

31 October 2023

Working better together

Joint Presentation to Auckland Transport Board



Purpose

- Provide an **update to the AT Board on the partnership work between Kāinga Ora, AT, Auckland Council, and Watercare** to enable the development of 5 key growth areas for social, affordable and market housing.
- Discuss **the scope and scale of the work** in these 5 Large Scale Project (LSP) areas and the infrastructure investment needed.
- Cover **AT's role at a staff level in the CCO/Kāinga Ora Programme Governance** structure around the LSP Programme and the focus for transport.
- Share **successful project delivery examples**, already delivered, of where AT and Kainga Ora are successfully working together.
- Outline the **opportunity that the Housing Acceleration Fund (HAF)** provides and the next steps for agreements and AT Board involvement.

Our Challenge

Brownfields infrastructure is complex with multiple parties involved in its design, delivery, maintenance and renewal or eventual replacement.

Our individual responsibilities overlap in their impacts on community liveability.

So, we need to work in partnership to deliver the right infrastructure at the right time – while minimising disruption to customers.



In 2022 the Crown and Council signed a Memorandum of Understanding, with several objectives

- **Invest in infrastructure** to enable housing growth and deliver well-functioning urban environments
- **Respond to climate change**
- **Increase the pace of build-ready land** to optimise density in locations close to jobs, schools, and services
- **Enable infrastructure that improves wellbeing** for the wider community and provides capacity for wider growth
- Provide an opportunity to **partner with iwi**
- **Establish processes for greater collaboration and coordination** between the Parties, Kāinga Ora and the Council delivery entities for infrastructure delivery.



Auckland Large Scale Projects (LSPs)

These brownfield LSPs are part of a 20+ year portfolio of land development and infrastructure activities that will enable around 55,000 new homes and contribute to significant transport outcomes.

The LSPs are the same as the Auckland Council priority growth areas.

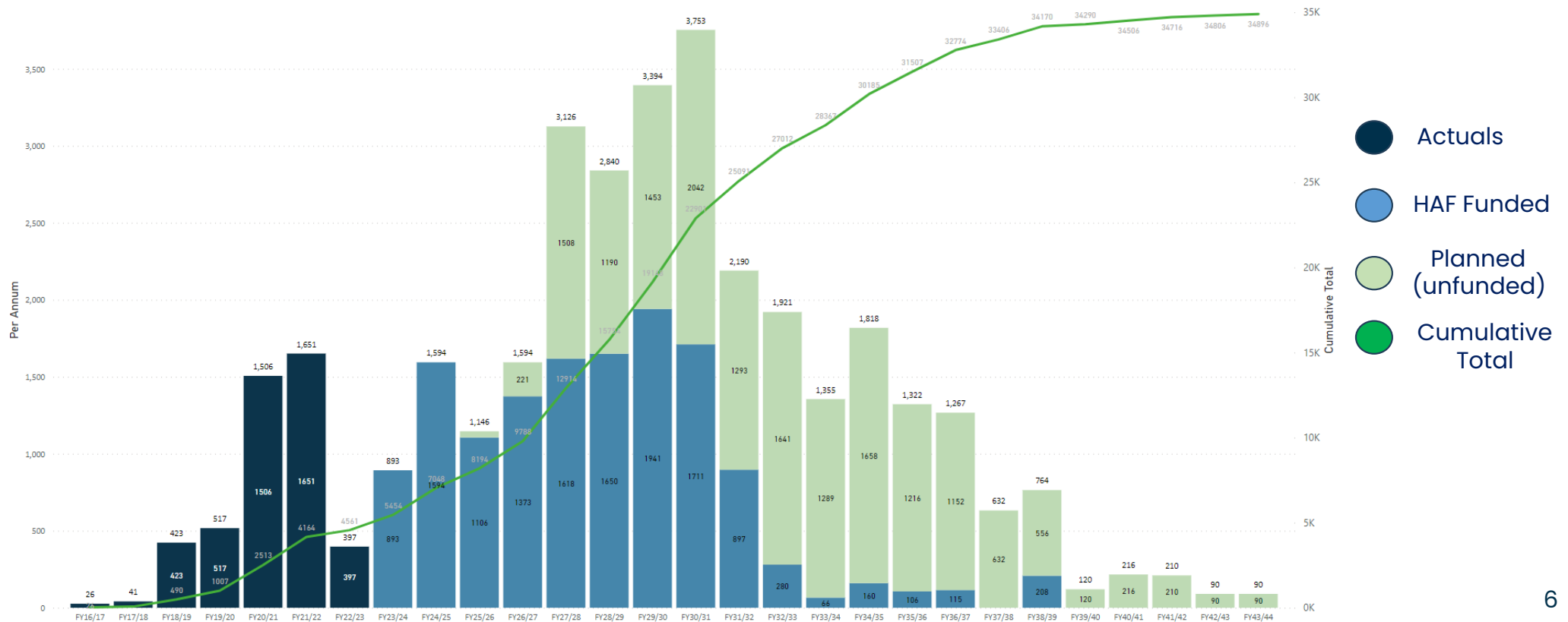


These five Large-Scale Projects leverage Kāinga Ora land holdings in Auckland Council priority growth areas to deliver significant transport outcomes

