



AGENDA

Ordinary Council meeting Monday, 4 September 2023

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

Date: Monday, 4 September 2023

Time: 9.30am

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).

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1 OPENING KARAKIA

2 APOLOGIES

3 PUBLIC FORUM

- 3.1 Emma Jones - Te Whatu Ora health report on impacts of air pollution in Mount Maunganui.**

ATTACHMENTS

Nil

- 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

7.1 Minutes of the Council meeting held on 14 August 2023

File Number: A14993266

Author: Anahera Dinsdale, Governance Advisor

Authoriser: Anahera Dinsdale, Governance Advisor

RECOMMENDATIONS

That the Minutes of the Council meeting held on 14 August 2023 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the Council meeting held on 14 August 2023



MINUTES

**Ordinary Council meeting
Monday, 14 August 2023**

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UNCONFIRMED

**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS, REGIONAL HOUSE,
1 ELIZABETH STREET, TAURANGA
ON MONDAY, 14 AUGUST 2023 AT 9.44AM**

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

IN ATTENDANCE: Christine Jones (Acting Chief Executive and General Manager: Strategy, Growth & Governance), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Sarah Omundsen (General Manager: Regulatory and Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Fiona Nalder (Principal Strategic Advisor), Sheree Covell (Treasury and Financial Compliance Manager), Robyn Scrimshaw (Urban Planner: Urban Communities), Ross Hudson (Team Leader: Planning), Stuart Goodman (Team Leader: Regulation Monitoring), Ruth Woodward (Team Leader: Policy); Emma Joyce (Open Space and Community Facilities Planner), Peter Mouldy (Project Manager), Sanjana France (CCO Specialist), Coral Hair (Manager: Democracy & Governance Services), Sarah Drummond (Governance Advisor), Janie Storey (Governance Advisor)

1 OPENING KARAKIA

Commissioner Shad Rolleston opened the meeting with a karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Condolences

Commissioner Tolley acknowledged the recent passing of Jorja-Ray Smith as a result of an accident at the Hewletts Road rail crossing and noted that she was the granddaughter of Mania Ngatai who was kaitiaki for the boat ramp. She also acknowledged the recent passing of Bill Faulkner who had been a Tauranga City Councillor for a number of years between 1986 to 2013 and had been closely involved with the development of the city over that time.

The thoughts of the Council were with the families and friends of the Smith and Faulkner families at this time.

3.1 Tauranga Intermediate School – Future Problem Solving Team – Thank you

External Drew Kenny, Student, Tauranga Intermediate School
Ryman Song, Student, Tauranga Intermediate School
Ryan Piddock, Student, Tauranga Intermediate School

Presentation

Key points

- In June 2022, both the Tauranga City Council and the Bay of Plenty Regional Council made a grant of \$5,000 each towards the Future Problem Solving Team's cost to compete in the world competition in the United States. The students wanted to share their experiences and to express their heartfelt gratitude and thanks for the grant as it made so much difference to their opportunities and the experiences gained.
- After a 16 hour flight they had holidayed in New York for a few days, travelled to the University of Massachusetts and Boston for the competition, then on to Los Angeles before heading home.
- Highlights included meeting so many different people from all over the world, the variety of events in other competitions and meeting with the rest of the New Zealand team.
- The team took kiwi key chains and traded them with people from other countries so that they ended up with pieces of other competitors' cultures and heard their stories.
- The competition was a global problem solving programme which also included a section on community problem solving. A scenario included a community problem being highlighted and they worked as a team to find a solution. The students produced a write up of what happens in future.
- The team international scenario was to do with currency, with the swapping of body parts as a currency. One of the New Zealand teams won that section of the competition. –
- There were a number of social events with people and coaches and they heard from the local attendees about their personal experiences with the recent fires in the States.
- Participants were given a number of items with which they had to make costumes, write a presentation, provide a market solution, and perform a skit.
- Overall the New Zealand teams did well with some first, second and third placings in some of the competitions. The Tauranga team got 26th out of 57 teams in a 2 hour competition on what was theoretically happening in the future and the use of crypto currency or central bank currency, working out the best option for both. The group noted that although they had struggled a bit with time, they collaborated and worked together well.
- The group noted that it was a great experience and while they did not perform as well as they wanted, they learnt so much about a lot of different topics.
- The group reiterated their thanks to the Council for enabling them to go and compete on a world stage. They were all inspired by the community problem solving and said that it would be a good exercise to look at what the problems were within their own community, get them onto boards and see what they could solve. The student noted that they gained such a good world view, learnt of some the problems other countries and now knew lots more than they ever wanted to know about currency.

Discussion points raised

- Commissioner Tolley thanked Drew, Ryman and Ryan for attending the meeting and relaying to all the great value that they received from their experiences. She advised the students that the Council would take them up on the offer of problem solving, as it was great training for their future.
- Commissioner Tolley noted that the students had spoken of their experiences with confidence and the school and their families should be very proud of them.

