

SUBMISSION

**On the Draft Regional Land Transport Strategy and
Draft Passenger Transport Plan**

FEBRUARY 2007

1. Introduction

Wellington City Council (WCC) welcomes the opportunity to make a submission on the draft Regional Land Transport Strategy (RLTS) and the draft Regional Passenger Transport Plan (RPTP). These are critical documents for the future development of the region, and the Council commends the work that has been carried out by Greater Wellington Regional Council (GW) and members of the Regional Land Transport Committee and Regional Passenger Transport Committee.

This submission focuses on the need to develop an affordable transport investment program that prioritises projects according to an agreed strategic framework as well as integrating with wider economic and built environment policies for the region.

2. Background

The draft RLTS has been developed alongside the Wellington Regional Strategy, which is seeking to build a globally competitive Wellington. The key competitiveness factors for cities are centred on four areas: economic structure and support base; quality of infrastructure; governance and leadership; and quality of life and urban environment. A high quality transport system is fundamental to achieving the economic growth and quality of life necessary for a globally competitive city and region.

The strategic direction set out by the draft RLTS seeks to achieve this and is generally consistent with that of Wellington City Council, particularly the WCC Urban Development, Transport and Economic Development Strategies.

The vision for Wellington City Council, as set out in its ten-year plan, is to achieve global competitive advantage by positioning our city as *Creative Wellington – Innovation Capital*. This vision is supported by thirteen outcomes and seven strategies¹ to provide guidance towards achieving these outcomes. The highest strategic priorities for WCC over the next three years primarily relate to transport, urban development and economic development.

The three-year priorities for Council's Transport Strategy are:

- Improve the performance of the city transport system through travel demand management
- Facilitate investment in the city state highway network
- Improve the performance of the city's passenger transport network through bus priority measures

¹ Wellington City Council outcomes: More liveable, Stronger sense of place, More compact, More eventful, More inclusive, More actively engaged, Better connected, More sustainable, Safer, Healthier, More prosperous, More competitive, More entrepreneurial and innovative.
Wellington City Council strategies: Urban Development, Transport, Economic Development, Environmental, Cultural Well-being, Social and Recreation, Governance.

- Work to resolve conflict between access to the port and access to the central area and beyond

The three-year priorities for Council's Urban Development Strategy are:

- Improve the management of residential infill development, including potential for more targeted infill across the city
- Improve the quality of urban design, including through place-specific projects, improved management of heritage buildings and better regulation
- Set in place a plan for the 50 year 'growth spine' along the transport corridor from Johnsonville to the Airport

The three-year priorities for Council's Economic Development Strategy are:

- Contributing significantly to the completion and successful implementation of the Wellington Regional Strategy
- Strengthening and further developing the city's status as a centre of creativity and innovation

The draft RLTS sets out a vision, objectives and policies to guide the transport investment priorities for the region including a regional transport programme and funding plan. In this way the draft RLTS contributes to the achievement of the key competitiveness factors necessary for a globally competitive city and region. It also contributes to WCC's achievement of its own strategic goals for urban development, transport and economic development.

The RLTS has been under review for the last three years and during this time a number of implementation and corridor plans have been developed and adopted separately. The draft RLTS 2007-2016 is the first time these have been brought together into a single comprehensive strategy. This approach means that while many components of the strategy may have already been adopted the entire strategy must be open for review to ensure a comprehensive and internally consistent strategy.

3. Comments

3.1 Draft Regional Land Transport Strategy (RLTS)

3.1.1 Vision, Objectives and Policies

The Council supports the broad strategic direction set out by the vision, objectives and policies of the draft RLTS, which are generally consistent with the goals of the WRS and Wellington City Council. In particular the Council supports the strong emphasis on a transport system that integrates not only between transport modes but across regional economic and urban form strategies. The Council also supports and encourages further development of the strong links between the Regional Land Transport Strategy, Wellington Regional Strategy and Regional Policy Statement.

The Council notes however that the vision, objectives and policies should create a robust strategic framework for the prioritisation of projects within the available funding envelope. This does not appear to have been achieved as discussed in Section 3.1.3 of this submission.

The Council also notes the need for the draft RLTS to comply with the conditions of our support for the Western Corridor Plan. This is discussed in Section 3.1.6.1 of this submission.

