



*Tauranga City*

# **MINUTES**

**Ordinary Council meeting  
Monday, 12 December 2022**

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UNCONFIRMED

**MINUTES OF TAURANGA CITY COUNCIL  
ORDINARY COUNCIL MEETING  
HELD AT THE BOP REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE, 1 ELIZABETH  
STREET, TAURANGA  
ON MONDAY, 12 DECEMBER 2022 AT 9.30AM**

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

**IN ATTENDANCE:** Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Stephen Burton (Acting General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Alastair McNeill (General Manager: Corporate Services), Sarah Omundsen (General Manager: Regulatory and Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Mike Naude (Director of Civic Developments), Curtis Bones (Manager: Strategic Property and Commercial Facilitation), Tracey Hughes (Financial Insights & Reporting Manager), Kathryn Sharplin (Manager: Finance), Sheree Covell (Treasury and Financial Compliance Manager), Marin Gabric (Senior Financial Accountant), Jeremy Boase (Manager: Strategy and Corporate Planning), Brendan Bisley (Director of Transport), Coral Hair (Manager: Democracy & Governance Services), Sarah Drummond (Governance Advisor), Anahera Dinsdale (Governance Advisor), Janie Storey (Governance Advisor)

## **1 OPENING KARAKIA**

Commissioner Shad Rolleston opened the meeting with a karakia.

## **2 APOLOGIES**

Nil

## **3 PUBLIC FORUM**

### **3.1 Mr Liam Dickson and Mr Tamati Tata (for Buddy Mikaere) - Smiths Farm hapū engagement**

#### **Key points**

Mr Dickson noted:

- An apology for Buddy Mikaere who was unable to be present at the meeting.
- The summary in the report outlined the Ngai Tamarāwaho initial engagement case, noted that the land exchange had been recent, but the first approach was made to Council in November 2015 during LTP considerations when Council declared the land surplus.
- If the proposed subdivision had taken place at the time, there would be 300 Tauranga families adequately housed.
- Delays by past councils had meant that this far down the track still nothing had been done, when everyone had agreed that Tauranga was facing a housing crisis.
- Through the delay period land and house prices had soared while supply chain issues had continued to multiply.
- The last hurdle to Ngai Tamarāwaho aspirations was the categorisation of the land as strategic, which allowed the disposal process to bypass the Council's own right of first refusal policy. It

appears that the staff advice on this matter was geared towards there being no physical cultural associations with the land.

- This was a narrow approach and Ngai Tamarāwaho was saddened that the hapū interaction outlined in their correspondence apparently counted for little.
- Ngai Tamarāwaho agreed with the Council that Smiths Farm was also for the community, but for the first time there was a real tangible benefit for the hapū in terms of a portion of the land being able to be retained by the hapū.
- Ngai Tamarāwaho believed that the Council, as a beneficial recipient of past Crown failings, had a moral obligation alongside its internal policies and treaty obligation. Ngai Tamarāwaho had more than met their obligations and it was now time for the Council to meet theirs.
- When it came to the question of strategic disposal, agreed the property was of strategic importance; however, they disagreed that it should remove Ngai Tamarāwaho from leading this process.
- In every submission to the Council regarding the land Ngai Tamarāwaho had brought key partnerships to the table, initially in 2015 and more recently.
- The categorisation of the land as strategic felt like a continuation of a view in this area that Māori were not capable of leading a project of this level of importance in the city; challenged this view.
- It Council was calling into question their ability to deliver a housing programme of substance, Ngai Tamarāwaho had ensured, within their development partnerships to date, that they had a cross section of large charitable trusts, impact investors and significant land and housing developers with extensive experience to develop in partnership with iwi and Crown for housing programmes.
- Mr Tata noted that he was there to support Mr Dickson's comments regarding the land acquisition.

#### **Discussion points raised**

- Commissioner Tolley noted that, during consideration of this issue, there had never been any doubt about the capability of Ngai Tamarāwaho. If Council adopted the recommendation there was nothing to stop Ngai Tamarāwaho from taking part in that process.
- A policy was put in place last year that allowed for several threads to run through the land policy, one of which was where Council decided its strategic goals for this piece of land. It was the Council's desire to achieve its strategic outcomes that drove this process, not trying to avoid the right of first refusal.

### **3.2 Mr John Robson - draft Annual Plan**

#### **Key points**

- Mr Robson considered that the Council did not work with ill will, it was more a case of mistakes and lack of ability rather than conspiracy and ill will. The criticisms made today were in the hope that they be taken on board and acted on and for the Council to raise its game.
- His concern with this agenda was around the draft annual plan.
- Observed that the Executive report made a comment on turnout at the local body election, with no mention that there was a difference with the Tauranga situation and the absence of democracy in Tauranga.
- With regard to the idea that Council would not consult on the 2023-24 annual plan, Mr Robson urged Council to reject that staff recommendation and consult. It would not cost a lot of money and he would happily contribute to see consultation take place on the annual plan.
- The fact that the Council was under pressure by bringing forward the Long-term Plan (LTP) should not be a reason for justifying a lack of consultation with the community.
- Rejected that there was not any significant change in the draft annual plan to what was in the LTP Amendment, as there was an increased Opex budget of 20% and a reduced Capex budget of 20%. These were significant shifts which would impact the community.

