

Level 3, 15 Daly Street
 Chamber of Commerce House
 Lower Hutt
 Wellington 5010
 New Zealand

12 May 2020

Hon Shane Jones
 Minister for Infrastructure

Hon Phil Twyford
 Minister for Economic Development

Cc: Mayor Campbell Barry and CEO Jo Miller
 Hutt City Council
 Via Email:
campbell.barry@huttcity.govt.nz
jo.miller@huttcity.govt.nz

Dear Minister Jones and Minister Twyford,

The Hutt Valley Chamber of Commerce and Industry (HVCCI) would like to take the opportunity to provide a strong voice for the business community in support of potential Shovel Ready projects for Lower Hutt and Upper Hutt in response to Covid 19.

The Chamber has kept in close touch with the business community throughout the Valley. As the voice of business for the Hutt Valley, the Chamber is a strong advocate for infrastructure works across the valley, supporting and facilitating economic development for our business and total community.

We believe the projects below will be beneficial to the community on a number of fronts:

- Inspiring business confidence and growth.



- Providing encouragement to businesses to invest in their own assets and infrastructure.
- Providing modern and efficient infrastructure within which businesses can operate.
- Encouraging *local* employment and development of *local* skills and talent.

These projects include several that the business community has been strongly supporting for several years. They are crucial to address the rapid growth the community has seen in recent years. Covid 19 has seriously affected the local economy; we all expect an unprecedented economic decline in the short term. We also expect, however, the economy to recover over the medium to longer term.

The recovery stage is already underway at a local economic level. Some businesses are already adapting very quickly and many are experiencing massive demand. Our strong valley-wide manufacturing base will have a significant role to play in the economic recovery of not just our local community, but also the wider Wellington region and nationally. Depending on how our future evolves, the Hutt Valley is very likely to be in a prime position to make the most of numerous and varied opportunities for economic growth. Our local infrastructure needs to be well established to help support us taking advantage of the growth opportunities.

The business community considers our infrastructure was insufficient even to serve the growth that the economy was experiencing before Covid. We now have an excellent opportunity to get ahead of the demand curve and prepare for the economic growth that we are confident will return.

While we have all learnt many lessons through this Covid crisis, one of these is clearly our requirement to have robust and resilient infrastructure. Covid 19 shows us that no matter how prepared we think we are for business and economic disruption, the threats can come completely unexpectedly from sources that no one in business has ever considered. It is important for ongoing business continuity that we invest in our infrastructure so that whatever threats are thrown at our communities, we are in a strong position to respond.

As stated above, our current infrastructure has increasingly been inadequate for our projected growth. As many of these projects take many years to complete, we have a unique opportunity to create a valley that attracts and facilitates a local business community that meets the needs of the local, regional, national and global markets. This is an immediate opportunity to take the “regional, integrated approach” people have talked about for years and have put up as the nirvana of planning. A passing understanding of just one area, roading projects, shows just how necessary this is. The valley has numerous roading infrastructure investments which, while they have improved small pockets of roading, have often simply moved the congestion and accident risks either up or down the road, creating new congestion and accident zones as a result.

We support your position calling for a pipeline of projects longer than 12 months, as this will give much needed certainty to industry. The impact of Covid on the business community and wider community is expected to be much longer than 12 months.

We also support moves to simplify the RMA process to enable some of these projects to get underway sooner than is currently possible under current requirements. The simplification of the process should also be applied not only to the larger projects, but also some of the smaller projects that private investors and smaller companies could participate in. By focussing just on the larger projects, the majority of the small and medium size businesses in our community will be excluded from the benefits of these projects. This will have negative implications in both the short and long term.

We support the emphasis on housing. Having affordable and quality housing options for the community is a necessity for the business community. For many years the inability to attract skilled staff has been the single biggest factor holding back business confidence. For business to attract the right staff for these projects, access for them to affordable local housing is essential.

The following projects are of particular value and importance to the Hutt Valley and regional business community:

Port Infrastructure resilience/Container berth extension. Many of the businesses in the Hutt Valley rely completely on the efficient, continuous and effective function of CentrePort – particularly our exporters. Indeed, it is necessary for their business survival. The earthquakes of recent years have negatively affected this business community and proven how important the resilience of the port is to our businesses. It will facilitate the growth of the manufacturing sector, which the Chamber expects to underpin the recovery of the Hutt Valley and the country from the economic shock of Covid. This investment will encourage manufacturers to invest in their own businesses, and is likely to also attract new manufacturing and exporting businesses to the region. This in turn is expected to drive further local employment. Investment in our local port assets and capacity will be critical for the recovery of our community.