Attachments

- 1 Presentation - Tauranga Intermediate School pdf

3.2 Age Concern - Roger Goodman and Adrienne von Tunzelmann - Investment of Elder Housing Sale Proceeds

External Roger Goodman, Age Concern
Adrienne von Tunzelmann, Age Concern

Presentation by Age Concern.

Key points

- Age Concern fully supports the idea of investment for elder housing and the Council's ability to invest in housing into the future.
- There was no source of secure access for older people in need in Tauranga, as with organisations such as Kainga Ora, the only way to get housing was through the housing register which did not give priority to the elderly. The Council proposal does not fill this large gap in the market.
- Accessible homes for older people and others in need with disabilities and chronic conditions was in short supply and sub regionally there was a lack of right sized housing.
- There were different housing needs for the younger age groups than the elderly and there was a need to address the needs of older people and relieve the housing stresses they face.
- The impact objectives of the fund in all six key areas caused concern that the senior housing would get lost and the submitters asked that Council ensure there was a balance towards accommodation for older people by ensuring the contribution to the Housing Equity Fund did not affect this.
- Older people were excluded from Kainga Ora housing as they received superannuation. The group want to see Council think of an investment towards good housing for older people when planning demographic changes now with emphasis being put on how the equity fund was managed.
- There were a number of different ways to do that. Co-housing and share housing etc would make the stock go further when allocating funds.
- Age Concern welcomed the opportunity to stay close to the housing equity fund as it evolved and would like to assist with the design of it.

Attachments

- 1 Presentation - Age Concern Housing Equity Fund

3.3 Bay Trust - Alastair Rhodes - Investment of Elder Housing Sale Proceeds

External Alastair Rhodes, Bay Trust

Key points

- The Trust wanted help plan for the best long term interests of the city. Mr Rhodes noted that as a father he wanted his children to be able to afford to live in the city and for him to be able to retire here.
- Bay Trust supported Council investing in housing and the value of community housing as a fundamental right which people should be able to afford.
- The Trust was committing \$10M into housing and would reinvest any profit from it.
- The Trust carried out an in-depth community survey every year and housing was always near the top of the list as an area for Bay Trust to invest in.
- The Council proposal was effectively utilising the fund as housing was a 50–100-year investment. The fund would be able to access debt and would be able to make a difference in the housing space. It would be managed by managers who would know how to make a positive impact in the housing space and would be trying to address housing where it was most

needed.

- Needs would change over time. Currently in the city there was a massive shortage of 1–2-bedroom units which were needed for the elderly and critical workers. Having a perpetual fund gave the ability to adapt.
- For every \$1 invested by Council, there were contributions of \$2:1 in depth which was structured to attract commercial investors in the future.
- The Bay Trust and Council balance sheets were not enough to address the shortage on their own, and other funds such as Kiwi Saver were needed and had to be attracted with reasonable returns to get them to invest. Seeing the results making a difference in the community would attract these investors.
- Mr Rhodes thanked the Commissioners and staff for listening to the Trust and allowing them to be involved in the co-designing of the fund and to be able to continue to provide long term what was in the best interests of the community.

3.4 Jo Gravit and Christine Ralph- Investment of Elder Housing Sale Proceeds

External Jo Gravit
Christine Ralph

An additional submission was tabled.

Key points

- Ms Gravit questioned how much significance would be given as a priority for elder housing, which she noted was the original intention of the sale.
- The Council had a social obligation to give priority to affordable elder housing and the submitter supported the \$10M set aside as the state system does not provide housing for elder people. Seniors in need were reliant on other affordable rental options such as housing trusts and local authorities.
- Ms Ralph agreed that it was appropriate that any additional money should be a wait and see as to whether it was placed in the fund, but it was important to know how the funds were to be expended in the future.
- The definition of public, social, affordable housing was too broad and could be honed down to give better guidance to future Councils on what their responsibilities were.
- In regard to representation on the Housing Equity Fund Board, it was unclear what representation the Council had on it. The submitters felt it was important to have a Tauranga City Council representative to represent the city's issues and requested that the person be a skilled housing advocate or person aware of the sector rather than a politician. The person needed to be a long term strategic thinker, rather than someone with a three year cycle.

Attachments

- 1 Public forum - Jo Gravit - presentation on Investment of elder sale proceeds - 14 August 2023

3.5 Grey Power - Vanessa Charman-Moore - Investment of Elder Housing Sale Proceeds

External Vanessa Charman-Moore – Grey Power Tauranga and Western Bay of Plenty

Meeting notes tabled.

Key points

- Grey Power was an advocacy organisation representing the 50+ age group and were advocating for safe and affordable housing for older residents.