3.1.2 Affordability – Regional Transport Programme and Funding Plan

The Council notes that the Regional Transport Program sets out the region's expectations for new capital expenditure on strategic roading and passenger transport for the next ten years while the Funding Plan sets out the funding expected to be available for these projects.

The Council does not believe that the draft RLTS will ensure regional affordability and believe that it is in fact unaffordable in its current form. The funding plan relies on additional funding sources that are unlikely to be realised or at least cannot be relied on. This is highlighted in the RLTC decision of 8 June 2006 to defer seeking further funding from government “until further information is available on the costs of the Transmission Gully [which] will come from the investigation and preliminary design work” to be undertaken over the next three years. The funding plan currently identifies a ten-year funding gap of \$415m due to this project (p136).

The Council believes that relying on additional funding, such as a Crown Loan that government has given no indication will be forthcoming, is a significant risk and is likely to impact negatively on the ability of the draft RLTS to deliver on many of its projects and it risks a significant impact on the rating base. This issue is raised in the draft Economic Impact and Affordability assessment report prepared by GHD. This report is discussed below.

The Council is also concerned that the draft RLTS does not specifically address the escalating costs of construction being experienced around the country. This combined with current government allocations having been made in nominal dollars is exacerbating the funding gap. The draft RLTS notes these issues but does not identify how they are to be addressed. The Funding Plan should do this.

The Council notes that funding identified should match likely costs when projects are actually implemented. To allow more certainty for the planning of projects all funding, including grants from government, should be inflation adjusted. In addition project costs should take into account construction cost trends so to reflect the likely project cost when actually implemented. The Council recommends that the Regional Transport Program and Funding Plan be amended to reflect these factors.

The Council also has significant concerns that cost estimates may be too low as noted page 132 of the draft RLTS and the assumed local share funding too high, particularly for State Highway 58 and the Grenada to Hutt Valley link road projects. This is of particular concern in respect to the Grenada to Hutt Valley link road which should be one of the highest priority strategic roading projects for the region; this is discussed further in Section 3.1.5 of this submission.

The Council believes that the draft strategy will not achieve its objective of “ensur[ing] that the Regional Transport Programme is affordable for the regional community”. The Council notes that not one outcome and almost no policies (tables on pages 39/40 and 49/50 respectively) contribute to the objective of ensuring regional affordability.

The Council notes that many of the policies (table on pages 49/50) are incorrectly shown as contributing to objective of ensuring regional affordability. For example the Council cannot see how the policies to “maintain urban rail as an arterial priority”, “support ongoing development of new and existing park and ride facilities” and “support current road maintenance investment”, to name a few, would contribute to the objective of ensuring regional affordability. This table needs to be revised.

The Council also directs attention to the draft Economic Impact and Affordability assessment report (September 2006) that GWRC commissioned from GHD. This report finds that “[a]ffordability and the dead weight costs of the taxes [required] to support the RLTS is the key issue” (pages 7 and 34). The report finds that the funding gap represents a 61% increase in GWRC rates and a 9.3% increase in rates overall (page 7)² and notes that “[l]iving in the region may well become unaffordable – the cost of the rate increase is about 2 weeks of income for a single person living alone.” (p36).

The GHD report finds this a potentially unacceptable rating load and deadweight cost that will likely drag on the economy due to costs outweighing project benefits (p34). Of interest, the report notes that “[the] Kapiti projects do not aid or abet any economic development in the wider Region” and that the money would be better spent on improving connections between Wellington, Hutt Valley and Porirua (p35).

The Council submits that the Regional Transport Programme should be amended to identify only projects that are affordable under the Funding Plan. Development of a proper framework for the prioritisation of projects, as noted in Section 3.1.3 of this submission, is fundamental to this.

3.1.3 Program Prioritisation

The Council notes that Section 11.3 of the draft RLTS discusses prioritisation. It does not however provide a robust prioritisation framework for projects,

² It is unclear whether this is on top of additional rates increases.

particularly if assumed funding sources (i.e. Crown Loan) are not realised or if costs escalate significantly.

