



MINUTES

**Ordinary Council Meeting
Monday, 8 March 2021**

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**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL, COUNCIL CHAMBERS, 91 WILLOW STREET,
TAURANGA
ON MONDAY, 8 MARCH 2021 AT 9AM**

PRESENT: Commission Chair Anne Tolley, Commissioner Shadrach Rolleston, Commissioner Stephen Selwood, Commissioner Bill Wasley

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (General Manager: Corporate Services), Barbara Dempsey (General Manager: Regulatory & Compliance), Susan Jamieson (General Manager: People & Engagement), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy & Growth), Gareth Wallis (General Manager: Community Services), Carlo Ellis (Manager: Strategic Maori Engagement), Jeremy Boase (Manager: Strategy & Corporate Planning), Kathryn Sharplin (Manager: Finance), Nick Swallow (Manager, Legal & Commercial), Brigid McDonald (Manager: Strategic Investment & Commercial Facilitation), Josh Logan (Team Leader: Corporate Planning), Ben Corbett (Corporate Planner), Jim Taylor (Transactional Services Manager), Coral Hair (Manager: Democracy Services), Ariell King (Team Leader: Policy), Jo Stone (Senior Strategic Advisor), Cindy Gillman-Bate (Corporate Solicitor), Rhea Brooks (Corporate Planner), Robyn Garrett (Team Leader: Committee Support), Raj Naidu (Committee Advisor)

KARAKIA

Carlo Ellis, Manager: Strategic Maori Engagement, opened the meeting with a Karakia.

1 APOLOGIES

Nil

2 PUBLIC FORUM

2.1 Michael Dance, James Petterson, Karen Laidlaw and Friederike Haffelder - Links Ave traffic and pedestrian safety

A copy of the presentation for this item can be viewed on Tauranga City Council's website in the Minutes Attachments document for this meeting.

Key points

- Three schools were within one km of the area of concern; 500 schoolchildren used the pathway an hour during peak times. There was no safe separation between the children and buses and cars.
- Requested the road be reinstated to its previous design; a bus lane had been included as part of the B2B project management. Use of the bus lane was a concern particularly in the morning.
- The unsafe situation on Links Ave had been raised previously with council. The presenters considered nothing tangible had happened; no recommendations from the residents and family groups had been actioned. Noted similar issues with safety of school children in Matapihi and Papamoā.
- Local schools should have been included in the recent speed limit review.

- Links Ave was not intended as a major arterial road and was never designed for the traffic load being experienced.
- The majority of the risk of the shared pathway was borne by children.

Attachments

- 1 Public Forum - March Links Ave Presentation 8 March 2021 (Public File)

2.2 Keith Ellery – Farm Street residents

Key points

- Mr Ellery had personally attended three accidents in the last three years; but was Aware of more accidents that had occurred.
- Farm St was a narrow suburban street that could not handle the pressure of competing uses.
- Buses posed a risk to school children and pedestrians.
- Recommended relocation of the temporary bus interchange away from Farm St.
- Suggested the option of a bus interchange on Girven Rd and understood that Council owned land there, the old St Johns site. Considered that site provided ample room for an interchange and to park non-operative buses and should be considered as the site for the permanent bus interchange.

2.3 Tauranga Community Housing Trust – Jacqui Ferrel, General Manager and Jo Gravit, Chairperson – development contributions

A copy of the supporting information tabled for this item can be viewed on Tauranga City Council's website in the Minutes Attachments document for this meeting.

Key points

- The Tauranga Community Housing Trust (TCHT), a charitable trust, worked locally to find land and facilitate provision of affordable housing. TCHT was established as a community housing provider (CHP) about 20 years ago.
- Held a property portfolio across Tauranga and Whakatane of about 200 houses. 120 houses were being built and would come online in the next two years.
- TCHT tenants would struggle to meet market rentals and generally needed to be close to health care and social facilities.
- Noted that the development contributions agenda report had not been consulted with TCHT or any other social housing provider. Considered the report recommendation to maintain the status quo unacceptable.
- Housing developments were funded through mortgages and grants; the financial certainty of subsidised development contributions would make a significant difference to TCHT financial planning and project financing.
- Social housing providers were not competitive and shared the same goal of provision of more social and affordable housing.
- Suggested that council could have a capped annual budget for subsidised development contributions for community housing providers.

In response to questions

- Community housing providers could provide an indication to Council of the number of houses being planned over a certain period but were not developers so could not comment on viability of planned projects.
- Noted that many papakainga housing providers were also CHPs, and nationally monitored and audited. Submitted that any CHP should come under the same policy and funding umbrella.

At 9.39am the meeting adjourned to allow a Long-Term Plan workshop to be held.

At 3.20pm the meeting reconvened.

