



AGENDA

Ordinary Council meeting Tuesday, 27 June 2023

I hereby give notice that an Ordinary meeting of Council will be held on:

Date: Tuesday, 27 June 2023

Time: 2.30pm (Note: At 2pm there will be a presentation by Waka Kotahi followed by the TCC Council meeting, then Council meetings by the BoP Regional Council, WBoP District Council and the SmartGrowth Leadership Group)

Location: Bay of Plenty Regional Council Chambers
Regional House
1 Elizabeth Street
Tauranga

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell
Chief Executive

Terms of reference – Council

Membership

Chairperson	Commission Chair Anne Tolley
Members	Commissioner Shadrach Rolleston Commissioner Stephen Selwood Commissioner Bill Wasley
Quorum	<u>Half</u> of the members physically present, where the number of members (including vacancies) is <u>even</u> ; and a <u>majority</u> of the members physically present, where the number of members (including vacancies) is <u>odd</u> .
Meeting frequency	As required

Role

- To ensure the effective and efficient governance of the City
- To enable leadership of the City including advocacy and facilitation on behalf of the community.

Scope

- Oversee the work of all committees and subcommittees.
- Exercise all non-delegable and non-delegated functions and powers of the Council.
- The powers Council is legally prohibited from delegating include:
 - Power to make a rate.
 - Power to make a bylaw.
 - Power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan.
 - Power to adopt a long-term plan, annual plan, or annual report
 - Power to appoint a chief executive.
 - Power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
 - All final decisions required to be made by resolution of the territorial authority/Council pursuant to relevant legislation (for example: the approval of the City Plan or City Plan changes as per section 34A Resource Management Act 1991).
- Council has chosen not to delegate the following:
 - Power to compulsorily acquire land under the Public Works Act 1981.
- Make those decisions which are required by legislation to be made by resolution of the local authority.
- Authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council.
- Make appointments of members to the CCO Boards of Directors/Trustees and representatives of Council to external organisations.
- Consider any matters referred from any of the Standing or Special Committees, Joint Committees, Chief Executive or General Managers.

Procedural matters

- Delegation of Council powers to Council's committees and other subordinate decision-making bodies.
- Adoption of Standing Orders.
- Receipt of Joint Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive.
- Other Delegations of Council's powers, duties and responsibilities.

Regulatory matters

Administration, monitoring and enforcement of all regulatory matters that have not otherwise been delegated or that are referred to Council for determination (by a committee, subordinate decision-making body, Chief Executive or relevant General Manager).

Order of Business

1	Opening karakia	7
2	Apologies	7
3	Public forum	7
4	Acceptance of late items	7
5	Confidential business to be transferred into the open	7
6	Change to the order of business	7
7	Confirmation of minutes	7
	Nil	
8	Declaration of conflicts of interest	7
9	Deputations, presentations, petitions	7
	Nil	
10	Recommendations from other committees	7
	Nil	
11	Business	8
	11.1 Tauriko SH29 Network Connections Detailed Business Case	8
12	Discussion of late items	219
13	Public excluded session	219
	Nil	
14	Closing karakia	219

- 1 OPENING KARAKIA**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO THE ORDER OF BUSINESS**
- 7 CONFIRMATION OF MINUTES**
Nil
- 8 DECLARATION OF CONFLICTS OF INTEREST**
- 9 DEPUTATIONS, PRESENTATIONS, PETITIONS**
Nil
- 10 RECOMMENDATIONS FROM OTHER COMMITTEES**
Nil

11 BUSINESS

11.1 Tauriko SH29 Network Connections Detailed Business Case

File Number: A14696154

Author: Peter Siemensma, Principal Transport Planner
Alistair Talbot, Team Leader: Structure Planning & Strategic Transport

Authoriser: Christine Jones, General Manager: Strategy, Growth & Governance

PURPOSE OF THE REPORT

1. To provide an overview of the Waka Kotahi (NZ Transport Agency) Tauriko State Highway 29 Network Connections Detailed Business Case and to seek Council endorsement for its submission to Waka Kotahi for their approval.

RECOMMENDATIONS

That the Council:

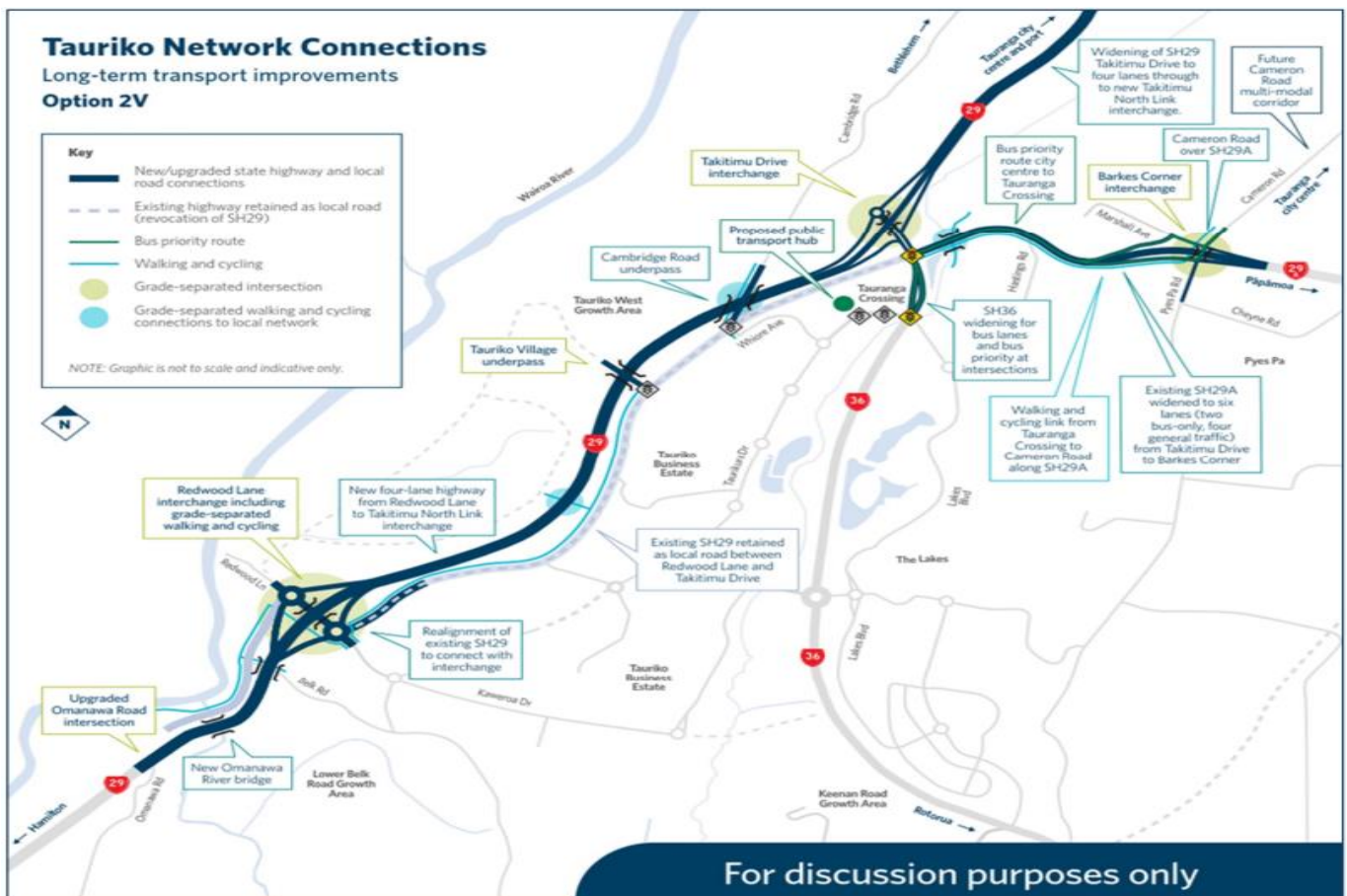
- a) Receives the report "Tauriko SH29 Network Connections Detailed Business Case" (Business case).
- b) Endorses the Business case being submitted to Waka Kotahi Board for approval.
- c) Re-confirms to Waka Kotahi the Tauranga City Council position that there is a strong preference and need for the project to be delivered in a single stage within a decade (or by 2034) as opposed to the proposed staged delivery over many years potentially extending until 2050 given the significance of the corridor locally and nationally.
- d) Recommends to Waka Kotahi that:
 - i) The next stage of the Business case delivery, including Detailed Design development, identify solutions to improve the performance of identified future 'pinch points' at Cameron Road / Barkes corner, and Takitimu Drive/SH29/SH29a/SH36 to ensure satisfactory Levels of Service and futureproofing; and
 - ii) A 4-lane bridge over the Omanawa stream is constructed in Stage 2, rather than the proposed 2-lane replacement bridge, to integrate with 4-lane sections of state highway to be constructed either side of the bridge and to support the function of this inter-regional freight route.
- e) Notes that based on the principles established to confirm the cost share for delivering the Business case, the Tauranga City Council cost share is associated with delivery of:
 - (i) the roundabout at the southern Redwood Lane inter-change (in Stage 4), and
 - (ii) a walking & cycling path on Marshall Avenue (in Stage 3),with both components having a 49% Local Council share / 51% Funding Assistance Rate funding split for their total cost.

EXECUTIVE SUMMARY

2. Waka Kotahi (NZ Transport Agency) has led the development of the Tauriko SH29 Network Connections Detailed Business Case (Business case). The purpose of the Business Case has been to outline the need for investment in a long-term transport solution for the Tauriko network within the Western Corridor of Tauranga.

3. The Business case is described as outlining:
 - A vision for integrated land use and multi-modal transport development in the Western Corridor.
 - The 7-year option iterative investigation process to determine a recommended way forward for investment with project partners and stakeholders.
 - The recommended programme of improvements with four Stages of investment over 30 years until 2050.
4. The Business case integrates with the earlier Tauriko West Enabling Works Business case which was confirmed by TCC¹ and the Waka Kotahi Board in 2022.
5. The transport network recommended by the Business case is shown on Image 1: Option 2V and includes:
 - A new offline State Highway 29 corridor for inter-regional traffic between Redwood Lane and Takitimu Drive that then enables the current state highway to perform a local road function with multi-modal services;
 - A new online six-lane SH29A corridor between Takitimu Drive and Barkes Corner including dedicated bus lanes; and
 - Widening of SH36 between Lakes Boulevard and SH29A including dedicated bus lanes.