The Council notes that the order of projects in the strategic roading and passenger transport plans does not reflect their significance or priority. This makes it difficult to identify those projects that best meet the vision, objectives and policies of the draft RLTS.

This submission focuses on the need to develop an affordable transport investment program that prioritises projects according to an agreed strategic framework as well as integrating with wider economic and built environment policies for the region. The Council does not believe that the proposed annual review and re-prioritisation process is sufficient to achieve this.

The Council submits that the draft RLTS requires a more robust programme prioritisation framework to ensure the best strategic outcomes within an affordable funding envelope. Without such a framework there is a risk of projects being considered on a “first come first serve” basis rather than strategic fit.

3.1.4 CBD Corridor Plan and Ngauranga to Airport Study

The Council notes that the draft RLTS does not include a CBD Corridor Plan due to the Ngauranga to Airport Study having not yet been completed. The Council understands that the RLTS will be amended on completion of this study and associated consultation to include a CBD Corridor Plan.

The Council notes that most of the major congestion bottlenecks in the region exist within the Wellington City and the CBD corridor, as indicated by Figure 11 on page 22 of the Draft RLTS. Wellington City is also experiencing the highest population growth in the region (along with the Kapiti Coast). It is important that our transport investments be targeted to address these bottlenecks and manage growth to achieve the objectives of the draft RLTS.

The Council supports the pre-emptive inclusion of some projects that would likely be included as part of the CBD Corridor Plan in the regional funding plan but notes that total funding allocated is comparatively low compared to the whole funding package. Funding allocated to the CBD Corridor currently accounts for only 6% of the total strategic roading expenditure for the next ten-years (\$103m out of \$1,735m) and 13% for the next twenty-years (\$353m out of \$2,753m) yet it is the most congested and contains the most bottlenecks in the region.

The Council believes that adequate transport, urban and economic investment along the CBD Corridor is vital and should be treated as a matter of priority for the region. The Council do not believe the draft RLTS does this. The Council is particularly concerned that any projects identified by the study may be dropped or significantly delayed due to affordability and prioritisation issues as noted in Sections 3.1.2 and 3.1.3 of this submission. It is vital that CBD Corridor projects not be left off because of affordability issues in other parts of the network.

The Council therefore requests that the overall regional priorities and funding allocation be reassessed as appropriate on completion of the Ngauranga to Airport Study prior to its incorporation into the RLTS.

3.1.5 Grenada to Hutt Valley link road / improved east-west links

The Council supports the need for improved east-west connections as identified by the draft RLTS and the WRS. The draft RLTS Strategic Roading Program includes two initiatives for improving east-west connections, these being upgrades to SH58 (SH2/58 grade separation, SH58 four laning, SH58 upgrade) and a new Grenada to Hutt Valley link road (Grenada to Gracefield Stage 1). The estimated cost for each initiative is \$180m although the Funding Plan states that both estimates are possibly low, with their true costs likely to add significantly to the overall programme cost. This risk is of significant concern, particularly considering the affordability issues discussed in Section 3.1.2 of this submission.

According to the Good Regional Form background paper prepared for the WRS in July 2006 the Grenada to Hutt Valley link road would be a route of regional significance in terms of linking industrial based employment nodes, improving east-west connectivity and congestion relief. This is supported by GHD's Draft Economic Impact and Affordability evaluation report on the draft RLTS which recommends this link be a priority due to the benefits it will give to the regional and particularly the Hutt economy (p25).

In December 2005 Booz Allen Hamilton used the regional model to compare SH58 and the Grenada to Hutt Valley link road. Their Consultant Note on the Impacts of Petone-Grenada Link concludes that:

“The [Grenada to Hutt Valley] link is approximately 4km shorter than using the gorge, resulting in significant benefits for east-west movements. A select link analysis of the [Grenada to Hutt Valley] link shows that the users of a [Grenada to Hutt Valley] link are primarily south of Porirua travelling to the southern Hutt valley, and as such are distinctly different users from the SH58 link. In other words, the two east-west linkages are mostly independent, and not substitutes for each other.”