- Noted an increase in the budgeted cost for the civic centre, through the relationship with Willis Bond, as well as 400m<sup>2</sup> of floor area missing.
- Consultation was important as a starting point for communication, for the community to have a chance to become fully informed, and for Council to consider the community feedback on its proposed actions and expenditure.
- Reiterated his request for consultation on the 2023-24 annual plan.

#### 4 ACCEPTANCE OF LATE ITEMS

##### RESOLUTION CO23/22/1

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the following items be included in the agenda:

13.6 90 Devonport Road

13.7 Mount North land sale

**CARRIED**

#### 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

#### 6 CHANGE TO THE ORDER OF BUSINESS

Nil

#### 7 CONFIRMATION OF MINUTES

##### 7.1 Minutes of the Council meeting held on 28 November 2022

##### RESOLUTION CO23/22/2

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the minutes of the Council meeting held on 28 November 2022 be confirmed as a true and correct record.

**CARRIED**

##### Staff Action - Previous minutes - petition response

- It was requested that a report on the items raised in Mr Kimber's petition to the 28 November 2022 meeting be provided to the 7 February 2023 Council meeting.

#### 8 DECLARATION OF CONFLICTS OF INTEREST

Nil

## 9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

## 10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

## 11 BUSINESS

### 11.1 Te Manawataki o Te Papa - Preliminary design and cost report

Staff Gareth Wallis, General Manager: Central City Development  
Mike Naude, Director of Civic Developments

External Wayne Silver, Willis Bond  
Verity Judge, Willis Bond  
Puhirake Ihaka, Chair - Otamataha Trust and Deputy Chair - Te Manawataki o Te Papa Governance Group  
John Brockies, Chair - Te Manawataki o Te Papa Governance Group

#### Key points

Mr Brockies noted:

- The project was very well thought through with a well moderated integrated set of recommendations from the Executive for the next stage of Te Manawataki o Te Papa.
- The Governance Group was formed in August 2021 to provide the Commissioners with external governance oversight for the project.
- The group works with the vision of the Executive and Willis Bond, making recommendations to the Commissioners on what was to be created in the space. There had been some changes to the scope to include site C.
- The Governance Group added to the vision with the topics of engineering, physics and economics, to understand how the civic centre was to be constructed and in what order, while also paying attention to supply chain, logistics, resources, infrastructure etc.
- It had been a significant body of work but Council could have confidence there was a solid foundation.
- Compliments to the team as it had been a highly collaborative and collegial working environment, including with the external providers.
- The commercial dimensions with Willis Bond had been carefully identified, risk managed and worked through so Council could be confident of the quality and value for money of the investment.

Mr Ihaka noted:

- It had been important that the Otamataha Trust had been represented on the Governance Group as it had given Trustees a true reflection of the partnership within the city and the way in which the Council operated.
- The Trust was happy to be at the table and be involved from the top down to where the real work was done. A section had been inserted in the report on behalf of mana whenua which provided a very short history of who they were and how they participated in the process.
- Reinforced that this was a positive partnership which gave the Otamataha Trust the opportunity to ensure that their cultural values and principles were taken into account and considered throughout the project in its entirety.
- The Otamataha Trust were at the table in both the governance and operational teams.
- The Otamataha Trust had a governance structure made up of Trustees, a Manager/Advisor, and an administrative and operational section. It also consisted of design artists who were skilled artists and carvers that had been drawn upon from their two hapū.

**Discussion points raised**

- Noted that external accountability was a very important part of the design, as there were many things that could happen that could increase costs.
- While it was unusual that the four Commissioners were each chairing a steering group, it was a deliberate decision to protect the visions of the different streams of work.
- The small difference in cost from the concept to the preliminary design was evidence of the hard work by the Governance Group and the various steering groups to focus on the outcomes that each activity needed.
- Noted appreciation for the work done by mana whenua and their contribution to the design, and their commitment to a partnership for this project.

**In response to questions**

- In response to a query what would happen to the Governance Group if a CCO was to be established, Mr Brockies noted that the future of the group would follow a normal life cycle of a project where there were planned intervals to review governance and moderate where necessary. The group could be reshaped in some manner, dissolved or reformed. If a CCO was to be approved, the Chief Executive and team would go through a process to mobilise the CCO and transition it through so that the project momentum was maintained.
- Mr Brockies noted that the Governance Group had been through the process of evaluating the designs against the intended purposes of the development and to include a cultural context. The changes made were to give more of an expression to these and expand the concepts to the nearby sites. 90 Devonport Road was connected to the project to ensure the adjacencies were well managed and the flow continued.
- A benefit of the partnership with Willis Bond was they had a large team of professional designers from around New Zealand, and brought them into the project with a high level of competency to make the project work for the people and on the design plan. The proposal was well thought through and, while there were still some design issues to work through, the precinct would become the heart of the city and in a much better position than was first envisaged two years ago.
- While there were levels of risk with each element of the budget, there were also well thought through provisions for these.

