

Infrastructure Funding Plan

Warkworth Structure Plan

June 2019



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Executive Summary

The critical Council infrastructure that provides essential bulk services which enable land development include:

- Parks and Open Spaces
- Transport networks
- Stormwater networks
- Water and Waste water networks
- Community assets

The infrastructure projects needed to increase capacity require substantial public and private investment and have long lead times for planning and construction. It is critical that this investment is coordinated and aligned with growth, in order to get the best outcome for the ratepayer.

The Council funds and delivers public growth infrastructure projects primarily through the collection of development contributions, Watercare’s infrastructure growth charges, and rates. Additional funding options are being investigated and may include targeted rates or special purpose vehicle private financing.

Council infrastructure providers have identified those critical projects to enable land and housing development to support the Warkworth Structure Plan. This includes an estimate of the development timeframe in which the asset is expected to be delivered. Not all projects have funding allocated. Cost estimates to deliver this infrastructure are currently between \$1.3b and \$1.6b with indicative an cost range by stage as follows:

Stage 1	\$460m to \$515m
Stage 2	\$580m to \$705m
Stage 3	\$323m to \$383m

It is important to acknowledge that although these projects will facilitate the provision of new housing in Warkworth, these projects also provide a dual purpose in meeting the growing needs of the existing community.

Council endeavors to ensure efficient coordination between public and private infrastructure providers. Apart from Council, other utilities and service providers will deliver other key infrastructure such as power, fibre, and schools. State Highways are delivered by the New Zealand Transport Agency.

1 Introduction

1.1 Purpose and scope of the report

This is one of a number of reports that have been prepared for the Warkworth Structure Plan as part of the supporting information behind the structure plan document. This report outlines the funding of infrastructure required to support the land use plan.

1.2 Study Area

The study area for the Warkworth Structure Plan is the Future Urban zone around Warkworth. It comprises around 1,000ha of land. The study area is shown outlined in red on Figure 1 below.

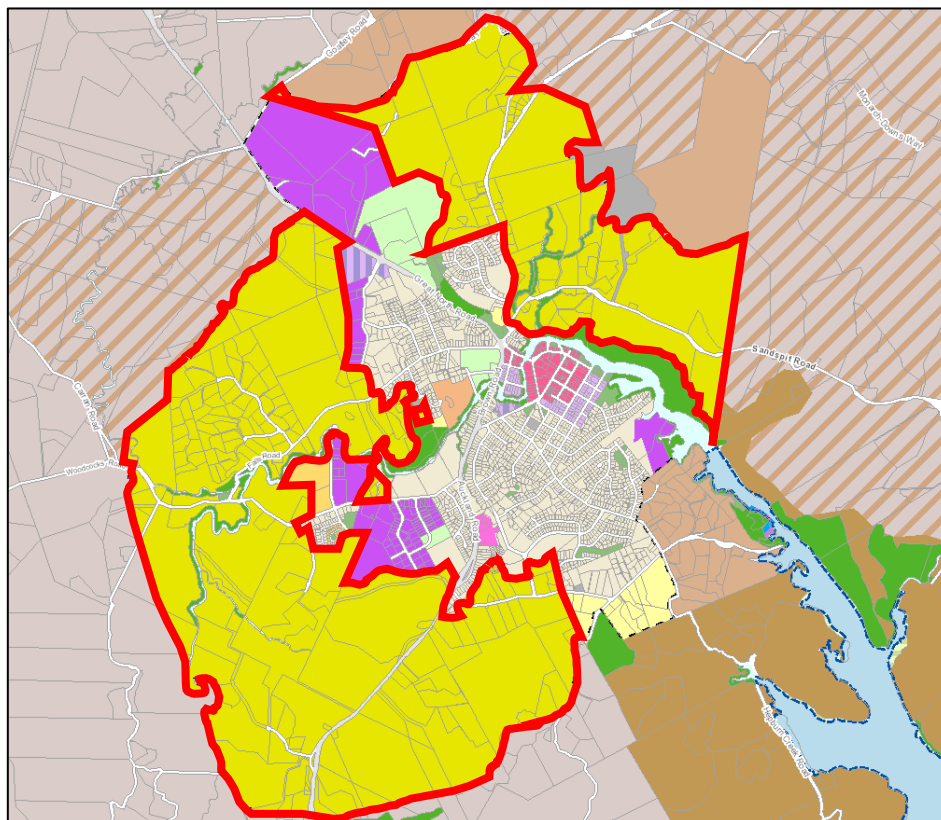


Figure 1: Warkworth structure plan study area (outlined in red)