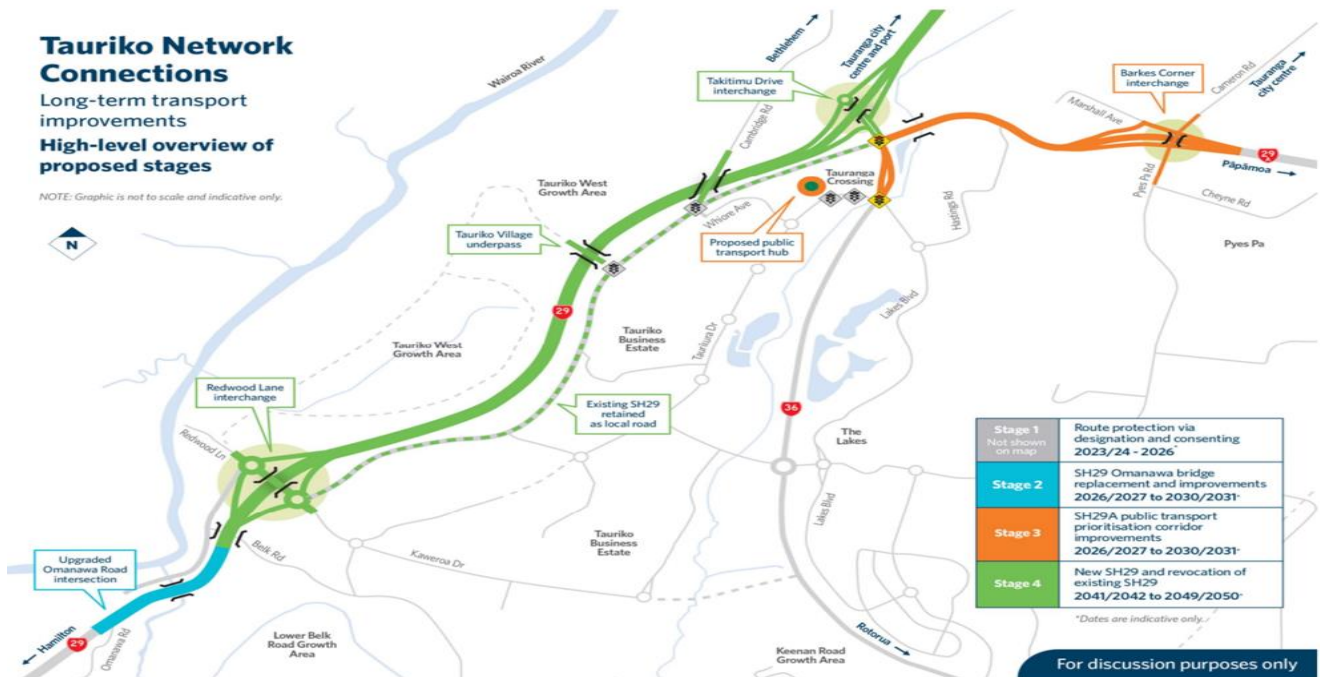
Image 1: Option 2V



¹ Council report available online: https://infocouncil.tauranga.govt.nz/Open/2022/02/CO_20220228_AGN_2422_AT.htm (agenda item 11.5)

6. The Business case recommends improvements are delivered over four stages as identified in Image 2: Recommended Delivery Phase and Indicative Timing.

Image 2: Recommended Delivery Phases and Indicative Timing



7. A key focus of the Business case is to support the projected growth in the Western Corridor in a reasonably flexible way. In this regard the Business case includes improvements to provide for demand from planned growth (based on a Housing Unit Equivalent (HUE) assumption) as follows:
- Stage 3: is intended to unlock the full build out of the Tauriko West and the Tauriko Business Estate – Stage 4, Keenan Road and part of the Merrick Road urban growth areas (up to 10,472 total Housing Unit Equivalents and employment (jobs) of 11,466 in the Western Corridor)
 - Stage 4: is intended to unlock Upper Belk Road, Upper Joyce Road and the remainder of the Merrick Road urban growth areas (up to a total of 20,179 Housing Unit Equivalents and employment (jobs) of 11,466 in the Western Corridor).
8. The Business case has considered futureproofing which has focussed on avoiding ‘pinch points’ (and associated poor levels of service) being built into the network, providing for the around the harbour / State Highway 29A journey, and potential (but unplanned) 4-laning the State Highway 29 / Omanawa Road end of the project connecting to the Waikato.
9. The futureproof testing has included transport modelling analysis including use of the SmartGrowth endorsed higher population and employment growth scenario² (e.g. approximately 30,000 homes in the Western Corridor). The analysis has shown that some approach movements at intersections and links (e.g. westbound at Takitimu Drive/SH29/SH29a/SH36; Pyes Pa approach, Cameron Road southbound; Omanawa proposed 2-lane bridge section) will perform poorly (Level of Service (LOS) E & F) at the 2048+ modelled year and this is exacerbated when tested against the SmartGrowth higher growth scenario.