Mr Silver provided a presentation of the timeline and outcome of the project:

- Willis Bond had continued to evolve the design to the preliminary stage with costings.
- Significant design decisions were made by the Commissioners towards a strong sustainability scheme, so hybrid wood had been included into the buildings where practical. Working towards a 6-star green rating came at a premium and with additional costs, but savings were able to be achieved elsewhere.
- There had been 13 organisations and 50 individuals involved in the body of work over the past six months.
- Evolution of the master plan included the exhibition building being made broader based on feedback to make it a multipurpose useable space. This had a flow on effect into the sculpture garden with more prominent green spaces in the landscape towards the south of the site and the rejigging of ramping to accommodate the 13m fall between Durham Street and the water's edge.
- The civic whare had been redesigned with a greater prominence of green areas, also as a result of feedback.
- The library and community hub area had been expanded slightly and now included an I-site kiosk.
- A campus concept theme was adopted and the buildings would be built concurrently and have relationships and synergies with each other. They would also complement and reinforce each other's purpose.
- There were multiple architects working with a high degree of co-ordination with sustainability as a significant feature. Landscaping bound the design together connecting the individual buildings and creating safe engaging spaces for users.



- Mana whenua had been involved in the cultural engagement since day one and were working side by side all the way through. A number of local Māori themes would be included on the façade and inside the buildings
- A public facing hub had been accommodated within the design, some of the archive space had been rationalised and some of the community hub was now located in the museum building to minimise the space and maximise the use across the campus.
- The façade shape and design work was reflective of the water theme running through the site with a number of natural springs, which provided a significant cultural connection to the sea.
- The buildings were quite fluid and curvaceous down through the site with the library and community hub having panelised glass panels to become reflective of the natural environment and trees. A Māori motif had been donated to the project and was reflected symbolically throughout the design. The ponga leaf symbolised growth and education.
- The Museum and Exhibition centre had been made broader and redesigned at ground level to accommodate the natural land shape and included hybrid timber to achieve a 6 green star rating. Space had been added for exhibitions and community hub activities and the building was a significant feature throughout the site which linked with a clear passageway to Hamilton Street and the carpark.
- The Civic Whare was different to that in the original masterplan, but the budget was the same. It was more modern and curvaceous, included an oculus in the roof and had the full support of the Steering Group and mana whenua as it symbolised a physical representation of the partnership that had been embraced.
- The civic whare would be the home for the democratic function of the Council as well as a cultural meeting place. It would see the community engaging with the democratic process, provide a venue to host dignitaries and included a Māori stone feature that was able to be touched.
- The designs for the civic whare, museum and exhibition buildings were based on natural vessels which would hold treasures on the site and would be seen as floating vessels sitting gently on the site with a façade of terracotta tiles.
- The landscape would consist of green spaces, provide for a number of visitors throughout the site and would be planted in native and introduced species. There were stairs and significant ramping installed to provide a safe way to access the steeper areas.
- Masonic Park provided an important transition between the waterfront and site A with more green space where people were able to enjoy the terraced space from the Art Gallery to the Strand providing shade and clear access for pedestrians.
- Willow Street would be closed off to most traffic.
- Cost overview - there had been a 1.8% increase but by using hybrid wood, incorporating the community hub, taking excess spaces out, having the precinct used as a campus to spread uses and not duplicate services, landscape and footpath savings there was an increase of \$3.3m in the library and \$6m in the exhibition areas which had been offset by other costs.
- There had been a rigorous process undertaken to detail the costs and, even with the unprecedented escalation of construction costs, an 18.5% contingency had been retained in the cost. This provided a high degree of comfort with the projection of inevitable cost increases.
- The programme had included a 12-month settling period for the museum site following excavation, but this was no longer necessary so construction could commence sooner.
- Construction and design were being undertaken at a fast pace - this was challenging and had been labelled as a risk.
- Managing the funding was also a risk, with 50% of the funding being sought from other funders and, with the escalation of costs being unprecedented, there were periods of pressure through all the phases. There were a number of construction firms failing at present and there were also a significant number of other projects occurring within Tauranga that were outside Council control. This needed to be managed to ensure the project was protected.
- Three architectural firms were being used for the projects to spread the risk. There was risk around continuity, knowledge transfer and consistency with any change of governance. Pressure would also be placed on Council to provide approval to spend ahead of time to

procure materials to ensure they were in production for the timing of the works.

