



Auckland Council Long-term Plan

Submission from Parnell Inc. (Parnell Business Association)

Draft Long Term Plan 2015/25

Executive Summary

Transport

Trains. Parnell Train station – It is imperative that this project is prioritised over the CRL in the short term, until it becomes a fully operational station and that any other projects cut off from funding that could impede this progress (i.e in Newmarket) are also prioritised over the CRL in the short term,

Buses & Cycleways. The historic Parnell village cannot be disrupted by the introduction of clearways/bus lanes or cycleways. We have a historic retail heritage, which provides a safe environment for motorists and pedestrians. Alternative routes such as Gladstone Rd and St Stephens Avenue should be pursued by AT if required for these transport initiatives. For cyclists, it provides a gentler and therefore safer gradient. For buses, this route does not destroy the very limited supply of on street parking that Parnell Road currently provides.

Parking. Solutions need to be found in Parnell for the demand on parking:- commuter parking clogging business areas as well as the provision of additional parking.

Access. Several access problems plague Parnell, particularly those relating to access in and out of Carlaw Park.

Ports of Auckland. A transport project that deals with the significant additional freight traffic predicted to come from Ports of Auckland needs to be addressed by both Auckland Transport and the NZTA.

Rates

Business Differential. The proportion of rates payable by businesses in comparison to residential is already excessive so we are opposed to any further increase in rates for business. Parnell properties have higher capital values by comparison, yet do not attract a commensurate rental. Parity in business and residential rates needs to be reached sooner rather than later.

Other fees. Council charges for building control, land and property information and resource consents are increasing beyond levels of inflation and are unaffordable for small to medium businesses.

Parks & Streetscapes

We are opposed to any reduction in the maintenance of parks and streetscapes especially, in Parnell.

Local Board

We support many of the initiatives of the Waitemata Local Board and are seeking funding for an annual street event in keeping with that bestowed in other business districts.

As an important precinct in the city fringe, we believe it is time that Parnell address a master plan for the precinct.

In conclusion

Excessive rates levied to business is counter productive to growth. If Auckland wants businesses to prosper in order for the economy to grow, they need to be profitable, which cannot result if the business differential and rates beyond inflation continue to be implemented.

For any further information, please contact

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Response to Consultation Questions

Question 1a: *Do you agree with the proposed overall average general rates increase of 3.5 per cent each year, which will enable the proposed investment and spending outlined in this document?*

- We acknowledge growth must be supported by appropriate core local infrastructure.
- We note that the Council's claim that "While affordability is often expressed in terms of consumer price inflation, due to a healthy economy, the income for the average Auckland household is growing faster than inflation" is based on outdated statistics from 2013.¹
- We also note the New Zealand Inflation Rate was recorded at 0.8% in the fourth quarter of 2014, and is forecast to remain less than 1% for 2015.²
- And in addition we note that the BERL overall cost index for local authorities (LGCI) annual average percentage change for June 2014 was only 1.13% and is forecast to be only 2% in June 2015.³

Response:

- Rate rises should never exceed inflation – this is unsustainable.
- The Council should always be looking at alternative solutions that save the rate payer funds and preserve the value of existing assets like car parks on Parnell Road.
- **The proportion of rates payable by businesses in comparison to residential is already excessive so we are opposed to any further increase in rates for business.** Parnell properties have higher capital values by comparison, yet do not attract a commensurate rental. Parity in business and residential rates needs to be reached sooner rather than later.

Question 1b: *If you do not agree, in which activity areas do you think we should spend more or spend less, and what level of general rates increase would you support?*

- We note that funding the City Rail Link in advance of Central Government commitments has placed significant pressures on Auckland Council funding other projects (especially transport projects)
- We note that:
 - water and wastewater infrastructure projects remain fully funded from Watercare's charges with no reliance on rates.
 - the maintenance of the stormwater network is planned to continue at existing levels.
 - ATEED's programme to work with the business sector to grow jobs will continue.
 - the completion of the Unitary Plan is being prioritized.
 - the introduction of a region-wide organic collection and a "pay as you throw" waste collection will continue, but there will be changes to the inorganic collection service.
- We note that a complete prioritised list of transport projects are set out in the Regional Land Transport Plan.⁴ There is also a Table setting out Transport Project Status under the Basic Transport Programme identifying Projects funded by the Basic Network Plan and those cut-off from funding.⁵ Of particular interest to our organisation in terms of Transport Projects cut off from funding is the Parnell Station.

Response:

- We are gratified to read in recent press coverage⁶ that Parnell Station has been approved by the board of Auckland Transport subject to conditions, including securing access rights from KiwiRail, and was

¹ Auckland Council, *10-year budget 2015-2025 Consultation Document*, page 18

² Reserve Bank of New Zealand

³ BERL, *Forecasts of Price Level Change Adjustors – 2014 Update: Note to Society of Local Government Managers* (October 2014), page 10

⁴ See <https://at.govt.nz/about-us/transport-plans-strategies/regional-land-transport-plan/>

⁵ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>

⁶ http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11412507

ready to start construction within weeks, once the coast was clear. Expected to become one of the busiest stations, with 2000 passengers predicted to get off trains there in the 7am to 9am morning travel peak from next year, of whom three-quarters are expected to head across Grafton Gully to the universities, the Station will service the key catchments of Parnell Village, the Universities, and Carlaw Park. The new Parnell Station would be the focus of a quality cultural and heritage destination integrating the historic Newmarket Station building and providing new connections to the Domain and Auckland Museum.

