

Development Projects Update

Purpose

The purpose of this report is to provide the Board with an update on the significant development projects in the region and Auckland Transport’s role in delivering these. It further seeks to inform the Board about the size and likely timing of transport investments that would be required within Auckland Transport’s next Long Term Plan (LTP).

Executive Summary

There are four significant development projects currently being undertaken by Auckland Council and Auckland Transport. These are Flat Bush, the NoRSGA project, New Lynn Transport Orientated Development and Long Bay.

The overall investment required in Auckland Transport’s 10 year plan amounts to approximately \$360m, with \$280m of that within the first three years. The timing of the expenditure is largely driven by the pace of these developments, which largely depends on the economy. Auckland Transport therefore has only limited flexibility in managing related cash-flows in the LTP in particular as revenues have generally been generated through developer contributions (DC).

The general locations for these are illustrated on Figure 1 below and the current situation is summarised in the report that follows.

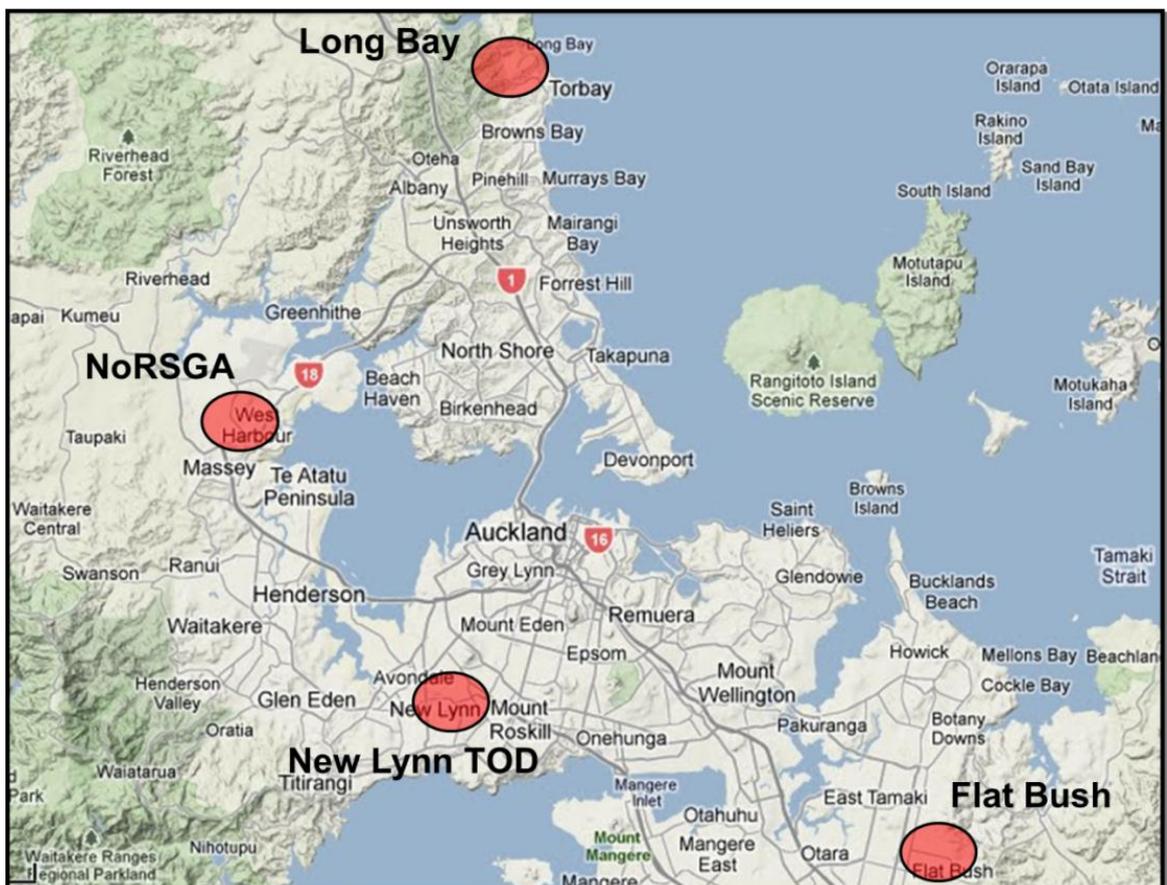


Figure 1

Project Update – Long Bay

Location

This development is defined in the Long Bay Structure Plan and is generally located west of the Long Bay Regional Park and north of Glenvar Road. The structure plan area has been identified as a growth area within the northern boundary of the metropolitan urban limits. A more detailed map is appended to this report as Figure 2.

Nature of the Development

It is expected that in excess of 2800 lots will be created in the area over the next 10 years. Todd Property Group (TODD) is the largest landholder in the Long Bay Structure Plan area. Their development will deliver **2500 residential dwellings** and approximately **2.0Ha of commercial land**.

AT Commitment

AT is responsible for the main roads servicing the development area. There are a number of existing roads to be upgraded and new roads to be constructed and these can be summarised as follows:

- Upgrade of the existing Glenvar Road to meet urban standards
- Improvements to the Glenvar Road / East Coast Road Intersection to add either signals or a roundabout
- Improvements to The Glade and Ashley Avenue to accommodate higher traffic flows