² Link to SLG minutes: <https://www.smartgrowthbop.org.nz/categories/meetings-agendas> (5 April 2023)

10. To address these matters Waka Kotahi has assessed the land requirements for futureproofing to provide solutions and this is expected to be included in the final Business Case. However, at Barkers corner and Takitimu Drive/SH29/SH29a/SH36 it is recommended that further focussed design work is needed in the next stage of the project to address the LoS issues. In addition, at Omanawa bridge, it is recommended that a replacement 4 rather than 2-lane bridge is constructed in Stage 2.
11. An 'adaptive management approach' is applied in the Business case to confirm its delivery timing. This is described as appropriate to:
 - Manage uncertainties, constraints, and interdependencies over the lifecycle of the programme, such as when to respond to certain triggers (such as new land use development). This includes different phasing of growth areas within the overall HUE assumption if some areas progress faster or slower than currently assumed/programmed.
 - Manage the investment timing, risk and cashflow over the life of the project.
12. The Business case estimates the project cost at \$2.2b (P50 cost estimate) to \$2.7b (P95 cost estimate) if delivered as a single stage. If the project is delivered in stages, as the Business case recommends, this results in a cost range between \$2.3b (P50) to \$2.8b (P95).
13. TCC's contribution towards the project costs is associated with walking and cycling connections on Marshall Avenue (in Stage 3) and the roundabout at the southern Redwood Lane inter-change (in Stage 4). Both components are eligible for National Land Transport Funding.

BACKGROUND

14. The Business Case commenced in 2017. This followed Waka Kotahi's earlier completion and endorsement of the Tauriko Network Programme Business Case in 2016³, which set out a package of further business case investigations, including this Business Case, to confirm the transport network to support inter-regional freight movement demand on SH29 and local growth across the Western Corridor.
15. Since 2017 there have been some significant national-level policy shifts and local-level planning processes that have influenced the scope and time taken to develop the Business Case. These include the Government Policy Statement on Land Transport 2018 (GPS 2018) which included new strategic priorities and amended objectives to its predecessor.
16. A key change to the scope of the Business Case was confirmed mid-2020. This was primarily a result of Waka Kotahi needing to re-evaluate at a national-level several significant state highway projects in response to the GPS 2018. An outcome of this re-evaluation was an agreement between TCC and Waka Kotahi to progress the Tauriko West Enabling Works business case separate to but integrated with the Tauriko Connections SH29 business case. This approach recognised the need to identify solutions in the shorter-term that enable the planned urban development of Tauriko West and ongoing development of the TBE while Waka Kotahi re-confirmed the scope and funding availability to continue to progress the broader and over-arching Tauriko Connections business case. TCC and Waka Kotahi confirmed the Tauriko West Enabling Works business case in 2022.
17. More locally focussed, the key planning processes which have influenced the development of the Business case have been the Urban Form & Transport Initiative (UFTI) and the Western Bay of Plenty Transport System Plan (TSP), both confirmed in 2020.
18. UFTI established the 'Connected Centres' concept which sets out an integrated land use and transport programme and delivery plan for the western Bay of Plenty. The TSP complements UFTI and provides a partnership and framework focussed at delivering the transport priorities of the sub-region.

³ <https://www.nzta.govt.nz/assets/About-us/docs/oia-2017/Tauriko-Network-programme-business-case.pdf>

- Both UFTI and the TSP identify the Business Case as a priority to deliver the Connected Centres concept and to support multimodal transport and freight outcomes and enable local urban growth (housing and employment land) in the Western Corridor.

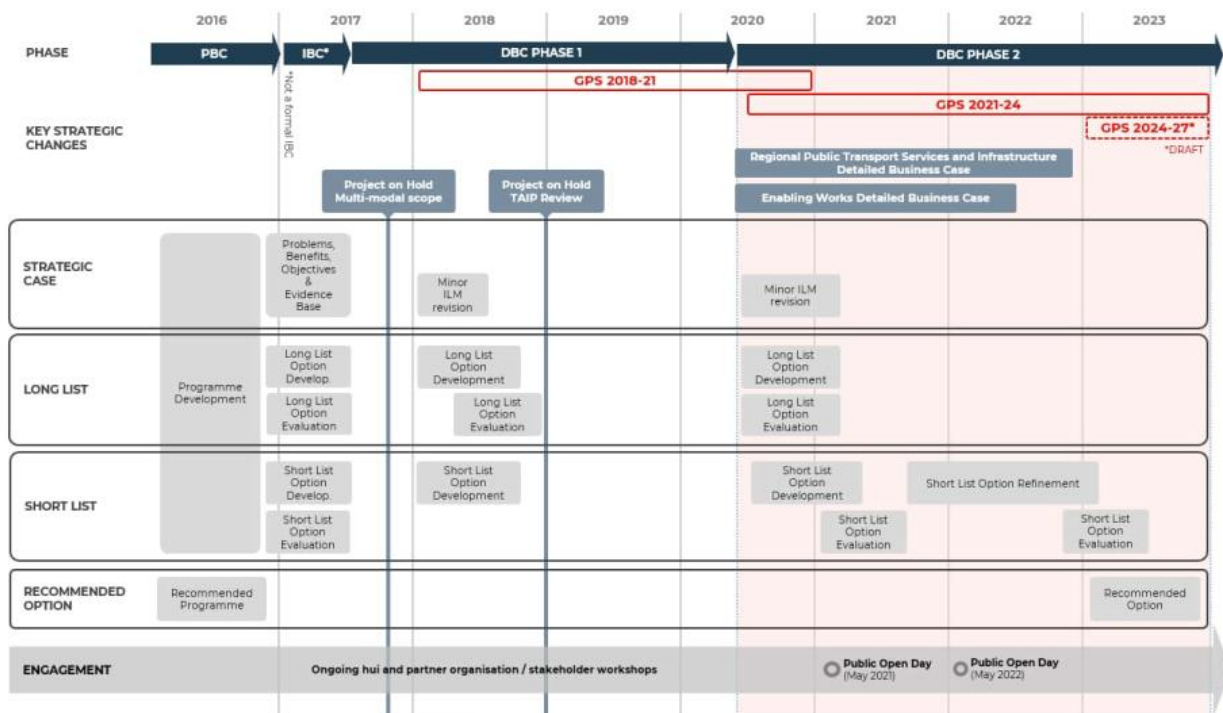
TAURIKO NETWORK CONNECTIONS BUSINESS CASE

