

**NZ TRANSPORT AGENCY SUBMISSION ON:**

**PROPOSED PRIVATE PLAN CHANGE 2 – TE AWA LAKES**

**In accordance with Schedule 1 of the Resource Management Act 1991**

**TO:** Submissions Proposed Plan Change 2 – Te Awa Lakes Private Plan Change  
Economic Growth and Planning Unit  
Hamilton City Council  
Private Bag 3010  
**Hamilton 3240**

**SUBMITTER:** NZ Transport Agency  
PO BOX 973  
Waikato Mail Centre  
**HAMILTON 3240**

**ATTENTION:** James Bevan

**PHONE:** 07 958 7220

**E-MAIL:** James.Bevan@nzta.govt.nz

**Introduction**

1. This submission relates to **Private Plan Change 2 – Te Awa Lakes (PPPC2)** to the Hamilton City Operative District Plan October 2017, notified by Hamilton City Council on 1 November 2017.
2. The NZ Transport Agency opposes PPPC2 in its entirety for the following reasons:
  - a. The proposal is counter to the principles and objectives of the Waikato Regional Policy Statement, Future Proof Growth Strategy (2009 and draft 2017), Hamilton Urban Growth Strategy and proposed Access Hamilton strategy, in relation to the strategic integration of land use planning and infrastructure investment; and
  - b. A range of detailed technical matters relating to traffic impacts, noise, and reverse sensitivity.

3. The NZ Transport Agency considers that, should the strategic policy matters (point a. above) be satisfactorily addressed, the detailed technical matters raised in this submission may be addressed through amendments to the planning provisions or improved mitigation measures.

### **The NZ Transport Agency's Role**

4. The NZ Transport Agency (the Transport Agency or Agency) is a Crown entity with the sole powers of control for all purposes of all State Highways. The Transport Agency is also a significant investor in the local road network. The Transport Agency's objective, functions, powers and responsibilities are derived from the Land Transport Management Act 2003 (LTMA), and the Government Roothing Powers Act 1989 (GRPA). The statutory objective of the Transport Agency is to undertake its functions in a way that contributes to an effective, efficient and safe land transport system in the public interest<sup>1</sup>.
5. Transport is a critical part of daily life for all New Zealanders, enabling a range of activities and making a significant contribution to New Zealand's economic growth and productivity. Effective transport enables travel to and from work, access to services, visits to family and friends, and allows businesses, regions and cities and towns to be productive and well-connected. Recognising the importance of the land transport network, over \$3.0 billion of New Zealanders' money is spent through the National Land Transport Fund (NLTF) each year. This investment is accompanied by a further \$1.0 billion of local government investment.
6. The Transport Agency is also an investor in the Council's local road network.<sup>2</sup> Funding assistance rates (FAR) are not subsidies, but part of a co-investment system which recognises that there are both national and local benefits from investing in the land transport network. The FAR funds activities such as maintenance and capital works across the City.
7. Approximately a third of the funding incorporated in the 2015 Government Policy Statement on Land Transport Funding (GPS) involves investment undertaken jointly with local government. This includes funding for local roads, public transport, walking and cycling, safety promotion and system management. The GPS signals what Central Government wants to achieve in these joint funding areas. This enables local government to frame its investment plans to integrate with Government's priorities,

---

<sup>1</sup> LTMA Section 94

<sup>2</sup> When a land transport activity undertaken by a council or other approved organisation qualifies for funding from the National Land Transport Fund (NLTF) the funding assistance rate (FAR) determines the proportion of the approved costs of that activity that will be paid from the fund.

while giving effect to their own statutory purpose. That purpose is to deliver infrastructure and services that meet the current and future needs of communities in the most cost effective way for households and businesses.<sup>3</sup> The GPS identifies the national strategic direction for land transport is “to drive improved performance from the land transport system by focussing on: economic growth and productivity; road safety; and value for money”<sup>4</sup> Further, the GPS outlines:<sup>5</sup>

*“The land transport sector has stewardship of a significant proportion of our national wealth, and needs to ensure that public expenditure delivers the right infrastructure and services to the right level and at the best cost. There are high user and societal expectations for increases in levels of service across the whole transport network. Users express this in terms of reduced levels of congestion, a safer system, greater resilience, and mitigation of environmental impacts. **Transport decision-makers need to take account of those expectations, and ensure that transport makes a broad positive contribution to the economy and society.***

***Transport objectives nevertheless need to be achieved without placing an unreasonable funding burden on the population or economy.** As a proportion of GDP, land transport expenditure in New Zealand is at its highest levels since the 1960s, and the Government expects the sector to deliver results that are clear, achievable and measurable.*