Attachments

1 Public Forum - TCHT presentation - LTP Submission to commissioners - 8 March 2021

3 ACCEPTANCE OF LATE ITEMS

3.1 Delegation relating to Civil Defence Emergency Declarations

RESOLUTION CO2/21/1

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

Includes the item *Report: Delegation relating to civil defence emergency declarations* in the agenda. The above item was not included in the original agenda because it was not available at the time the agenda was issued, and discussion and decision cannot be delayed until the next scheduled meeting of the Council because of the unpredictable and urgent nature of civil defence emergencies

.CARRIED

RESOLUTION CO2/21/2

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Pursuant to its powers under clause 32(1) of Schedule 7 of the Local Government Act 2002, delegates to Commission Chair Anne Tolley, and in her absence Commissioner Bill Wasley, the powers conferred under section 25(5) of the Civil Defence Emergency Management Act 2002 to declare a state of local emergency, or give notice of a local transition period, that covers the district of Tauranga City Council.

CARRIED

4 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

5 CHANGE TO THE ORDER OF BUSINESS

The Chairperson noted that Agenda item 10.6 would be considered before Agenda item 10.5.

6 CONFIRMATION OF MINUTES

6.1 Minutes of the Council meeting held on 22 February 2021

RESOLUTION CO2/21/3

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the minutes of the Council meeting held on 22 February 2021 be confirmed as a true and correct record.

CARRIED

7 DECLARATION OF CONFLICTS OF INTEREST

Nil

8 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

9 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

10 BUSINESS

10.1 2021-2031 Long-term Plan - update and revised working draft

Staff Paul Davidson, General Manager: Corporate Services
Christine Jones, General Manager: Strategy & Growth

In response to questions

- Community outcomes would be included for re-adoption in the 15 March 2021 Council report.
- Noted the ongoing involvement of Ngāti Hangarau in the Omanawa Falls project; they were partners in the governance group and sat at the table for all decisions made by that group.
- All possible options for funding for the Papamoa East Interchange, including tolling, would be included for consideration.

Discussion points raised

- Noted that the level of service proposed for road surfacing was the result of a balancing exercise, with consideration of the costs of the options – asphalt was very expensive to provide. Given the size of funding commitments required through rates, every dollar counted; and it was possible to make savings in this area.

RESOLUTION CO2/21/4

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report '2021-2031 Long-Term Plan – Update and revised working draft'.
- (b) Notes that to address the transportation, housing and community infrastructure needs of the city the revised working draft Long-Term Plan is based on 'Scenario C Plus' and includes further amendments and additions as detailed in this report.

Issue 1: Road resealing

- (c) Rescinds the decision of the Policy Committee on 20 October on to 'Approve option 2 into the LTP prioritisation process and request further advice on funding this through a city-wide or a local targeted rate or combination of both.
- (d) Retains the existing 'fit for purpose' level of service for road resealing and incorporate this decision into the draft Long-Term Plan process.
- (e) Highlights the proposed approach to road resealing in the LTP consultation document and actively seeks community input on it.

Issue 2: City centre stocktake

- (f) Supports a stocktake of strategic documents relating to the city centre and allocates \$50,000 in the 2021/22 draft budget to complete this work.
- (g) Notes that a further report-back on this work will occur before the final Long-Term Plan is adopted.

Issue 3: Tropical display house in Robbins Park

- (h) Defers consideration of the future of the tropical display house in Robbins Park until after the completion of the stocktake of city centre strategy.

Issue 4: Omanawa Falls

- (i) Amends the budget allocation for the Omanawa Falls project to include a Council contribution of \$3.5 million.

Issue 5: Sustainability

- (j) Confirms the continuation of the \$400,000 annual budget for the development and implementation of a sustainability framework and action plans.
- (k) Ceases the process to establish an independent sustainability advisory board.

Issue 6: Rating options

- (l) Staff to include the following options in the report to the 15 March 2021 Council meeting:
 - (i) A commercial differential of 1.6 in 2021/22 (preferred option); and
 - (ii) A commercial differential of 1.6 phased in over first two financial years as 1.4 in year one and 1.6 in year two (alternative option).
 - (iii) A fixed charge to include a 10% cap on the UAGC including kerbside waste collection; and
 - (iv) A fixed charge to include a 10% cap on the UAGC excluding kerbside waste collection thereby increasing the fixed charge.
 - (v) Introduction of targeted rates for specific areas of expenditure.
 - (vi) In respect if resilience investment over the 10-year period:
 - Increasing the existing targeted rate; and
 - Option and implication of including a further \$100 million.

