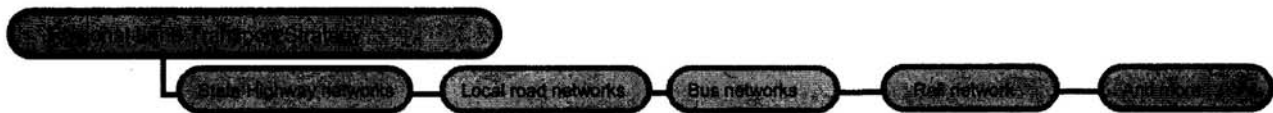


# Auckland Regional Land Transport Strategy

## Fortnightly Update

12 May 2003 Report 4: 2003



### Proposal for funding completion of the region's transport network

Auckland local authorities are currently working together to finalise a funding plan to complete the region's transport network in partnership with central government. The Auckland Transport Funding Report, prepared by groups within the Auckland Region Mayoral Forum and the Auckland Regional Land Transport Committee, has been taken back to all councils for discussion. In summary it suggests:

- The Auckland region's transport network, as defined in the Regional Land Transport Strategy (RLTS), would cost \$5 billion to implement but could be built in 10 years if funds were made available.
- The estimated cost to complete the strategy is \$3.8 billion for roading and \$1.2 billion for passenger transport.
- After taking into account all currently committed projected conventional funding there would still be a funding gap of \$2.4 billion.
- This funding gap could be filled through alternative capital sources and appropriate debt servicing arrangements.

Infrastructure Auckland says, provided additional funding sources are found, it could allow projects to proceed by servicing debt on the projects for a four-year period.

At its 29 April meeting the RLTC considered the funding proposal developed by the Mayoral Forum and agreed to support the key planks of that proposal and in particular:

- An option of using Infrastructure Auckland's grants to fund debt repayment for the four years beginning July 2003, Providing there is additional Government support.
- Investigating and using some interim capital and revenue options to meet the funding gap such as a:
  - regional fuel tax (to be pursued with greater urgency)
  - regional Road User Charge levy
  - Transfund debt servicing contribution
  - project specific tolls (short-term and medium-term measures)
- Undertaking a comprehensive feasibility study to evaluate the implementation of a travel demand management model with significant opportunity for consultation and debate prior to any design and implementation (long-term measure).
- That officers prepare a work programme taking into account the comments raised in response to the paper and develop a financial business plan for Auckland (with Transit New Zealand and Auckland Regional Transport Network Ltd) to raise at least \$5 billion from existing and new sources and provide for funding agreements with Transfund, Infrastructure Auckland and local authorities.
- Working in partnership with the Government on the above work programme.