In short, a Grenada to Hutt Valley link road would provide the following benefits:

- Improved east-west connections
- Improved freight linkage to Seaview
- Improved accessibility around the region
- Improved redundancy by providing an alternative route to Ngauranga Gorge
- Reduced traffic congestion on SH1 at Ngauranga Gorge and SH2 south of Petone
- Improved network resilience and emergency access

The Council notes the inclusion of the Grenada to Hutt Valley link road (Grenada to Gracefield Stage 1) in both the Western and Hutt Corridor plans and requests this link road be treated as a matter of highest regional priority. The Council is concerned that according to the draft RLTS the current cost estimates are “possibly conservative” (p132). It is unclear as to how any additional costs would be funded. This is of particular concern considering that the project already relies on a local share contribution that has not yet been budgeted for by Wellington City Council.

The Council notes and supports the intention to raise the subsidy rate (page 135) to address the local share affordability issue but unless the subsidy rate is 100% it will have an impact on local affordability. Given the strategic importance of this link road to the region the Council submits that 100% of the local share funding be made from regional funds.

3.1.6 Western Corridor Plan

3.1.6.1 Wellington City Council's conditions of support

The draft RLTS includes the Western Corridor Plan (April 2006) which was adopted by the Regional Land Transport Committee (RLTC) on 11 April 2006. The following note was recorded in the minutes at the request of Mayor Prendergast:

“Wellington City Council reserves its position in respect of accepting the Western Corridor Hearings Subcommittee's findings re inclusion of the Transmission Gully Motorway in the Regional Land Transport Plan in the event that points 3 – 8 are not actioned and/or implemented in a timely manner.”

The Council notes that the draft RLTS generally meets these conditions of support although there is some concern in respect to the CBD Corridor Plan (Ngauranga to Airport) and the Grenada to Hutt Valley link road as noted in Sections 3.1.4 and 3.1.5 of this submission.

3.1.6.2 Coastal route safety improvements

The Council notes that according to the draft RLTS Western Corridor Plan the Transmission Gully Motorway will not be opened for at least another eight years (2015/16). In the meantime there are a number of serious safety concerns along the existing coastal route that need to be addressed now.

The Council notes that the current plan does provide for completion of some safety improvements by 2007/08. These are pedestrian safety improvements at Pukerua Bay, completion of the wire rope barrier along Centennial Highway from Pukerua Bay to Fisherman's Table and installation of traffic lights at the Paekakariki intersection.

However, there is now also growing concern, as reported in the press recently (Dominion Post, 13-20 January), for the wire rope barrier to be extended from Fisherman's Table all the way north to MacKay's Crossing. It has been reported (Dominion Post, 20/1/07) that a wire rope barrier would cost around \$2m a kilometre along this 6.6km stretch of road and require some road widening and corner easing. In addition Transit is reluctant to install traffic signals at the Paekakariki intersection preferring a "seagull" traffic island configuration due to significant safety concerns over the operation of traffic lights in a high speed environment. These concerns appear to be born out by the unacceptably high accident rates at the signalised intersections along State Highway 2.

The Council notes that an inferior safety solution in order to reserve funding for TGM is not acceptable and is also contrary to the safety objective and policies of the draft RLTS. Traffic volumes on the existing coastal route will decrease on completion of TGM but it will likely remain a high speed environment and many of the current safety concerns would remain.

The Council submits that there is an urgent need for improved safety on the coastal route. The Council supports any extension of the wire rope barriers as an effective and appropriate safety mechanism for the coastal route up to MacKay's Crossing and the implementation of an appropriate traffic island configuration at the Paekakariki intersection.

3.1.7 Environmental sustainability

There are a number of land transport outcomes included in the draft RLTS that contribute to the objective of ensuring environmental sustainability as shown in table 2 on page 39/40 of the draft RLTS. The Council would like to comment on two particularly significant outcomes included in this table, these being reduced greenhouse gas emissions and reduced fuel consumption.

The draft RLTS is unclear as to what outcome is being sought for greenhouse gas emissions. An outcome on page 37 and Policy 7.5(g) on page 48 seek to reduce greenhouse gas emissions, the TDM Strategy on page 79 seeks to hold emissions at 2001 levels, while the strategic options discussion on page 42 notes that all options failed to reduce greenhouse gas emissions and fuel use due to continued growth in private vehicle use.

