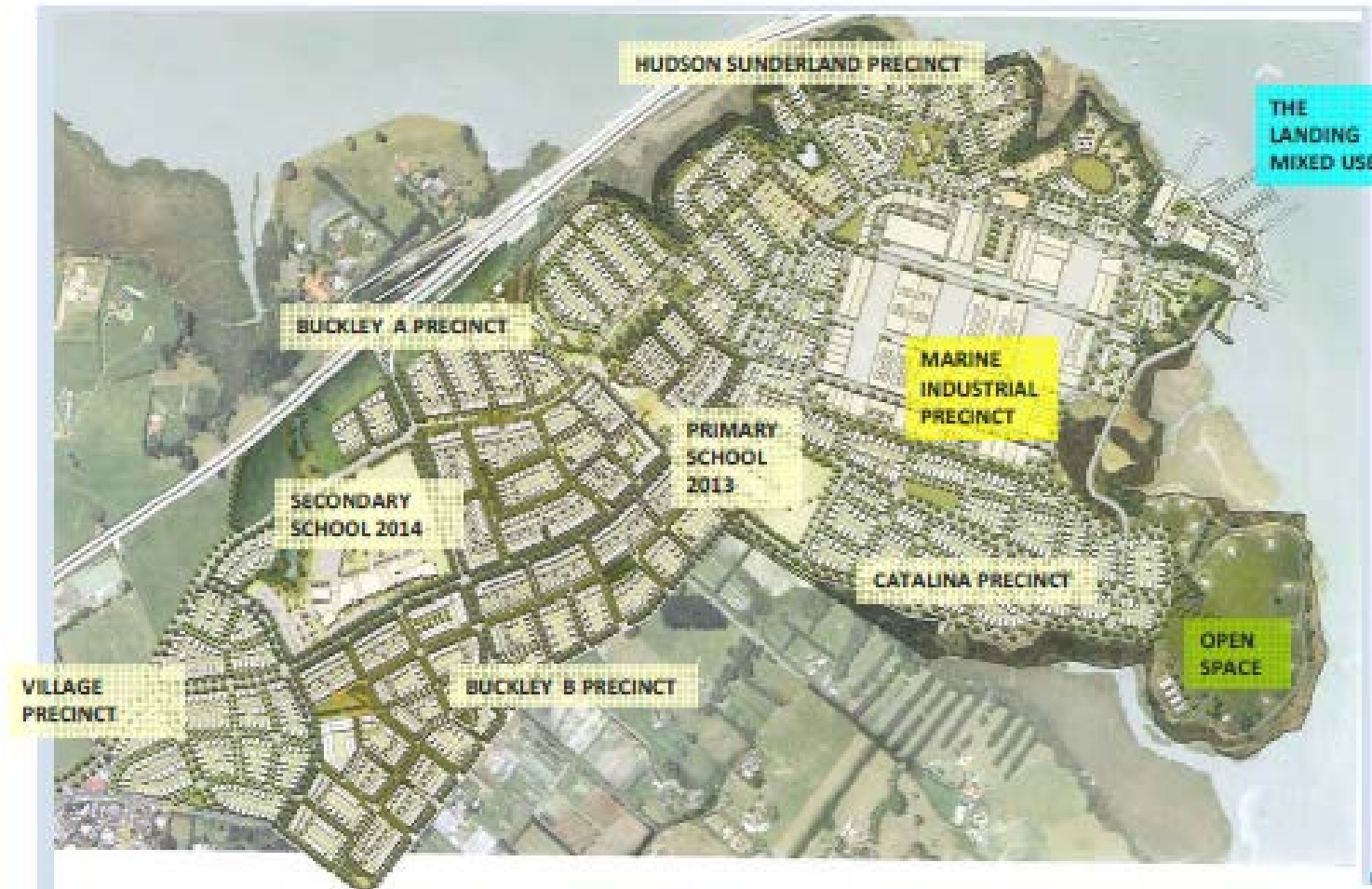
**Attachment 2 - Proposed new library in Westgate Town Centre**