CARRIED**10.2 2021-2031 Long-term Plan - Significant Forecasting Assumptions**

Staff Josh Logan, Team Leader: Corporate Planning
Jeremy Boase, Manager, Strategy & Corporate Planning

In response to questions

- Noted the high level of uncertainty associated with Assumption 10 that the business and structure of local government would not alter within the lifetime of the LTP. This assumption was drafted based on advice provided by Audit New Zealand.
- Clarification was provided on Assumption 18 and the inclusion of funding for the development of Te Tumu. Commencement of development was considered unlikely to occur within the current LTP, and if it were to occur it would be in the outer years of the LTP lifetime. Staff had chosen to be conservative and not show a revenue stream that was not certain.
- Assumptions 19 and 21 – commentary would be provided in the LTP document regarding possible changes to the ownership of water infrastructure assets.

RESOLUTION CO2/21/5

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report;
- (b) Approves the draft Significant Forecasting Assumptions, with an amendment in respect of the timing of the Te Tumu purchase, as set out in **Attachment 1**;
- (c) Agrees the assumption regarding demographics may be updated as necessary to reflect data due to be released by Tauranga Aotearoa Stats NZ on 31 March 2021; and
- (d) Agrees the actions detailed as mitigations to address risk may be updated to reflect the outcomes of developing the LTP.

CARRIED

10.3 2021-2031 Long-term Plan - Draft Groups of Activities (including performance measures)

Staff Josh Logan, Team Leader: Corporate Planning
Jeremy Boase, Manager, Strategy & Corporate Planning

Key points

- The Groups of Activities document would be included as supporting information on the website for the draft LTP; for the final LTP the document was included in the actual LTP document.
- Inclusion of actual performance measures was tricky in terms of timing; as current actuals would not have been audited in time for inclusion. The preceding year's audited actuals (2019/20) could be included to provide a comparison and as an indication of trend movement.

RESOLUTION CO2/21/6

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report.
- (b) Approves the draft Groups of Activities plans as set out in **Attachment 1**, in order to form part of the supporting information for consultation on the 2021-2031 Long-term Plan.
- (c) That Council notes amendments will be made to the Groups of Activities plans to enable inclusion of key projects by activity (once the draft financials are completed in March 2021), and to outline the funding sources following completion of the revenue and financing policy process.

CARRIED

10.4 Approval of the draft Revenue and Financing Policy Framework

Staff Kathryn Sharplin, Manager: Finance

In response to questions

- Noted that libraries were multi-purpose facilities used for more than providing library materials and resources. The description of the benefits of libraries was not broad enough and could be better defined to capture all uses/benefits.

- A rationale for funding for regulation monitoring and a description of the benefits to the community of providing that funding should be included.
- Tolling was not included in the discussion of transport charging options. Noted that for tolling to be a viable option for council, an order-in-council was required to be in place. If the charges related to a part of the state highway network, that would be captured under NZTA funding mechanisms. Tolling as a charging option could be included but with the limitation that any tolling scheme was subject to an appropriate order-in-council.

RESOLUTION CO2/21/7

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Approves the draft Funding Needs Analysis (Attachment 1) with amendments as agreed at the meeting and the preliminary draft Revenue and Funding Policy (Attachment 2) subject to decisions on the overall impact of the allocation of liability for revenue.

CARRIED

10.6 Development Contributions - Papakainga housing

Staff Jeremy Boase, Manager: Strategy & Corporate Planning
Carlo Ellis, Manager: Strategic Maori Engagement

Key points

- No staff recommendation was included in the report as this was a political decision. Development contributions were a cost recovery mechanism; if not received from the developer then generally the cost would be recovered from the ratepayer. It was a decision for the commissioners where recovery of those costs should lie.
- Noted impact of development contributions on the development of Māori land and the constraints imposed; a distinguishing factor with Māori land was multiple ownership.

In response to questions

- The Western Bay of Plenty District Council (WBOPDC) policy was considered to see if its principles could be applied to Tauranga City Council (TCC); there was not significant evidence that the subsidy was removing the barriers to development as expected. There was no explanation of the rationale for adopting the 50% reduction figure.
- A 50% reduction may not necessarily provide enough of an incentive for a family to be able to fund deferred development contributions.
- A solution was needed that enabled housing to be developed, as well as being fair, equitable and transparent.
- There was no existing fund available to be used to offset deferred or subsidised development contributions; any offset would need to be included in rates.
- The establishment of a grant fund to support the development of social housing was possible; a “subsidy fund” was outlined in the report.
- Noted that development contributions might not apply to the iwi or community housing provider (CHP) involved but to the developer of the housing site.
- Considered important to align policies as much as possible with WBOPDC for papakainga and community housing.

RESOLUTION CO2/21/8

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Council:

Leaves the agenda item 10.6 – Development Contributions - Papakainga housing - to lie on the table until the subsequent Council meeting on 15 March 2021.

CARRIED

10.5 Development Contributions - Community Housing Providers

Staff Jeremy Boase, Manager: Strategy & Corporate Planning

RESOLUTION CO2/21/9

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Council:

Leaves the agenda item 10.5 – Development Contributions – Community Housing Providers - to lie on the table until the subsequent Council meeting on 15 March 2021.