*As funding for transport infrastructure comes from motorists and ratepayers, there is a responsibility to ensure that costs are kept under control, and that any additional funding delivers the best possible results. To that end, the Government, through GPS 2015, looks to the New Zealand Transport Agency (the Agency) to continue the work it has started on improving the productivity of the land transport system and the way it invests in the system”.*<sup>6</sup> [emphasis added]

8. As an investor, the Transport Agency has a significant interest in seeing that land use planning for the City is integrated with the transport system. It also has an interest in present and future land use decision-making to ensure that the public receive value for money from the national investment as signalled by Central Government. This drives a ‘growth pays for growth’ philosophy whereby ratepayers and taxpayers aren’t left picking up the costs for new development.

### **The Transport Agency’s Submission**

9. As one of the major investors in Hamilton City’s transport network the Transport Agency supports an integrated approach to planning to provide it with both planning and investment certainty, particularly

---

<sup>3</sup> See section 10(1)(b) of the Local Government Act 2002.

<sup>4</sup> Government Policy Statement on Land Transport, 2015/2016 – 2024/25, page 4.

<sup>5</sup> Ibid, page 9, paragraphs 42-44.

<sup>6</sup> GPS 2015, paras 42-44.

for significant investments like the Hamilton City Ring Road, the public transport network and the Waikato Expressway ('Expressway').

10. Integrated planning is essential to the Agency fulfilling its purpose under the Land Transport Management Act (2003). This is because integrated planning enables the Transport Agency, in partnership with others, to provide greater certainty for infrastructure planning and investment in New Zealand.

### **Strategic Framework**

11. Four key elements of the sub-regional strategic framework are the Future Proof - Growth Strategy (Future Proof Strategy) the Waikato Regional Policy Statement (WRPS), the Hamilton Urban Growth Strategy (HUGS) and proposed Access Hamilton strategy.

### *Inconsistent with Future Proof Growth Strategy*

12. The Future Proof Strategy is of key importance to the City, the Waikato Region, and the upper North Island as it provides a growth strategy for a part of the country where economic and population growth pressures are being felt most acutely.
13. The Transport Agency has been a partner to the Future Proof Strategy since its inception in 2007 and continues to support the work undertaken through this partnership. Collaborative strategic planning for the growth of the Future Proof sub-region is strongly supported by the Transport Agency. Planning of this type provides the best opportunity to ensure appropriate integration of cross boundary land use and infrastructure planning.
14. Development and implementation of the Future Proof Strategy provides confidence for the Agency to invest in the sub-region such as:
  - a. The Waikato Expressway - the Expressway is now committed and on target for completion in 2020.
  - b. The Hamilton City Ring Road - the majority of the Hamilton Ring Road is completed with the connection to Cobham Drive about to be confirmed.
  - c. The Southern Links - this project has been developed in partnership with Hamilton City encompassing over \$600M of local road and state highway infrastructure. The state highway portion of the Southern Links has yet to be approved for construction.

15. Maintaining the long term benefits of these significant investments is of prime importance for the social and economic wellbeing of Hamilton City, the Waikato Region and the Upper North Island.
16. The Transport Agency considers that the Future Proof Strategy plays an important role in that it provides an agreed settlement pattern which can then be implemented through the partnership, specifically the Waikato Regional Policy Statement, Hamilton Urban Growth Strategy, Hamilton District Plan and Waikato Regional Land Transport Plan.

*Inconsistent with the Waikato Regional Policy Statement*

17. The objectives, principles and agreed land use pattern of the Future Proof Strategy are anchored into the Waikato Regional Policy Statement. The Transport Agency supported this mechanism for implementation of the Future Proof Strategy as the WRPS provides statutory weight to the outcomes of the future proof process.
18. District Plans are required to give effect to regional policy statements. As discussed above the Transport Agency considers that PPPC2 is inconsistent with the Future Proof Strategy and as such is also inconsistent with the WRPS.

*Inconsistent with Hamilton Urban Growth Strategy and Hamilton City District Plan*

19. The Transport Agency has previously supported the Hamilton Urban Growth Strategy. The overall aim of achieving a compact city by increasing development densities within identified urban areas is strongly supported by the Agency, and the Agency considers that the land use pattern embedded in the operative District Plan gives effect to this. Any departure from the existing land use pattern needs to be carefully considered in terms of the effect of this on existing and proposed infrastructure.

