

# ‘Shovel ready’ Infrastructure Projects: Project Information Form

## About this Project Information Form

The Government is seeking to identify ‘shovel ready’ infrastructure projects from the Public and certain Private Infrastructure sector participants that have been impacted by COVID 19.

Ministers have advised that they wish to understand the availability, benefits, geographical spread and scale of ‘shovel ready’ projects in New Zealand. These projects will be considered in the context of any potential Government response to support the construction industry, and to provide certainty on a pipeline of projects to be commenced or re-commenced, once the COVID 19 Response Level is suitable for construction to proceed.

The Infrastructure Industry Reference Group, chaired by Mark Binns, is leading this work at the request of Ministers, and is supported by Crown Infrastructure Partners Limited (CIP).

CIP is now seeking information using this Project Information Form from relevant industry participants for projects/programmes<sup>1</sup> that may be suitable for potential Government support. The types of projects we have been asked to consider is outlined in Mark Binns’ letter dated 25 March 2020.

CIP has prepared Project Information Guidelines which outline the approach CIP will take in reviewing and categorising the project information it receives (Guidelines).

Please submit one form for each project that you consider meets the criteria set out in the Guidelines. If you have previously provided this information in another format and/or as part of a previous process feel free to submit it in that format and provide cross-references in this form.

Please provide this information by 5 pm on Tuesday 14 April 2020.

As an initial task the Infrastructure Industry Reference Group has been asked to prepare a report on infrastructure projects/programmes that are ready for construction and could, if the Government deemed it appropriate, be deployed as part of a stimulatory package. It should be noted that the full impact of COVID 19 on the economy will not be known for some time, and the Government’s decision to accelerate any construction-related spend will be determined by its assessment of priorities at the time. This information is being sought in good faith, but no undertaking can be made that the criteria or any other considerations will not change or that any projects coming forward from the Reference Group will be accelerated, or any of the Reference Group’s recommendations adopted. This situation we all find ourselves in is truly dynamic.

*This document relates to the gathering of project information only and is not a Notice of Procurement. It does not form part of any procurement process. It does not commit the Government or CIP to take any further steps, or provide any financial or other assistance, in connection with any information in response to this document or the projects to which that information relates.*

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<sup>1</sup> We refer to “projects” throughout. This term includes programmes of work in all cases.

## Section 1: Key Information [Criteria 2 and 3]

1. Project Title: Hamilton Mode Shift Programme – 20 Minute City

2. Please provide your details:

<b>Organisation Name:</b>	Hamilton City Council		
<b>Entity Type:</b>	Local Government		
<b>Contact Name and Role:</b>	Lucie Robinson, City Growth Project Manager		
<b>Email Address:</b>	Lucie.robinson@hcc.govt.nz	<b>Telephone:</b>	0278088827

3. Please provide a very brief description of the infrastructure project:

**Brief description of the project/programme**  
 This transformational programme of projects will deliver a significant mode shift in Hamilton to create a ‘20 Minute City’ - a concept which encapsulates the desirability of creating a place where most of the facilities and activities for the economic, social, environmental or cultural wellbeing of citizens are available within a 20-minute cycle ride, or walk, from their home. We would like investment in the infrastructure to enable Hamilton to deliver this vision and increased mode shift to public transport at pace and scale, through accelerating already identified key corridor and local street projects. It will also deliver city-wide safety improvements, supporting a more active city, through the delivery of Hamilton’s speed management plan, the first in New Zealand to be consulted on and adopted.

**Problem being addressed**  
 Currently, Hamilton City has the highest dependency on private motor vehicle in New Zealand. This figure is directly related to historic decisions regarding the urban form of the city and the poor availability of alternative options. The effects of this reliance have direct and indirect economic, social, and environmental impacts. 30% of our deaths and serious injuries are pedestrians and cyclists, congestion times are increasing, and there are ongoing demands for expensive car parking and additional bridges for vehicles. This reliance also affects wider issues from air quality to health of citizens to the carbon footprint of the city.

**Key benefits being delivered**  
 The size, scale and urban form of Hamilton means it provides the perfect site to apply this ‘20 Minute City’ approach, and the benefits are significant and long lasting. The investment will help transform the city into a vibrant, active and connected city, and provide the missing foundation of infrastructure that underpins future investment in rapid transit. The inclusion of the University of Waikato as a project partner means for the first time we will also be able to systematically evaluate the economic, social, and health effects of this investment on a city-scale, and the missing evidence of impact that is required to inform other potential mode shift programmes throughout New Zealand. This programme will provide for a sustained, period significant and diverse job creation across several sectors - engineering and construction for both large and minor works, marketing and communications, intelligent transport systems, project management and administrators, researchers, data collection and analysis, governance, community liaison staff, and personalised travel planning. Significant environmental benefits include reducing emissions, increased at-source stormwater treatment opportunities, and tree planting.

**Construction readiness & deliverable timeframe** (Projects here available to start immediately within 0-6months)  
 There are \$193M worth of projects that are ready to go in this programme within 0-6 months and projects worth \$213.1M within 12 months that can commence immediately afterwards. With most work anticipated in existing road corridors, other projects can be developed taking a conveyor belt approach so that works are undertaken in a manageable way causing minimal disruption to New Zealand’s fourth largest metropolitan area.

