

## Adelaide Road Land Acquisition

### The Proposal

This proposal is for the land acquisition costs associated with the widening of Adelaide Road as identified in the Adelaide Road Framework. The draft LTCCP currently includes \$6.8m for construction costs for this project over four years starting in 2013/14, however this does not allow for land acquisition costs. The land acquisition costs were identified in the November 2008 paper to SPC as to be included at a later stage. Recent work – including valuation reports - by DTZ Consultants on the road alignment has valued the land acquisition costs at \$12.568 million.

The Adelaide Road Framework, adopted by Council in November 2008, includes as one of its key actions the widening and upgrading of Adelaide Road corridor. The widening of the Adelaide Road road corridor between the John Street intersection and the Basin Reserve is to allow for bus priority measures, improvements to road capacity, pedestrian improvements and general environmental and amenity improvements. Some acquisition of privately-owned land is necessary to allow the road widening (up to 5.5 metres in width). The road widening supports planned residential/commercial intensification and redevelopment along the Adelaide Road corridor, allows completion of a key bus priority route between the central city and the southern suburbs, and increases road capacity on this key route into and out of the city.

This project also has clear links to the proposed NZTA Basin Reserve improvements which is one of the highest priorities for the Government and part of the Ngauranga to Airport Corridor Plan. Improvements to Adelaide Road transport corridor for multiple forms of transport will integrate with these works.

The proposal request is made to implement Council policy.

### Proposal Costs

The land acquisition costs are currently valued at \$12.568m capex. Front-loading the budget is essential to enable necessary land to be purchased to meet with the project work programme.

<i>Outline project costs per year</i>										
Project Component	Operating expenses									
	\$000									
	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
<i>NZTA funding @53%</i>	(519)	(2,717)	(1,742)	(1,036)	(592)	(18)	(18)	(19)		
<i>Interest</i>	16	112	246	329	378	396	397	399	399	399
<i>Total</i>	(503)	(2605)	(1,496)	(706)	(214)	378	378	380	399	399

Project Component	Capital expenses									
	\$000									
	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
<i>Adelaide Rd - land acquisition</i>	978	5,126	3,287	1,954	1,118	35	35	35		
<i>Total</i>	978	5,126	3,287	1,954	1,118	35	35	35		

Funding for this project would come from borrowings. However, the project would be eligible for NZTA subsidy at a rate of 53%. In addition, the proposed Development Contributions Policy provides for the

growth proportion of this project to be recovered through contributions levied at both a citywide and centre-based Adelaide Road catchment.

## **Discussion**

This project is a key part of Council's adopted Adelaide Road Framework. This is in itself a key part of the Council's Urban Development Strategy – being one of the identified growth nodes on the Growth Spine. The road widening supports the significant redevelopment and revitalisation of this precinct.

The project is also essential to complete the Council's bus priority plan, along the primary suburban bus route within the City. It is also designed to allow the introduction of an enhanced bus service, or light rail if appropriate in the future. This project also has clear links to the proposed NZTA Basin Reserve improvements. These improvements are one of the highest priorities for the Government and improvements to Adelaide Road will be necessary to support them and provide for the expected significant increase in traffic volumes along this route, as vehicle routes change to reflect improvements. As such the project is of strategic significance in terms of Council's Transport Strategy and the joint (Council, GWRC, NZTA) Ngauranga to Airport Corridor Plan.

The project will deliver multiple benefits to the City, including:

- Supporting and facilitating the redevelopment and revitalisation of the Adelaide Road precinct for residential/commercial activities over the next 20 years. Up to an additional 600 residential units are envisaged as well as commercial development;
- Completing a 'missing link' in the bus priority route between the central city and the southern suburbs;
- Increasing road capacity in this critical link between the central city and the southern and eastern suburbs, which already experiences significant congestion;
- Supporting the proposed Basin Reserve Improvements, which are predicted to increase vehicle numbers along Adelaide Road by over 100%
- Providing improved access to the Regional Hospital for emergency purposes, and complementing Council's recently completed improvements to Riddiford Street.

The project is likely to affect the frontages of 43 properties (27 landowners) on both sides of Adelaide Road, between the Basin Reserve and the John Street intersection. It will require careful and sensitive negotiations with affected landowners and businesses, and possibly the use of the compulsory purchase process under the Public Works Act 1981. Prior to any acquisition commencing, further detailed design work will be undertaken to ensure road alignment is the most practical and feasible.

If this project was deferred it would have an impact on the delivery of the other proposed physical improvements identified as part of the planned redevelopment and revitalisation of the Adelaide Road precinct. If the Basin Reserve project was to proceed before this project or without this project, there could also be significant implications for traffic congestion on this route, affecting buses, private vehicles and emergency vehicles accessing the hospital.

Council is proposing to put in place a designation for the widened corridor into the District Plan. A notice of requirement is expected to be notified towards the end of 2009. This will enable Council to begin the purchase of land and for construction to start as programmed in 2013.

## **Officer recommendation**

That \$12.568m CAPEX be allocated to the Adelaide Road widening project to enable land acquisition to occur, potentially funded from NZTA at 53 percent.

## **Contact officer:**

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