

Briefing Paper: Kerikeri CBD Bypass – Safeguarding the route

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Ngā whāinga | Purpose

To provide a summary of measures being undertaken to safeguard the route of the proposed Kerikeri CBD Bypass.

Horopaki | Context

Background

Structure planning for Kerikeri and Waipapa was initiated in 2000 adopting an integrated land use and transport approach.

In 2006 Council resolved to include a 'Western ring road' option for Kerikeri CBD in a Structure Plan. This route was to form half of the ring of a full circulatory road around the CBD which would remove traffic from the main street to accommodate aspirational CBD placemaking concepts. The eastern half of the planned ring was subsequently abandoned and the western half was extended to meet with the Heritage Bypass, thus effectively creating a two way bypass of the CBD. Property purchase commenced 'on a case by case basis as they become available' for properties within the footprint of a preliminary geometric design.

It was expected that the bypass be delivered in 3 stages with Stage 1 Butler Road to Clarke Road constructed within 4 years. In the meantime, faced with increasing congestion on Kerikeri Road within the CBD, a trial one way system was introduced on Homestead Road and Fairway Drive. That one way system has proven so successful that it remains in place.

The proposed Kerikeri CBD bypass was reviewed in 2010 along with several other potential new road routes in and around Kerikeri and Waipapa. The resulting document entitled 'draft Kerikeri Waipapa Strategic Road Network Plan' (KKWPSRNP) contained only cursory mention of the full length bypass, focussing instead on options to deliver just Stage 1 of the bypass as an extension of the successful one way system. It should be noted that the 2006 resolution to build the full bypass has never been formally revoked.

A number of subsequent reports have been produced in response to requests from Elected Members asking for options to progress the full bypass as per the 2006 resolution, for which properties continue to be purchased. The resulting reports have confirmed that the bypass should remain integrated in the package of potential routes in the KKWPSRNP that are being tested through traffic modelling prior to being incorporated in a business case application for NZTA subsidy entitled the 'Kerikeri Area Transport Network Plan'.

Ngā kōrerorero | Discussion

Designation

A meeting took place 5 October 2023 for staff to hear the concerns of some Elected Members that the route of the proposed bypass remains vulnerable to potential loss through land development while it lacks the protection of formal designation in the current and proposed District Plan. Conversely, land development proposals will also lose the potential transport benefits of the proposed bypass if the route is not protected.

A consultant was present in that meeting to advise technical aspects associated with the timeline and process of designating land, via a Notice of Requirement (NOR) process (similar to a resource consent application process that is likely to be publicly notified). This would run in parallel with the Proposed District Plan process and the Kerikeri Waipapa Spatial Plan.

The consensus from that meeting was that designation is an appropriate and necessary next step to safeguard the route. Designation is necessary if the route continues to be progressed in the integrated package of potential routes. Designation is also necessary if the decision to extract the route and progress it independently is resolved by Council

Acceleration

The proposed designation approach is consistent with the protective aim of the current council PX resolution from July 2022 which instructs the acceleration of property purchases in relation to a Kerikeri CBD Bypass (ie. the full 3 Stage, 2 way route). To date, the purchase of properties has continued on the previously mandated 'as-and-when available' basis whereas the definition of the 'accelerate' resolution was to establish verbal contact with owners prior to issue of 'First Right of Refusal' letters and advise them of the Public Works Act 1981 process for acquisition through negotiation. This 'willing seller – willing buyer' approach is considered as the first step in safeguarding the route whilst a Notice of Requirement to designate is being prepared.

Current Route Delivery Plan

The November 2021 Infrastructure Network Committee Information Report confirms the current pathway for development of the Kerikeri Area Transport Network Plan. This incorporates the potential CBD Bypass in the integrated package of potential routes currently being evaluated. The pathway is a combination of Options 1 and 3 below:

1. Recommended planned pathway – Integrated approach with CBD Bypass as one of many routes in the Kerikeri Area Transport Network Plan.
2. Alternative scenario – Extract CBD Bypass from Kerikeri Area Transport Network Plan. No business case so no subsidy of estimated 3 Stage \$20m cost (subsequently revised upwards to \$31m).
3. Short term implementation options – Quick wins using alternative funding.

Whilst discussion of the viability, need and benefits of a CBD Bypass is outside the scope of this briefing, such discussion will be rendered redundant if the route is not safeguarded by a designation. It should also be noted that early findings of the emerging traffic model suggest that the CBD Bypass may provide only partial relief of future traffic congestion but with benefits in reduction of traffic in the town centre to enable placemaking.

Long Term Plan 24/27

Prior to the 5 October 2023 meeting, staff had been made aware of significant renewed interest in pursuing option 2 above ie. the extraction and delivery of the CBD Bypass. This is understood to have been prompted by the extensive timescales associated with the process of application for NZTA subsidy and a low level of confidence that the CBD Bypass will demonstrate sufficient transport and associated benefits to ultimately gain subsidy. To raise the profile of this proposal and to enable further discussion and deliberation, financial provision has been included in the draft 24/27 LTP. This comprises rough order costings in Unsubsidised OPEX for surveys, planning and design for the full route. Amounts are also included in Unsubsidised CAPEX 26/27 for property purchase for Stage 1 of the project - Butler Road to Clark Road. Construction costs are included in the subsequent two years. No funds have been made available to initiate the designation process prior to the commencement of the new LTP 1 July 2024.

Risks

The following direct risks arise from this proposal:

- PX resolution. The resolution to accelerate property purchase was made in Public Excluded session as it included resolutions relating to specific properties. Approaches to property owners will therefore need to be handled promptly and in confidence. This carries a slight but unavoidable risk of information leakage.
- Ongoing Community Group engagement over the Kerikeri Waipapa Spatial Plan, it's public engagement and upcoming placemaking planning may also introduce a risk of early social media attention and speculation before affected property owners have been contacted.
- Designation costs. Risk of inaccuracy in the rough order costs going into the draft LTP. A consultant has been asked to submit an Offer Of Service. Their quoted cost will be substituted. Contingency costs will need to be considered for a potential appeal against the NOR designation.
- Timescale. Risk that the timescale for completion of the necessary planning process goes full term ie 4 to 5 years including investigations, design, technical reporting, engagement, public notification, hearing, appeals, PWA acquisition. There are limited opportunities to control or mitigate this risk.

The following indirect risks arise from related aspects outside the scope of this proposal:

- Property availability. The lodging of First Right Of Refusal letters does not compel affected property owners to sell within councils desired timeline. Reference in those letters to the PWA would be advisory only, informing them of councils desire to negotiate by agreement in the first instance. The alternative use of the

PWA Notice Of Desire process has been discounted due to the undesirable obligation it places on council to commence negotiations once registered.

- Property costs. Approximately 17 properties would be required. Estimated value \$15,300,000. There is a risk that issue of First Right Of Refusal letters may trigger a flood of offers for sale that council cannot afford. Cost offsetting against potential rental income may mitigate this. Note also that NZTA have an advance property purchase work category and will capitalise property (buy it back off council) but only for projects with a viable Business Case. This would not be available if the route is independently progressed.
- Construction Costs. Risk of inaccuracy due to escalation of 2010 costs for a 2006 design.

E whai ake nei | Next Steps

- Negotiate Offer Of Service from a consultant to undertake the designation process. Procure services
- Establish contact with affected property owners prior to issue of First Right Of Refusal letters

Feedback

The online Elected Members area [Te Huinga](#) features a comments section for the sharing of views and opinions on any material uploaded.

Alternatively, if readers have any questions or feedback for staff on this specific proposal, please Councils Senior Transport Planner on the number below, or via email:

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