Attachment 3 - Hobsonville Corridor Planning Map

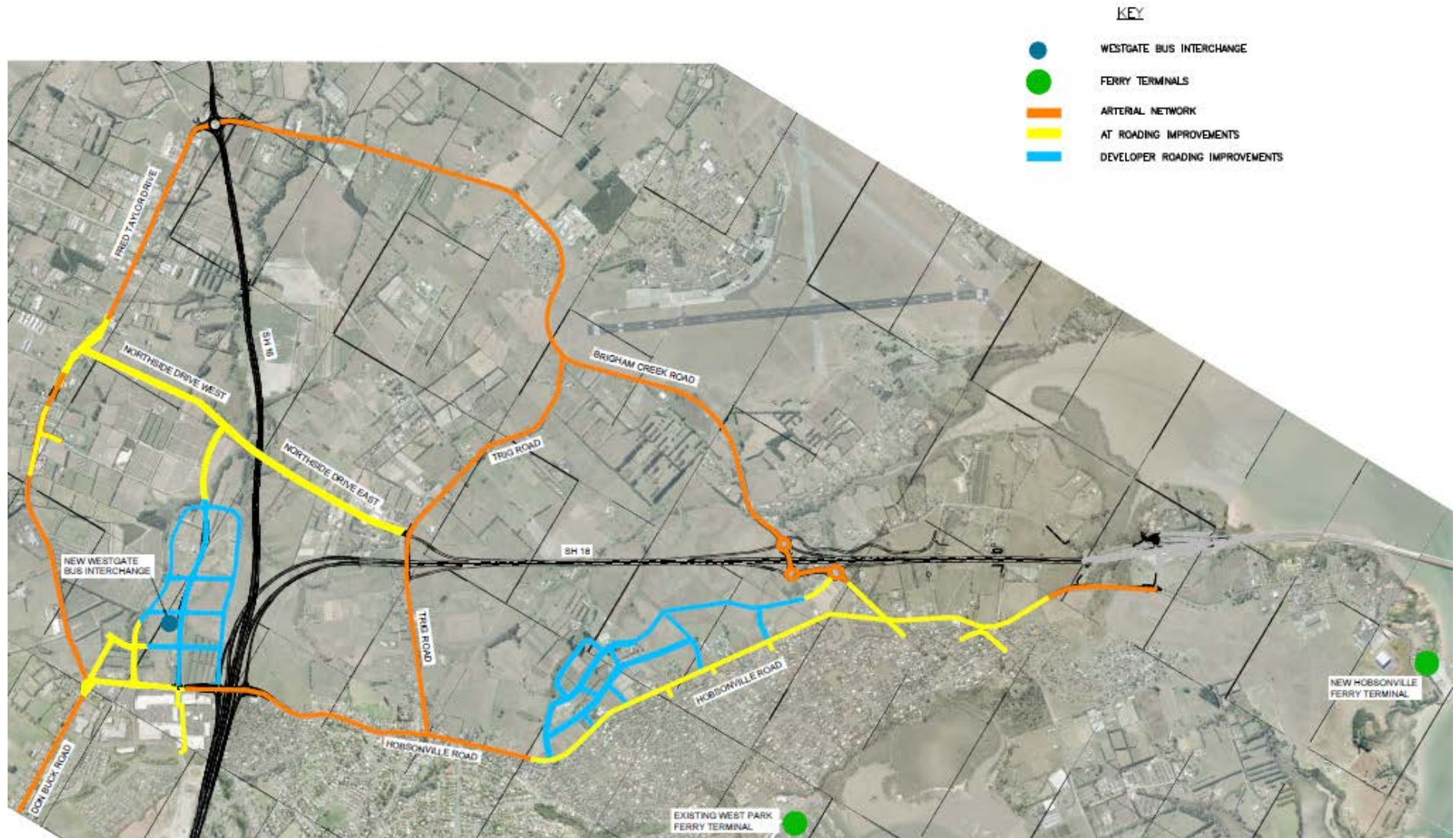


Attachment 4 - Hobsonville Point Master Plan





### Attachment 5 - Auckland Transport Investment Responsibilities





**Attachment 6 - Construction Photos**



Attachment 7 - Indicative development timetable