- Tauranga City Council (TCC), Western Bay of Plenty District Council (WOPDC) and Bay of Plenty Regional Council (BOPRC) have collaborated with Waka Kotahi to develop the Business case.
- At the time of writing this report TCC is still to receive a final draft of the Business case including the final transport modelling reports and cost share arrangements. TCC staff have provided feedback on these matters and are awaiting receipt of final draft Business case and attachments to confirm that feedback has been responded to. The final draft Business case is expected to be received prior to the Council meeting. If feedback has not been satisfactorily addressed in the final draft once received, then a verbal update on this will be provided at the Council meeting.
- To support completion of the Business case Waka Kotahi WK requested TCC to advise matters of importance to Council and specific areas of focus. These were provided to Waka Kotahi (refer to Attachment 2 to this report). The matters raised have been addressed to our satisfaction other than the points relating to staging and further detailed work on pinch points which have been included as recommended resolutions within this report.

Option Development

- The process to develop the Business Case has spanned roughly 7-years and included an iterative option development, evaluation and refinement process. The Business Case option development process is set out in the following image.

Option Development Process for Tauriko Network Connections Business Case



24. The option development and assessment process has been framed by the Investment Objectives and Benefits established by the Business Case. The Investment Objectives are:
- Enabling freight to move through a national strategic state highway (SH29) while supporting residential and industrial development in the Western Corridor.
 - Increasing travel choice (public transport and active travel) to reduce demand, emissions, and vehicle kilometres travelled.
 - Improving road safety within the project scope.
25. The Business Case identifies the following benefits of delivering on the Investment Objectives:
- Better freight access to key destinations within Tauranga
 - Better accessibility through a multi-modal transport system
 - Less road deaths and serious injuries
 - Supporting residential and industrial development in the Western Corridor (>20,000 new households).
26. The business case process assessed six 'long-list' options. These six options varied from widening the existing State Highways SH29 and SH29A (option 1), development of a new parallel state highway corridor ('offline', Option 2) to various combinations of the online and offline options combined⁴.
27. Following multi-criteria analysis, the recommended programme of improvements identified by the Business Case includes:
- Public transport network facilities and priority lanes, including a new public transport hub within Tauranga Crossing.
 - An integrated walking and cycling network.
 - Supporting travel demand management interventions progressed through any regional travel demand management package
 - A new two-lane SH29 corridor between Omanawa Road and Redwood Lane.
 - A new offline four-lane SH29 corridor between Redwood Lane and the Takitimu Toll Road.
 - A new online six-lane SH29A corridor between Takitimu Drive Toll Road and Barkes Corner including dedicated bus lanes.
 - SH36 widening between Lakes Boulevard and SH29A including dedicated bus lanes.
 - Future revoked section of SH29 (once the new state highway route is provided).
 - Seven intersection improvements, including three grade separated interchanges at Redwood Lane, Takitimu Drive and Barkes corner.

Staged Delivery of the Business Case

28. A key recommendation of the Business Case is its staged delivery over several decades. Table 1: Business Case Recommended Staging identifies the key delivery stages and their indicative timing.

⁴ Further details of the six options considered can be found on page 68 of the business case (attached to this report).