- Once the station is complete it will stimulate further business and property investment in Parnell. **It is therefore imperative that this project is prioritised over the CRL in the short term, until it becomes a fully operational station.**

- We note that the following Newmarket transport projects have also been cut off from funding:
 - Rail Crossing Separation (particularly the Newmarket Crossing)
 - Newmarket Interchange (Better bus to train interchange at Newmarket Train Station)
 - Newmarket Station access improvements (this work consists of 2 additional/enhanced entrances to Newmarket Station. 1, Opening up the station entrance from Newmarket Broadway and 2) AT contribution towards a private development over the Newmarket triangle that will result in a Northern Concourse entry to the station)
 - Newmarket Terminus (Bus layover and driver facilities under Newmarket Viaduct)

- **If any of the above projects affect or impede the progress of the Parnell Station, we would request that they are re prioritised above the CRL, so that the Parnell Station may reach full operational status without any further delays or impediments.**

- We further note that in the projects are set out in the Regional Land Transport Plan ⁷ that there is no mention of a transport project to deal with the significant additional freight traffic from Ports of Auckland and how this impacts on The Strand and businesses in Parnell. ⁸ Referencing the key NZTA projects, it states “MetroPort, an enterprise of Port of Tauranga handles around 200,000 container movements per year, and much of the bulk movement of freight to and from the Port of Auckland is also done by rail, reducing the need for heavy trucks to travel all the way to the city centre. However the road network in this area was not designed with this level of freight traffic in mind, and some changes are essential”, with no further mention of how this would be addressed.

Response

- A transport project that deals with the significant additional freight traffic predicted to emanate from Ports of Auckland, needs to be addressed by both Auckland Transport and the NZTA.
- Review the merits of other options such as that prioritise the projects that deliver public transport and cycling improvements, and delay non-essential projects to save money such as the Essential Transport Budget (ETB) ⁹ which proposes Auckland Council prioritise the essential public transport, walking and cycling projects in the Auckland Plan Network in the 2015-2025 Long Term Plan. By prioritising only the essential transport projects from the Auckland Plan budget, the Essential Transport Budget saves ratepayers \$220 million a year over the next 10 years.

⁷ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>

⁸ https://at.govt.nz/media/903051/draft-rltp-document-2015-2025.pdf?utm_source=website&utm_medium=PDF&utm_campaign=DraftRLTP (Section 8)

⁹ https://d3n8a8pro7vhmx.cloudfront.net/generationzero/pages/670/attachments/original/1425379731/Fix_Our_City_Flyer_Pages.pdf?1425379731

Transport network

Question 2a: *Do you support the basic transport network or do you think we should invest more to get the Auckland Plan transport network that would address our transport problems?*

- We note that funding the City Rail Link (CRL) is included in both the Basic and Auckland Transport Network and that funding the City Rail Link in advance of Central Government commitments has placed significant pressures on Auckland Council funding other transport projects
- We note that, in terms of impact on freight network congestion (an important measure for business), the Council acknowledges that under the Basic Transport Network, improvements to public transport, motorways and important freight routes including the East West Connections project keep freight congestion similar to current levels throughout the decade. The State Highway programme is very similar for both networks. State Highways - the backbone of the freight network - are funded 100 per cent through the National Land Transport Fund and are not reliant on rates or other local funding. For that reason, little difference is seen between the Basic and Auckland Plan (rates and fuel tax) transport networks until after 2035. By 2045/46, the Basic Transport Network has substantially higher levels of peak and inter-peak congestion - and lower freight vehicle speeds - than the 2006 starting point or the 2045/46 Auckland Plan Transport Network alternative.
- The demand management impacts of using motorway user charges to fund the Auckland Plan Transport Network have a clear positive impact on lower congestion.¹⁰

Response:

- Under either option, a number of Auckland's most vulnerable households would face greater financial hardship. The most effective way to mitigate this is to keep new charges low and affordable and to ensure provision of cost-effective alternatives.

Question 2b: *If we decide to invest in the Auckland Plan transport network, how do you think Aucklanders should pay for it? Annual fuel increase of 1.2 cents per litre and an overall annual rates increase of around one per cent each year (in addition to the proposed 3.5 per cent overall annual general rates increase); or A motorway user charge of around \$2 each time people enter Auckland's motorway system, which would be free at night and may vary by time of day.*

- The 'Fuel Tax Option' spreads costs broadly across households and businesses; the average household would pay increased costs of \$348 in 2026. This option can be achieved at low implementation cost with little or no legislative change required.
 - Under this Option, the business sector would contribute 34 per cent of additional charges, facing additional transport costs of \$106 million – or 2.2 per cent of their overall transport costs. New transport costs will be offset by the travel-time savings on the transport network. Under this pathway, businesses will benefit from savings of \$256 million, although these savings are not distributed evenly across all business sectors. The commercial transport sector would save approximately \$9 million.¹¹
- The 'Motorway User Charge' is more complex to introduce, expensive to implement and requires legislative change. However, this option provides greater ability to manage transport demand and provides economic benefits more than three times greater than the other option. It aligns the costs with those who use it. The average household would pay increased costs of \$345-371 in 2026.
 - Under this Option, the business sector would pay 41-46 per cent of additional charges, facing extra transport costs of between \$125 and \$145 million. These account for 2.5-3.0 per cent of their overall transport costs. New costs will be offset by traveltime savings that result from transport improvements and the effect of motorway charges on congestion. Under this

¹⁰ <http://www.shapeauckland.co.nz/media/1180/section-111-the-auckland-plan-transport-network.pdf>

¹¹ <http://www.shapeauckland.co.nz/media/1182/section-113-alternative-transport-funding-informationa4.pdf> (Page 43)

pathway, businesses will benefit from savings of \$303 – \$314 million, although these savings are not distributed evenly across all business sectors. The commercial transport sector would save approximately \$11 million¹²

- Given the need for both options to have government agreement, they commence post 2015/2016. Therefore, if the choice is the larger Auckland Plan Transport Network, the Council will likely introduce a targeted rate for transport in 2015/16 (that will also apply to the business differential).