2 Warkworth Structure Plan

2.1 Overview of Warkworth Structure Plan

The Warkworth Structure Plan sets out the pattern of land uses and the supporting infrastructure networks for the Future Urban zoned land around Warkworth. In preparing the Warkworth Structure Plan, the following were considered:

- the context of the existing town in Warkworth
- the opportunities and constraints of the structure plan area as identified in 16 technical papers¹
- the feedback received from various stakeholders and public engagement events².

The structure plan is show in **Figure 2**.

Some of the key high-level features of the Warkworth Structure Plan include:

- Ecological and stormwater areas are set aside from any built urban development.
- The new residential areas across the Future Urban zone enable around 7,500 dwellings and offer a range of living types from spacious sections around the fringe to more intensive dwellings such as town houses and apartments around the new small centres and along public transport routes.
- Warkworth’s local and rural character is protected through various measures including provisions to protect the bush-clad town centre backdrop by the Mahurangi River and retaining the Morrison’s Heritage Orchard as a rural feature of the town.
- New employment areas are identified, comprising land for new industry (e.g. warehousing, manufacturing, wholesalers, repair services) and land for small centres (e.g. convenience retail, local offices, restaurants/cafés). The existing Warkworth town centre by the Mahurangi River will remain as the focal point of the town.

The land uses are supported by infrastructure including:

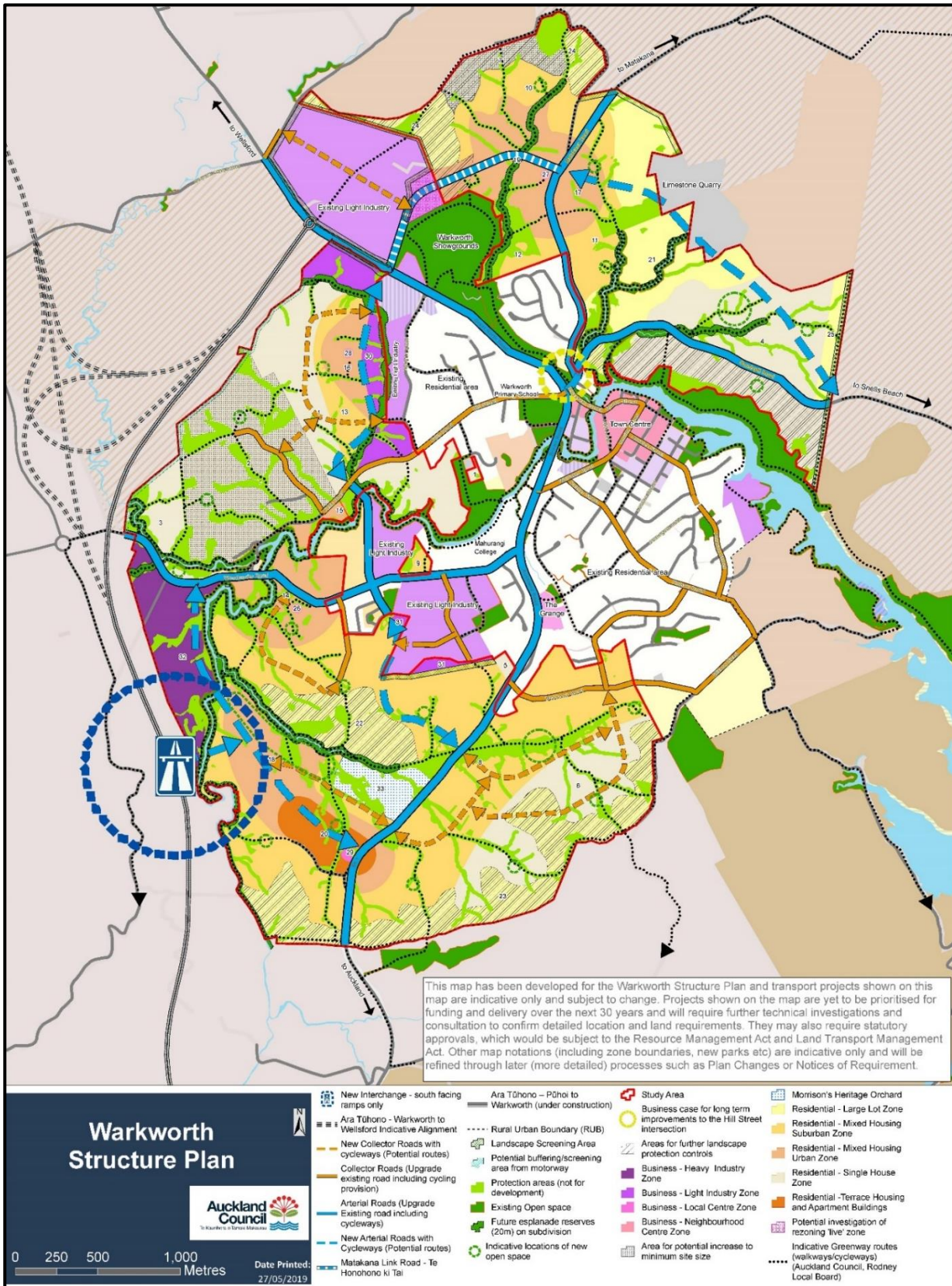
- Prioritising active transport in Warkworth through a separated walking and cycling network providing connectivity to new and existing centres, employment areas, schools and public transport stations.
- A roading network including a potential southern interchange on Ara Tūhono – Pūhoi to Warkworth (south facing ramps only).
- A public transport network built upon the recently introduced ‘New Network for Warkworth’ and in the long term has a bus station/interchange in Warkworth’s southern Local Centre and a Park and Ride near the potential Ara Tūhono – Pūhoi to Warkworth southern interchange.
- Other infrastructure providers for utilities such as wastewater, water, power supply, telephone, broadband, community facilities, schools, and healthcare have plans underway to service the planned growth of Warkworth.

Further details on the Warkworth Structure Plan can be found in the structure plan document on the project website.

¹ 16 topic papers that were prepared in February 2018 as part of initial consultation on the structure plan

² This includes feedback from mana whenua, business, resident and community groups, engagement survey findings and community workshops held to generate land use ideas for the Warkworth area.

Figure 2: Warkworth Structure Plan



2.2 Funding of infrastructure

2.2.1 Council funded infrastructure

The critical Council infrastructure that provides essential bulk services which enable land development include:

- Parks and Open Spaces
- Transport networks
- Stormwater networks
- Water and wastewater networks
- Community assets

The infrastructure projects needed to increase capacity require substantial public and private investment and have long lead times for planning and construction. It is critical that this investment is coordinated and aligned with growth, in order to get the best outcome for the ratepayer.

The Council funds and delivers public growth infrastructure projects primarily through the collection of development contributions, Watercare’s infrastructure growth charges, and rates. Additional funding options are being investigated and may include targeted rates or special purpose vehicle private financing.

The decision making for regional prioritisation of public infrastructure projects is made by the asset owners (such as Auckland Transport or Watercare Services Ltd) within the Council group. The prioritization, delivery, timing and funding of public infrastructure are then incorporated into the Long-Term Plan (**‘LTP’**). This is reviewed every 3 years with the next review scheduled for 2021. If a public project is not identified in the LTP and a developer requires this to give effect to a development, then that developer may need to fund this project in full.