**How funding will aid progress**  
 The additional funding allows us to deliver strategically planned transformational change with clear evidence of impact, as opposed to the traditional disjointed project by project approach separated from a long-term vision of a place. The programme approach significantly aids public engagement and support, and via ongoing data collection will enable this to continue over the life time of the project and beyond.

### **Extra Information**

The majority of the corridors in this programme are in Hamilton's extended transport programme and support the emerging vision of the Hamilton-Waikato Metro Spatial Plan, connecting emerging high-density urban growth areas with over 20 city schools, the University of Waikato, and Wintec Institute of Technology to the city centre.

This programme has high Transport Government Policy Statement alignment:

- Increased mode shift from private vehicle trips to walking, cycling and public transport
- More transport choice
- Metro and major growth areas are better connected and accessible
- Significant reduction in deaths and serious injuries in walking and cycling
- Reduce greenhouse gas emissions

It delivers the foundation layer of the emerging Hamilton-Waikato Metro Spatial Plan (HW-MSP), Access Hamilton Strategy, and provides accelerated delivery of key elements of the Hamilton-Waikato Mode Shift Plan being developed in partnership with Waka Kotahi NZ Transport Agency.

The programme will be delivered in partnership, with Hamilton City Council as lead delivery agency, Waka Kotahi NZ Transport Agency for assurance and project delivery on the state highway network, and the University of Waikato undertaking research, analysis and evaluation.

A key innovation of this programme is the partnership with the University of Waikato. A recurring issue of proposed modal shifts of this nature is that while we know they have significant benefits there is little robust evidence from a New Zealand context that supports policy, plans and practice. As such, the research programme will also support the implementation of multiple government departments, whether concerning the need to change urban form and behaviour to mitigate climate change, to improve the health and wellbeing of citizens, or to provide the financial stimulus that has the potential to kick start regional and local economies. To address this gap, the research programme will encompass three main themes:

- Economic impacts. We will provide evidence of how and why the investment stimulates inward investment, local spending, and creates jobs.
- Social impacts. We will monitor behavioural change and modal shift from citizens, and the wider effects on their wellbeing, including the health benefits.
- Environmental impacts. Along key routes we will monitor key environmental indicators, such as air quality, urban runoff, and noise.

The research team at the University of Waikato will involve a range of disciplines from environmental planners, psychologists, economists, engineers, big data analysts, modellers, science communicators, and indigenous scholars. Other expertise from New Zealand Universities will also be drawn upon. The research will be designed to have a high profile within the city in order to both enable the communication of changes to citizens, groups, and businesses during the project and encourage them to play a part in contributing to the evidence and becoming involved. The idea is to turn the city into a live 'laboratory' to collect data, and to involve people every step of the way. The intention is to utilise this opportunity to transform the city, not just physically, but in how it is seen and how the investment can create the momentum for a genuine transformation.

4. This project will be located in which Territorial Authority:

Hamilton City Council

5. Please confirm the project sector, category and type of infrastructure:

<b>Project Sector</b>	<input checked="" type="checkbox"/>
Accommodation	<input type="checkbox"/>
Agriculture, Horticulture and Forestry	<input type="checkbox"/>
Alcohol Availability	<input type="checkbox"/>
Bioscience and Biotechnology	<input type="checkbox"/>
Construction	<input checked="" type="checkbox"/>
Energy	<input type="checkbox"/>
Film and Television	<input type="checkbox"/>
Imports and Exports	<input type="checkbox"/>
Information communications and technology	<input type="checkbox"/>
Manufacturing and Production	<input type="checkbox"/>
Retail Trade	<input type="checkbox"/>
Tourism	<input type="checkbox"/>
Wholesale Trade	<input type="checkbox"/>
Central Government	<input type="checkbox"/>
Local Government	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

<b>Project Categories</b>	<input checked="" type="checkbox"/>
Three waters	<input type="checkbox"/>
Transport	<input checked="" type="checkbox"/>
Buildings and Structures	<input type="checkbox"/>
Other infrastructure	<input type="checkbox"/>

<b>Project Type</b>	<input checked="" type="checkbox"/>
Critical infrastructure	<input type="checkbox"/>
New infrastructure	<input checked="" type="checkbox"/>
Replacement/refurbished infrastructure	<input checked="" type="checkbox"/>
Repurposed infrastructure	<input type="checkbox"/>