- The submitter worked in seniors real estate and was regularly approached from distressed superannuitants trying to find accommodation, however, in Tauranga it was near impossible to find somewhere to live if all you had coming in was New Zealand superannuation.
- The accommodation supplement was not available until the applicant's savings had dwindled to almost nothing.
- The submitter noted there were only a few community organisations to help but there was almost nothing available. To get Kainga Ora housing, applicants were required to get on to the MSD waiting list and then it could be up to a year.
- If housing could be found, many landlords were wary of older tenants having the ability to be able to look after a property with one lady being turned down five times and another looking at flatmates wanted adverts.
- It was a struggle to find a solution, as superannuation was not sufficient to provide for Tauranga's vulnerable older people. The lack of security and the stress caused from potential homelessness for the elderly was deeply concerning.
- The large senior population combined with expensive rents made Tauranga vulnerable to a looming crisis that would be caused by an increasing number of renters, an ageing population, and a lack of age-appropriate housing.
- Although now removed from active involvement, Council still had the opportunity to take steps to prevent distress to the vulnerable older community.
- There were several successful small villages for elderly residents that had age appropriate housing with managers to mow lawns and assist where needed.
- In other areas there were community housing organisations working in successful partnerships with developers who provide the infrastructure with the organisations, guaranteeing rent payments and care of the properties.
- Grey Power request Council not to let the funding go into the general accommodation pool, and to ring fence it for elder housing. It was an opportunity for Council to create a better future for the elderly by encouraging collaboration between community housing organisations and private businesses.
- The submitter asked not to let Tauranga rely on central government when the local requirements were unique to the city and to return elder housing funds for the senior population, which was ultimately all of us.

Discussion points raised

- Commissioners thanked all submitters for the comments made with regards to the elder housing issues and the points raised.

Attachments

- 1 Public Forum - Grey Power Presentation to Commissioners.docx

3.6 Toxic Agrichemicals Advisory Forum - Peter Mora, Dr Ian McLean and Bill Myhill – Use of oxadiazon and pendimethalin on active reserves

External Peter Mora, Dr Ian McLean and Bill Myhill

Presentation made by Toxic Agrichemical Advisory Forum (TAAF).

Key points

- The Council was now the submitter for applications for additions to Schedule 1 of the policy and as such Council had put itself in the position of being the submitter and the approver of the process.
- TAAF carried out a full review in 2022 of the two chemicals applied for, and Council were now searching the current application for new evidence. A recommendation not to approve this should be made.

- Council approved a one year trial and the submitter noted that those trials had failed as the agrichemical added no value to turf management, despite the manufacturer suggesting it was the conditions that caused the chemicals to fail.
- TAAF had nothing to do with whether the chemicals work, they were here because of public health.
- The trials, while interesting, provided the wrong result from the perspective of continuing to approve the chemicals for addition to Schedule 1.
- The proposal to use the chemicals in a different way with the belief that this summer would be drier and with the manufacturer suggesting they would work better, TAAF saw no evidence for changing their opinion from last year. The chemicals used did not work despite the Council doing its best to use them as per the manufacturer's specifications.
- A retrospective reanalysis was not the best way to approach this problem and adding the chemicals to the Schedule was not the solution
- Conducting a trial under different conditions TAAF suggested that the test should repeat the conditions of last year as much as possible and change one variable, when the report suggests changing two – the method of application and the environmental conditions which Council hoped would be drier.
- Should Council continue to use these chemicals, and do they really provide enough added value given their toxicity? TAAF's position was no.

In response to questions

- TAAF's position was that the trials were not the way to use the chemicals as they come with these already done by the manufacturer. While there was some argument to test under local conditions, TAAF supported that and provided a document to outline a way of doing and reporting trials some years ago which would be in Council's records.
- TAAF noted that the Council had not done what was suggested in reporting on the current trial and they wanted to see evidence that if the Council were going to do trials, they be done in a way that it could be ensured that it was called a trial and properly recorded and properly structured experimentally in a way that would allow them to add to the information base in terms of making a decision about whether to continue their use.
- In response to a query as to whether there was any other product that would be more conducive to public health that would get the same results to increase the use of sports turf all year round, TAAF responded that was not their job to search for alternative products. They had searched for other methods which they had done trials for and let Council know the results and were not going to spend time researching toxic chemicals as they were a voluntary organisation.
- Balancing the health benefits of the greater use of sports fields verses the risk to health that may be present by the use of the chemicals was difficult to answer, TAAF acknowledged the attempt to support the idea of resources in the community for promoting health. This was about providing high quality top end turf for competitive sports at the top level. If the Council was trying to provide sports fields for health purposes TAAF did not think that they needed to use these chemicals to provide the turf for areas for general games as it had been done for years. If the result was to provide high quality turf for higher grade games, probably not, but it was not their decision.