- Upgrade Okura River Road / Vaughans Road to meet urban standards
- Construction of a portion of Glenvar Ridge Road and Beach Road extension to allow additional access into the structure plan area

Current Issue

The previous North Shore City Council based cost estimates on high level concepts which have been used to determine the level of DC. Further work undertaken by AT has indicated a 40% increase in the estimated costs for the structure plan roads. This will have an implication on DC requirements and needs to be worked through with Auckland Council. This work is now progressing.

Funding and Programme

Funding sources include a mixture of rates, NZTA subsidies and DC. The expectation is that NZTA subsidy will be based on net amount after deduction of DC and at a rate of 53%. The total budget identified in the current LTP is \$67.5m for the programme. Pending discussions with AC on DC requirements the intention is to complete the infrastructure within the 10 year timeframe of this LTP, thereby keeping pace with the rate of development in the structure plan area. The implication is a budget increase in the LTP to \$93m. The current financial forecast for AT's component of the work over the next 3 years is as follows:

- 2011/2012 - \$5.1m;
- 2012/2013 - \$15m; and
- 2013/2014 - \$30m

Project Update – NorSGA (Stage 1)

Location

NorSGA Stage 1 (Northern Strategic Growth Area) is split into three plan change (PC) areas, namely:

- **PC13:** also referred to as Hobsonville Point and is located largely on the old Hobsonville Aerodrome land
- **PC14:** also referred to as the Hobsonville Corridor and is located west of Hobsonville Point and stretch as far as Marina View Drive. It covers the area of land between Hobsonville Road and the new motorway extension.
- **PC15:** also referred to as Massey North Town Centre and is located north of the existing WestGate shopping centre area

A more detailed map is appended to this report as Figure 3.

Nature of the Development

The development is one of Auckland Council's "City Transformation" projects aimed at providing a catalyst for urban intensification. The NorSGA programme has a total area of 1,752 hectares and consists of three stages. Stage 1 covers 435 hectares and is currently underway. Stage 2 has been developed to concept level and will be incorporated into the new Spatial Plan. Stage 3 is expected to begin after 2030 and only limited analysis has been completed on this stage to date.