### In response to questions

- In response to a query around the risk of achieving a 6-star rating, it was noted that the current rating was based on the existing green standards and these may change at the time of building; so there was no guarantee of the rating until the building had been completed. There was a clear intent to aim for a 6-star rating and if there was a risk of this not being met it would be reported back to Council.

### Discussion points raised

- Council, Willis Bond and local mana whenua sitting alongside each other had produced an outstanding design with a vision that would transform the heart of the city. This could be seen already in the private sector with developments starting to take shape.
- It was noted the landscape plans currently showed a lot of palm trees, and was requested that the trees in the area where people gathered needed to provide shade while still protecting the sight lines to the moana.
- The Art Gallery was a critical part of the whole campus and working with the Gallery to open it up onto Memorial Park was important and needed to be finished first to incorporate the facility into the area.
- The wording of recommendation (d) was not clear that the cost to the ratepayer would not exceed \$151.5m with any additional costs to be recovered from other sources, and was amended to better reflect that.
- Acknowledged the members of the Library, Community and Customer Services Hub Steering Group, which included external experts from organisations involved with archives and the running of libraries, for their input over the past year. Operating the precinct as a campus was a key component and making it a community space would allow for it to operate as one. The rationalising of services was a positive way forward.
- Commissioners had listened to the strong feedback from the LTP process to make it this an environmentally sustainable development to set the scene for Tauranga to take a leadership role and enable a greenway connection. There was strong recognition throughout the process of the need to meet operator requirements and ensure that the design would deliver the services.
- Credit was given to the design teams for stepping back from the advanced designs and redesigning where necessary. While there was still a long way to go with funding, Commissioners were confident that with the level of expertise brought to the table, funding would be achieved.
- The LTPA commitment around the cost, look, feel and shape of the buildings had been taken into account and the environmental benefits gained.
- An update report was requested on Site C early in the new year.

### RESOLUTION CO23/22/3

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Te Manawataki o Te Papa – Preliminary design and cost report".
- (b) Notes that at this stage of the design process, the projected cost has increased by \$4.5 million compared to the Long-term Plan Amendment budget.
- (c) Notes that the overall cost estimate will be further refined during the detailed design phase of the programme.
- (d) Reconfirms that the rate-funded debt would not exceed \$151.5m and that the balance needed for the programme of works is subject to funding from sources other than rates-funded debt.

- (e) Authorises the Chief Executive to enter into a Development Commitment with Willis Bond, to progress the developed and detailed designs at an estimated cost of \$21.3 million.
- (f) Notes that the detailed design will be brought back to Council for approval, prior to entering into a Development Agreement, in accordance with the Tauranga City Council / Willis Bond Partnering Agreement.

**CARRIED**

### Attachments

1 Te Manawataki o Te Papa - Presentation 12.12.2022

### 11.2 Establishment of a council-controlled organisation to lead the delivery of Te Manawataki o Te Papa projects

**Staff** Marty Grenfell, Chief Executive  
Alastair McNeil, General Manager: Corporate Services

#### Key points

- With the civic projects moving from design to construction next year, the CCO would address what Council needed to do to provide assurance that risks were identified and set at the appropriate levels.
- Construction risk assurance, value engineering and scope creep were skill sets that were needed to protect the interests of the community.
- Continuity was also needed with governance over the lifetime of the projects at all phases.
- Feedback from the community indicated they were in favour of specialists being appointed to deliver these projects for the civic centre area and, if a CCO worked well for these projects, it would also work well for other projects. Those against the proposal noted that Council employees should project manage the works and be held accountable for cost overruns.
- The executive summary reference to the 14 November 2022 report had an incorrect title and should be 'the Options for delivery of Te Manawataki of Te Papa development project by a council-controlled organisation'.

#### In response to questions

- The timing for the appointments and establishment of the CCO would take place in the first half of 2023.
- **Discussion points raised**
- The funding decisions from the 14 November 2022 Council meeting were added to recommendation (b) as (i) and (ii).

### RESOLUTION CO23/22/4

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Establishment of a council-controlled organisation to lead the delivery of Te Manawataki o Te Papa projects".
  - (i) Considers the issues raised by the submitters when determining the scope and terms of reference of the CCO.
- (b) Adopts the proposal to create a Council-controlled organisation to deliver the Te Manawataki o Te Papa development project, subject to final decision-making:

- (i) Agrees to include in the 2023/24 Annual Plan a \$700k loan-funded grant and associated ratepayer funded interest and debt retirement charges over a maximum period of ten years.
- (ii) Agrees to include in the 2024-34 Long-term Plan process an annual \$600k loan-funded grant and, for each such annual loan, associated ratepayer funded interest and debt retirement charges over a maximum period of ten years.

**CARRIED**

At 11.23 am the meeting adjourned.

At 11.33am the meeting reconvened.