4 ACCEPTANCE OF LATE ITEMS

Nil

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 27 June 2023

RESOLUTION CO13/23/1

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the minutes of the Council meeting held on 27 June 2023 be confirmed as a true and correct record.

CARRIED

7.2 Minutes of the Council meeting held on 24 July 2023

RESOLUTION CO13/23/2

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the minutes of the Council meeting held on 24 July 2023 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

The following declarations on interest were noted:

- Commisisoner Walsley noted in relation to item 11.2 the Greerton Maarawaewae Options Study Deliberations, recommendation (f) that his wife was a member of the Tauranga Golf Club.
- Commissioner Rolleston noted in relation to item 11.2 Greerton Maarawaewae Options Study Deliberations he had recently been appointed to the New Zealand Conservation Authority, but had no direct interest in the government reserve land in this area.

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Investment of Elder Housing Sale Proceeds

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Fiona Nalder, Principal Strategic Advisor
Sheree Covell, Treasury and Financial Compliance Manager

External Roy Thompson – New Ground Capital**Key points**

- 67 responses were received to the consultation with 70% in favour of investment in the housing equity fund, investing \$10M into the fund as well as the options to potentially commit a further \$3M into development contribution rebates as committed by the last Long Term Plan.
- Mr Thompson noted that in 2021 Bay Trust recognised key insights into the long standing housing crisis being faced in the region and saw the need to approach it collaboratively with scale and equity.
- Parties from across the region came together and went through an exhaustive codesign process. It was seen as a unique, special, and much needed regionwide collaboration that had brought together a broad range of perspectives, experiences, expertise around the issues.
- Mr Thompson noted the valid concerns raised in the public forum and advised the co-design process reflected Council's requirements in the design of the fund and the processes the fund would operate under, and they had built in a unique geographic ring fencing mechanism to ensure that any capital contributed by the Tauranga City Council was only invested within the Council boundaries. This had also been done for the benefit of the other parties investing who in some cases had a primary interest in the sub region.
- A further protection was around the approval of the impact case of each individual investment being considered. The investment team were already talking to a number of parties including Māori housing groups, iwi, community housing trusts and councils and when a project was identified that met the financial objectives of the fund, it had to be vetted and approved by the founding shareholders from within that specific sub-region. It will then go back to the local investors for approval around the impact case looking at whether it was addressing in an area of great need, was it delivering new and affordable housing. If the proposal passes that test, it then goes to the investment committee which was made up of property experts and, if approved, it would then go to the Board where Tauranga City Council has representation. The Board would ensure that good process had been followed, as embodied in the foundation document.
- The fund was not specifically targeting elder housing, the key criteria was to deliver new housing of an affordable nature, targeting those most in need. As needs changed, they needed to be prepared to adapt and consider all sectors of the community.

In response to questions

- There was an initial five person board, with three being appointed by the founding shareholders. Tauranga City Council would be one of the five shareholders and, as the largest investor, it was expected Council would negotiate with the other founding shareholders to have board representation.
- In response to the investment of the remaining funds and the intent of the fund it was noted that the Housing Equity Fund would continue to be used for housing purposes and the documentation of the establishment of the fund would ring fence and set funds aside. The remainder was set out in recommended resolution (b) of the report and was the first resolution setting out the total of the elder housing funds, taking out the decision already made around development contributions, Women's Refuge and other items, the total left would be ring fenced that these funds must only be spent on social, elder and affordable housing outcomes.
- There were still further decisions to be made by Council in respect of Smith's Farm and conversations with other parties for opportunities in the Te Papa corridor that could flow through the next few months and Council could then make more detailed resolution to (b) or add another report later to provide more clarity before election time.

Discussion points raised

- Commissioners agreed that the Board appointment should not be a politician and would hold further discussions with staff on the matter. The decision would be made once further information was to hand.

- Commissioners agreed that the funding stream needed to be addressed so that it was more focused. The intent was that elder housing was a significant part of the housing equity fund however the Council wanted flexibility to invest in areas which would make the most impact and address the greatest need.
- It was agreed that Resolution (i) would include a timeframe “*prior to the adoption of the 2024-34 Long Term Plan*”.
- Commissioners acknowledged the submitters and thanked them for the work done, noting that there was still more to do.
- Resolution (d) – option (i) was agreed to.