Response:

Both options have merit and both have disadvantages.

We support the idea of a combination of both options, each with a modest charge.

- We concur with the EMA in supporting the 'Motorway User Charge'. It needs to be modest enough to encourage behaviour change, but not so excessive as to force drivers to use alternative routes and clog up roads not designed for high traffic options. While it is more complex to introduce, expensive to implement and requires legislative change, this option provides greater ability to manage transport demand and provides economic benefits more than three times greater than the other option. It aligns the costs with those who use it. The average household would pay increased costs of \$345-371 in 2026
- The 'Fuel Tax Option' spreads costs broadly across households and businesses. It is easier to apply and collect. A slight increase to the cost of fuel (7c)¹³, spreads the cost evenly.

Question 2c: *Are there specific projects or priorities e.g. cycleways, improved public transport services, or more bus lanes, we should focus on delivering as part of the basic transport network or the Auckland Plan transport network?*

Response:

- Of particular interest to our organisation in terms of Transport Projects cut off from funding under the current Basic Network Plan¹⁴ that need to be reprioritised above the CRL in the short term include:
 - Parnell Station. As previously noted **it is imperative that this project is prioritised over the CRL in the short term**, so that its imminent commencement¹⁵ continues without further impediments until it becomes a fully operational station.
 - Any of the Newmarket transport projects noted as cut off from funding that could affect or impede the progress of the Parnell Station.
- In previous submissions to Auckland Transport we have noted the following localized issues:
 - That we completely oppose the creation of bus lanes up Parnell Rise and in Parnell Rd, (through the town centre), even if that is for clearways morning and evening. We have previously documented the significant negative impact this would have on business as well as the destruction of the character of Parnell.
 - That we discourage the use of Parnell Rise and Parnell Rd, (through the town centre), for cyclists, primarily for safety reasons, but also in view of limited street width. We therefore are opposed to the creation of cycle lanes along this route and believe that cyclists should rather be encouraged to use St. Stephens Avenue/Gladstone as an alternative.
 - That the congestion resulting from commuter parking clogging up many areas in Parnell needs to be addressed. We await the outcome of previous submissions on this subject noting the effect on reduced parking facilitating patronage for businesses in Parnell.
 - That there are several access issues into Carlaw Park that need addressing. Some of these have been tabled in early consultation on the Corridor Management Plan including the need

¹² <http://www.shapeauckland.co.nz/media/1182/section-113-alternative-transport-funding-informationa4.pdf> (Page 43)

¹³

https://d3n8a8pro7vhmx.cloudfront.net/generationzero/pages/670/attachments/original/1425379731/Fix_Our_City_Flyer_Pages.pdf?1425379731

¹⁴ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>

¹⁵ http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11412507

for consultation with NZTA from access of the motorway as well as improved access into Carlaw Park from Parnell Rise.

- We request that AT invests in building a public car park in Parnell to cover the short fall in off-street parking.
- Furthermore we note with concern that no reference is made to any transport projects that address the significant increase in freight from Ports of Auckland and how that will impact on The Strand and future business in Parnell.

Development Auckland

Question 3: *Do you support the council taking a more active role in the development of Auckland through replacing two existing Council Controlled Organisation (CCOs) with a new development agency?*

- We note that while the review of the seven Council-controlled Organisations identified several options for structural changes (such as water/wastewater/stormwater services being consolidated in either Watercare or Auckland Council, or combining the functions of Regional Facilities Auckland and ATEED), the only major option progressed at this point is to establish 'Development Auckland' from Waterfront Auckland and Auckland Council Property Ltd.
- We acknowledge that Development Auckland is being established to facilitate Council having a more active role in development (such as encouraging amalgamation of fragmented land, redeploying existing strategic property budgets, using Council land holdings as potential development sites), but the proposal is not to be directly involved in development, nor significantly increase Council's direct investments, nor to expose the Council to any new property development risks.
- We acknowledge that the 'Development Auckland' option will not be seeking new legislative powers (such as master planning, resource consenting or compulsory acquisition powers).

Response:

- We suggest that Development Auckland should be positioned to address market failures, and not compete against existing developers (e.g. it should focus on: land amalgamation; bringing about major upfront infrastructure investment; developments with significant non-commercial outcomes; and developments with complex consenting issues – and then attract private developers)¹⁶ A local example of this is the Parnell Station and adjacent land use - where development potential needs stimulus and guidance to make certain the outcome has positive value for the adjacent business and residential component.
- We would like to see this agency taking a broader view of the city fringe suburbs and not concentrate their efforts only in central Auckland and recommend that they align with the Waitemata City Fringe Economic Development Plan.
- We suggest that Central Government support and involvement will be essential to the success of this agency.
- We suggest that Development Auckland have broader economic development objectives rather than the more narrow 'development' objectives, a focus on greenfield as well as brownfield sites, and a portfolio of industrial/commercial opportunities as well as residential.
- We suggest that coordination between Development Auckland and other CCO infrastructure providers (i.e. Auckland Transport and Watercare) are a priority and a mechanism established to resolve 'deadlocks' (e.g. referral to a CE's Coordination Group or the Auckland Development Committee).
- We recommend that Development Auckland consider better options for Council to capture 'property uplift' as sites are developed.
- We believe we need better clarification of the differing investment attraction roles of Development Auckland, the Auckland Investment Office and ATEED.

