

# Funding Proposal



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Funder	Bay Trust
Purpose	White Paper: passenger rail connecting Tauranga, Hamilton and Auckland
To	Alastair Rhodes, CEO, Bay Trust
From	Katrina Ramage, Policy Advisor & Strategist, Tarakin Global Limited
Copies	Terri Eggleton, Bay Trust; Glen Crowther, Sustainable BoP; Roz Henry, NZ COOP; Susan Trodden, TRON; Julian Tankard, Engineer; Heidi Hughes, Antelope; Ian Skelton, Callaghan Innovation

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5<sup>th</sup> January 2022

## Overview

Passenger rail is back on the agenda in terms of government priorities for discussion. Tauranga needs to be certain about how passenger rail would work in the region and how it would fit with the fundamental Wellbeings that have been set out for local government: social, economic, environmental and cultural.

Tauranga is on a well-documented and debated journey to take control of its future in these terms. As a city, the future of its CBD depends on a future that provides the infrastructure that enables those Wellbeings to flourish.

As the country's largest port, Tauranga cannot be overlooked. However, it can be side-lined. If we as a city-region do not make the case for regional passenger rail then we run the risk of being overlooked and left in the cul-de-sac of the North Island.

Taking the words of Bay Trust's own purpose statement: *we must accelerate bold meaningful change, assisting BOP communities and the environment to flourish.*

No one can deny that Tauranga is a destination of choice for those seeking a more balanced and family-friendly lifestyle. However, urban sprawl is also a problem. Examples of good and bad practice from abroad suggest that we have time to introduce sustainable, climate-friendly infrastructure solutions at the same time as growing.

However, that means we must take a moment to reflect and consider the options we have as opposed to reacting the problems that present themselves in the moment.

## Proposal

We would like to produce a white paper that draws together all of the thinking and ideas related to regional passenger rail and the industries that are associated with it.

We would like to raise the question: *How do we build on the golden triangle of Auckland, Hamilton, Tauranga, which would create an economic powerhouse by creating infrastructure that aligns all three cities?* Ultimately, we believe that the whole of tri-partnership will be greater than the sum of the parts.

The agricultural industries; domestic and international tourism; and, tertiary education, can all benefit. As can small businesses and larger organisations. We would like to capture this knowledge in one place for Aotearoa to consider.

## Scope of this paper

We intend to look at the case for passenger rail from Hamilton to Tauranga from three different perspectives. However, this list might expand as we engage with local, regional and global stakeholders.

1. Link to Hamilton: Specific to the value that can be added by connecting with the TRON line in Hamilton.
2. Opportunities with Freight: Related to forthcoming upgrades to the Tauranga freight line and how passenger rail can be integrated into that work to expediate outcomes and minimise costs.
3. Vision for the golden triangle: This will position Tauranga as being integral to creating the triangulated economic powerhouse, which will have positive impact on our overall global economy. There are global examples of using a population centre approach and we would like to consider adapting it to an agricultural industry. I.e. keep cars out of our orchards but using trains. This will also be considered for tourism both internationally and domestically, as a way of choosing stations and keeping unnecessary drivers off the roads.

## Challenges

Proposals for electric car-train solutions and flying taxis are not considered as a competitor for this paper. Sustainable solutions involve ensuring that everyone has choices and that we don't become dependent on panacea ideas. Passenger rail is an important part of that climate-friendly, community cohesive, sustainable transport plan.

The fact that a network could be created using existing rails lines and corridors is a huge advantage for those advocating passenger rail. The panning consent turmoil, politically, culturally and residentially, that would be required to fund motorway expansion for electric car trains would be a monstrous endeavour. Especially in a country that still accesses so many domestic residencies from its primary State Highway network.

That said, we will identify alternative solutions, like those mentioned, and seek to engage them with how they could collaborate with passenger rail in the Bay of Plenty Region. By understanding the case made by these alternatives there might be opportunities to support, collaborate. It is in all of our best interests to support multi-modal transport networks.

Both positive and negative responses will be reported as part of this report. This will include global reports from industry leaders like JCB, who express concerns about electric cars, for example, in terms of the future of agricultural plant machinery.

## Sustainable funding

Identifying, reviewing and incorporating funding opportunities will also be a chapter in this paper. We are realistic that traditional funding models from government should not be relied on, which is why we are looking at a multi-layered funding approach.

We have already had an incredibly constructive meeting with Roz Henry from NZCOOP about adapting community share funding models to our region. This would not only help with paying for the line, it would also encourage loyalty from local communities to use the line and encourage others to do so.

Working with local alternative housing teams will help identify locations for stations, which will allow forward planning for mixed-use development. This will be done in conjunction with TCC and BoPRC, as well as some of New Zealand's major corporates, the agricultural industry and hospitality providers like Hobbiton.

Community Infrastructure Funding and cost-benefit analysis around Community Wellbeings could also attract other funding opportunities. This paper will conduct a full assessment of those options and aim to create a consensus among potential funders that they would be open to a conversation creating a sustainable funding model. Risks associate with agile decision making will be one of the key considerations in this part of the report.