RESOLUTION CO13/23/3

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Investment of Elder Housing Sale Proceeds".
- (b) Approves investment of the total available elder housing village sale proceeds into delivering social, elder and/or affordable housing outcomes for the city.
- (c) Notes that allocation of elder housing village sale proceeds to provide \$3 million of development contribution grants, available for community housing and Papakāinga housing, was an allocation over three years via the 2021-2031 Long-Term Plan, and that these funds will be rolled over annually until fully spent.
- (d) Approves a further total allocation of \$3 million, \$1.5 million for registered community housing providers and \$1.5 million for Papakāinga housing funded from the proceeds of the elder housing sale, evenly distributed over years 1-3 of the upcoming 2024-2034 Long-Term Plan, and to be managed under Council's policies *Grants for development contributions on Community Housing* and *Grants for development contributions on Papakāinga Housing*.
- (e) Approves an initial investment of \$10 million into the Housing Equity Fund being established for the Bay of Plenty region, in the form of cash and/or property and subject to final due diligence.
- (f) Delegates the Chief Executive to develop, negotiate and execute on Council's behalf the required legal documentation for the initial investment of \$10 million into the Housing Equity Fund.
- (g) Resolves that if two Council signatories are required in respect of any of the necessary legal documentation, the General Manager: Strategy, Growth & Governance is the delegated authority to execute the legal documentation together with the Chief Executive.
- (h) Approves investment of the remaining funds (as cash and/or property), subsequent to the proceeds being available, into either the Housing Equity Fund or alternative affordable/social/elder housing projects within Tauranga.
- (i) Notes that the decision regarding the investment of the remaining funds (i.e. investment into the Housing Equity Fund versus alternative housing projects) will be made via Council decision before adopting the 2024-34 Long Term Plan and will not be subject to further formal community consultation.
- (j) Notes, in accordance with Section 80 of the Local Government Act, that:
 - (i) the decision in (e) above is inconsistent with the *Treasury* policy as the Housing Equity Fund does not have an approved credit rating; and
 - (ii) the *Treasury* policy is currently under review, however it is not intended to amend the policy to accommodate this decision.

CARRIED

11.2 Greerton Maarawaewae Options Study Deliberations

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Robyn Scrimshaw, Urban Planner: Urban Communities
Ross Hudson, Team Leader: Planning

Presentation on the Greerton Maarawaewae Options Study Deliberations and replacement maps tabled.

Key points

- Council had worked through three phases of tangata whenua discussions, community engagement and stakeholder discussions.
- Phase 3 options were taken to the community including a health and recreation site, a central park and an enhanced status quo with housing removed as an option.
- In terms of health, the current site has seismic constraints and was subject to those being addressed. The Te Whatu Ora business case would look at the existing facilities and greenfield options of which one was the racecourse. No decision was able to be made until Te Whatu Ora's business case was completed which was expected to be in July 2024.
- New Zealand Thoroughbred Racing had decided that only one racecourse was required in the Bay of Plenty and a working party had been established to consider what a new racecourse would look like and where it would be located. The work was substantially completed and a suitable alternative location identified if needed, but this was on hold pending the Te Whatu Ora decision.
- In response to the community feedback received a new Option D had been created called community plus. This was an adaptive future proofed pathway that provided for improved community use of the space while retaining the racecourse. It did not include any enhancement to the racecourse that would be sunk if have they had to relocate and was a good balance of making changes by allowing the community to have more use of the area while reserving both options to move forward.
- Option D included some passive and nature play elements in the eastern corner of the site and would be finalised following engagement with the community to see what they wanted. The current carpark would be utilised for covered courts and to assist with the long term planning of the western corridor.
- The recommendation was to progress Option D as it provided amenity improvements. Funding had been included in the Long Term Plan for consideration so it could happen quickly if it was agreed to. Once the Te Whatu Ora business case decision was known, Council could either proceed with the hospital or retain the racecourse and deliver more long term community enhancements.

In response to questions

- Housing on the racecourse site had been removed from the Te Papa Spatial Plan and would also be reflected in the upcoming SmartGrowth strategy review once it was adopted, which was expected to be finalised before the end of the year.
- Discussion ensued on the concerns raised by the Tauranga Racing Club to protect their current position as they currently had 15 years to run on their lease and if the Crown wanted the area for a hospital, their position today was critical to the financial position of the racecourse if the Crown had to buy the out. The length of time for the Te Whatu Ora process, for a new facility to be included in the government's capital programme and to get the finance would take so long it would lessen the racing club's equity with the lease running out. This may then become a Council problem as the Racing Association would likely turn to Council to cover the difference in cost to move the racecourse to a new site. There was a need to protect the current position as it would be a number of years before the Crown gets to the negotiating table. Also if the hospital does not proceed certainty would need to be provided to the Racing Club that they could stay on the site. New Zealand Thoroughbred Racing and the Tauranga Racing Club had asked that Council negotiate a new 30 year lease with a set of conditions that if the land was

needed by the Crown for a hospital, they would surrender that lease after negotiations with the Crown.

- It was noted that the Tauranga Equestrian Sports Association (TESA) had some involvement in the process and staff had been engaging with them on a regular basis over the last year. There was a Tauranga addendum to the Western Bay of Plenty strategy that staff had asked to be advanced ahead of the wider strategy and working hard to come up with identifiable solutions for equestrian groups in the Tauranga Moana area and staff would continue to engage with TESA through the process. It was noted that representation on the regional group had been rectified quite recently.