6. What is the total cost of the project (NZ\$M):

\$500M

7. Provide a high-level breakdown of this spend (e.g. construction costs, professional fees, land, other etc.):

Project	Land	Professional Fees	Construction	Total
<b>Central City</b>				
<i>Project 1</i>				
Central City Cycle Improvements	\$5M	\$5M	\$40M	50M
<i>Project 2</i>				
North Victoria Street Cycle Improvements		\$5M	\$25M	\$30M
<i>Project 3</i>				
Ward Street Cycle Improvements		\$2M	\$10M	\$12M
<i>Project 4</i>				
Transport Centre Rejuvenation		\$0.5M	\$4.5M	\$5M
<i>Project 5</i>				
Ferrybank Crossing		\$1M	\$29M	\$30M
<i>Project 6</i>				
East West PT Link (Meteor)	\$3M	\$2M	\$25M	\$30M
<b>East</b>				
<i>Project 7</i>				
Eastern Area Cycle Improvements	\$6M	\$4M	\$40M	\$50M
<i>Project 8</i>				
School Link PT / Cycleway transformation	\$500K	\$2.5M	\$47M	\$50M
<i>Project 9</i>				
University Link PT / Cycleway transformation	\$1M	\$2M	\$37M	\$40M
<i>Project 10</i>				
Eastern Bike Link	\$250K	\$1M	\$8.75M	\$10M
<i>Project 11</i>				
Rototuna Super PT Stop		\$0.5M	\$4.5M	\$5M
<i>Project 12</i>				

Lynden Court PT Hub Upgrade		\$0.5M	\$4.5M	\$5M
<i>Project 13</i>				
Cambridge to Hamilton Link		\$3M	\$22M	\$25M
<b>West</b>				
<i>Project 14</i>				
Western Area Cycle Improvements	\$6M	\$4M	\$40M	\$50M
<i>Project 15</i>				
Te Awa Cycleway Extension - Wairere Drive to Tamahere			\$6M	\$6M
<i>Project 16</i>				
Te Awa River Cycleway Slip Repair			\$2m	\$2m
<i>Project 17</i>				
Peacocke Cycle Connection	\$2M	\$3M	\$25M	\$30M
<i>Project 18</i>				
Rotokauri Transport Hub - Stage 2		\$500K	\$4.5M	\$5M
<i>Project 19</i>				
Comet PT Route Infrastructure		\$2M	\$23M	\$25M
<i>Project 20</i>				
Comet PT Route Service Improvement		\$0.2M	\$900K	\$1.1M
<b>City-Wide</b>				
<i>Project 21</i>				
PT Operational Costs associated with new Links		\$0.2M	\$0.9M	\$1.1M
<i>Project 22</i>				
University of Waikato Benefits Monitoring and Research			\$18M	\$18M
<i>Project 23</i>				
Programme Management and PMO			\$20M	\$20M
<b>Totals</b>	<b>\$23.75M</b>	<b>\$38.9M</b>	<b>\$437.55M</b>	<b>\$500M</b>

8. Briefly outline the value the project will deliver in terms of employment contribution.

The project will progress over 5 years which represents an average of 2,358 jobs per year.

Council desktop analysis anticipates 11,792 full-time employment years to be generated by the project expenditure. Most of these jobs will be in the construction and supporting sectors but employment is also induced in other sectors especially the service sector. This is detailed further under Q16.

The scale, city wide integration and bespoke nature of this project requires smart solutions. While primarily this project will employ construction and construction related services (project managers, engineers, etc.), the smart nature of this project means that it will generate employment for a diverse range of roles. The analytics and modelling required to maximise the projects benefits will require analytical employees. To best leverage Hamilton's new connectivity, education and training programmes will be implemented alongside good communications and marketing.

9. Briefly describe how the project is currently/ intended to be funded:

Currently part-funded in the 2018-28 10-Year Plan. However, all funding and project budget allocations in future years are at significant risk due to the impacts of Covid-19 on revenue sources, and the consequential negative impact on available borrowing and debt capacity to fund projects, due to prudential debt to revenue limits, and the implications on Council credit rating.

Hamilton City's portion of the currently funded programme is included in the National Land Transport Programme for potential funding from NZ Transport Agency at a 51% or higher FAR, and the strategic intent is signalled in the Council 30-year infrastructure plan.

Increased operational funding for Public Transport services is not currently funded.

10. Has this project previously applied for funding with any part of Government? Yes:  No:

- If **Yes**, please describe which part of government (i.e. PGF, NZTA FAR etc.), the outcome of the discussions and who such discussions were with (what Ministry and official).

Some of the projects are part funded in Councils 2018-28 10-Year Plan and each of these assumes a Waka Kotahi (the NZ Transport Agency) subsidy.

A number of projects are included in business case work which is underway with the Agency to substantiate merit and subsidy.

The Agency has recently confirmed construction funding for the Te Awa Bikeway extension - Wairere Drive (Hamilton) to Tamahere.

No other project in this programme is the subject of previously applied funding from the Government.

## Section 2: Construction Readiness [Criteria 1]

11. Please briefly explain the status of the project including confirmation that the project will fall into one of the three categories of readiness (see 12 below).

The Programme of projects are all sequenced commencing with projects which are immediately ready to go with a conveyor belt approach delivering subsequent projects ready to go in a logical sequence and order over a 0-5 year period.

The following Projects are **ready to go to the market** with only Covid-19 uncertainty being an issue along with Waka Kotahi NZ Transport Agency subsidy for project 16.