Naenae Pool and Fitness New build. Having worked very closely with the Naenae business community for the last 12 months, it is clear what an important asset this pool is to local businesses and the wider Hutt Valley community. This investment will reinvigorate local businesses, including both retail and the wider business community in the vicinity. It is important to note that there are numerous small, medium and large businesses in the nearby neighbourhoods that are an active part of the Naenae business community. Many of these employ large numbers of staff who would use the new facility and help make the location more attractive as a place to work.

Lower Hutt 3 waters/other water related investments. Water is a fundamental input for many businesses in the Hutt Valley. Improving the resilience of supply is important to support existing businesses, as well as to attracting new businesses to the area. It is clear there is a growing commitment from business to improve their own programmes in the environmental and water resilience issues. This investment will further encourage private business investment in relevant resilience and environmental initiatives. In addition, the management of water in relation to extreme rain events is clear, given recent history of flooding contamination. Our steep topography, sea level rise, regular flood events, and toxic algae are all ongoing issues that disrupt business and clearly indicate the need to better understand and manage our water resources.

Rail: long distance rolling stock. The investment in the rail network is an important part of the infrastructure that local business requires to move stock and staff. This investment will further

strengthen the connectivity of the community, reduce commute times and facilitate business. This investment is also necessary as population growth and housing density increases in specific areas. Rail connectivity is a determinant factor when it comes to businesses analysing the attractiveness of a location.

Seaview Wharf. This is another key infrastructure asset that underpins much of the local business community. Resilience in the supply of fuel is required by all businesses to move product, services, people and manufacturing inputs. With the Seaview area being a key industrial area for the valley and the region, this investment sends a very strong positive local message to the hundreds of businesses in the locality.

Petone and Point Howard Wharf Refurbishment. Both these wharves are iconic to the valley and provide direct connections to our beautiful local environmental assets. While they are attractive for local residents, they can also be a valuable part of the potential domestic tourism offering for the region that is to be encouraged as part of the recovery from Covid 19.

Riverlink. The Chamber has been a strong advocate for the Riverlink projects for many years. The flood risk to the CBD is completely untenable and is a serious threat to the hub of the business community. Should the flood banks be breached (which has already shown to be very likely), then the Hutt City CBD will be destroyed. The business community is very keen to see the redevelopment and the rejuvenation of the Lower Hutt CBD. Flood protection is a crucial first step in inspiring further private investment in the CBD. Riverlink has the potential to completely transform the Lower Hutt CBD. The delay in recent years means the timelines have been further threatened. Any investment that brings this project closer to reality is to be encouraged and facilitated. The positive flow on effect of local investment and further local employment are considered to be significant.

Petone to Grenada Link Road (P2G). This is a major development that the Chamber has been a long-time supporter of. This new road has been factored into the long term transport plans of the valley and the wider Wellington region for many years and subsequent transport and traffic plans predicated on its build. It is a key component of the plan and requires serious reconsideration. While the location of the road may be amended to ensure it links effectively into the Cross Valley Link and Transmission Gully (TG), this road is a must build project. Transmission Gully is expected to deliver unprecedented traffic onto existing 'linking roads' and cause serious congestion, safety and resilience issues. The P2G is required to alleviate these key issues. Already, it is clear how poorly the current roading infrastructure performs from a resilience perspective. P2G is a key investment providing the required short and long term resilience of the whole network. It is important to note that the "Safety Upgrades" currently planned and underway for SH58 are predicated on the completion of P2G. Without P2G, the opening TG will deliver significant increases in commercial and trucking traffic onto SH58 and cause even greater disruption than currently. Large haulage and trucking companies have made it clear that those needing to access the Hutt Valley once TG is open will use this SH58 route to SH2, Upper Hutt and Lower Hutt. This will cause increased congestion and safety issues on SH2 up and down the valley as well as on other routes to key commercial areas such as Seaview and Gracefield.

In addition, P2G will assist with the housing development requirements of the region, opening up large areas of land for housing and community development.

State Highway 2 Upgrades. The Chamber supports safety upgrades to SH2 between Masterton and Wellington. The road is increasingly unfit for purpose and dogged by numerous minor and major accidents and disruption. As affordable housing options move people further from the Wellington Central City, many are choosing new homes along the SH2 route. The safety upgrades are required, including major hotspots along River Road.

Thank you again for the opportunity to outline the Hutt Valley business community's views on the major infrastructure projects that should be considered as part of the Shovel Ready Projects list. We look forward to seeing the successful outcome of the Wellington Region Mayoral Forum's submission.

Your sincerely



Helen Down

CEO

Hutt Valley Chamber of Commerce and Industry