Table 1: Waka Kotahi Business case – Recommended Staging

STAGES	SUMMARY DESCRIPTION	INDICATIVE TIMING
Stage 1	Route protection via designation and consenting and applicable consents for Stages 2 and 3. Set up ongoing delivery programme monitoring and evaluation. All other stages are dependent on this stage being completed and are independent of funding for each subsequent stage.	2023/24—2026/27
Stage 2	SH29 Omanawa bridge replacement and improvements, including: <ul style="list-style-type: none"> • Procurement and design. • Property acquisition. • Construction of a new Omanawa River bridge, upgraded seagull island at SH29/Omanawa Road intersection, 2-lane realignment from Omanawa Road to Redwood Lane, and walking and cycling improvements. 	2026/27—2031/32
Stage 3	SH29A PT prioritisation package from SH36 through to the Cameron Rd bus priority lanes including: <ul style="list-style-type: none"> • Procurement and design. • Property acquisition. • Construction of SH29A improvements, bus priority lanes, and Barks Corner Interchange. • Construction of SH29A improvements, bus priority lane. • Construction of SH36 improvements and Lakes Boulevard Intersection signalisation for PT priority. 	2026/27—2031/32
Stage 4	SH29 Offline improvements from Redwood Lane to the TNL/Takitimu Interchange including: <ul style="list-style-type: none"> • Implementation readiness review (IRR). 	2041/42
	<ul style="list-style-type: none"> • Procurement and design. • Property acquisition. • Construction of SH29 improvements, Redwood Lane and Takitimu/SH36 Interchanges. • Revocation of existing SH29 to a local road. 	2042/43—2049/50

29. The staging and indicative timing has been informed by transport network performance relative to the Business case investment objectives and benefits. The Western Bay of Plenty Transport Model which includes the SmartGrowth / UFTI growth projections has been used to analyse network performance.
30. An ‘adaptive management approach’ will be used by Waka Kotahi to confirm the timing for delivery of the Business Case. The Business Case explains that this approach is being applied to:
 - Manage uncertainties, constraints, and interdependencies over the lifecycle of the programme, such as when to respond to certain triggers (such as new land use development). This includes for different phasing of growth areas within the overall HUE assumption if some areas progress faster or slower than assumed.
 - Manage the investment timing, risk and cashflow over the life of the project.
31. This adaptive management approach is based on the following principles:
 - Implementation of the whole programme as being necessary to realise the expected benefits and outcomes. It does not avoid future investment.
 - Flexible programme packaging, staging and delivery is necessary to respond to (future) uncertainties (e.g. changes to the assumed delivery or rate of urban growth).
 - The programme leads with mode shift to support housing and transport outcomes.
 - Regular monitoring is required.
32. Given the long timeframes in the programme, the above means that the Business case’s management approach does not describe the exact delivery method for the project, as aspects in later Stages may change depending on various factors and triggers (e.g. rate of growth). As a result, Stages 1, 2 and 3 are worked out in much more detail than Stage 4.
33. Whilst the route protection, consents and designation for the full project is scheduled between 2023-2026, property acquisition and design will take place in each of the Stages.

The exact timing of Stage 4 could be brought forward or pushed out, with the decision being based on triggers associated with planned urban development being zoned as follows:

- Stage 3 unlocks the full build out of Tauriko West, TBE Stage 4, Keenan Road, and part of the Merrick Road urban growth areas.
- Stage 4 (SH29 offline improvements) unlocks Upper Belk Road, Upper Joyce and the remainder of the Merrick Road UGAs (reflecting demand from the 2048-plus land use scenario test).
- Additional improvements required to fully support the total circa 30,000 HUE and 15,000 jobs in the Western Corridor (reflecting demand associated with the 2063 land use scenario sensitivity test), noting that this will be considered in more detail through the Specified Development Project (SDP) process.

Network Performance

34. The transport modelling of Option 2V Recommended Option has model output years of 2031, 2048 and 2048-plus, for general traffic (including freight), public transport and cycling.
35. The analysis has shown that the 2048-plus scenario enabled development of all proposed urban growth in the Western Corridor such as the Joyce Road and Upper Belk Road areas. However, forecasting >20 years into the future comes with high risks and uncertainties. To manage this limitation a sensitivity test (2063) has been undertaken which assumes higher and more intensive growth in the Western Corridor. Table 2 sets out the transport modelling growth projections that have been tested.

Table 2: Transport Modelling Growth Projections

Area	Area Name	Population				Dwellings				Employment (Unadjusted)			
		2031	2048	2048+	2063	2031	2048	2048+	2063	2031	2048	2048+	2063
A	Tauriko Business Estate	134	134	134	160	101	101	101	50	3,630	4,938	4,938	5,500
C	Pyes Pa West	6,390	6,491	6,491	6,971	2,169	2,208	2,208	2,583	184	189	189	233
	Pyes Pa	7,478	7,519	7,519	8,069	2,524	2,538	2,538	2,967	2,335	2,728	2,728	2,745
D	Keenan Rd	349	4,293	4,293	5,750	146	1,620	1,620	2,500	49	59	59	250
E	Tauriko West	2,787	7,427	7,427	9,200	1,269	3,212	3,212	4,000	175	222	222	350
F+G	TBE Extension + Upper Belk	535	537	13,800	23,345	184	184	6,000	10,150	1,521	3,203	3,203	5,500
H	Merrick Road	479	1,178	5,750	10,350	161	390	2,500	4,500	74	76	76	400
I	Upper Joyce	623	626	4,600	7,475	218	218	2,000	3,250	92	53	53	300
	Total	18,775	28,204	50,014	71,320	6,773	10,472	20,179	30,000	8,061	11,466	11,466	15,278