### Project 15: Te Awa Cycleway Wairere Drive (Hamilton) to Tamahere (\$6M)

- Design complete and property secured
- Construction contract ready to be let
- Construction could commence as soon as a contractor has been appointed
- Waka Kotahi NZ Transport Agency subsidy confirmed

### Project 16: Te Awa Cycleway Slip Repair (\$2M).

- Major slip along the Waikato River has removed part of this regionally significant cycleway
- Geotechnical investigation is complete
- Detailed design is complete
- Contractor appointment has commenced, but is now on hold seeking funding plan
- Construction could commence as soon as a contractor has been appointed
- Waka Kotahi NZ Transport Agency yet to confirm subsidy.

The package of projects that have a high expectation of commencing construction within **6 months** of funding approval includes (projects 1, 4,7,14,22,23):

### Project 1: Central City Improvements (\$50M)

- A four-year project to fully implement the walking, biking and speed management components of the

Central City Enhancement Plan agreed between Council and with inner city businesses and Waikato Chamber of Commerce.

- Cycle and pedestrian connections connecting major recreation, education and commercial centres, including a transformation of Anglesea Street
- All land secured within the existing street corridor, and no consents required
- Design able to proceed rapidly with construction able to commence within 6 months of design commencing
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy.

Project 4: Transport Centre Rejuvenation (\$5M)

- A project to rejuvenate the existing Transport Centre to provide modern passenger facilities to enhance bus service within Hamilton.
- Existing land and buildings in place
- Design to be completed within 6 months enabling construction to commence 6-12 months
- Business Case in preparation
- Council has allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy

Project 7: Eastern Cycleway Improvements (\$50M)

- A 5-year project that targets the eastern side of Hamilton City with priority cycleway connections linking neighbourhoods with key existing bike corridors and destinations including schools and employment centres. The focus is on redesigning existing road space to provide dedicated cycle facilities.
- Existing road layout already provided within urban centre
- Typical designs and cross sections provided in the Roads and Streets Framework <https://at.govt.nz/media/1976084/roads-and-streets-framework-webcompressed.pdf>
- Where additional land is required – these sections will be staged in later years of the project
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy
- Construction can start within 3 months and continue throughout the project as designs are confirmed ready for implementation

Project 14: Western Cycleway Improvements (\$50M)

- A 5-year project that targets the western side of Hamilton City with priority cycleway connections linking neighbourhoods with key existing bike corridors and destinations including schools and employment centres. The focus is on redesigning existing road space to provide dedicated cycle facilities.
- Existing road layout already provide within urban centre
- Typical designs and cross sections provided in the Roads and Streets Framework <https://at.govt.nz/media/1976084/roads-and-streets-framework-webcompressed.pdf>
- Where additional land is required – these sections will be staged in later years of the project
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy
- Construction can start within 3 months and continue throughout the project as designs are confirmed ready for implementation.

Project 22: Benefits Monitoring Research (\$18M)- Set up Phase

- University of Waikato to undertake leading benefits realisation monitoring and research to cover the following areas:
- Economic impacts - evidence of how and why the investment stimulates inward investment, local spending, and creates jobs.

- Social impacts - monitor behavioural change and modal shift from citizens, and the wider effects on their wellbeing, including the health benefits.
- Environmental impacts - along key routes monitoring of key environmental indicators, such as air quality, urban runoff, and noise.
- Needs to be set up at project initiation.

Project 23: Programme Management Office (\$20M)- Set up Phase

- Delivery of an enhanced programme of mode shift projects will require a dedicated programme management office to scope, package, monitor and report on delivery of the programme.
- This project provides for a staff of 10-12 professional programme, project managers and technical specialists to ensure the benefits of the programme are delivered.
- Needs to be set up at project initiation.

The package of projects that have a high expectation of commencing construction within **12 months** of funding approval includes (projects 2,3,8,9,10,11,12,17,18,19,20);

Project 2: North Victoria Street Cycle Improvements (\$30M)

- Transformation of the existing road layout within Central City to provide high quality cycle links
- Central City enhancement plan agreed with inner city businesses and Waikato Chamber of Commerce
- Design to be completed in conjunction with contractor to enable early start

Project 3: Ward Street Urban Transformation (\$12M)

- Transformation of Ward Street in Central Hamilton from a 27m wide car focused corridor to a cycle / pedestrian friendly street that enables cycle link from the Western Rail Trail into the CBD and connects the Hamilton Transport Centre to a high-quality pedestrian environment.
- Central City enhancement plan agreed with inner city businesses and Waikato Chamber of Commerce
- Indicative design completed
- All land secured within the existing street corridor, and no consents required
- Construction able to commence within 6-12 months; need to align with commercial development

Project 8: School link PT and Cycle Corridor(\$50M)

- A project to transform 7km of former urban arterial into a PT and Cycle focused link for approximately 20 schools and their local neighbourhoods
- Business case is in progress with indicative design complete
- Minor property acquisition may be required, however this could be designed out or staged
- Detailed design to be undertaken in tandem with procurement to enable streamlined construction readiness
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy
- Will be shovel ready within 6-12 months

Project 9: University Link PT and Cycle Corridor(\$40M)

- A project to transform 4km of urban arterial into a PT and Cycle focused link between Waikato University, local neighbourhoods and the Hamilton Central Business District.
- Business case is in progress with indicative design complete
- Minor property acquisition may be required; however this could be designed out or staged
- Detailed design to be undertaken in tandem with procurement to enable streamlined construction readiness
- Council has some allocated funding in later years of the Long-Term Plan but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy

- Will be shovel ready within 6-12 months

Project 10: Eastern Bike Link (\$10M)

- A \$10M project that links the existing Western Rail Trail, Hamilton CBD, Te Awa River Cycleway, Claudelands Event Centre, Wairere Drive Shared Path and the emerging employment centre at Ruakura with a high-quality cycleway facility
- Existing road layout already provide within urban centre
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy
- Will be shovel ready within 6-12 months

Project 11: Rototuna Centre PT Hub (\$5M)

- A project to provide the Rototuna Town Centre with a modern PT Hub, including covered shelter, toilets and bus information services
- Existing land agreements in place with private owner
- Design to be completed within 6 months enabling construction to commence 6-12 months
- (An interim Supa-Bus stop is proposed in the Rototuna Town Centre programme)

Project 12: Lynden Court PT Hub Upgrade (\$5M)

- A project to substantially improve the existing Chartwell PT hub at Lynden Court with a modern PT facility, including covered shelter, toilets and bus information services.
- Existing land available and no consents required
- Design to be completed within 6 months enabling construction to commence 6-12 months

Project 17: Peacocke Cycle Connection (\$30M)

- Reduce private car dependency for 10,000 households coming in the Peacocke growth area, through advanced delivery of a gully bridge and a dedicated cycling and walking connection from the Peacocke Growth Cell direct into the Hamilton CBD via the Te Awa cycleway
- Design and designation completed, and property for this project has been secured
- Detailed design and consenting required – this will be undertaken with a preferred contractor to enable early works to commence within 6-12 months.
- (also included in the Peacocke programme)

Project 18: Rotokauri Transport Hub Stage 2 (\$5M)

- The Hamilton to Auckland Rail service hub at Rotokauri is currently under construction. This project advances Stage 2 of the Rotokauri PT hub to provide passengers with enhanced bus and cycle facilities to provide enhanced links with the existing networks.
- Land and consents already in place
- Design to be completed within 6 months enabling construction to commence 6-12 months
- (also Included in the Hamilton Metro Transport Programme)

Project 19: Comet Capital Works (\$25M)

- This project enables a successful frequent bus service (the Comet) to transform in to a rapid bus service with increased frequencies and travel times in peak periods that are comparable to the private motor vehicle by providing a high-quality bus corridor.
- The route is already established, and works can be undertaken within the existing road corridor
- Detailed design to commence over an 8-month period
- Council has some allocated funding but delays to progress include detailed business case requirements and confirmation of Waka Kotahi NZ Transport Agency subsidy
- Construction can be ready for early works within 6-12 months

**Project 20: Comet Route Service Improvements (\$1.1M)**

- This project provides for increased PT services for the Comet Route to enable the investment in infrastructure to be realised by an increase in buses to provide increased service frequency.

The following projects would be developed and ready to go within **12 months** but sequenced after the previous packages (projects 5,6,13,21);

**Project 5: Ferrybank Bike/Pedestrian Bridge (\$30M)**

- This project implements the Ferrybank Crossing; a new cycle and pedestrian bridge identified in the Hamilton River Plan that links the Hamilton CBD with Memorial Park and Hamilton East
- Concept design in progress and property secured
- Detailed design and consenting could be completed within 6 – 12 months and be undertaken in conjunction with a preferred contractor therefore enabling early works to commence from 12 months

**Project 6: East / West Bus link – the Meteor (\$30M)**

- This project provides a high-quality bus corridor linking the deprived suburbs in western and eastern Hamilton with employment and education centres in the CBD.
- Indicative route specifications have been drafted along with an indicative timetable
- Detailed design and route specifications to be developed
- Assume that no additional land is required
- Likely that construction would be ready within 12-18 months. Services along the route can be established in advance of the infrastructure.

**Project 21: PT Service Improvements for East / West Link (\$1.1M)**

- This project provides for increased PT services for the East West Link (the Meteor).

**Project 13: Cambridge to Hamilton Rapid Bus Link (\$25M)**

- This project provides a high-quality bus corridor that enables the existing bus service between Cambridge and Hamilton to become a frequent bus service with travel times in peak periods that are comparable to the private motor vehicle.
- Business case managed by Waka Kotahi NZ Transport Agency is in progress as part of the Hamilton Section of the Waikato Expressway
- Indicative design in progress and all works can be undertaken within the existing road corridor
- Detailed design to commence over an 8-month period
- Construction can be ready for completion of Waikato Expressway (late 2021)

12. Confirm which of the following categories the project best falls into.

Status	✓	Further commentary (briefly set out barriers to commencement)
A. Projects which currently are (or were) in the construction phase but have been put on hold due to COVID 19 and are likely not to progress, or to progress at a much slower rate or scale/scope, if not supported post COVID 19	✓	Projects Typical barriers are: <ul style="list-style-type: none"> <li>• Decision making</li> <li>• Mobilising resources</li> <li>• Re-establishing supply chains for material and key resources / plant to enable an early start</li> </ul>