CARRIED

10.7 Civic Rebuild - Priority Decisions

Staff Brigid McDonald, Manager: Strategic Investment & Commercial Facilitation
Jo Stone, Senior Strategic Advisor

A copy of the staff presentation for this item can be viewed on Tauranga City Council's website in the Minutes Attachments document for this meeting.

Key points

- Outlined previous Council decisions and noted the key decision sought today.
- The report requested that a specific budget for civic rebuild projects be included in the LTP.
- Noted the recommendation to meet with Ngai Tamarawaho to discuss future development of the Civic Precinct.

In response to questions

- Areas 21 and 41 (the TV3 site) were currently used for carparking. Use of that land was to be looked at during the Civic Precinct Master Plan refresh and challenge process.
- The Master Plan refresh process would start in April/May; there would be a report back to Council to determine what further aspects should be consulted with the community.

Discussion points raised

- Certainty of development was fundamental to the revitalisation of the CBD.

RESOLUTION CO2/21/10

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Council advances the Civic Rebuild programme as follows:

- a) Notes the Council has a key role in supporting City Centre revitalisation through investment in Civic Facilities and amenity and contributing to a City Centre environment which incentivises activity, future private investment, and increased mixed-use development;
- b) Confirms the September 2020 decision of Council to refresh and revise the Civic Precinct Master Plan. Approves a revised streamlined challenge process to the existing Master Plan and a subsequent report back to Council;

- c) Includes in the draft Long-Term Plan the proposed programme and projected capital expenditure of:
- \$45 million to provide the new Community space and Library facility, (commencement August 2021, expected completion December 2023); and
 - \$11 million to provide enhanced public spaces in the Civic Plaza and surrounding area (including Masonic Park);
 - \$2 million for temporary relocation and associated fitout costs
 - \$3 million for demolition of existing buildings on Civic site.
- d) Confirms the intent of the Commissioners to meet with Ngai Tamarawaho representatives to discuss arrangements for meaningful engagement regarding the future development of the Civic Precinct
- It is envisaged that Ngai Tamarawaho will be a key partner for the community space and central library facility build programme.
- e) Confirms the March 2020 in-principle decision of Council to secure leased interim office accommodation for the purpose of consolidation of Council's administration staff in a single location and approves negotiations being entered into with third parties to this effect;
- f) Approves the demolition of Willow Street Buildings A, B and C (refer **Attachment 1**) as soon as possible following existing Council services relocating to other temporary premises; and
- g) Notes that the capital and operating expenditure forecast in this report includes projected costs relating to the demolition of the Willow Street buildings and temporary premises (relocation, rent, outgoings) whilst the new facilities are built.

CARRIED

Attachments

- 1 PowerPoint Presentation - Council - 8 March 2021 - Civic Rebuild

10.8 Financial and Non-Financial Monitoring Report: Period ended 31 December 2020

Staff Kathryn Sharplin, Manager: Finance
Ben Corbett, Corporate Planner
Rhea Brooks, Corporate Planner

In response to questions

- Currently were tracking favourably to budget; this was affected by revenue being less impacted by COVID-19 than expected.
- There had been a downturn in visitor numbers to The Elms due to COVID-19; other opportunities to assist with moving visitors to key CBD attractions were being investigated.
- The Historic Village strategy recently developed would help drive occupancy and tenancy.
- Bus usage figures were down; a strategic conversation with Bay of Plenty Regional Council was needed to help understand how usage was tracking and what the trends indicated.
- Noted that more commentary on the trends in the "reds" would be useful in ongoing reports, including any indication of corrective actions planned. An overall sense of trend would be useful for the organisation as well as individual activities

RESOLUTION CO2/21/11

Moved: Commissioner Bill Wasley
Seconded: Commissioner Shadrach Rolleston
That the Council:

- (a) Receives Report Financial and Non-Financial Monitoring Report: Period ended 31 December 2020.

CARRIED

11 DISCUSSION OF LATE ITEMS

The late item *Report: Delegation relating to Civi Defence Emergency Declarations* was dealt with earlier in the meeting.

12 PUBLIC EXCLUDED SESSION

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION CO2/21/12

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
12.1 - Tauranga Northern Link Future Proofing Opportunity	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
12.2 - Elder Housing	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
12.3 - Civic Rebuild - Consolidated Civic Administration Premises	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	(including commercial and industrial negotiations)	
12.4 - Seismic status and upgrade of the Spring Street and Elizabeth Street carpark buildings	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
12.5 - Request approval for Exemption to Open Competition for IC23	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

KARAKIA

Commissioner Rolleston closed the meeting with a Karakia.

The meeting closed at 5.30pm.

The minutes of this meeting were confirmed at the Ordinary Council meeting held on 29 March 2021.

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CHAIRPERSON