¹⁶ http://infocouncil.aucklandcouncil.govt.nz/Open/2014/11/GB_20141127_AGN_4576_AT.PDF (pp 149-152)

Rates

Question 4: What do you think the fixed portion of rates (UAGC) that everyone pays should be?

- We acknowledge that Auckland Council sets a fixed portion of rates, known as the Uniform Annual General Charge ('UAGC'), to ensure that every ratepayer pays the same minimum contribution for council services.
- We note that after reviewing a range of options, the Council is proposing to keep the UAGC at its current level of \$385 per year for 2015/16 (or 12% of total rates).
- We note that by legislation, the Council can set the UAGC rate at up to 30% of total rates – which is around \$900 and that the average UAGC across Auckland's previous eight councils used to be 18% of rates (with the North Shore City Council setting it at 30% or \$831 prior to amalgamation).
- We note however, that a higher UAGC negatively affects smaller businesses and the application of the UAGC on the basis of a 'separately used and inhabitable part' (SUIP) also favours larger businesses. Having a variety of commercial sites also makes a UAGC difficult to administer fairly and effectively between businesses.

Response:

- We therefore concur with the recommendation of the Employers and Manufacturers Association who have said the UAGC should be the maximum 30%, but as an interim measure it should be raised to \$650 or 23%.

Question 5: Do you support gradually reducing business property rates from 32.8 per cent of all rates to 25.8 per cent over the next 10 years (the business differential)?

- We note that when Auckland Council was formed, businesses were contributing 34% of the overall rates even though their properties only made up 17% of Auckland's total property value, and that the Council decided to slowly reduce the share paid by business from 34% to 25.8% by 2022/23 because they were too high.
- We note however, that as a result of the 2014 revaluation, which saw business properties increase by much less than residential homes, Council is now adjusting this – to reduce the adjustment more slowly, to instead reach 25.8% by 2025/26
- We then note that Auckland businesses will pay 2.63 times more than other ratepayers, or \$150 million more, than if there were no differential.

Response:

- We suggest that this is not making Auckland 'business friendly' (by comparison, Tauranga City Council has no business rates differential).
- We believe that the policy reasons for Auckland Council applying a business differential (i.e. that business ratepayers make more use of council services like transport and stormwater than residential ratepayers, and are better able to afford rates as they can claim back GST and rates can be claimed against income tax) **are unsound**, particularly when applied to small businesses.
- We highlight that the Shand Report on *Funding Local Government* recommended against rating differentials, and believe there is no justification for such.
- **Rates paid by business are excessive and parity needs to be reached sooner rather than later. We therefore recommend that the plan to reduce rates paid by business is kept to the original timeline (by 2022/23) and not slowed down to 2025/26.** (although we repeat that we believe there is no justification for the business differential at all).

Local Board

Question 6a: Which local board does your feedback relate to? Waitemata Local Board

Question 6b: Do you support the proposal for your local board area?

Responses:

- There are various initiatives noted that the local board propose to deliver in the *Waitemata Local Board* area as part of the Long-term Plan 2015-2025. They include:
 - Begin implementing the Waitematā City Fringe Economic Development Action Plan (\$50,000).

- As an important precinct in the city fringe, we believe it is time that Parnell address a master plan for the precinct. We are requesting funding to commission the outline of a master plan for the area with the following objectives:-
 - To overlay the Unitary Plan and documents such as community generated 'Tomorrow Parnell'.
 - To create connectivity between The Domain, Parnell town centre, Carlaw Park, York St area, St Georges Bay Rd and up to Gladstone/St Stephens Ave.
 - To address access issues and entrance statements along The Strand, Shipwright Ave and Carlaw Park.
 - To enhance and create shared public spaces in ideally suited streets adjacent to Parnell town centre.

Parnell Inc. are in constant contact with landlords and during 2015 will be outlining a optimum tenant mix as a guideline to address shortcomings in the precinct.

Following our expansion, we have tabled that we will reposition the Parnell brand to embrace the entire precinct.

- Support local events such as Art in the Dark, Festival Italiano, Grey Lynn Festival and Parnell Festival of Roses (approximately \$120,000).

- To this we have added a request for funding for a local festival in Parnell embracing the Chinese Community, but with a distinctive, creative, Parnell feel, that stimulates patronage and visitation. While we appreciate the Local Board supporting the Rose Festival, it does not stimulate retail activity as some of the local events in other BIDS do. 'Chinese Zodiac' is added as an addendum to this document.
- We believe that the local board needs an adequate discretionary fund to support community and business projects. How can the board deliver Local Board Plan outcomes and priorities when LB budgets have been drastically reduced and there is no budget available for proactively undertaking small local capital projects due to the removal of the Small Local Improvement Project budget.

- Advocacy for the Parnell Rail Station (the development of a new station at Parnell adjacent to Auckland Domain and Parnell Village).