Stage 1 is subject to the three plan changes mentioned above: Hobsonville Point (Plan Change 13), Hobsonville Corridor (Plan Change 14), and Massey North Town Centre (Plan Change 15). The nature of each of these is briefly discussed below:

- Hobsonville Point – PC13: 167 hectares of land, the former Hobsonville RNZAF military airbase, are to be developed. **Marine Industry Precinct (MIP)** – 20 hectares set aside to provide a world-class environment for boat building / maintenance and marine industry businesses. The majority of the land (19 hectares) is owned by the Auckland Council and the development is being led by Auckland Council Properties Limited (ACPL). In addition to the MIP there is also an area referred to as '**The Landing**', which comprise part of the two hectares of harbour front land owned by HNZA to be developed for boat launching and retrieval activities related to the MIP and for the provision of a public ferry terminal. The majority of the remainder of the area is proposed for **residential housing**, open space, two schools and small areas of retail and office. The redevelopment is being advanced by Hobsonville Land Company (HLC), a subsidiary of Housing New Zealand Corporation (HNZA).
- Hobsonville Corridor – PC14: 80 hectares of land to be developed. Developments in this area comprise a **village centre** (13 hectares) and an **employment special area** (67 hectares). Fulton Hogan and Brigham Creek Business Park are the two landowners that Auckland Council is working alongside to enable this development to occur.
- Massey North Town Centre (MNTC) – PC15: 156 hectares of land to be developed. The developments comprise a **regional centre** (100 hectares) for a major mixed-use town centre larger than Albany and an **employment special area** (56 hectares). The key landowners / developers that Auckland Council is contracted to at MNTC are New Zealand Retail Property Group Limited (NZRPG) and Cannuck Holdings Limited. NZRPG also owns the adjoining Westgate Shopping Centre and Cannuck (20% owned by NZRPG) is the major landowner of the MNTC site.

AT Commitment

AT is responsible for the main roads servicing the development area as well as for a new ferry terminal. There are a number of existing roads to be upgraded and new infrastructure to be constructed and these can be summarised as follows:

- New Hobsonville Point Ferry Terminal and Bus Interchange;
- Improvements to Hobsonville Road to allow for the signalisation of a number of intersections along this road between marine View Drive and Clark Road;
- Replacement of Don Buck roundabout with signalised intersection and improvements to Hobsonville Road, west of SH16;
- Construction of a new arterial road – Northside Drive – between the existing SH16 and Trig Road, including a bridge over the new extension of SH16.

Current Issue

Accessibility to PC 15 is constrained due to limited access options from the State Highway network. The AT team is working with NZTA to determine appropriate transport solutions that would improve accessibility to PC15.

Funding and Programme

Funding sources include a mixture of rates and DCs. The Waitakere City Council (WCC) approved a public amenity and infrastructure investment programme for the three Stage 1 plan changes and provided total funding of \$325 million in its 2009 ten year LTCCP. The budget includes provision of parks, sports fields, roads, community facilities, a new library, a town square, stormwater ponds, water supply, wastewater infrastructure, land acquisition and AT's share of undergrounding the overhead transmission line at Massey North. AT also needs to contribute approximately \$500,000 towards the design and construction of a 130 bay park and ride near the ferry terminal. Figures currently available indicate that approximately \$19.5 million of this budget has been spent to the end of January 2011; leaving \$305.5 million remaining with \$93 million budgeted for the 2010/11 financial year. The current financial forecast for AT's component of the work is as follows (Note that this includes payments to be made to the developers for infrastructure constructed on behalf of AT under existing private developer agreements signed by WCC):

- 2011/2012 - \$42m;
- 2012/2013 - \$38m; and
- 2013/2014 - \$22m

Project Update – New Lynn Transport Orientated Development

Location

This development forms part of PC17 of the old WCC and is generally located within a 1.2km radius from the New Lynn train station.

Nature of the Development

The New Lynn Urban Plan set a vision to create a sustainable urban place centred around a world class transit interchange that is capable of attracting and maintaining a population of 20,000 residents and 14,000 workers within the area. **Crown Lynn** is a precinct within the New Lynn TOD and is located east of Rankin Ave on the Claypits and Monier site. It is

envisaged as a residential led mixed-use neighbourhood. Existing residential areas will be augmented by new residential development (approximately 2,500 units, generally to a minimum three story high) and together this will make the single most important contribution to achieve the vision target of 20,000 residents living within walking distance of the transit interchange. Retail, leisure and commercial will all be a feature of ground floors along continuous frontages to Rankin Ave and the surrounding park.