## Evidence and influencer commentary

We have met with Glen Crowther, Sustainable BoP, to ensure that the work he has done on this subject is fully incorporated into this paper.

In addition, a full evidence review will be conducted to capture all reports, academic papers and media reports that contribute to this debate. Only yesterday, First Union writer and policy adviser Max Harris, and academic researcher and lecturer Jacqueline, published the Ministry of Green Works Aotearoa report, which calls for a return to public rail to help with climate change and public housing targets.

We have already started conversations to this effect with alternative housing providers in the Bay of Plenty and agree with the report's assertion that public housing should be delivered hand-in-hand with passenger rail.

The white paper will include a full list of the evidence considered in this paper. Contributors, commentators and decision makers associated with each report, paper or article, will also be included in the stakeholder prioritisation list.

## Team and stakeholder engagement

The team has started to create a central stakeholder database that will help prioritise all of those who should have an interest in this work. Those listed below have already actively contributed to this proposal. They will play a key role in reaching out to other stakeholders and will also help interpret how projects from other countries can help inform the right solution for the Tauranga to Hamilton line.

Team	Associates
Katrina Ramage, Tarakin Global	Roz Henry, COOP NZ
Ian Skelton, Callaghan Innovation	Simon Bridges MP
Susan Trodden, TRON (Auckland to Hamilton)	Todd Muller MP
Julian Tankard, Global Rail Engineer	Heidi Hughes, Antelope
Glen Crowther, Sustainable BoP	Jo Allum, SCOOP & Venture Centre

The fully prioritised stakeholder list will be included as part of this paper. The stakeholders who are engaged during this process will be made fully aware of the fact that this paper is being drafted independently from local, regional and central government. Transcripts of their contributions will be included in the appendices of the paper, unless they request confidentiality. If they do then their responses will be included in a separate appendix with other comments of that nature.

## Opportunities and risks

While this paper will not be able to create a full risk management assessment for the whole project, it will start the process of capturing concerns, risks and issues. This will include risk responses that show how they might be placated, mitigated or responded to appropriately.

We may also be able to reposition some as opportunities. However, these would be presented as ideas as opposed to recommendations. We will also conduct a risk-benefit analysis that considers Tauranga's future with and without a link to a nationwide network.

## Timeline and event considerations

Based on work that has already been done, it is estimated that it would take five years to reintroduce passenger rail. With this in mind, and based on the political decision-making calendar, that we are proposing that this could be delivered by 2029 if it is prioritised by the next government in 2024.

This means we would be aiming to create a draft proposal by May 2022 so that we could start the process of engaging and informing government officials and political parties about the importance of prioritising this project.

Date	Event
20-Oct-20	NZ General Election 2020
18-Oct-21	Climate Sensitive Towns & Communities
22-Nov-21	New Zealand Rail 2021
18 Mar-22	Tarakin White Paper
23-May-22	Draft BoP RRAG strategy and delivery plan
21-Nov-22	2022 NZ Rail Conference
20-Nov-23	53rd Parliament must dissolve
27-Nov-23	Last day for issuance of the writs
1-Dec-23	NZ General Election 2023

A full, detailed timeline of local, regional and national events, activities, related policy announcements will be included in this report. This will also include details of industry developments in other countries that may impact on this project.

All information will be available, by request, to all officials and stakeholders associated with the project, during the drafting process.

## Budget

The following budget relates specifically to the creation of this white paper. If more extensive community and stakeholder engagement work is required then it will be considered following the conclusion of this work.

<u>Skills required</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Strategic direction	35	\$60.00	\$2,100.00
Stakeholder identification and research	35	\$30.00	\$1,050.00
Stakeholder outreach and prioritisation	25	\$60.00	\$1,500.00
Academic and policy research and capture	30	\$30.00	\$900.00
Academic and policy analysis	45	\$60.00	\$2,700.00
Peer review session	2	\$450.00	\$900.00
Project management and administration	40	\$30.00	\$1,200.00
Brand review, graphic design and typesetting (online/print)	70	\$45.00	\$3,150.00
Sundries (print, transport, subscriptions and memberships)	1	\$1,500.00	\$1,500.00
<b>Total</b>			<b>\$15,000.00</b>

<u>Defined positions</u>	<u>Team member</u>	<u>Rate</u>	<u>Total</u>
Strategic lead, analysis and author	Katrina Ramage	\$60.00	\$3,750.00
Māori engagement	Marisa Balle	\$60.00	\$2,000.00
Research, administration and copy checking	Maria Smith & tbc	\$30.00	\$2,200.00
Brand review, graphic design and typesetting (online/print)	Emma McIver	\$45.00	\$3,150.00
Peer and academic support	tbc	tbc	\$2,400.00
Sundries	n/a		\$1,500.00
<b>Total</b>			<b>\$15,000.00</b>

## Next steps

Please let us know your thoughts on this paper. If you would like to proceed then please let us know what deadlines you would like us to work to for the funding bid process.

*Thank you for your time and consideration*