- We really appreciate the support of the local board on this initiative, which will continue to need support and advocacy until it is a fully operational station in Parnell. Delivering the greenways route through the Parnell Rail Tunnel would be part of this benefit as connectivity to the Auckland Museum and The Domain are highly desirable to Parnell Inc.

- The Auckland Domain is not only a key destination for tourists and of regional significance to Aucklanders but is also an important local amenity for residents.
- There is no capital identified in the 10 year budget to deliver the outcomes in the Auckland Domain Masterplan.

- We support the local board advocating for a major sportsfield upgrade at Auckland Domain to include sandcarpeting and irrigation to meet the increased demand as well as delivering the Auckland Domain Masterplan, as this is one of the most prominent assets for Auckland

- The Board supports the further review of the port so it can plan for its long-term future. The Board supports the achievement of a high quality outcome for Aucklanders if spaces such as Cooks Wharf, including Admiralty Steps becomes available. It is felt that the Central Wharves strategy has been narrowed prematurely into preferred options and needs to be reviewed and consulted with key stakeholders and the community.
- We agree this is a hot topic for the Board and business as well as residents in Parnell and the City Centre.
- Local communities and Parnell business working together-
 - Via the likes of 'Tomorrow Parnell' there are requests for the local board to support open streets in Parnell.
 - Various parties have requested a link between Parnell business and local community/schools for a sustainable project such as a community vegetable garden.

- We have added our vision for a Parnell sculpture trail, the efforts of which, over the last 3 years have been frustrating. We are requesting the support of the local board to assist in lobbying Auckland Council for the installation of a public work in Heard Park and Fraser Park. Following that we are willing to take up the balance of the project with local business and an arts trust.

Any Other Feedback

Parks, Community and Lifestyle

- We acknowledge that you have noted 'Because funding constraints mean that we will not be able to maintain all our parks and community assets in their optimal condition, we will review these asset portfolios to ensure that we are achieving the best value for money'¹⁷.
- We note your intention to spend \$ 5.3 billion to operate services in this area over the next ten years, a 6 per cent reduction on previous years. Some of the changes you are proposing are to remove some street gardens, which have high maintenance and safety costs compared to the benefit they offer and replant some street gardens with low maintenance perennials. In addition to replace some shrubberies in local parks with grass and maintain through mowing. We understand this may also include reduced frequency of mowing.

- We are opposed to any reduction in the maintenance of parks and streetscapes, especially in Parnell and wish to note the following: -
 - With the accelerated cost of housing in Auckland, the average family is facing reduced affordability and will continue to rely far more on public spaces for recreation and leisure space.
 - Growing high-rise apartment living is an ever-expanding trend in Auckland as well as the promotion of increased densification in areas such as Parnell. This together with additional passenger numbers supporting new public transport systems such as Parnell Station will increase the reliance on green spaces.
 - Parts of Parnell enjoy a high standard of planting as a result of one landowner, but the balance of the town centre, as well as the two parks (Fraser Park and Heard Park), could do with a bit of colour.
 - Certain parts of the town centre along Parnell Rd had attention paid to streetscapes and upmarket planters, in line with the Parnell demographic, but this is not continued all the way down Parnell Rd.
 - Trees are one of this cities greatest assets and no amount of money makes up for a loss of a tree as a result of poor maintenance. So any money used to look after these priceless assets is money wisely spent. The trees in this city give an image of softness and colour as apposed to hard concrete edges and helps to promote our city as clean green to our Auckland community, national and international visitors. It is part of making Auckland the most livable city.

¹⁷ <http://shapeauckland.co.nz/media/1159/section-55-parks-community-and-lifestyle.pdf>

- Heard Park is a small park in the middle of the town centre, and is well utilized and enjoyed each and every day by workers taking a lunch break in the sun. Any reduction in amenity will be very visible and detrimental to the image of the hospitality and retail component. As further business develops at the bottom of Parnell Rd, Fraser Park is being more frequented on a daily basis and could do with increased amenity in the form of tables, seating areas etc. In the section on Local Boards, we have requested that the Local Board assist us in acquiring a sculpture for each of these parks.
- With the development of Parnell on both sides of the town centre and the inclusion of businesses in St. Georges Bay Rd, The Strand and Carlaw Park into the Parnell BID there will be several other areas that will need streetscaping to unify the precinct. As various landowners invest in slick new green star buildings and others invest in restoring old classic wool stores, the potential and requirement for an upgrade to St Georges Bay Rd is imminent.

Water/wastewater charges

- We acknowledge the proposed increase by Watercare of water/wastewater charges of 2.5% in first two years and increase to 3.6% each year thereafter
- We note the New Zealand Inflation Rate was recorded at 0.8% in the fourth quarter of 2014, and is forecast to remain less than 1% for 2015¹⁸
- We also note that the BERL overall cost index for local authorities (LGCI) annual average percentage change for June 2014 was only 1.13% and is forecast to be 2% in June 2015.¹⁹

- The EMA has raised concerns that Watercare imposes a wastewater differential on business of between 1.53 and 1.85, which means the business sector is paying \$39M more than the domestic sector per annum, citing that this more in the nature of a tax than a service charge.
- We therefore concur with the EMA who strongly object to this wastewater differential and want it phased out over 3 years.
- **We are also opposed to the increase in Watercare charges by 2.5% which is well above the level of inflation and the BERL LGCI.**

Street trading licence fees:

- We acknowledge that Council is proposing to standardise licensing fees and introduce rentals (differentiated between locations) across the region for outdoor dining and for mobile vendors and temporary stalls.
- We note that the separate rent for the use of public space is based on reasons that: there should be compensation for the reduction in public access; a return should be provided to the ratepayer from their asset; and to ensure that businesses trading on private property are not unfairly disadvantaged
- We are aware that Council acknowledged that as the proposed charges may cause significant increases for some licensees, they propose that any increase (with licence fee and rent combined for a single licence) be capped at \$500 per year over a period of three years.