*Inconsistent with Access Hamilton*

20. PPPC2 has been assessed in terms of how it will affect the implementation of the proposed Access Hamilton strategy, to which the NZ Transport Agency is a key investment partner. The investment objectives of the strategy<sup>7</sup> aim to:
  - a. enable business and residential growth while reducing the cost of access;

---

<sup>7</sup> Access Hamilton Programme, 2017, Summary, page i.

- b. reduce deaths and serious injuries; and
  - c. enable access to essential services, employment and recreation by providing transport choice for all users.
21. The Transport Agency has considered PPC2 against the proposed Access Hamilton Strategy and does not consider the proposed Plan Change in its current form supports the outcomes of the Strategy. The following matters are of particular concern:
- a. The subject area is located some distance from the central business district and any neighbourhood centre and is essentially isolated in a greenfield/industrial area. This is not considered to represent the efficient integration of land use with the transport network. This neighbourhood will almost certainly rely first and foremost on the roading network for its access.
  - b. The Transport Agency has concern regarding the viability of the “potential bus route” due to matters relating to efficiency. To service this area buses would have to cover large distances with few customers in a comparatively small, largely car-oriented neighbourhood, which is likely to result in low demand for the service.
  - c. The tourism and recreational facilities are also likely to be largely reliant on access by private passenger vehicle.
  - d. Providing for walking or cycling access to this location would mean providing facilities for people who live there and, except for a few possible commuters who would cycle to town, this is not considered likely to improve the modal split for everyday trips. On the contrary, people could drive to the Plan Change area in order to walk or cycle along the Waikato River, and visit the tourism and recreational facilities, cafes, etc.
  - e. The proposed development of the site is likely to adversely impact already congested areas such as Wairere Drive and intersections on Te Rapa Road, which have already been identified as having safety issues for both passenger vehicles and buses.

### Conclusion

22. The Transport Agency is concerned that PPC2, in particular the proposed change from industrial to residential and commercial land use, is inconsistent with the principles and objectives of the Future Proof Strategy and the supporting strategic framework outlined in the above paragraphs. The Transport Agency submits that any variation from the strategic framework should be justified by robust evidence. Such evidence should address the:

- a. need to advance residential and commercial land use when sufficient urban development capacity exists;
  - b. need for change from the existing strategic framework;
  - c. consistency or otherwise with the principles of the strategic framework, and
  - d. the impact of any change on the broader strategic framework.
23. The NZ Transport Agency requests that the Proposed Private Plan Change 2 is rejected unless robust evidence can be provided to justify the need to move away from the current strategic framework.

### **Impact on infrastructure investment**

24. The Transport Agency notes that the site subject to PPC2 is located within the Horotiu Strategic Industrial Node. This node is a significant area of industrially zoned land incorporating regionally significant industrial activities such as Te Rapa Dairy Factory, Ports of Auckland inland freight hub and AFFCO meat works.
25. The area is in close proximity to the Waikato Expressway and investments have been made in that Expressway to provide for a level of service to facilitate the ongoing development of the strategic industrial activities.
26. It is the Transport Agency's opinion that strategic industrial nodes are sites that have been identified as they can accommodate a wide range of industrial activities in close proximity, are generally separated from incompatible activities and are currently or are planned to be connected to services to facilitate this industrial activity. There are substantial co-benefits to be gained by locating these types of activities in close proximity to each other and to infrastructure. Specific investments made by the Agency to facilitate this strategic industrial development include:
- Te Rapa Bypass to enable efficient access between Hamilton and the strategic industrial node;
  - Waikato Expressway interchange linkages; and
  - Co-investment in local road activities to support local growth planning.
27. A Memorandum of Understanding (MoU) for the Northern Growth Corridor was signed in 2010 between Hamilton City Council, Waikato District Council (WDC) and the Transport Agency. This MoU captures the detailed coordination of land use and large scale infrastructure investments required to enable

strategic industrial activities and the supporting residential development to function effectively. This MoU covered the Rotokauri Stage 1 and Horotiu Development Plans areas. The infrastructure partnership between the three agencies aims to provide co-location benefits for the northern Hamilton area and particularly the opportunities provided by a strategic industrial node. These benefits will be difficult to realise in other locations, and costly to replicate the supporting infrastructure.