36. In summary, the transport modelling (noting final modelling reports are still to be received) has shown that:
 - The recommended Option generally provides for good levels of service however there are approach movements at some intersections and links (e.g. westbound at Takitimu Drive/SH29/SH29a/SH36; Pyes Pa approach, Cameron Road southbound; proposed Omanawa 2-lane bridge section) that will perform poorly (LOS E & F) at the 2048+ modelled year and this is exacerbated when tested against the SmartGrowth higher growth scenario (2063). This sensitivity test indicates that most of the network operates at LoS D or E, however some of intersections such as the local roads at Barkes Corner, Belk Road/Taurikura Drive and the revoked SH29A/SH36 intersections operate at LoS E or F for general traffic in peak hours. Public transport is indicated to continue to operate reliably due to proposed bus lanes and bus priority at intersections, except for the Pyes Pa Road approach to Barkes Corner.
 - The proposed bus lanes and cycle infrastructure as part of this Business case do provide reliable journey times for those modes from Tauriko West and Tauranga Crossing to the CBD. Public Transport use is forecasted to increase.
37. While the Business case has considered futureproofing (e.g. avoiding ‘pinch points’ being built into the network, providing for the around the harbour / State Highway 29A journey, and potential (but unplanned) 4-laning at the State Highway 29 / Omanawa Road end of the project) it is recommended that further investigation of these matters in respect to Cameron

Road / Barkes corner and the Takitimu Drive/SH29/SH29a/SH36 is undertaken in the next stage of the Business case this being it's Detailed Design. In addition, it is recommended that a 4-lane rather than 2-lane replacement bridge is constructed over Omanawa Stream. This would tie in with the 4-lane state highway to be constructed either side of the bridge and support the inter-regional function of SH29.

Settlement Pattern

38. A key focus of the Business case is to support the projected growth in the Western Corridor in a reasonably flexible way. In this regard the Business case includes improvements to provide for demand from planned growth (based on a HUE assumption) as set out in paragraph 33.
39. It is noted that as Plan Change re-zoning applications are made (e.g. for Tauriko West; Keenan Road; TBE Stage 4; etc) detailed Growth Area specific Integrated Transport Assessments will be required to consider their transport demand relative to the assumptions of the Business Case and address any network improvements beyond the scope of this Business case (e.g. on Local roads like Kaweroa Drive or Pyes Pa Road; SH36).

Futureproofing

40. The Western Corridor is identified through SmartGrowth and UFTI as a key corridor that will contribute significantly to addressing the demand for housing and business land in the western Bay of Plenty sub-region. It is therefore important that the Business case is futureproofed for growth.
41. As identified in paragraph 34, the transport modelling analysis has included a sensitivity test involving a higher population and employment scenario prepared by TCC and endorsed⁵ by the SmartGrowth Leadership Group. In summary, the modelling analysis of this scenario has identified that:
 - The Stage 3 at-grade solution at the Takitimu Drive / SH29 / SH36 / SH29a intersection is delivering a poor level of service in a 2048+ scenario. To future-proof for this outcome, should it eventuate, Waka Kotahi have assessed the land requirement for grade separation and provided for this in the Business Case.
 - It is noted that a poor level of service at this intersection would have a wider network impact on the 'around' and 'across' harbour travel pattern. It is therefore important to ensure this intersection can perform suitably and in so doing enable SH2 via Hewletts Road and SH29a operate more effectively together. Accordingly, as noted earlier in this report, it is recommended further focus on the design of this component of the Business case in its next stage of delivery to ensure pinch-points are removed and 'around / across harbour' travel is suitably facilitated.
 - Barkes Corner, in particular the approaches from Cameron Road and Pyes Pa Road, are delivering a level of service E or F for general traffic, and on Pyes Pa Road for both general traffic and public transport. It is therefore noted that the next stage of the Business case delivery, including Detailed Design development should further investigate how to improve the performance of these intersections to satisfactory Levels of Service and a futureproofed solution.
 - The Stage 2 Omanawa Road section is delivering a LoS E in peak hours in all modelled scenarios. Waka Kotahi has assessed the land requirement for a 4-lane bridge rather than the proposed 2-lane replacement bridge and provided for this in the Business case. However, it is considered that delivery of a 4-lane bridge (rather than the proposed 2-lane bridge) in Stage 2 is appropriate to integrate with the adjoining proposed 4-lane sections of state highway and support the function of this part of the network and this is reflected in the recommendations of this report.

⁵ Link to SLG minutes: <https://www.smartgrowthbop.org.nz/categories/meetings-agendas> (5 April 2023)

STRATEGIC / STATUTORY CONTEXT

- 42. Urban growth in the Western Corridor has been identified through the Bay of Plenty Regional Policy Statement (RPS), SmartGrowth, and the Urban Form and Transport Initiative (UFTI) as a key corridor for housing and urban development to support the growth of the city over the next 50 years.
- 43. The Tauriko Network Connections SH29 Detailed Business Case has identified the network improvements and activities required to provide safe multimodal access to enable the growth. As such, this business case is considered aligned to all six of the ‘Community Outcomes’ in the Councils Long Term Plan 2021-31 but in particular:
 - *We have a well-planned City*
 - *We are inclusive*
 - *We can move around our City easily*
- 44. In addition, the Business case will contribute to the Council’s requirements under the National Policy Statement – Urban Development (NPS-UD) in respect to development capacity requirements and implements expectations in SmartGrowth and UFTI.