- We are supportive of a fee for outdoor dining, provided that it is reasonable and in line with what a comparative rental space would be in that area.

Other fees and charges

- Council notes that most council charges will increase with inflation each year.
- However, it is noted that some council charges for building control, land and property information, and resource consents are increasing beyond levels of inflation or the overall cost index for local authorities

¹⁸ Reserve Bank of New Zealand

¹⁹ BERL, *Forecasts of Price Level Change Adjustors – 2014 Update: Note to Society of Local Government Managers* (October 2014), page 10

(LGCI) annual average percentage change. Council expects there to be additional revenue from fee increases of \$4.5 million per annum.

- Resource consents and building consent fees should have a max set fee which is based on the value of the project. The percentage for smaller projects could be higher to reflect the minimum fixed costs, but there are extreme cases where fees for small projects are costing as much for both resource and building consent, as they do to construct
- We believe this is excessive and unaffordable for small to medium size businesses.

ATEED

- We note that ATEED’s overall funding has been reduced by \$1M OPEX per annum, but ATEED has greater flexibility in the way the budget is used.
- We are aware of new proposals, particularly in the youth unemployment area (e.g. Youth Employment Attraction Hub) and support for a significant Maori event.
- We understand that ongoing programmes include: delivering the Government’s Regional Business Partners programme; a suite of services to small/medium businesses and start-ups with high potential; support for Grid AKL and the Foodbowl; as well as business attraction and post-investment support (including the Auckland Investment Office).

Waste Management

- We note the proposal to continue to implement the Waste Management and Mminisation Plan over a slower timeframe than previously proposed to enable any risks associated with new technologies and funding changes to be carefully managed. We understand the proposal is to move to a full ‘user pays’ regime for refuse collection and introduce an enhanced recycling service (regional Resource Recovery Network supported by Community Recycling Centres) and organics collection service in urban areas.

- With regard to the inorganic collection service, we support the proposal for residents to receive an annual service in which they book to have inorganics collected from within property boundaries. The region wide service is estimated to cost \$8.4 million or \$24 per property and is based on an expectation of a 15% participation rate (1 in 6 properties will book and use the service each year).

Business Improvement District Programme

- We note that the Business Improvement District (BID) programme “to enable economic development in town centres and industrial/commercial areas” is now being managed and supported under the Auckland Development set of activities.
- We note that the overall BID targeted rate is \$16.1M (excluding GST) for 2015/16.
-

Business improvement districts fixed rate per property and rates in the dollar of capital value

BID area	Estimated budget for 2015/2016 (excluding GST) (\$)	Estimated amount to be funded by fixed charge for 2015/16 (excluding GST) (\$)	Estimated fixed rate per property for 2015/2016 (including GST) (\$)	Estimated amount to be funded by property value rate based on the capital value of the property for 2015/2016	Estimated rate in the dollar for 2015/2016 to be multiplied by the capital value of the property
				(excluding GST) (\$)	(Including GST) (\$)
Parnell	700,000	0	0.00	700,000	0.00174642

- We are aware that each Local Board has an indicative performance target to achieve “100 per cent of Business Associations meeting their Business Improvement District (BID) Partnership programme obligations” and are grateful for the support the Local Board has given us thus far to support our expansion process.

- We would draw attention to the fact that the rate in the dollar as noted in the table on pg 12 is incorrect and needs to be rectified.²⁰
-
- We believe that “100% of the targeted rate” must be returned to the BID’s and not be used to fund internal BID Partnership Team costs, as deviation from that principle will undermine the trust of business in BID’s as an intermediary to Auckland Council and Auckland Transport. In addition it would necessitate a revision of the constitution at a time we are just in the process of expanding the programme to new users.

Other Feedback - Regional Land Transport Plan

Every three years Auckland Transport is required to prepare and consult on a Regional Land Transport Plan (‘RLTP’), which forms the basis for funding from Auckland Council and Central Government.

In the Introduction, the Chairman, Dr Lester Levy, remarks that *“the Long Term Plan (the sister document to this RLTP) paints a somewhat bleak picture, one in which Aucklanders get to choose between poor transport outcomes or paying an extra \$300 million a year.”*

(1) Do you agree with the criteria we have used for prioritising projects, and the way the methodology has been applied?

Response:

- We acknowledge that the criteria used for prioritising the Auckland Transport projects is set out in Chapter 4 of the RLTP and includes a Problem Definition, Benefit Identification and Strategic Response.
- We note that the criteria emphasise a transformational mode shift to public transport as the primary means of addressing congestion.²¹
- We note however, that modelling (including the proposed projects) estimates that weekday public transport patronage will only make up 12 per cent of peak period trips and eight per cent of daily trips by the mid 2040’s and that this is not enough to offset the forecast increase in demand for private vehicle travel as the population grows.
- We note that the modelling also shows that private vehicles are still projected to remain the dominant mode of transport for work, education and social activities.

(2) Do you agree with the way we have prioritised projects with the constrained funding available?