AT Commitment

WCC committed \$144.9m in infrastructure upgrades, to support the investment made by KiwiRail that enabled the railway line to be lowered into a trench through the town centre. The WCC investment included upgrades to the train station, bus terminal and adjoining roads. These works are currently on-going with approximately \$46.6m remaining to spend in the area over the next two financial years. Typical works include the finalisation of Clark Street extension, McRae Way shared use lane, improvements to Great North Road and further improvements to the station and bus canopies.

In addition to the \$144.9m, a further \$19m investment is required to provide roading infrastructure that will unlock the Crown Lynn area for development. A map of the Crown Lynn area is appended to this report as Figure 4. The proposed works comprises the design, land take, demolition of a large building and the construction of three roads: (i) Memorial Drive Extension; (ii) Hetana Street extension; (iii) Crown Lynn Place.

Funding and Programme

AT has budget to complete the design and land take during 2011/12 financial year with the construction of the roads programmed for 2012 -2014. The works will be funded through a combination of DCs and rates. The indicative budgets for completion of the committed works as well as for the Crown Lynn roads are as follows:

- 2011/2012 - \$32.8m;
- 2012/2013 - \$20.3m; and
- 2013/2014 - \$10.0m

Project Update – Flat Bush

Location

Geographically the Flat Bush Development is located east of East Tamaki and North East of Manukau Town Centre. The boundaries are approximately, north -Gracechurch Drive, South and East-Redoubt Road, West Boundary-Chapel Road. (refer to Figure 5)

Nature of the Development

Flat Bush covers 1700 hectares in the south east of Manukau. It will be home to at least 40,000 people by 2020. The development comprises a new 20 hectare town centre that will be integrated with the 94 hectare Barry Curtis Park. The development will have a wide diversity of retail, offices, community facilities, five smaller neighbourhood centres, a mixture of housing densities, seven new state schools, a large community library and an aquatic and recreation centre in Barry Curtis Park. One of the major features of Flat Bush is Barry Curtis Park which has been designed to create a regionally significant park.

Town Centre

The planned 20 hectare town centre will include opportunities to live, work and play. The old Manukau City Council established Tomorrow's Manukau Properties Limited (TMPL) to implement the town centre and accountability for this has now passed to Auckland Council Properties Ltd. The vision for the town centre is that it be based around traditional mainstreet concepts, be compact and pedestrian friendly, have strong ties to the environment and have a

diverse mix of shops, cafes, offices, apartments as well as community and recreation facilities. Auckland Council Properties Limited has entered into a development agreement with the TODD group for development of the town centre. **Plan Change 20 - Flat Bush**, sets out stage two of plans to develop Flat Bush. It covers 342 hectares of land to the east of the proposed town centre which the council is proposing to rezone as residential.

AT Commitment

AT is responsible to deliver a Flat Bush Package (approved by NZTA) which includes upgrades to key arterials, a QTN Route to Manukau, and On-Road and Off-Road Cycling. Upgrades to roads within the area include improvements to Ormiston Road, Chapel Road, Flat Bush School Road and Murphy’s Road.

Funding and Programme

The Flat Bush Road Network Upgrade Package includes a total of \$79.6m for arterial road upgrades and \$25.5 for QTN improvements between Flat Bush and Manukau. There is also additional budget for the development of pathways. The projects are programmed to be completed over the next 7 years and will be confirmed through Auckland Transport’s Long Term Plan process.

Recommendation

That this report be received.