The Council suggests that the quantitative results of the scenario analysis for the preferred option chosen and each of the three strategic options consulted upon be included in the RLTS. This would allow a comparison between the preferred option chosen, the options consulted on and the actual target sought and would help highlight the need for additional action by central and local government.

The Council notes that while there may be no option that absolutely reduces greenhouse gas emissions, in a relative sense there may one option that has a significant positive contribution by increasing emissions less than the other options. These differences should be made clearer. This analysis should replace unsubstantiated statements like the one on page 42 which says that "it is unlikely that any strategic option developed at a regional level is likely to have

any significant positive contribution to the reduction of vehicle related greenhouse gas emissions or fuel use, given the current funding and legislative environment”.

The Council also notes that given the negative outlook for greenhouse gas emissions and fuel use the statement on page 28 that transportation contribution of air pollutants "will decrease over time with improving vehicle technologies and increasing uptake of alternative fuels" seems too optimistic. If greater use of alternative fuels is not sufficient to decrease greenhouse gas emissions in the wake of increased VKT, why would air pollution necessarily decrease? Would improved vehicle technologies make a big enough difference by reducing particulate emissions and other pollutants even if they do not reduce GHG emissions?

The Council acknowledges that there is a government responsibility to address greenhouse gas emissions, but there is also a regional and local responsibility. The Council requests that the draft RLTS be amended to recommend specific actions for government to undertake to enable reductions in greenhouse gas emissions at a regional and local level.

3.1.8 Travel Demand Management Strategy

The Council supports the Travel Demand Management (TDM) Strategy. It notes the role of TDM within the draft RLTS to manage the need for people to travel and to provide them with alternatives to the car. The Council therefore suggests that the vision be modified to delete the words "...achieving sustainable outcomes..." and replace them with a phrase about reducing the need to travel, particularly for commuters by car.

The Council is carrying out a broadband project as part of its Economic Development Strategy. This project seeks to provide a high capacity broadband link throughout the city. Such a link will provide greater opportunities for telecommuting and working from home thus potentially reducing the growth in demand for transport.

3.1.9 Other

The Council supports the policies promoting improved land use and transport integration and encouraging transport infrastructure that will support higher densities in or adjacent to regional centres and employment areas.

The Council commends the draft RLTS for including its strategies on page 32 and advise that these are no longer draft documents as they were approved at the beginning of the 2006 financial year.

3.2 Draft Regional Passenger Transport Plan (RPTP)

3.2.1 Vision, Objectives and Policies

The Council supports the vision and strategic goals of the draft RPTP but encourages greater emphasis on the role of passenger transport in relieving

traffic congestion on the roading network (refer Section 3.2.2 of this submission)

The Council notes that the strategic framework set out in the draft RPTP should be consistent with the other implementation plans contained within the draft RLTS.

3.2.2 Congestion relief

The Council encourages greater emphasis on the role of passenger transport in relieving congestion on the roading network during peak periods. 85% of the regional funding contribution for passenger transport is targeted at “congestion relief” (p9) yet this is not explicit in the vision, strategic goals or policy areas of the draft RPTP. While the “Mode Share” strategic goal may be consistent with this principle it does not indicate how or why increasing mode share is desirable or how it would address congestion.

3.2.3 Growth Spine

As noted above, a key initiative of the WCC Urban Development Strategy is to set in place a “growth spine” along the transport corridor between Johnsonville and the Airport. A significant component of this, as also reflected in the WCC Transport Strategy, is the provision of a high quality seamless passenger transport system along this growth spine.

The Council notes that this growth spine is an important consideration of the Ngauranga to Airport Study and will be used by WCC to direct growth. The Council therefore requests that the draft RPTP be amended to clearly support this growth spine and use it to help guide procurement and review of passenger transport services.

4. Conclusion

This submission supports the vision, objectives and outcomes of the draft RLTS. It identifies a number of areas of concern, particularly in respect to regional affordability and impacts on the yet to be completed CBD Corridor Plan and Grenada to Hutt Valley link road.

This submission also supports the vision and strategic goals of the draft RPTP but encourages greater emphasis on the role of passenger transport in relieving congestion on the roading network and support of the WCC growth spine concept.

Thank you for the opportunity to make a submission on these documents.

Wellington City Council wishes to be heard at the submission hearing.