- We note that a complete prioritised list of transport projects are set out in the Regional Land Transport Plan.²² There is also a Table setting out Transport Project Status under the Basic Transport Programme identifying Projects funded by the Basic Network Plan and those cut-off from funding.²³ Of particular interest to our organisation in terms of Transport Projects cut off from funding is the Parnell Station.

Response:

- We are gratified to read in recent press coverage²⁴ that Parnell Station has been approved by the board of Auckland Transport subject to conditions, including securing access rights from KiwiRail, and was ready to start construction within weeks, once the coast was clear. Expected to become one of the busiest stations, with 2000 passengers predicted to get off trains there in the 7am to 9am morning

²⁰ <http://shapeauckland.co.nz/media/1174/section-93-rating-mechanisms.pdf> (page 9)

²¹ http://www.beehive.govt.nz/sites/all/files/Government_response_to_Auckland_Plan.pdf

²² See <https://at.govt.nz/about-us/transport-plans-strategies/regional-land-transport-plan/>

²³ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>

²⁴ http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11412507

travel peak from next year, of whom three-quarters are expected to head across Grafton Gully to the universities, the Station will service the key catchments of Parnell Village, the Universities, and Carlaw Park. The new Parnell Station would be the focus of a quality cultural and heritage destination integrating the historic Newmarket Station building and providing new connections to the Domain and Auckland Museum.

- Once the station is complete it will stimulate further business and property investment in Parnell. **It is therefore imperative that this project is prioritised over the CRL in the short term**, until it becomes a fully operational station.

- We note that the following Newmarket transport projects have also been cut off from funding:
 - Rail Crossing Separation (particularly the Newmarket Crossing)
 - Newmarket Interchange (Better bus to train interchange at Newmarket Train Station)
 - Newmarket Station access improvements (this work consists of 2 additional/enhanced entrances to Newmarket Station. 1, Opening up the station entrance from Newmarket Broadway and 2) AT contribution towards a private development over the Newmarket triangle that will result in a Northern Concourse entry to the station)
 - Newmarket Terminus (Bus layover and driver facilities under Newmarket Viaduct)

- If any of the above projects affect or impede the progress of the Parnell Station, **we would request that they are re-prioritised above the CRL**, so that the Parnell Station may reach full operational status without any further delays or impediments.

- We further note that in the projects are set out in the Regional Land Transport Plan²⁵ that there is no mention of a transport project to deal with the significant additional freight traffic from Ports of Auckland and how this impacts on The Strand and businesses in Parnell.²⁶ Referencing the key NZTA projects, it states "MetroPort, an enterprise of Port of Tauranga handles around 200,000 container movements per year, and much of the bulk movement of freight to and from the Port of Auckland is also done by rail, reducing the need for heavy trucks to travel all the way to the city centre. However the road network in this area was not designed with this level of freight traffic in mind, and some changes are essential", with no further mention of how this would be addressed.

Response

- A transport project that deals with the significant additional freight traffic predicted to emanate from Ports of Auckland, needs to be addressed by both Auckland Transport and the NZTA.
- Review the merits of other options such as that prioritise the projects that deliver public transport and cycling improvements, and delay non-essential projects to save money such as the Essential Transport Budget (ETB)²⁷ which proposes Auckland Council prioritise the essential public transport, walking and cycling projects in the Auckland Plan Network in the 2015-2025 Long Term Plan. By prioritising only the essential transport projects from the Auckland Plan budget, the Essential Transport Budget saves ratepayers \$220 million a year over the next 10 years.

²⁵ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>

²⁶ https://at.govt.nz/media/903051/draft-rltp-document-2015-2025.pdf?utm_source=website&utm_medium=PDF&utm_campaign=DraftRLTP (Section 8)

²⁷ https://d3n8a8pro7vhmx.cloudfront.net/generationzero/pages/670/attachments/original/1425379731/Fix_Our_City_Flyer_Pages.pdf?1425379731

(3) Do you agree with the way we have prioritised other projects, which would be brought into the programme if more funding were available?

- The Auckland Plan Transport Network Option proposes an ambitious programme of roading and public transport projects. However, the Council's own modelling results show that, even if these projects are implemented, congestion is forecast to increase significantly from 2021, affecting the majority of trips on the Auckland network.²⁸
- Congestion is likely to have flow-on effects to the ability of Auckland's transport network to support economic activity: congestion will be significant throughout the working day, making business related travel more difficult; travel time to key economic centres, including the city centre, airport and ports, is forecast to increase significantly; and although the workforce is expected to increase by 30 per cent, the number of potential employees available within 45 minutes travel by private motor vehicle or public transport will only increase marginally after 2021, suggesting overall network performance will limit the productivity gains from a larger workforce.
- The Auckland Plan Transport Network Option estimates \$12 billion in additional funding will be needed over the next 30 years to deliver the proposed transport programme. The cost of the proposed programme, particularly within the next 10 years, will pose significant affordability challenges for Auckland Council.
- Given the forecast results, and taking into account the projected growth, there is a question whether the programme as a whole represents the right mix of projects and will provide value for money.
- The Auckland Plan Transport Network Option proposes new mechanisms to provide additional funding and notes that Aucklanders will need to provide a significant part of this funding (e.g. fuel taxes or motorway charges). It is not clear whether the additional costs of any proposed new projects are outweighed by benefits to users of Auckland's transport system. It is not clear that equity and fairness issues, such as ensuring that the benefits from additional funding streams fall to those (such as road users), who will be paying, are proven.
- The Government has already signalled that the challenging economic environment means that the Government will not be in a position to support programmes or projects which do not deliver benefits to justify the cost. The Government has warned that this also applies to any new revenue generating tools (such as fuel taxes or motorway charges) that the Council wishes to utilise, but require legislative change.