Discussion points raised

- Commissioner Tolley noted that they wanted to give special thanks to the current users of the land and mana whenua who had been co-operative and constructive participants throughout the whole lengthy process, even when they strongly disagreed with some of the options. They had worked alongside Council the whole time. It was a good process and one that involved a raft of different sectors of the community who had different views on its use with a common theme that it was an important to retain it as an open space within the city and to retain the green nature appearance.
- It was a worthwhile process undertaken and appreciation was passed on to the staff who were involved.
- Commissioners noted that further engagement did not need to be held with the community regarding play space facilities if it was included in the 2024-34 Long Term Plan.
- Commissioner Rolleston noted that Ngai Tamarāwaho had reiterated at a recent meeting that the land in question was of significance to them and was not included in the settlement process as they were in agreement with the current status. However, if this was to change then it should be noted that they had a pending claim with the Crown and a change in status would trigger that claim.
- Changes to the recommendations in the report
 - Recommendations (c) and (f) to be taken separately
 - (d) addpathway be developed with *users and stakeholders*...
 - (e) (ii) – add *involving the Tauranga Equestrian Sports Association* at the end of the sentence
 - (g) add *and any existing funds remaining in the Trust to be negotiated with Tauranga City Council* at the end of the sentence.

RESOLUTION CO13/23/4

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Greerton Maarawaewae Options Study Deliberations".
- (b) Recognises that Te Whatu Ora (Health New Zealand Board) is progressing a Programme Business Case to consider options for future hospital health services provision in Tauranga that includes consideration of:
 - new greenfields sites, with Tauranga Racecourse Reserve land as one greenfield option; and
 - remediation and expansion of the current Tauranga hospital,and notes that this business case will likely be completed by July 2024.
- (d) Approves, in recognition of the two possible future pathways in (c), Option D: Community Plus – an adaptive, future-proofed programme pathway to be developed with users and stakeholders, with the following key elements:
 - (i) Adoption of the attached preliminary concept plan.
 - (ii) Short-term improvements to the Racecourse Reserve to enable more community use of the site as indicated in attached concept plan, including additional play features and a covered hardcourt facility.
 - (iii) Provision of funding for longer-term actions for consideration through the 2024-2034 Long Term Plan process.
- (e) Continues to work with the existing users on planning the future of the following activities:
 - (i) Tauranga Racing and New Zealand Thoroughbred Racing on short and long-term opportunities to continue Thoroughbred Racing in the Bay of Plenty.
 - (ii) Tauranga Equestrian Sports Association on the future of equestrian in the Bay of Plenty including implementation of the Bay of Plenty Equestrian Strategy including a Western Bay of Plenty component of the Strategy involving the Tauranga Equestrian Sports Association.
 - (iii) Community groups currently using of the Tauranga Racecourse Reserve to enable existing activities to continue to operate in Tauranga.
 - (iv) Mana whenua on the future of the Tauranga Racecourse Reserve to incorporate the cultural history and narrative into site improvements.
- (g) Resolves that Council give the Tauranga Racecourse Reserve Trust 12 months' notice to terminate the 2020 Memorandum of Understanding arrangements and work with the Trust to establish alternative reserve management to provide for wider community recreation and sporting use of the reserve and any existing funds remaining in the Trust be negotiated with Tauranga City Council.
- (h) Requests that, as per section 41(9) of the Reserves Act 1977, a non-comprehensive and targeted review is undertaken of the Tauranga Reserves Management Plan: *Part C, Section 3.238 Tauranga Golf Club and Racecourse Reserve* to reflect recent Council decisions.

CARRIED

Resolution (f)

Commissioner Bill Wasley declared a conflict of interest in relation to resolution (f) and took no part in the discussion or voting on the matter.

RESOLUTION CO13/23/5

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Shadrach Rolleston

That the Council

- (f) Approves Council entering into a new long-term lease concession with Tauranga Golf Club (through the Reserve Act s59A process) that accounts for:
- (i) Appropriate community access through the golf course and linkages enabled into Kopurererua Valley, and opportunities for increased community use of the buildings and greenspace.
 - (ii) The need to future-proof the site to enable city infrastructure needs such as the potential hospital, SH29A realignment and stormwater solutions that could require golf hole relocations.