- Kāinga Ora (working with the Ministry of Housing and Urban Development and Treasury) has developed Programme Business Cases that provide for the first 10 years, representing **\$5b in development activity**.
- The funding commitment includes \$1.9bn in HAF funding from the Crown plus \$288m (to June 2026) in Council contributions.
- The infrastructure programme will **unlock 17,000 new homes on Kāinga Ora land plus potential for a further 11,000 new homes** on surrounding privately owned land in these suburbs.








Funding is committed for the first 17,000 homes, further investment will be needed to deliver the full programme



There is a compelling case to take a coordinated approach to development in Auckland LSPs

- The Auckland LSPs are the same as the Auckland Council priority growth areas and align to the proposed Future Development Strategy.
- In urban Auckland there is:
 - Rising house prices and a housing shortage
 - Ageing infrastructure unable to support growth and desired transport outcomes
 - High demand for public and affordable housing in LSPs
 - Increasing need for infrastructure that responds to climate change and improves neighbourhood resilience
- Joint workshops have identified five key outcomes that all our organisations are aligned on (right).

Theme	KPMG assessment of alignment
• Climate change and the environment	
• Māori outcomes	
• Thriving communities with prioritised customer wellbeing	
• Accessibility	
• Growth and prosperity	

Officially we got underway earlier this year, but already lots has been achieved:

1. **Letters of Expectation** between Kāinga Ora and each asset owner (AT letter dated 27 Aug 2022)
2. **Joint executive and operational governance groups** meeting regularly to oversee the infrastructure programme and cross-organisational activity
3. **A joint charter** that sets out an agreed approach and behaviours for all parties
4. **Sharing and integrating programmes of work** by providing visibility of partner organisation projects on a GIS platform – ultimately targeting 'dig once' approach, less community disruption and other efficiencies
5. **Shared funding from existing budgets** recognising shared value from infrastructure investments
6. **Reduced administration and better process efficiency** for all parties, e.g. removing consent bonding requirements and streamlining cross-organizational infrastructure design processes
7. **Agreements** that set out standard terms for cross-organisational delivery.

What the partnership means for AT

- **Participation in layers of Joint Programme Governance** to ensure that AT's interests are met.
- **Unlocking funding** by collaborating across AT, Waka Kotahi, AC, and Kāinga Ora, to explore funding opportunities and unlock constraints for the delivery of the Joint Programme.
- **Developing Joint Outcomes** that will guide the project list, prioritisation, and provide direction across AT, Waka Kotahi and Kāinga Ora and the wider Auckland Council Group.
- **Works and Project Coordination** focus on improving the way we align our programmes and projects to minimise disruption to communities, and reduce costs to tax payers, and rate payers.
- **End-to-end process improvements** being identified and put in place to focus on outcomes for the communities, reduce re-litigation, and improve efficiency. Intent to embed these long term within AT and Kāinga Ora and share findings across other programmes.

Working together in Northcote



Kāinga Ora in collaboration with Auckland Transport:

- Integrated Transport Assessment (ITA) prepared
- New walking and cycling paths
- Improved safety
- Proposed intersection upgrades and increase in PT services to support mode shift

Transport key design principles:

Supporting local trips that can be made by walking and cycling by:

- providing footpaths
- coordinating development layout with the greenway
- shared pedestrian and cyclist paths that link the town centre with nearby schools and northern parts of Northcote