Response:

- We believe the Council needs to undertake further work to ensure the Auckland Plan Transport Network Option delivers value for money and will improve effectiveness and affordability before it can be fully endorsed.

²⁸ <https://at.govt.nz/media/917219/RLTP-Comprehensive-project-descriptions.pdf>



Request for funding – Chinese Festival of the Zodiac, Parnell.

Parnell needs to foster better connections with the Asian community. As a precinct within the greater Auckland CBD and fringe, it is probably the most lacking in facilities that attract this community – we have no large Asian supermarkets, no large restaurants/yum char tenants etc. This affects the support of both local Asian communities as well as tourists from those communities.

Parnell needs at least 1-2 festivals/events a year that can stimulate retail activity and draw visitation from locals and tourists alike. Currently there is nothing within our calendar or budget that can accommodate this objective.

Auckland Council supports many events in the CBD, the Festival Italiano in Newmarket as well as several in the CBD. Other local boards support various BID events around the city. Although the Parnell community values the support of Waitemata Local Board for the Rose Festival, it does not stimulate retail activity and support of business in the greater Parnell precinct.

Initial seed money is needed to launch a concept as outlined in our document. Once we can show tangible support, it adds a lot of credibility and will assist in Parnell Inc. sourcing other sponsors.

The benefit of supporting the Chinese Festival of the Zodiac

- Bringing together the Chinese community together with a unique Parnell attraction that can be repeated annually.
- Strengthening a strong retail and business category and USP for the area.
- Engaging with schools and communities in the area to participate in the recycling competition. (Business supporting children/community with a focus on the environment.)
- Having an outcome of funds for a designated charity – which could be named by the major sponsor. (Feel good factor)
- The concept would not compete with the other celebrations of Chinese New Year, but would compliment them. The festival/exhibition component would take place over 2-3 weeks so provides many opportunities to market to various target audiences.

If support could be committed for a four year period so the festival can grow - that would be ideal. (Obviously deliverable KPI's can be put in place, year on year). We are seeking \$20,000 for year 1 and \$10,000 for years 2,3 and 4. Our proposal includes a visual presentation.

With thanks
Cheryl Adamson
Parnell Inc.



ASSISTANCE TO INITIATE PARNELL SCULPTURE WALK

Introduction

Parnell Inc. are keen to progress a vision they have had for several years to create a quality permanent sculptural walk from one end of the Parnell precinct at the Blind Foundation Building down either side of Parnell Rd to Fraser Park at the bottom.

This proposal outlines the suggested phasing of the project and the simple request to assist Parnell Inc. with securing 1 sculpture in Fraser Park.

Background

Over the past few years, representatives of Parnell Inc have investigated the feasibility and anticipated costs of developing a high quality Sculpture Walk, which would meander from George Street (Jubilee Building) down to Fraser Park on Parnell Rise. The aim is to further enhance Parnell and draw people additional visitation into the area to enjoy all we have to offer.

Initially a photographic representation prepared by Parnell Inc committee member Jonathan Gooderham of Jonathan Grant Gallery and Miles Nathan, was presented to Auckland Council and various other bodies for consideration. Years of frustrating interaction followed between various bodies and Parnell Inc./members with no steps in place to progress or conclude this vision.

Current status

The current position of Parnell Inc. is as follows.

- We have deleted all sites from the plan that posed significant consent issues with either Auckland Council or Auckland Transport.
- There are several private land-owners in Parnell Rd that could be approached to host sculptures on property that is publicly used. It is envisaged that the plinths would be permanent, but the sculptures may rotate (depending on costs, curatorship and artists preferences).
- Rotary is very keen to participate in funding the plinths.
- We have some strong pieces at the top of Parnell Rd (Terry Stringer on Cathedral grounds), as well as changing work valued between \$40-70K outside no 280 Parnell Rd. However in order for the concept to develop, we need a significant permanent installation in Fraser Park. A suitable sculpture was identified and was made available, but it was not accepted by Auckland Council.
- So far meetings with council art departments have borne no fruit.

Our vision for Phase 1-3

Phase 1.

- To secure the installation of just one significant, permanent piece on Council ground - in Fraser Park.
- To negotiate and secure the permission for installation of 4-6 pieces on private property (adjacent or close to the footpath) in Parnell Rd.
- Incorporating current installations, we will then have a 'thread' we can build a story upon as the initial trail will include at least 10 installations town the road.

Parnell Inc

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Phase 2.

- To secure via Auckland Council a second installation in Heard Park.
- To co-opt other landowners.

Phase 3.

- To see if there is any way we can connect the existing Domain sculpture trail via more sculptures to the Parnell station, up and into Parnell.

Our request for assistance

We are requesting that the Waitemata Local Board assist us in securing, via Auckland Council a site relevant piece of work for the top corner of Fraser Park. Assistance would be valuable in order to actually progress this initiative and obviate the ongoing in-action.

Following that we are willing to source funding for a curator and various artists installations on private property. Parnell Inc. is already in discussion with various parties to set up a Parnell Arts Trust that could assist with funding projects of this nature.

With thanks
Cheryl Adamson
General Manager
Parnell Inc.