28. In addition the Northern Growth Corridor MOU set out agreed trip generation rates for land development that included the Horotiu Farms, Fonterra and Northgate sites. These rates were used in the initial stages of the Waikato District Plan Appeals - Environment Court Mediation. The outcomes were agreed and incorporated into Schedule 24B and C, which were subsequently included into the Hamilton District Plan.
29. The Transport Agency considers that there is a difference between industrial land generally and strategic industrial nodes where substantial partnership investment has occurred. The Transport Agency is concerned that should the benefits of the strategic industrial node – including co-location with other industrial activities and significant infrastructure – be eroded, that the Agency may come under pressure to provide a similar level of service to that provided at the Horotiu Strategic Industrial Node in another location. In effect there could be demand to recreate the co-location benefits already in existence at the Horotiu strategic industrial node in an alternate location. Although it is recognised that that there would be some minor to moderate adverse impact on transport infrastructure as a consequence of PPPC2, it is likely that such effects can be mitigated if this proposal was to be advanced. The potential financial impact of having to ‘replace’ the servicing of this location at an additional location remains a concern to the Transport Agency.

#### **Availability of Residential and Industrial Land**

30. Part of the argument for PPPC2 is that there is ample industrial land available and a potential undersupply of residential land.
31. The Future Proof partnership’s work on supply of residential land has determined that there is sufficient supply of residential land to satisfy the requirements of the NPS Urban Development Capacity. We note that this is under review as part of the Future Proof phase 2 review. The Agency therefore does not consider that PPPC2 can be advanced at this time on the basis of this argument

## Detailed Technical Matters

### Traffic Impacts

32. The One Network charter signed between the Transport Agency, Hamilton City Council and Waikato Regional Council in 2013 commits to making the best use of the existing transport network, before expanding it. In this case, PPPC2 and subsequent development is considered likely to result in more private vehicle movements occurring on an already congested part of the network.
  
33. In terms of specific transport effects, the Agency makes the following comments:
  - a. The development associated with the Plan Change appears to exceed the land area identified for development in the District Plan for this area, which provides for only 7 ha prior to 2021 and 23 ha up to 2041 (Objective 12.2.3 and associated policies)
  - b. As per the Northern Growth Corridor MoU (refer para X), the District Plan currently allows a peak hour trip generation limit of 854 vehicles per hour (vph) for the Perry's site (area subject to PPPC2) until 2041, based on 500 vph for the (7 ha site) service centre (HCC, 12.4.7c) (now proposed to be struck out as part of the Plan Change) and 354 vph for the 23 ha industrial site (HCC, 12.4.7 b)).
  - c. The anticipated trip generation for the full development of Te Awa Lakes development (under the Plan Change) during the evening peak hour is 1068 vph.
  - d. The trip generation rates described in the TDG Integrated Traffic Assessment (ITA) for the different developments appear to be reasonable; however, the trip generation rate for the mixed-use/service centre rate is somewhat low. Notwithstanding that, the Transport Agency does not anticipate the low trip generation rate associated with the service centre is likely to be significantly greater than the 65 vph identified.
  - e. The trip generation rate for the Te Awa Lakes development is 214 vph (1068 vph – 854 vph) higher than the rate described in the District Plan.
  - f. The ITA prepared by TDG describes the effects on the network of the traffic generated by the PPPC2 area using several network improvement scenarios; such as with and without northern growth corridor infrastructure. TDG has also tested the network capacity with future planned development such as the Northgate/Ports of Auckland development in Waikato District, the consented industrial and commercial developments in the Plan Change, the Rotokauri Structure Plan, and the Ruakura Structure Plan.

- g. It is not clearly evident from the ITA whether the TDG modelling has included trip generation for the land opposite the Fonterra site (on the western side of Te Rapa Road) in their assessment. The Agency understands that the Fonterra site is intended to be developed within the analysis period of the ITA, that is, prior to 2041. The Agency considers it desirable for TDG to confirm that full development of the Fonterra industrial zoned land has been considered in their assessment.
  - h. The development of Te Awa Lakes is proposed to be carried out in two stages. However, the ITA does not identify when the stages will be implemented. This staging has a significant bearing on the extent to which the transport network will be affected by the PPPC2.
  - i. A previous assessment carried out by Opus in 2010 identified that the network could cope with a peak hour flow of 1100 vph for the Perry's site once (inter alia) Te Rapa Road is four lanes wide and taking into consideration full development of other sites within the Rotokauri and Horotiu areas. Therefore, identifying the timing of development stages of Te Awa Lakes is critical in determining what works may be required as a consequence of development of PPPC2 i.e. is it likely to be necessary for the four-laning of Te Rapa Road (inter alia) to be brought forward.
  - j. The Agency considers that the water features (including the adventure park activities) of the Te Awa Lakes development have the potential to create a visual distraction for highway traffic. The Plan Change does not appear to incorporate mitigation measures to address this issue
34. Based on the information provided to date, the Transport Agency is unable to support PPPC2 due to its potential impact on the transport network. However, the Transport Agency anticipates that the transport related concerns raised in this submission can potentially be resolved, subject to the following staging and mitigation measures:
- a) The development of phase 1 occurring subject to a maximum trip generation to/from the site of 480 vehicles per hour on Hutchinson Road. However, the Agency recognises the difficulties associated with monitoring a trip generation related condition. Therefore, an alternative for the development of phase 1 may be to limit the development to specific areas and/or land use types.
  - b) The development of phase 2 does not precede the four-laning of Te Rapa Road and the improvements to the Te Rapa/Hutchinson Road and Te Rapa Road/McKee Street intersections that are identified in the ITA.
  - c) The water features at the site being adequately screened with landscaping and setbacks included within the interface between the site, the Waikato Expressway and Te Rapa Road.