### **11.3 Smiths Farm - Disposal Classification and Hapu Engagement**

**Staff** Christine Jones, General Manager: Strategy, Growth and Governance  
Curtis Bones, Manager: Strategic Property and Commercial Facilitation

#### **Key points**

- Approval to be considered for the requirements of the disposal policy and mana whenua engagement.
- Following a hui on 15 November 2022 which covered key points for the area, no cultural sites of significance were identified that would result in stopping the land being sold for housing. Mana whenua raised a request to allow them to purchase the land on commercial terms.
- The recommendation for disposal was to progress on the open market.
- Correction - classification 26 - the recommendation should be option 1 not option 2 and at the end option 2 should be option 1.

#### **Discussion points raised**

- Acknowledged the Ngai Tamarāwaho presentation made earlier in the meeting and noted that they were sorry that the decision was not made seven years ago or there would have been houses already there.
- Noted that Ngai Tamarāwaho deserved recognition for not wanting a hand out and for looking at purchasing the land on commercial terms. Council had strategic objectives to contribute to the housing trust concept of perpetual funding for houses to be able to be constructed and maintained, which was a significant departure to what had been put to Council in the first place. There was nothing to hold the hapū back from taking part in the process.

#### **RESOLUTION CO23/22/5**

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Smiths Farm - Disposal Classification and Hapu Engagement".
- (b) Considers the requirements of the Property Acquisitions and Disposal Policy have been satisfied insofar as it relates to Mana Whenua Engagement.
- (c) Classifies the divestment of the Smiths Farm SHA site as a **Strategic Disposal** under the Property Acquisitions and Disposal Policy, with the strategic objectives of:
  - (i) Enabling housing development at the earliest opportunity
  - (ii) Delivering medium density residential development with a mix of housing typologies, and a mix of affordable and market housing
  - (iii) Providing a range of housing tenure and ownership arrangements.

- (iv) Maximising the financial return from the market housing to enable reinvestment into affordable housing outcomes.
- (d) Progresses the disposal of the Smiths Farm site via an open market process; and advises Ngāi Tamarāwaho hapū that Council will not enter into a direct exclusive negotiation with the hapū and that the hapū can participate in the open market process.

**CARRIED**

#### **11.4 Adoption of Council's Strategic Framework**

**Staff** Christine Jones, General Manager: Strategy, Growth and Governance  
Jeremy Boase, Manager: Strategy and Corporate Planning

##### **Key points**

- The strategic direction was approved for consultation and reported in September 2022, and with the feedback received, was to be brought back for formal approval.
- The document was a point in time and would continue to be reviewed.
- A summary document in shorter form would be used as a base document and be included on the website.
- An action and investment plan would be completed and reflected into the 2023-24 LTP.

##### **In response to questions**

- Staff were working through the issues and the final report was forthcoming.
- It was requested that it be made clear that the annual review was not carried out each year but was linked to the LTP and updated every 3 years.

##### **Discussion points raised**

- The summary commentary around underinvestment and addressing the issues around community amenities and planting of trees was an important translation for the community and other groups to understand.
- Key projects where the community could hold the Council accountable needed to be given clear KPI's as part of the LTP - e.g. housing statistics. Important how these projects were put into the plan to give the community a clear idea of what the pathway looked like to achieve the goals.

#### **RESOLUTION CO23/22/6**

Moved: Commissioner Bill Wasley  
Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Adoption of Council's Strategic Framework".
- (b) Adopts *Our Direction – Tauranga 2050* (Attachment 1), summarising Council's strategic framework and high-level direction which guide Council's decision-making on future investment and delivery for our communities.
- (c) Delegates the General Manager: Strategy, Growth & Governance to approve minor amendments if required prior to publication.
- (d) Notes the proposed next steps for the strategic framework refresh project.

**CARRIED**

## 11.5 Executive Report

**Staff** Marty Grenfell, Chief Executive  
Stephen Burton, Acting General Manager: Infrastructure Services  
Barbara Dempsey, General Manager: Community Services  
Paul Davidson, Chief Financial Officer  
Christine Jones, General Manager: Strategy, Growth and Governance  
Alastair McNeil, General Manager: Corporate Services  
Sarah Omundsen, General Manager: Regulatory and Compliance  
Gareth Wallis, General Manager: Central City Development

### Infrastructure Services

#### Key points

- A summer waste campaign was being promoted to keep track of the kerbside collections throughout the holiday period when there were more materials recycled.
- New diversion options had been introduced for items such as batteries, e-waste, untreated timber with a significant number being diverted from going to landfill.
- Waiāri water project had been commissioned and the plant was able to be activated shortly to bring water to the city.
- TCC had been one of the first Councils to submit National Water Safety plans and the team were assisting neighbouring authorities to understand the requirements needed to develop their plans.
- With the spatial planning around intensification in Te Papa, the Western Corridor and Waterside, staff were creating more resilient three water systems to handle the growing population. Stormwater management plans were prepared to deal with future flooding challenges and the quality of run off was also aligned with this work. The projects would feed into the LTP review.