<p>B. Projects which have a high expectation of commencing the construction phase within the next six months (by 31 October 2020), but are unlikely to do so due to COVID 19</p>	<p>✓</p>	<p>Typical barriers are:</p> <ul style="list-style-type: none"> <li>• Progress through existing business case</li> <li>• Consenting processes</li> <li>• Confirmation of NZTA subsidy and other funding</li> </ul>
<p>C. Projects which could have been expected to commence the construction phase within the next 12 months (by 30 May 2021), but are unlikely to do so due to COVID 19</p>	<p>✓</p>	<p>Typical barriers are:</p> <ul style="list-style-type: none"> <li>• Progress through existing business case</li> <li>• Consenting processes</li> <li>• Land purchase</li> <li>• Detailed designs</li> <li>• Confirmation of NZTA subsidy and other funding</li> </ul>

13. Confirm the status of key milestones (*"If projects are at various stage please identify the most advanced"- direction by CIP on 3 April 2020*).

Status	First Most Advanced Project- Te Awa Bikeway Extension - Wairere Drive (Hamilton) to Tamahere	✓	Expected Date
Procurement	<i>Suitable tender complete</i>	<input type="checkbox"/>	
	<i>Tender evaluation in progress</i>	<input type="checkbox"/>	
	<i>Request for Tender in the Market</i>	<input type="checkbox"/>	
	<i>About to put out a Request for Tender to the market</i>	✓	30 May 2020
Detailed Design	<i>Detailed Design Complete</i>	<input type="checkbox"/>	
	<i>Detailed Design Underway</i>	✓	30 May 2020
	<i>Detailed Design to commence</i>	<input type="checkbox"/>	
Designations/Consents	<i>Approved</i>	<input type="checkbox"/>	
	<i>Lodged</i>	<input type="checkbox"/>	
	<i>In preparation</i>	✓	30 April 2020
Land Acquired	<i>Yes</i>	✓	
	<i>Being negotiated under PWA (please indicate stage below)</i>	<input type="checkbox"/>	
	<i>Has not commenced</i>	<input type="checkbox"/>	
Business Case or Investment Case	<i>Approved</i>	✓	
	<i>Draft</i>	<input type="checkbox"/>	
	<i>Underway</i>	<input type="checkbox"/>	
	<i>None</i>	<input type="checkbox"/>	

14. Briefly outline any other comments on the key project timetable or key milestones

Some of the projects are ready to go now, and the others can be ready within 6 months

Key barriers/risks are:

- Funding support and funding approval/release
- Protracted decision making and approvals
- Environmental measures and consent approvals

The balance of projects will require preparation to be Shovel Ready by 12 months.

Key Barriers/risks for balance of projects are:

- Funding support and funding approval/release
- Protracted decision making and approvals
- Environmental measures and consent approvals
- Design and procurement
- Some land purchase for some projects anticipated

The Programme includes a range of projects across the City which form a pipeline of work flow for design and construction teams. Construction delivery can be scaled up or down to suit emerging Covid-19 restrictions and level of risk.

### Section 3: Overall Benefits and Risks [Criteria 4]

Please advise at a high level whether a project brings real value (in an economic, social and/or environmental sense) to New Zealand as a whole or the region in which it is located in line with Treasury’s Living Standards Framework<sup>2</sup> and Sustainable Development Goals<sup>3</sup>. Please take into account, where relevant, the draft 2021 Government Policy Statement on land transport, available at <https://www.transport.govt.nz/multi-modal/keystrategiesandplans/gpsonlandtransportfunding/gps-2021/>, and the priorities that it establishes.

15. Briefly outline the social, environmental and economic benefits of the project to the local region and New Zealand and overall value for money.

#### **Social Wellbeing**

This programme of work focuses on creating a liveable City with active and connected communities at a transformational pace and scale.

It supports the City’s urban intensification programme, where over 50% of all population growth has been accommodated within the existing urban centre for the past 8 years. The programme will contribute to and enable implementation of several significant programmes of work that contribute social benefits such as:

- Kainga Ora’s state housing redevelopment programme within Hamilton,
- The Hamilton Inner City Enhancement Plan
- Hamilton River Plan
- Waikato Regional Passenger Transport Plan

The projects focused in the most deprived neighbourhoods of the City include the Western Area wide cycle improvements, Eastern Area wide cycle improvements, the Meteor Bus route and the University Link.

#### **Economic Wellbeing**

The project delivers enhanced outcomes are delivered through improved connections to established education and economic areas of the City. It builds upon the operative Inner-City Enhancement Plan agreed with Waikato Chamber of Commerce and is consistent with the outcomes sought by the merging Hamilton – Waikato Metro Spatial Plan and Hamilton to Auckland Corridor Plan.

The project expenditure provides a direct boost to the local economy. Not only this but the indirect and induced expenditure is expected to multiply the effectiveness of this funding. PWC has estimated in a report to the Construction Strategy Group the multiplier effect for construction. “That one dollar invested in construction produces between \$2.51 and \$3.11 in economic activity”. On that basis this project would return approximately \$1.37B in economic benefits.