As a prudent spender of ratepayer’s money, the Council is subject to debt constraints within which the Council must operate.

All local infrastructure will be funded and delivered by developers. Examples include local roads or stormwater ponds (refer to **Appendix 1** entitled *‘Who funds growth infrastructure?’*).

Council infrastructure providers have identified those critical projects to enable land and housing development to support the Warkworth Structure Plan and these are outlined in **Appendix 2**. This list includes an estimate of the development timeframe in which the asset is expected to be delivered. Not all projects have funding allocated. Cost estimates to deliver this infrastructure are currently between \$950m and \$1.4b. It is also important to acknowledge that although these projects will facilitate the provision of new housing in Warkworth, these projects also provide a dual purpose in meeting the growing needs of the existing community.

2.2.2 Non-Council Infrastructure Providers

Council endeavors to ensure efficient coordination between public and private infrastructure providers. Apart from Council, other utilities and service providers will deliver other key infrastructure such as power, fibre, and schools. State Highways are delivered by the New Zealand Transport Agency.

2.2.3 Development Programme Office

In the funding, delivery of infrastructure and roll-out of large and complex developments, the Development Programme Office (DPO) at Council plays an important role, it provides the following:

- Consultancy services: Developers of large or complex developments have access to a range of services such as pre-application due diligence.
- Coordinates council asset owners to ensure alignment with developer and land owner objectives to enable growth. This assists in the coordination of the delivery of infrastructure through the strategic programme delivery team.
- Works with developers to agree Infrastructure Funding Agreements ('IFA'), of which there are many types, for example:
 - Where a developer delivers a public asset for council. This offers timing and cost efficiencies to suit both parties.
 - Where a cost share is required, IFAs can facilitate a cost share arrangement that offer value for landowners, developers and council.

The council encourages developers to engage early with the Development Programme Office so that issues can be considered as early as possible in the development programme.

3 Conclusion

There is a strong commitment within Council to fund and deliver bulk infrastructure as and when it is needed to enable land and housing development in the Warkworth structure plan area. With the growing number of alternate sources of funding the Council is endeavouring to seek solutions to the funding challenges it will encounter over the stages of this development.

Appendix 1: Who funds growth infrastructure?

Who funds growth infrastructure?

<p>Developer costs</p>	<p>Transport infrastructure</p> <p>Developers pay for things like:</p> <ul style="list-style-type: none"> • Local roads through a development • Cul de sacs • Local footpaths • Local bus and cycling infrastructure • Intersection upgrades • Works required for resource consent 	<p>Water & Wastewater Infrastructure</p> <p>Developers pay for things like:</p> <ul style="list-style-type: none"> • Water and wastewater infrastructure within a development • Water and wastewater pipes to connect a development to the local network
<p>Localised council charges</p>	<p>DCs charged to pay for planned infrastructure servicing multiple land owners, including:</p> <ul style="list-style-type: none"> • Capacity upgrades to adjacent arterial roads and intersections • Extending the local arterial network to connect to the development 	<p>Not typically applied but unique circumstances may require agreement for a developer(s) to pay a contribution towards extending the trunk network.</p>
<p>Wider-network council charges</p>	<p>DCs charged to fund a proportion of the cost of increasing infrastructure capacity and improved connections across the wider network including:</p> <ul style="list-style-type: none"> • Major upgrades of arterial roads • Major public transport projects e.g. the City Rail Link 	<p>Infrastructure Growth Charges charged on connection to fund a portion of the cost of increasing infrastructure capacity across the wider network, including:</p> <ul style="list-style-type: none"> • Adding capacity to treatment plants • Major upgrades of water and sewer mains

Stormwater Infrastructure

Developers pay for things like:

- Onsite works to mitigate local stormwater impact
- Stormwater ponds servicing one subdivision
- Works required for resource consent

DCs charged to pay for planned infrastructure servicing multiple land owners, including:

- New stormwater ponds and reticulated networks servicing multiple developments
- Capacity upgrades of the existing reticulated stormwater network