#### In response to questions

- Stormwater quality and management was undertaken in any upgrade works being carried out and were also sought out at other times where the opportunity arose.
- Staff were engaging with mana whenua, residents and the wider community with regards to the Te Papa and Tauranga West stormwater plans. With the challenge of transitioning to the new three waters entity, it would be made clear that the city would be the plan makers and the entities would be plan takers.
- It was noted that future reports needed to include wider outcomes analysis whether TCC was delivering on KPI's - e.g. was congestion getting better or not, were the roads safer, was there more or less carbon, how many houses were being delivered, were they meeting the market need and addressing affordability, were people enjoying the amenities provided etc.
- It was noted the report was a snapshot of the activities rather than tangible measures across LTP metrics; it was important to tell the story of the progress being made.

#### Discussion points raised

- Congratulations to the staff for the summer waste initiatives, especially following the amount of feedback received during the last holiday period. A report was requested in the new year on how these initiatives went and to monitor and assess whether TCC had done enough, particularly around public spaces.
- Te Maunga Transfer station development design was raised at the final Bay of Plenty Mayors and Chairs forum in October 2022, and staff liaison with other councils was requested to ensure a regional perspective, especially regarding industrial waste. The Chief Executive noted that he would follow up that issue.

## Community Services

### Key points

- The first accessible changing facility in Tauranga had been completed which allowed more people the opportunity to undertake events and join in with family life.
- LIMs - with a new Bill possibly considering changes to LGOIMA requirements, staff would be able to make changes to the information currently provided.

### In response to questions

- Artwork was still to be carried out on the Eden Crescent Connection and the blessing to open it would be held once this had been completed.

### Discussion points raised

- Congratulations to staff with the recent moving of the Coronation toilets - it was speedy, well done and much needed prior to the cruises commencing.
- Congratulations on the recent launch of the Western Bay of Plenty homeless and housing dashboard which provided an insight into the makeup of the city and useful household data across the city.
- The Migrants Pōhiri day partnering with Ngai Te Rangi and the multicultural community within Tauranga was a success.
- A recent citizenship ceremony was held for 70 people from 22 different countries, and another would be held this week for a further 120-130 people. It was a sign of the number of people becoming citizens and coming from all over the world to make Tauranga their home.

## Chief Financial Officer

### Key points

- Airport activity - flights were up from pre-covid times and the carparking was progressing. There was a change to the taxi thoroughway which had not caused any disruption.

### In response to questions

- The carparking development at the airport was expected to be completed in the first half of next year.
- The tender for the Marine Research and Education facility would be out in January 2023; this development would be closely aligned with the Sulphur Point master plan.

## Strategy, Growth and Governance

### Key points

- The Greerton Maarawaewae study and consideration of submissions would be deferred until the broader work had been done by the NZ Thoroughbred Racing Authority and an assessment was completed around the city's health needs. A further report on how this was progressing would be provided in the first quarter of next year.

### In response to questions

- Staff would reengage with the golf club regarding their future needs so that they could be given some certainty at this early stage without compromise.

### Discussion points raised

- Acknowledgement for the work being done with iwi and the health sector especially regarding the Waiāri plant commissioning.

## Corporate Services

### Key points

- There had been a huge media up-kick with the recent Prime Minister's visit and then down again with the elections.

- The digital global supply reality technology was being trialled on a small scale for a playground in conjunction with the Takawaenga unit.

#### **Discussion points raised**

- Acknowledgement of the virtual reality initiatives and the kiosk at the bottom of Wharf Street as new ways to connect with the community.

#### **Regulatory and Compliance**

##### **Key points**

- Building consents this year were 15% of what they were last year. Information would be provided in the future on how many houses were being built and completed.
- There was now a five-day turnaround for consents with the expert panel working well.
- The Alcohol Licencing team was processing the licences sought for the holiday period.
- Funding had been received from MBIE to transition to the new freedom camping rules.
- Good feedback had been received on the “Bark in the park” event and the event would be provided again.

##### **In response to questions**

- The build for the new dog pound would commence in the new year, and an invitation would be issued to the Commissioners to visit the facility once it had been completed.
- The consents team was working on options with regards to complex consents and the access to training to ensure that they were graded appropriately for the work they undertook. Work was also internally peer reviewed to ensure all aspects were covered off.
- A number of staff were subject to abuse and needed to be protected. A programme would be carried out next year to empower staff on “this is our job” and appropriate behaviour expectations. This would also strike a balance in terms of staff wellbeing.

#### **City Development and Partnerships**

##### **Key points**

- Staff were monitoring where people were now parking, with part of the plan to remove parking at key locations; this was due to be signed off with the transport team. Also being considered was how to deal with parking needs as the developments progressed as there could be up to 200 trade vehicles needing parking near the sites on which they were working.
- The first tranche of Better Off funding had been provided towards the Te Manawataki o Te Papa projects.
- \$1.5m funding had been received from TECT for the destination skatepark at the Mount; which meant the skatepark could now be built to a better design than originally planned.
- The KiwiRail underpass work would be completed between 4-6 January 2023, realising stage 1 of the Memorial Park walkway.
- One on one stakeholder engagement was being undertaken with residents and landowners in the area from Tunks Reserve to Memorial Park. Engagement had been held with 50% of the owners with some great feedback being received on where the focus should be. Information on this would be provided in the new year.