CARRIED

Resolution (c)**In response to questions**

- In response to a query as to how to protect the Tauranga Racing Club to give them a chance to become the Bay of Plenty Racecourse and whether the 15 year lease was a block to that if the land was not to be used for health purposes, it was noted that the rationale for the recommendation was that it was Crown owned land and it was the Council's prerogative not to bind it to the Crown and putting on record that if it was not required for health purposes, the lease would be renewed and remain available to be retained as a race course site.
- Concern was expressed that if Te Whatu Ora did not make a decision on their business case prior to July 2024, and any decision could be overturned by a council decision. It was noted that three options had been provided with option (iii) being a formal legal agreement between parties to enter into a lease with the Racing Club, noting that some of the mutually agreed lease terms would be the only matters for discussion.
- In response to a query regarding how to protect the equity the Racing Club had in its current lease, it was noted that there would always be a 15 year lease remaining with the current lease term continuing to exist and be included in the agreement.
- Commissioners wanted certainty that the equity would be part of negotiation if the decision was to locate a hospital on the land as the process was likely to take a long time. It was noted that there was a process that would have to be gone through to renew any lease that would require Crown approval therefore Council would not be able to commit beyond the existing term of 15 years.
- There was no delegation to the Chief Executive in the agreement so it would need to come back to Council.

Discussion points raised

- Add the to (c) (1) (iii) "... only the *existing 15 year* lease term is relevant"
- Add clause (c) (1) (iv) in reference to retaining the remaining 15 year term of the lease until such time as a decision was made by Te Whatu Ora.

RESOLUTION CO13/23/6

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Bill Wasley

That the Council

- (c) (1) Approves Council entering into an agreement with Tauranga Racing with the following conditions:
- (i) If, following the completion of the Te Whatu Ora business case, the Crown does not require part of the Tauranga Racecourse site for health purposes, then Council shall negotiate and on mutually agreed terms, enter into a new long-term lease with Tauranga Racing (through the Reserve Act s59A process) on the Tauranga Racecourse Reserve.
 - (ii) The new long- term lease will provide for:
 - Improvements to the Racecourse Reserve to enable more community use of the site, including additional recreational opportunities and public access; and
 - The need to future-proof the site to support surrounding city infrastructure needs, including possible SH29A realignment, Cameron Road Stage 2 interface and 3-waters upgrades.
 - (iii) The agreement to enter into a long-term lease is not to be treated as an agreed and contractual lease should the Crown require the land (as the agreement to lease is conditional on the land not being required by the Crown). Consequently, both parties acknowledge that only the existing 15 year lease term is relevant for any compensation for surrender or purchase of lease rights.
 - (iv) A remaining term of 15 years is retained for the Tauranga Racecourse until such time as a decision is made by Te Whatu Ora.
- (2) If the Crown does require the Tauranga Racecourse site, then recommends to the Crown that Option A: 'Health and Recreation' is the preferred option to support the wider needs of the city.

CARRIED

At 11.51 am the meeting adjourned.

At 11.59 am the meeting reconvened.

11.3 Freedom Camping Bylaw Amendments

Staff Sarah Omundsen, General Manager: Regulatory and Compliance
Ruth Woodward, Team Leader: Policy
Stuart Goodman Team Leader: Regulation Monitoring (Bylaws and Parking)

Key points

- As a result of the Self-contained Motor Vehicles Legislation Act coming into effect it had impacted on the Freedom Camping Act and other acts to prohibit non self-contained vehicles camping on council land and brought into effect fines and a category of offences.
- The impact only related to five small amendments being required to the Freedom Camping Bylaw and because they were small no special consultative process was required.

In response to questions

- In relation to a query as to why places like Cambridge Park, where homeless people tended to park, could not be taken off the list of places where camping was allowed, it was noted that homeless staying on reserves was a big issue and staff were working proactively with social sector providers towards a solution. Once people were moved on from one area they tended to move to another area which then became the subject of complaints.
- Staff were aware of people sleeping in the parks and while Cambridge Park was challenging, the changes to the Freedom Camping Act did not change how to deal with the homeless seeking support. Infringements could be used to move them on, but they would likely move to another reserve.
- There was a high threshold for trespassing someone from a public place and there were often social and criminal behaviour problems involved which had other legislation for enforcement through the Police. While the Council could seize and impound a vehicle, staff then had a moral question about taking someone's shelter so would need to be confident that the person had other shelter to live in.
- The fees collected for offences go to the Council and the fines were imposed and collected by the Court and passed on to Council.
- It was noted that staff had access to raw data from the security contractor who provided information on who was staying at each site, seven nights a week in the summer season and four times a week in the off season.
- In response to a suggestion that the list of freedom camping sites should be tightened up and limited to places with access to drinking water and waste and rubbish disposal, it was noted that this option could be included in a report that was currently being compiled and an assessment be carried out on all the current sites. Any changes would need to go out for public consultation.

Discussion points raised

- While understanding the circumstances, there were also ratepaying families who were severely impacted by behaviour of some of these people and some families were scared to use the park that they should be feeling free to use.
- There was a difference between users of motor homes or expensive cars and parking in a public place and choosing to be counted as homeless.
- Solutions needed to be found to protect ratepayers and Council should be putting pressure on central government services, not our ratepayers.
- Areas like Cambridge Park were separated and there was not a lot of surveillance or people around to monitor the behaviour.
- Add (f) to the recommendations to include a review of the freedom camping sites.