DCs charged to fund a proportion of the cost of stormwater management and planning across the wider network

Reserves and Community Infrastructure

Developers pay for things like:

- Providing esplanade reserves

DCs charged to pay for planned infrastructure servicing multiple land owners, including:

- Neighbourhood parks and playgrounds servicing multiple developments
- Community houses and halls

DCs charged to fund a proportion of the cost of increasing infrastructure capacity across the wider network, including:

- Regional parks
- Sub-regional sports field facilities
- Sub-regional destination parks, playgrounds and public spaces

Appendix 2: Table of bulk infrastructure projects

Project Name:	Asset type	Funding Party	Programme timing	Funded or Unfunded
Wastewater conveyance Warkworth to Snells Beach	Wastewater	Watercare	2019-2022 (Stage 1)	Funded
Snells Beach wastewater treatment plant Upgrade	Wastewater	Watercare	2019-2022 (Stage 1)	Funded
Snells Beach wastewater treatment plant outfall	Wastewater	Watercare	2019-2022 (Stage 1)	Funded
Warkworth wastewater Servicing - Falls Creek Pump Station (local network) and rising main, Showgrounds Pump Station and rising main to pump station No.2	Wastewater	Watercare	2020-2023 (Stage 2)	Unfunded*
Sanderson road water treatment plant	Water	Watercare	2017-2019 (Stage 1)	Funded
Warkworth water servicing - Hudson Road and Matakana Link Road	Water	Watercare	2020-2023 (Stage 2)	Unfunded*
North reservoir and pump station	Water	Watercare	2025-2027 (Stage 2)	Unfunded*
New – Western Link Road (northern section) between SH1 and Falls Road (four-lane). Construction could be potentially staged so that two lanes are constructed initially.	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
New – Western Link Road (southern section) between Woodcocks Road and SH1 (four-lane). Construction could be potentially staged so that two lanes are constructed initially.	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
New – Western Link Road/ Falls Road Signalised Intersection	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
New – Western Link Road/ Woodcocks Road Signalised Intersection	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
New – SH1/ Western Link Road/ South-eastern Collector Signalised Intersection	Transport	TBC	2019-2022 (Stage 1)	Unfunded**

Project Name:	Asset type	Funding Party	Programme timing	Funded or Unfunded
New – Interim Northern Bus Station inc. Park and Ride	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
New – Shared Path along Mahurangi River between SH1 and Mansel Drive	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Upgrade – SH1/ Goatley Road intersection to roundabout	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Upgrade – SH1/ Western Link Road/ Matakana Link Road signalised intersection (new southern leg) and to accommodate active modes	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Upgrade – Mansel Drive between Falls Road and Woodcocks Road to urban arterial standard including footpaths and separated cycle facilities (four-lane). If sections of Western Link Road to the north and south of Mansel Drive are staged, four-laning of Mansel Drive could occur at a later time.	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Upgrade – Increased bus frequencies (995) (depending on passenger demand).	Transport	TBC	2019-2022 (Stage 1)	Delivered
New – Ara Tūhono Warkworth Southern Interchange (south facing ramps)	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – Wider Western Link Road between SH1 and Woodcocks Road (two-lane) inc. connection to Warkworth Southern Interchange	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – SH1/ Wider Western Link Road Roundabout	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – Wider Western Link Road/ Southern Interchange Signalised Intersection	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – Wider Western Link Road/ Woodcocks Road Roundabout	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – Park and Ride near Warkworth Southern Interchange	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**