The project provides for the continued inner-city rejuvenation that has been a core focus of Council since 2010. It enables enhanced walking, cycling and PT opportunities to be provided within established suburbs and therefore enhances their attractiveness for redevelopment. This will lead to greater housing opportunities being located closer to established commercial, health care and educational facilities resulting in direct and indirect economic benefits across the local and national economy. Enabling further brownfields redevelopment should ensure land markets are more competitive, delivering on many elements of the Governments urban growth agenda. It will help enable a more responsive supply of infrastructure, allow for cities to make room for growth, support quality built environments and enable strategic integrated planning, and build a stronger partnership between central and local government.

Building the key infrastructure now will likely be the lowest cost scenario for Hamilton City Council (HCC). It will also provide the best wellbeing outcomes for current and future residents.

<sup>2</sup> <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework>

<sup>3</sup> <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/>

**Cultural Wellbeing**

This project provides increased health benefits for those in lower decile areas, providing better access to green space, education and economic employment opportunities. Opportunities for working in partnership with Mana Whenua exist in this programme including by and increased ability to share Maori history through Iwi design elements.

**Environmental Wellbeing**

Hamilton has one of the highest single occupancy vehicle rates in the Country. This programme of work is consistent with the Governments priorities in the GPS Land Transport which seeks environmental gains for transport though enhanced public transport and cycling / walking initiatives including reducing emissions. Additional benefits include opportunities for enhanced stormwater treatment devices and significant additional tree planting along main corridors and in local streets, particularly as part of the area wide treatments.

16. What is the expected contribution to local/ national employment?

As outlined in Q8 this project will generate 11,792 full-time employment years to be generated by the project expenditure. This calculation includes direct (3,378), indirect (4,966) and induced (3,448) employment. These figures are derived from input/output table analysis and sector based local GDP per employee sourced from Infometrics, PWC reports, Statistics NZ ANZSIC data and compiled in house.

Further to the new employment derived from construction itself, this project unlocks residential construction through the improved viability of brownfields redevelopments. Over the last decade approximately half of Hamilton’ new housing has come from developments in Hamilton’s built areas. Providing increased incentives and opportunities to intensify Hamilton will lead to increased competition in the housing market ultimately driving the price of housing down. More marginal developments will proceed if feasibility improves. With better PT connectivity there will be less need for car and car parking (more one car families?). More and better development opportunities will position Hamilton strongly to accommodate rapid growth when the economy rebounds.

This programme will also provide a catalyst for further urban intensification development in established residential areas. This will directly provide improved access to affordable housing, and support government initiatives such as the modernisation and intensification of the state housing stock by Kainga Ora within Hamilton.

17. What are the risks associated with the project? Each risk should be ranked as high, medium or low and include a short explanation as to why it was given that risk rating.

Risk	Low/ Med/ High	Further commentary on risk
A. The risk of the project not commencing within the advised timescale	Low	<p>Most Projects can commence readily with no significant barriers apart from decision making and funding.</p> <p>The programme includes some projects that are subject to consenting processes and property purchase. Property purchase and consenting processes are subject to established legal minimum requirements under the Public Works Act and Resource Management Act respectively. These minimum requirements will be on the critical path for delivering the projects to market. These projects have been nominated to be ready within 12 months.</p> <p>The existing NZTA business case process adds limited value for the time it takes to reach a</p>

		<p>conclusion. This process needs to be streamlined and made fit for purpose.</p> <p>The Covid-19 response will have disrupted supply chains for internationally sourced products, and local resources that may take time to be prepared. The earlier the commitment to key projects and timeframe can be advised, the faster suppliers can get these supply chains back into operation.</p>
<p>B. The risk the project will not be completed on time, to cost or to specification</p>	<p>Low</p>	<p>The programme identified can be delivered within desired budgets and timeframe. It is scalable to suit the capacity of the construction industry, and many of the projects can be developed and staged with approved contractors to ensure value for money and workflow efficiencies can be designed into each part of the programme.</p> <p>If programme funding is confirmed between HCC, Waikato Regional Council (for PT operational costs), NZTA and government the risk of non-completion is low.</p> <p>A delivery structure based on partnership that can work efficiently and at pace will need to be agreed.</p>
<p>C. Risk the project will not realise the benefits outlined above</p>	<p>Low</p>	<p>The programme is comprised of established projects that have been developed from existing plans and strategies agreed with the community. There is a high degree of ownership within the Council and community.</p> <p>Projects that have yet to progress to detailed design will be appropriately managed, and benefits tested to ensure these can be achieved as planned.</p> <p>Monitoring and research provided by the University of Waikato will assist in adjusting outcomes to achieve highest benefit realisation possible.</p>

18. Are there any other key project risks or any other information which would be useful background or context at this stage?

<p>Nil</p>
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**Section 4: Impact of COVID-19**

19. Please briefly comment on the likelihood and timing of the project recommencing once the COVID 19 Response Level is suitable for construction to proceed

Construction ready projects, and existing capital sites that are no longer operating will recommence once the level 4 restrictions are lifted. These include:

- Te Awa Cycleway from Hamilton to Tamahere
- Te Awa Cycleway slip repair.

The primary barriers will be:

- Mobilising staff and plant
- Re-confirming contract deliverables and resolving disputes that may have arisen from the level 4 restrictions
- Re-establishing supply chains, especially those reliant on international manufacturers

Design and other preparatory work is progressing under level 4 lockdown.

