

28 June 2023

Dr Paul Reynolds, Chair and the Board of Directors of Waka Kotahi Via email: <u>boardsecretariat@nzta.govt.nz</u>

Dear Dr Reynolds,

It is with urgency that I write to the Board of Directors ahead of a planned significant change to the designation of the Cape Palliser Road in the South Wairarapa as a Special Purpose Road, and the funding allocation that it receives from this designation, by Waka Kotahi.

The road is a key lifeline by way of a single access roadway connecting communities along the South Wairarapa coastline, which hosts a vibrant fishing industry, and tourism that has grown exponentially in recent years.

The sights and wildlife draw visitors from across the world and is described by tourism agencies and providers as one of the top 10 things to do in New Zealand. Road bound visitor numbers have gone from just a few hundred each year a decade ago, to now seeing many thousands, whether for a day trip or a prolonged stay. This of course brings significant income to the region and the country as a whole.

This increase in year-round visitor numbers and traffic and the impacts of climate change continue to place significant pressure on the road itself. In the last 18 months, the road has been the victim of at least seven significant regional weather events, and whilst the success of the eco reef initiative has been a game changer in terms of demonstrating resilience measures, the reach of the reef is currently very limited.

Our ability to fund the future impacts of severe weather on the road is extremely low. Even now, the road continues to degrade and in various places is only open to single lane traffic. With a move away from a wholly funded FAR rate, our coastal residents face the stark reality of isolation, and the loss of any benefits to the economy being realised through fishing and tourism.

SWDC currently assigns 22% of our operating expenditure and 25% of our capital expenditure on land transport, and we are finding that this to be an ongoing challenge to keep pace with the pressures on our expansive 660 km roading network.

If the removal of the Special Purpose status were to be realised next year, the impact on South Wairarapa District Council's finances would be significant and

far reaching. The district has just 11,000 residents and a low ratepayer base of just 7378. Of that figure only 188 reside along this section of the coastline, meaning the visitor road usage is disproportionately affecting the area and the residents of the coastal towns of Ngawi and Cape Palliser in particular.



In writing this letter, I recognise the pressures being placed on our national roading network due to recent weather events. I also acknowledge that we are one of several councils that would be seeking your support for such roads.

I am firmly of the view that putting at risk the social wellbeing and tourism benefits by not wholly funding repairs and maintenance of the Cape Palliser Road beyond July 2024, as well as SWDC's inability to do the same, is not something that can be ignored; and should outweigh the ongoing cost implications for Waka Kotahi.

We ask that you reconsider your decision. I look forward to hearing from you.

Kind Regards

Paul Gardner Chief Executive (Interim)