##### **Discussion points raised**

- The message received from TECT trustees wanting to work towards a collaborative approach with Council was appreciated, as was the positive message for other projects planned in the future.

##### **Discussion points raised**

- Concern was noted that the hoardings on the Craigs Investment site had been left blank and could become a target for graffiti.



**RESOLUTION CO23/227**

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the "Executive Report".

**CARRIED**

At 12.44pm the meeting adjourned.

At 1.29pm the meeting reconvened.

**11.6 Draft Annual Plan 2023/24**

**Staff** Paul Davidson, Chief Financial Officer  
Tracey Hughes, Financial Insights & Reporting Manager  
Kathryn Sharplin, Manager: Finance

Corrections were noted to Report 11.6 recommendations (g), (h) and (i).

- The amended recommendations (g) and (h) recognised that the increase in commercial differential was to fund a 50% share of the transportation activity by the commercial rating category. As noted in the report, this resulted in a general rate differential of 2.1:1 and a targeted rate differential of 5.2:1
- The amended recommendation (i) was to correct the date from which the new revaluation would apply to 1 July 2024 not 1 July 2023.

Revised Recommendations (g) to (i):

- (g) Confirms the increase in commercial differential on the general rate so that the commercial rating category funds 50% of the transportation activity rates requirement.
- (h) Confirms the increase in commercial differential on the transportation targeted rate so that the commercial rating category funds 50% of the transportation activity rates requirement.
- (i) Agrees to move the city's revaluation into 2023-24 financial year to apply from 1 July 2024, from the currently programmed 2024-25 financial year.

**Key points**

- The operational funding proposed to be loan rather than rates funded was the civic costs and aspect of transportation expenditure to bring road marking up to standard and extend the structure planning over five years to 10 years as noted in the recommendations.
- Reworded recommendations noted the changes of the commercial differential to reflect the commercial sector paying 50% of the transport activity and also to bring forward the revaluation from three-year rolling. One of the reasons for this was Auckland Council having moved to a revaluation timeframe the same as TCC which created shortages of capacity. It also took staff time so was prudent to have revaluation done in line with the proposed timeline.

**Discussion points raised**

- It was important that the Commission reflected on the report in a considered manner. The annual plan was considered business as usual with the direction already set in the LTP. Much was focused on the development of the civic site which also reflected the LTPA, with no changes from the conversations that had been had with community during the setting of those plans. What had changed was the cost of inflation and interest rates which may impact on the capex works included in the LTP. The community needed certainty that the LTP was not

changing and it was business as usual. The time for different conversations would be in the next LTP and Commissioners were confident there was no need to consult on the annual plan.

- It was noted that they did not want to over-consult with the community and run the risk of losing engagement with the community. There was a need to focus more on delivery than consultation.

### RESOLUTION CO23/22/8

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "Draft Annual Plan 2023/24".
- (b) Endorses the Annual Plan draft budget for capital and operations as summarised in Attachment A – Operational, and Attachment B – capital, including new areas of capital expenditure.
- (c) Notes the draft annual plan indicates an overall total rates increase (including water charges) of 7.1%, that equates to a median residential rates increase (excluding water) of 8.7% and a median commercial rates increase of 17%.
- (d) Notes the draft annual plan leads to a revised closing net debt figure of \$1.1b
- (e) Agrees to loan funding of the following identified operational expenditure based on this expenditure providing a benefit across multiple years, accompanied by debt retirement commencing in the following year and recovered over a period of ten years:
  - (i) Civic project operational costs \$1.5m
  - (ii) Increase in expenditure to bring road marking up to level of service standard \$1.4m
- (f) Agrees to the extension of debt retirement of existing loan funded opex to be recovered over ten years for existing structure and other planning.
- (g) Confirms the increase in commercial differential on the general rate so that the commercial rating category funds 50% of the transportation activity rates requirement.
- (h) Confirms the increase in commercial differential on the transportation targeted rate so that the commercial rating category funds 50% of the transportation activity rates requirement.
- (i) Agrees to move the city's revaluation into 2023-24 financial year to apply from 1 July 2024, from the currently programmed 2024-25 financial year.
- (j) Notes that local authorities need only consult on annual plans that include significant or material differences from the content of the long-term plan.
- (k) Decides not to undergo consultation for the Annual Plan 2023-24.

**CARRIED**

## 11.7 Traffic & Parking Bylaw Amendment 41

**Staff** Brendon Bisley, Director of Transport

### Key points

- The amendment was to legitimise the changes for the bus lanes on Links Avenue, to consider a request from Arataki School to allow parking on berms for safety and to temporarily transfer the Dive Crescent carpark onto council land while the upgrade work was being done.