Hamilton City Council already has existing contracts in place with suitably qualified professional services to deliver early projects in the programme.

20. What is the best estimate of the impact (financial/social/environmental) COVID 19 has had on the project and on local industry associated with the project?

The direct impacts are the Te Awa Cycleway extension and slip remediation projects have not been progressed, and existing projects under construction (e.g. the Rotokauri PT Rail Hub) are now on hold while level 4 restrictions are in place. The existing bus services within the City are operating at around 20% service level.

At a high level, the established mode shift programme in Hamilton City is approximately \$10M per year. Stalling of this programme removes approximately \$850k a month from the capital programme. These impacts flow directly into the professional services and construction industry as projects are put on hold until the lock down has been lifted.

The construction industry in Hamilton and the neighbouring districts has grown rapidly in recent years. Covid-19 and the related restrictions has and will continue to put significant pressure on the sector. The sector requires certainty to move forward. There are about 8,700 people employed, or 9.1% of all jobs, in the wider construction industry in Hamilton, including 1,600 in Civil engineering. It was one of the district's fastest growing employment sectors in 2019.

If the projects outlined in this PIF were funded and proceeded with urgency, it would give a number of businesses that certainty and allow them to retain their workforce or plan for expanding it in the near future, and to continue to invest in their business. Time is critical. Infrastructure New Zealand has estimated that there could be a 30% reduction in staff "within 3 months under the current conditions". To ensure that Hamilton and the Waikato economies are able to recover quickly, guaranteed civil construction and infrastructure projects are a must.

Under level 4 alert, no construction work is being undertaken in Hamilton. Undetermined restriction on the construction industry under a level 3 alert provide no certainty. This will likely mean that fewer workers are able to be active on any project as to maintain social distancing. Also expect delays as people are affected by COVID-19 infection, self-isolation and increased mental health strain. Effective handover procedures may ameliorate this situation, but these practices will not be well practiced in the industry to date.

Accelerating these projects will provide new jobs soon (as described in Section 8 above), and potential opportunities for people employed in other parts of the construction sector, such as residential and commercial construction, to move swiftly into other jobs if demand slows. It may also provide the right conditions for companies to provide apprenticeships for those needing to move into the sector as a result of unemployment. This is particularly important for Hamilton's large youth population.

21. Has this project already, or is likely to benefit from already announced Government led financial support for businesses (e.g. wage subsidy scheme/business finance guarantee scheme) Yes:  No:

- If Yes, please describe the scheme and extent of the support you have received/expect to receive.

This project is a range of new works, so has not directly benefited from the existing business support mechanisms. Indirectly the contractors and professional services businesses who will deliver these activities will be supported to some extent, and so will be ready and prepared to deliver the project.

This programme includes a range of existing projects and projects that are sought to be advanced.

Existing projects may have directly benefited from the existing business support mechanisms. The contractors delivering horizontal infrastructure are currently unable to work, and their employers may be receiving the wage subsidy. A reduction in development within the City will lead to job losses from a critical sector to the local and national economy.

Projects that the City seeks to advance will not have received any benefit from the existing financial support mechanisms. Indirectly the contractors and professional services businesses who will deliver these activities will be supported to some extent, and so will be ready and prepared to deliver the programme of work.

22. Briefly outline the top 2-3 things that the Government can do to help progress this project. Please consider both financial and non- financial levers such as lowering regulatory barriers, adjusting Government procurement practices, fast-tracking resource consent processes.

1. Bulk funding commitment to aid efficient delivery and reduce disruptive interim hold points and bureaucracy, whole of project commitment, and flexible procurement – e.g. Effective decision-making with expedited/no business case requirement. Government support/direction for maintaining construction workforce and resources will allow fast starts if Covid 19 remains uncertain and outbreaks sporadic.
2. Allow for direct negotiation with contractors to avoid extended tender periods and support “cost plus margin” or similar contract models to manage the timing and cost risk uncertainty affecting “unforeseen” events (e.g. flex procurement rules, urgent “special conditions/force majeure” contract guidance, underwriting cost increases).
3. Instil a whole of government approach and attitude to reduce regulatory delays.
4. This project cannot proceed without the granting of various resource consents under the RMA. On 3 April 2020 the Attorney-General and Minister for the Environment, Hon David Parker, wrote to all Mayors, Chairs and Chief Executives of local authorities regarding resource management responsibilities for councils during the Covid-19 response. The Minister urged councils to address any consenting backlogs to avoid project delays and expected that councils would ensure that planning and consenting processes continue apace. The Minister highlighted how these processes play an important part in getting the economy rolling again. With this clear ministerial direction to local government HCC seeks a real and tangible response in terms of consent processing.

Supply chain disruption is likely under a level 3 Covid-19 response from both local and international markets. Re-establishing these supply chains for core materials needs to be considered an important when designing what social interaction is allowed under a future limited lock-down scenario

***Please indicate clearly whether you consider any information you have provided in this form to be confidential. Confidential information will not be publically released, other than in anonymised form, except to the extent that any release is required by law.***



Map to show project locations