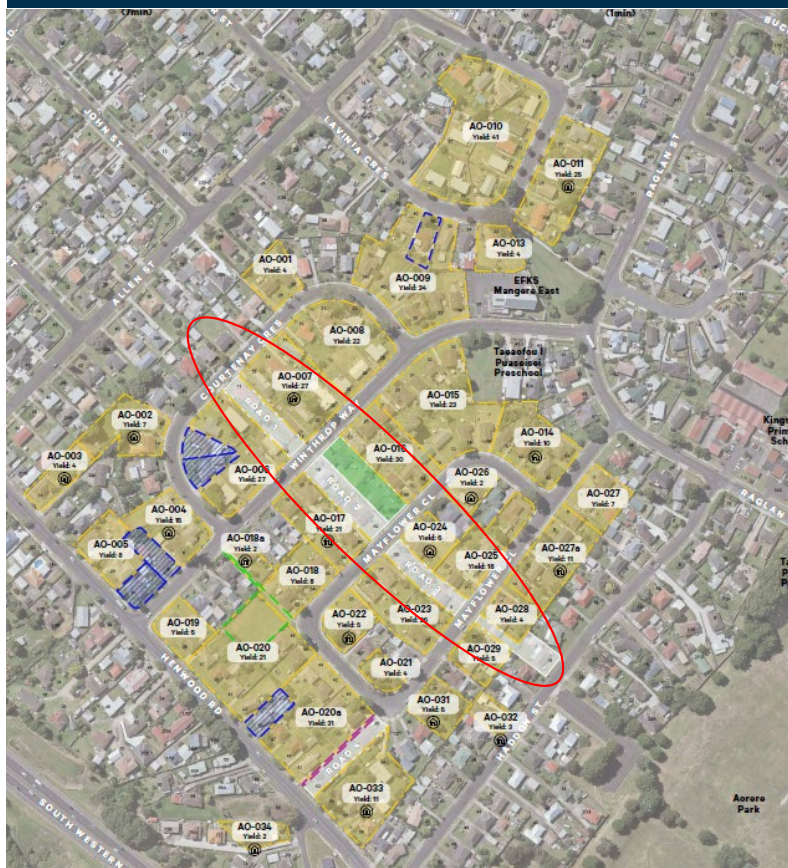




Shared walking and cycling paths connected with the Northcote town centre encourage mode shift



The new spine road in Aorere is a good example of shared outcomes



Kāinga Ora in collaboration with Auckland Transport:

- Integrated Transport Assessment (ITA) prepared
- Four new roads
- New Reserve to front Spine Road
- Walking connection to Aorere Park
- Winthrop Way to function as a Central Street
- Improved landscaping to new roads

Key design principles

- Active street frontage to provide safety through passive surveillance
- Wide footpaths to accommodate pedestrian movement to and from public amenity spaces
- Narrowed intersections with raised tables and special surfacing to provide pedestrian crossing amenity and reduction of vehicle speeds
- Public parking within the roadway to increase the interaction with moving vehicles vehicle speeds are reduced

All these principles reinforce the shared space environment consequently reducing vehicle speeds.





Joint transport investment

Circa \$1B transport investment identified AT's Programme Business Case **to be shared between Waka Kotahi, Kainga Ora, and AT**. This will give these communities:

73km of separated cycle facilities, 71km of improved walking and cycling routes, 23km of public transport priority, 73 intersection improvements.

Which means more people with access to high quality PT (138,500 people) and cycling facilities (86,400 people)

Within 15 mins – 33,000 people can cycle to healthcare, 52,000 to an employment centre, 42,000 can catch PT to healthcare and 11,500 can catch PT to work.

Which will deliver great outcomes for these communities and deliver on joint outcomes across emissions, safety, renewals, mode shift, and land use integration.

HAF Agreements

- **AT's Brownfield Programme Business Case** identified transport projects to support the LSP areas. This was approved by the AT Board and endorsed by Waka Kotahi early 2022.
- AT currently have below the line **funding in the back end of the RLTP (around \$440m)**. A bid for this funding has been put forward for the next RLTP and is working through the process.
- There is an **opportunity to jointly unlock funding through the Housing Acceleration Fund (HAF)** to meet local share of the transport projects.
- Auckland Council Finance are taking the lead role on **funding and cost share discussions** with Kāinga Ora on behalf of asset groups. This is being supported by AT Finance.
- We will be coming back to the **AT Board in November for endorsement of a process agreement**, which will provide the framework for future project funding agreements, and we will seek delegation to the Chief Executive to sign this agreement.

Risks and Mitigation

Risk	Mitigation
<p>Reputation risk from the community as work is undertaken</p>	<p>Joint Comms Group established to coordinate messaging.</p>
<p>Ongoing disruption or rework of infrastructure within the community</p>	<p>Use of the Joint Programme to identify hot spots and drive works coordination and/or single delivery entities.</p>
<p>Cost overruns</p>	<p>Ensure that appropriate contingency is included to avoid overruns. Cost overruns to be shared, opportunity to shape through agreements. Utilise strong governance and controls around project delivery.</p>
<p>Changing priorities</p>	<p>Working collaboratively across organisations to manage and adapt to changing circumstances during the course of the LSP Programme.</p>
<p>Misalignment and availability of funding</p>	<p>Working collaboratively across agencies to align investment through the governance structures and agreements. Manage this through the upcoming RLTP process.</p>

Next steps

- Coming back to the AT Board in November to discuss the **Process Collaboration and Framework Agreement (PCFA)**. This sets out the process that AT and Kāinga Ora can jointly access the Housing Acceleration Fund (HAF).
- **Embedding end-to end process improvements** with buy in across AT and Kainga Ora and track progress against these agreed initiatives. This work will benefit AT's SOI targets around partnership work.
- Ongoing work and collaboration on the **Joint Programme and investment alignment**.



Questions?