OPTIONS ANALYSIS

- 45. The proposed options are summarised below:
 - 1) To progress with endorsement of the DBC and its submission to Waka Kotahi for their decision making.
 - 2) Not progress with endorsement of the DBC.
- 46. The options are assessed in the Table below. Proceeding with Option 1 is the staff recommendation.
- 47. More detailed option assessments, including option identification and assessment of the various elements (e.g. on-line; off-line; intersection treatments, etc) took place as part of the developing the Business Case.

	Option	Pros	Cons
1	Endorse the submission of the Business case by Waka Kotahi to its Board for decision-making. Recommended	Continues to support urban growth in the Western Corridor, including enabling full build-out of Tauriko West. Contributes to addressing the housing supply shortages facing Tauranga Supports Waka Kotahi decision-making on a significant collaborative and partnership-based project. Supports the next phases (e.g. property acquisition, consenting & detailed design) of the project to continue aligned to the findings of the Business case.	Commit TCC to confirming funding (through an LTP process) towards the local road elements of the Business case
2	Not endorse the submission of the Business case by Waka Kotahi to its Board for decision-making.	None identified	Would likely delay Waka Kotahi’s decision-making on the Business case (programmed for August) which in-turn

	<i>Not recommended</i>		would have flow on impacts to housing and business land supply in Tauranga & the western BoP.
--	------------------------	--	---

FINANCIAL CONSIDERATIONS

48. The Business case is estimated to cost \$2.2b (P50 cost estimate) to \$2.7b (P95 cost estimate) if delivered as a single stage. If the project is delivered in stages, as Business case recommends, this results in a cost range between \$2.3b (P50) to \$2.8b (P95).
49. As is required by the Waka Kotahi business case approach consideration has been given to the cost share between TCC and Waka Kotahi. In considering the approach to cost share the following principles were applied:
 - If the element is central to make the state highway proposal work, then it should be a 100% state highway cost.
 - If the project severs an existing connection (road, cycleway, access) then it should be a 100% state highway cost.
 - If the element is within the state highway designation (existing or new/proposed) it should be a 100% state highway cost.
 - If the element is a combination of supporting local growth and making the state highway proposal work then a cost share should be applied (e.g. Local Road funding assistance rate 49% : NLTF 51%).
50. Based on the above TCC’s contribution towards the project costs would be associated with:
 - Walking and cycling connections on a local road (Marshall Avenue) needed to integrate with the project (Stage 3 Barkes corner improvement); and
 - The roundabout at the southern Redwood Lane inter-change (in Stage 4) which is in part required to support local growth.
51. Both components are assumed to be eligible for National Land Transport Funding at 51% meaning the local cost would be 49% of the components total cost. At the time of writing this report the cost estimate of these components is still to be confirmed by Waka Kotahi and it is expected that this can be confirmed at the Council meeting.
52. In addition, discussions with Waka Kotahi are currently underway with respect to public transport infrastructure and transport improvements in the Taurikura Drive area. These will be reported to Council separately.

LEGAL IMPLICATIONS / RISKS

53. There are a range of project-level delivery risks for Waka Kotahi to manage as they implement the Business case. These are associated initially with securing the designation and property to then deliver the full project. These risks will be managed by Waka Kotahi and their usual project management procedures. These are not critical to the decision to endorse the Business case for its submission to Waka Kotahi for their decision-making. As such they are not set out in any further detail.
54. Funding availability within the National Land Transport Plan is a key uncertainty. This will be confirmed through the Waka Kotahi decision-making. This will apply to both the TCC and Waka Kotahi costs of the Business case. To mitigate this uncertainty the focus has been on supporting the development of a business case which tells a compelling story for investment and the benefits that would flow from this.

CONSULTATION / ENGAGEMENT

55. There has been considerable consultation and engagement over the 7-year development of the Business case. Waka Kotahi has led this consultation and engagement and in a number of situations this has been supported by and with involvement of TCC staff. It is noted that some of the engagement has been undertaken in tandem with the Tauriko West Enabling Works Business case and the Tauriko West Urban Growth Area planning. Further details of the engagement undertaken can be found in Chapter 5 of the attached Business case (Appendix 1).



SIGNIFICANCE

56. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
57. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
58. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance. This is due to the scale and significance of the project.

NEXT STEPS

59. Subject to Council's decision to endorse the submission of the Business case to Waka Kotahi for their decision-making the next steps for this project include:
- Waka Kotahi decision-making including:
 - Waka Kotahi full internal investment decision-making review – programmed from late June through to end of July 2023. This will enable Waka Kotahi to finalise the current 'Final-draft' business case; and
 - Waka Kotahi Board decision-making – programmed for August 2023
 - Staged delivery of the project as set out in Table 1 of this report.

ATTACHMENTS

1. **Tauriko Network Connections DBC (Final Draft 18 June 2023) - A14792546** [↓](#) 
2. **Tauriko Network Connections TCC Requirements, including SmartGrowth Meeting 5 April 2023 - A14630018** [↓](#) 

12 DISCUSSION OF LATE ITEMS

13 PUBLIC EXCLUDED SESSION

Nil

14 CLOSING KARAKIA