**Discussion points raised**

- Noted the compromise for Links Avenue to reopen it at various times while restricting it for safety, and maintaining through a seven-day period. The Panel was trying to find certainty of what Links Ave might look like in the future. There would likely be compromises all round to achieve a long-term solution; hopefully Bay Link (B2B) would come to a conclusion.

**RESOLUTION CO23/22/9**

Moved: Commissioner Bill Wasley  
 Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Traffic & Parking Bylaw Amendment 41".
- (b) Adopts the proposed amendments to the Traffic and Parking Bylaw (2012) Attachments as per Appendix A, relating to minor changes for general safety, operational or amenity purposes, to become effective on or after 13 December 2022 subject to appropriate signs and road markings being implemented.

**CARRIED**

**13 PUBLIC EXCLUDED SESSION**

**Resolution to exclude the public**

**RESOLUTION CO23/22/10**

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
<p><b>13.1 - Public Excluded Minutes of the Council meeting held on 28 November 2022</b></p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(i) - The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any</p>	<p>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</p>

	<p>enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>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)</p>	
<b>13.6 - 90 Devonport Road</b>	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
<b>13.7 - Mount North land sale</b>	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**

**11 BUSINESS** *(continued)*

The meeting moved out of public excluded session and resumed in open session for the following report.

**11.8 2021/22 Annual Report Adoption**

**Staff** Paul Davidson, Chief Financial Officer  
 Sheree Covell, Treasury and Financial Compliance Manager  
 Marin Gabric, Senior Financial Accountant (Compliance & External Reporting)  
 Kathryn Sharplin, Manager: Finance  
 Jeremy Boase, Manager: Strategy and Corporate Planning

**External** Anton Labuschagne - Audit NZ  
 Clarence Susan - Audit NZ

The Audit report was tabled.

**Key points**

- Final annual report provided for adoption. It had been provided to the Strategy, Finance and Risk Committee and reflected the changes in terms of the overall financial result of the Council.

**In response to questions**

- In response to a query as to whether the 37% non-financial performance measures that were not achieved were similar to other metro cities, it was noted that much of the result was impacted by Covid. Staff would review other similar local authorities and report to the next Strategy, Finance and Risk Committee meeting.
- Some of the targets were mandatory measures and along the lines of other Councils, but some set different targets for different activities.
- It was noted that reporting on the top 25 may be a more relevant and meaningful report; this would be considered by staff.

**RESOLUTION CO23/22/11**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report – 2021/22 Annual Report Adoption

**CARRIED**

Clarence Susan and Anton Labuschagne noted:

**Key points**

- The overall unqualified emphasis of the matter of total disclosure around three waters may change if consent was given to legislation.
- The financial results focus on revaluations with a \$451m movement in roading and other assets being highlighted as a significant risk. Council had set its own targets and with the next LTP it would be meaningful to look at these targets to assess where the spending was for better outcomes.
- Expressed appreciation to the finance team - there was a lot of pressure and work undertaken to provide the report this late in the year.
- There had been a fair value assessment of the three waters with the Council having a good process working with valuers, and rates were in line with where the market was heading.
- Audit agreed with the result for the financial statements.
- Finance and other staff across the organisation had been responsive and positive to audit queries for financial and non-financial information.

**RESOLUTION CO23/22/12**

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (b) Receives the Audit NZ report on Tauranga City Council's Annual Report 2021/22
- (c) Adopts the Audited Tauranga City Council Annual Report 2021/22 pursuant to the provisions of the Local Government Act 2002
- (d) Authorises the Chief Executive to make any necessary minor numerical, drafting or presentation amendments to the Annual Report 2021/22 prior to final printing.
- (e) Notes the audited summary Annual Report will be published using summarised material from the approved annual report.

**CARRIED**

**Attachments**

- 1 Tabled - TCC - Local authority and group unmodified audit opinion

## 12 DISCUSSION OF LATE ITEMS

Nil.

## 13 PUBLIC EXCLUDED SESSION *(CONTINUED)*

### Resolution to exclude the public

#### RESOLUTION CO23/22/13

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
<b>13.2 - Smith's Farm Land - Disposal Strategy</b>	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
<b>13.3 - CBD - Strategic Property Purchase</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information 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
<b>13.4 - Approval to enter into Wairakei Development Agreement</b>	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
<b>13.5 - Trial of a new pavement construction method for a roundabout at Tauriko</b>	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the	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

	commercial position of the person who supplied or who is the subject of the information	reason for withholding would exist under section 6 or section 7
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**CARRIED**

**14 CLOSING KARAKIA**

Commissioner Shad Rolleston closed the meeting with a karakia.

The meeting closed at 3.19 pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 7 February 2023.

.....  
**CHAIRPERSON**

UNCONFIRMED