

Hon Phil Twyford

MP for Te Atatu

Minister of Housing and Urban Development

Minister of Transport



13 MAY 2019

Justin Lester
Mayor
Wellington City Council
mayor@wcc.govt.nz

Dear Justin,

Thank you so much for meeting with me last night about progressing the Let's Get Wellington Moving transport package. I thought it was a very positive meeting and I look forward to working together on this programme.

The Government shares the Wellington region's desire to deliver intergenerational benefits through long-overdue investment in transport infrastructure. This Government is committed to addressing urban performance in cities, including integration of land and transport planning, and reducing dependency on private car travel by changing transport patterns. I believe that working together offers the best opportunity to deliver the outcomes we seek.

The Government has endorsed an indicative package for Let's Get Wellington Moving; which also includes funding for future transport investment in the wider Wellington region. I am now seeking your support for that indicative package.

The proposed indicative package for Let's Get Wellington Moving comes in at \$6.4 billion inflation-adjusted. We have assumed, based on the region getting 10.5% as a reasonable population-based share of NLTF expenditure, and NLTF revenues growing in line with inflation, that a further estimated \$4.4 billion would be available for other regional projects over the next 30 years. I stress this is for modelling purposes only, in order to satisfy ourselves that the scale of the commitment to Let's Get Wellington Moving is prudent in relation to the region's other transport aspirations.

The Government is supportive of a Let's Get Wellington Moving package consisting of:

- Walking improvements, for accessibility and amenity
- A network of connected cycleways
- Public transport (city and north) investment, including a dual public transport spine, rail network improvements and bus priorities.
- Smarter transport network including operational improvements and demand management
- Rapid transit connecting the City centre to the airport
- Basin Reserve improvements for north-south, east-west movements, and rapid transit corridors.
- Construction of an extra Mount Victoria Tunnel and widening Ruahine St/Wellington Rd.

The Government has endorsed a 60/40 central/local split in funding for the Let's Get Wellington Moving components. In recognition of the local benefits that will be generated, central government will fund 60 percent, largely through the National Land Transport Fund, while Wellington City Council (WCC) and the Greater Wellington Regional Council (GWRC) will need to contribute the remaining 40 percent of the costs. The rapid transit component will need to be financed. I have proposed that the financing costs will be taken on by central government over 50 years. The details of this financing approach will need to be worked through.

Together with the wider regional funding package, the indicative Let's Get Wellington Moving package presented here is a very significant step towards providing the necessary investment in this important region. It will also give increased certainty for transport developments, so that all parties can start to plan around these proposals. I recognise that the indicative package may not be as ambitious as some would like, but we have had to balance the aspirations for Wellington with those of the rest of the country.

The individual projects within the Let's Get Wellington Moving package will still be subject to business cases and the usual statutory planning and funding processes, including approval from the NZ Transport Agency Board.

Next steps for Let's Get Wellington Moving

The Government has indicated what it is willing and able to support with regards to Let's Get Wellington Moving and transport funding for the wider Wellington region over the next 30 years.

My expectation is that the WCC and GWRC are committed to funding their 40 percent share and progressing the programme alongside the Let's Get Wellington Moving partnership with the NZ Transport Agency.

I want to emphasise that we all need to do this together, so I am asking you to confirm your support in writing for the indicative package and regional funding proposals.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'PT', followed by a horizontal line and a vertical bar at the end.

Hon Phil Twyford
Minister of Transport