Attachment

Attachment 1 – Figures 2 – 5: Development Project Maps

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Figure 2: Long Bay Development

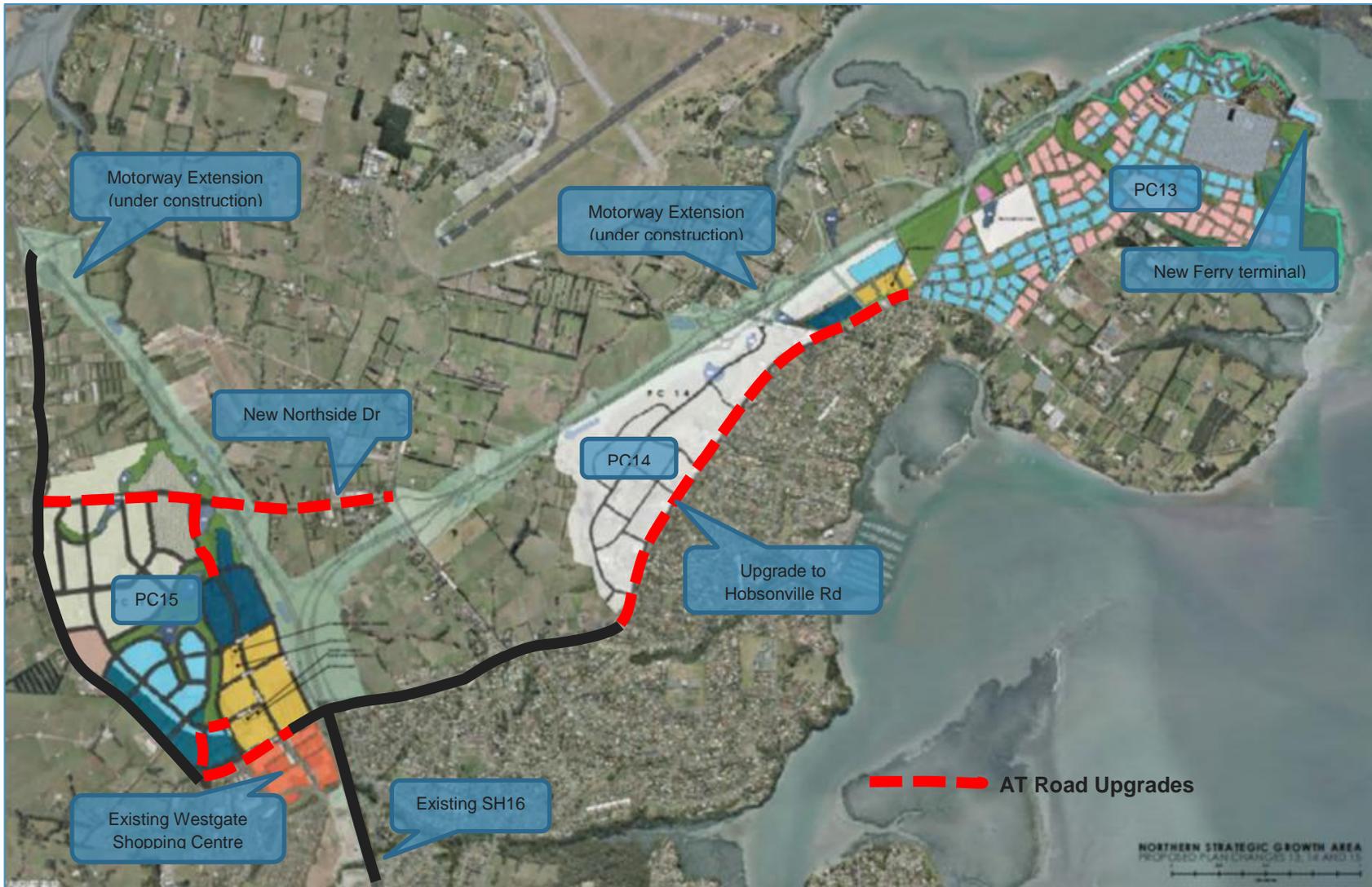


Figure 3: NoRSGA Development



Figure 4: New Lynn Development

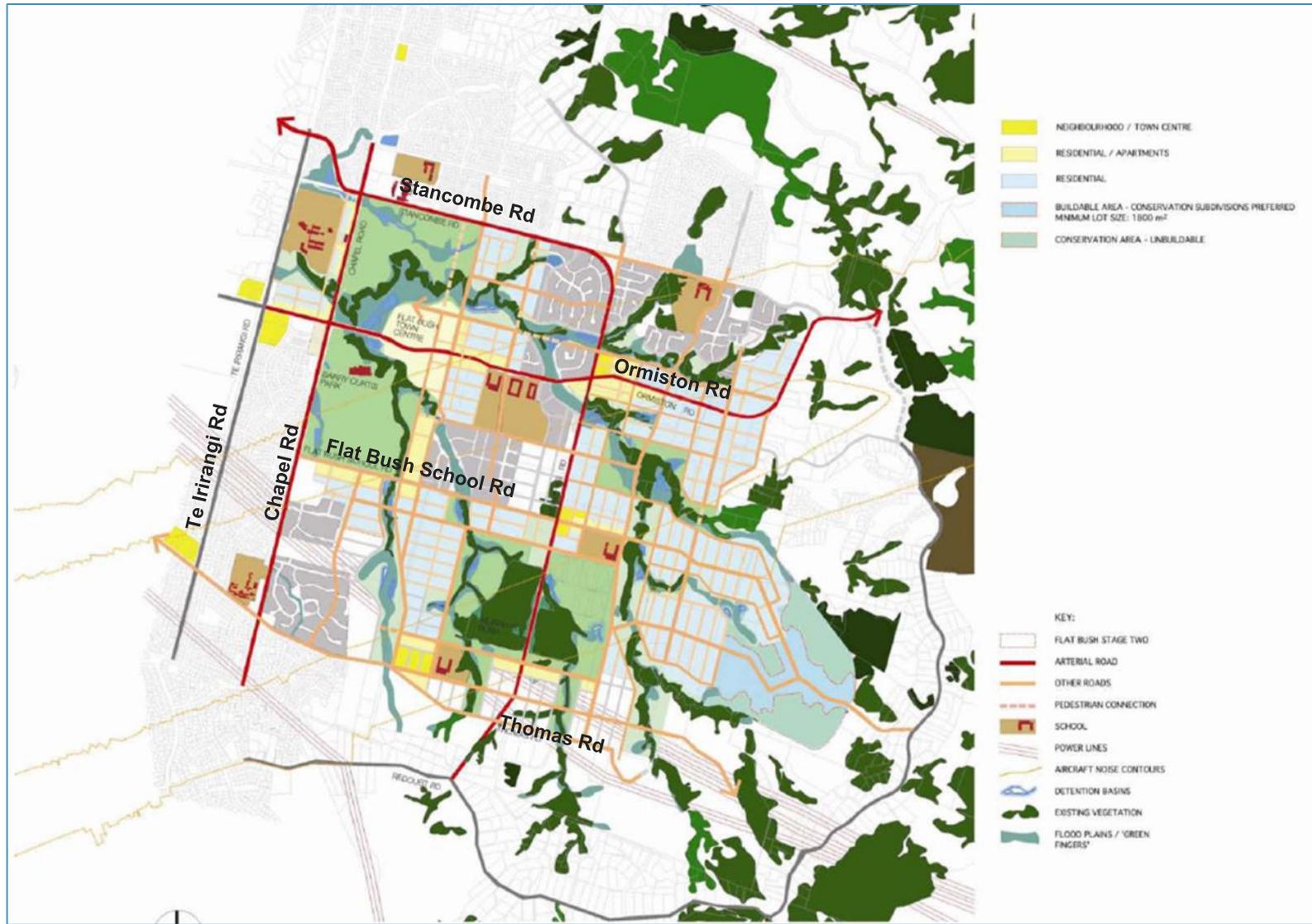


Figure 5: Flat Bush Stage 2