### Reverse Sensitivity

35. The proposed changes to chapter 25.8 Noise and Vibration in rule 25.8.3.10c) (to include reference to designation E81a) for noise sensitive activities located within 100m of the Waikato Expressway are supported in part. However, as both designation E99a and E81a relate to the Te Rapa section of the Waikato Expressway in this area, reference to E99a should also be included in this provision.

### Designation

36. Part of the subject site is covered by designations E81a and E99a for the Te Rapa Bypass/Waikato Expressway, with the NZ Transport Agency as Requiring Authority. Despite the road being completed, parts of the designation over the subject site may still be required for stormwater management purposes. Stormwater issues continue to be worked through with the landowners and at this stage a common stormwater treatment facility is proposed. Once the stormwater matters are resolved the Transport Agency may be in a position to uplift parts of the designation over the site, if they are no longer required. If this uplift or partial uplift does not occur prior to the site being developed, the developer will need to seek s176 approval for any future works carried out within the designation.

### **Conclusion**

37. For the reasons provided above the NZ Transport Agency does not support Proposed Private Plan Change 2 as proposed. The Agency considers that any significant variation from the adopted strategic framework should be justified by a high level of information and in particular should justify the need for such a variation, both to provide for increased residential and commercial development, and also to remove land from a strategic industrial node for a potentially incompatible purpose. The Transport Agency does not believe that the information provided in PPPC2 enables this decision to be made.
38. The Agency considers that Proposed Private Plan Change 2:
- a. Is inconsistent with the adopted sub-regional strategic framework - in particular the Future Proof Growth Strategy, Waikato Regional Policy Statement, Hamilton Urban Growth Strategy; and proposed Access Hamilton strategy; and
  - b. Is inconsistent with the agreed staging and timing for urban development enabled in North Hamilton;
  - c. Has not provided sufficient information to justify need for the change in land use (industrial to residential) from that provided for in the strategic framework.

39. The NZ Transport Agency requests that Proposed Private Plan Change 2 is rejected unless robust evidence can be provided of the need to move away from the current strategic framework. Such evidence should address the:
- a. need to advance residential and commercial land use when sufficient urban development capacity exists;
  - b. consistency or otherwise with the principles of the strategic framework; and
  - c. the impact of any change on the broader strategic framework.
40. Should the strategic issues identified in this submission be appropriately addressed the NZ Transport Agency requests the following relief (or alternative relief to achieve the same outcomes):
- a. Ensure the development of phase 1 only occurs subject to a maximum trip generation to / from the site of 480 vehicles per hour on Hutchinson Road. The Agency recognises the difficulties associated with monitoring a trip generation related condition. Therefore, an alternative for the development of phase 1 may be to limit the development to specific areas and/or land use types.
  - b. Ensure the development of phase 2 does not precede the four-laning of Te Rapa Road and the improvements to the Te Rapa / Hutchinson Road and Te Rapa Road / McKee Street intersections that are identified in the ITA.
  - c. Confirmation is sought of whether modelling incorporated into the ITA has included trip generation for the land opposite the Fonterra site (on the western side of Te Rapa Road) and if this has not been included then this should be done.
  - d. To ensure that the water features at the site are adequately screened with landscaping and setbacks included within the interface between the site, the Waikato Expressway and Te Rapa Road.
  - e. To reference designation E99a in rule 25.8.3.10c

**The Transport Agency does wish to be heard in support of this submission.**

**The Transport Agency does not wish to present joint evidence.**

A handwritten signature in black ink that reads "James Bevan". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

---

Signed by James Bevan  
Under delegated authority of  
The NZ Transport Agency

Date: 29 November 2017