Project Name:	Asset type	Funding Party	Programme timing	Funded or Unfunded
New – Southern Bus Station within small centre (Warkworth South)	Transport	TBC	2028 - 2032 (Stage 2)	Delivered
New – Warkworth Loop Bus Route (999) connecting to new Southern Bus Station	Transport	TBC	2028 - 2032 (Stage 2)	Delivered
Upgrade – Existing SH1 between Hill street & Western link Rd	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
Upgrade – Woodcocks Road between SH1 and western extent of urban area to urban arterial standard including footpaths and separated cycle facilities (retain existing number of lanes however localised widening may be required at intersections).	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
Upgrade – SH1/ Hill Street Intersection (design subject to separate business case workstream)	Transport	TBC	2028 - 2032 (Stage 2)	Delivered
Upgrade – Key collector road cycle improvements and upgrade to urban standard inc. Elizabeth Street, Whitaker Road, Hill Street/ Falls Road (between SH1 and Mansel Drive), McKinney Road (whole length), Wilson Road (between McKinney Road and Pulham Road), Pulham Road (whole length) and Alwick Street (between Neville Street and Pulham Road inc gap connection for 999 bus route)	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
Upgrade – SH1/ McKinney Road Signalised Intersection	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
Upgrade – Extend and improve frequency of existing bus routes to new Southern Bus Station (996, 997 and 998) and shorten higher frequency bus route to only serve new Southern Bus Station (995)	Transport	TBC	2028 - 2032 (Stage 2)	Unfunded**
New – Sandspit Link Road between Matakana Road and Sandspit Road (two-lane)	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**

Project Name:	Asset type	Funding Party	Programme timing	Funded or Unfunded
New – Sandspit Road/ Sandspit Link Road Roundabout	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**
New – Sandspit Road / Sandspit Link Road Roundabout	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**
Upgrade – Matakana Road between SH1 and northern extent of urban area to urban arterial standard including footpaths and separated cycle facilities (retain existing number of lanes however localised widening may be required at intersections)	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**
Upgrade – Sandspit Road between SH1 and northern extent of urban area to urban arterial standard including footpaths and separated cycle facilities (retain existing number of lanes however localised widening may be required at intersections)	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**
Upgrade – Matakana Road/ Matakana Link Road/ Sandspit Link Road intersection (new eastern leg)	Transport	TBC	2033 - 2037 (Stage 3)	Unfunded**
Sandspit Rd PD Culvert1	Transport	TBC	2038+	Unfunded**
Sanderson Road Twin Culvert	Transport	TBC	2028-2032 (Stage 2)	Unfunded**
Falls Road Culvert1	Transport	TBC	2038+	Unfunded**
SH1 Culvert 1	Transport	TBC	2028-2032 (Stage 2)	Unfunded**
SH1 Culvert 2	Transport	TBC	2028-2032 (Stage 2)	Unfunded**
Kowhai Reserve Footbridge (culvert)	Healthy Waters	CF / Healthy Waters	2019-2022 (Stage 1)	Unfunded*
Vipond Culvert Sandspit Road	Transport	TBC	2038+	Unfunded**
McFarlane Culvert Sandspit Road	Transport	TBC	2038+	Unfunded**

Project Name:	Asset type	Funding Party	Programme timing	Funded or Unfunded
Millstream Culvert Sandspit Road	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Falls Bridge	Transport	TBC	2019-2022 (Stage 1)	Unfunded**
Additional Healthy Waters Infrastructure (including contributions from 3rd parties for upstream development)	Transport	TBC	Covers all stages	Funded
Pool & Leisure space in Rodney area (subject to needs assessment and meeting community facilities provision thresholds)	Community Facilities	Public/Private partnerships	Subject to community facilities threshold provisions	Unfunded*
Multi-purpose community space in Warkworth - potentially includes library, community centre space and venues for hire (subject to needs assessment)	Community Facilities	Community Facilities	Stage 2	Unfunded*
Sports / suburb park (10 Ha)	Parks and Open spaces	Community facilities	2022-2023	Unfunded*
Suburb park x 2	Parks and Open spaces	Community facilities	2022-2023	Unfunded*
Neighbourhood parks x 17 (0.4 - 0.5 ha each)	Parks and Open spaces	Community facilities	2022-2023	Unfunded*

* Unfunded means that the relevant business case has not yet been approved

** Unfunded means it is not identified as funded in the Regional Land Transport Plan 2018-2028 or not identified in the Regional Land Transport Plan 2018-2028

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