RESOLUTION CO13/23/7

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Freedom Camping Bylaw Amendments ".
- (b) Approves the draft amended Freedom Camping Bylaw 2019 (**Attachment One**).
- (c) Resolves that in accordance with section 10 of the Freedom Camping Act 2011, that inconsistencies to the Freedom Camping Bylaw 2019 are amended. These:
 - (i) include land held by Land Information New Zealand as outside the application of the bylaw
 - (ii) include a definition of motor vehicle in accordance with section 4 of the Freedom Camping Act.
 - (iii) replace the current definition of self-contained vehicle in accordance with section 87 (d) of the Plumbers, Gasfitters, and Drainlayers Act 2006
 - (iv) remove the infringement fee of \$200 for an offence
 - (v) include offences section 20 (F) and (G) of the Freedom Camping Act.
- (d) Resolves that the amendments are publicly notified in accordance with section 5 of the Local Government Act and as required by section 10 of the Freedom Camping Act 2011.
- (e) Authorises the Chief Executive to make any necessary minor drafting amendments to the draft amended Freedom Camping Bylaw 2019.
- (f) Conducts a review of the freedom camping sites and reports back to Council.

CARRIED

11.4 Use of oxadiazon and pendimethalin on active reserves

Staff Barbara Dempsey, General Manager: Community Services
Emma Joyce, Open Space and Community Facilities Planner
Peter Mouldy, Project Manager
Ross Hudson, Team Leader: Planning

Key points

- In response to some of the comments made by Toxic Agrichemicals Advisory Forum, it was noted that oxadiazon had been used successfully in previous years, and the active reserves programme was designed to improve the sports turf for all community sports users, not just top end professional sports users.
- In reference to a properly structured experimental trial it was noted that approval for agrichemicals was specifically given to the Environmental Protection Authority (EPA), and as such the Council could not step into that area as it was a power designated to a government agency.

In response to questions

- In response to a query that the EPA was doing a review of oxadiazon in the second quarter of the year it was noted that they routinely investigated different products. While staff were not aware of the review, the product was only used with the redevelopment of a whole field which was fenced off and not in use for the duration of the grass growth. Where a park was open it

would be used as a maintenance tool.

- If the EPA decided oxadiazon was no longer to be used, Council would need to look for an alternative product. The EPA may change or adjust the hazard classification with different requirements for its use, in which case all appliers would be required to make those changes.
- Staff would proactively monitor the review and if anything was changed, Council would give effect to those changes.

Discussion points raised

- Staff to ensure that in the future Toxic Agrichemicals Advisory Forum speak as part of the item on the agenda rather than at the public forum.
- Due to the review being undertaken, it was agreed that the oxadiazon and pendimethalin be continued to be used as a trial and not added to the Schedule until the review results were available. The recommendations in the report were amended to reflect this.

RESOLUTION CO13/23/8

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Bill Wasley

That the Council:

- (a) Receives the report "Use of oxadiazon and pendimethalin on active reserves".
- (b) Notes that the use of oxadiazon and pendimethalin on selected sports fields over Summer 2022/2023 did not achieve the desired results (potentially due to significantly higher than average rainfall and the application methodology).
- (c) Approves an amendment to the *Schedule of Approved Products to the Use of Toxic Agrichemicals for Vegetation Control Policy* to allow oxadiazon and pendimethalin to be used on grass sports turf only over summer 2023/2024.
- (d) Conducts a further review of the use of oxadiazon and pendimethalin pending the completion of the Environmental Protection Authority review.

CARRIED

11.5 CCO Final Statements of Intent 2023/24 to 2025/26

Staff Gareth Wallis, General Manager: City Development & Partnerships
Sanjana France, CCO Specialist

Discussion points raised

- It was requested that as the current Council would be approving the draft 2024/25 statements of intent, the Council should also approve the final statements of intent following the adoption of the Long Term Plan 2024-34.

RESOLUTION CO13/23/9

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

That the Council:

- (a) Receives the report "CCO Final Statements of Intent 2023/24 to 2025/26".
- (b) Receives and approves Bay Venues Limited's final Statement of Intent 2023/24 to 2025/2026 (Attachment 1).
- (c) Receives and approves Tauranga Art Gallery Trust's final Statement of Intent 2023/24 to 2025/26 (Attachment 3).
- (d) Receives and approves Tourism Bay of Plenty's final Statement of Intent 2023/24 to 2025/26 (Attachment 5).
- (e) Notes that Western Bay of Plenty District Council, as joint shareholder, will receive the final Statement of Intent 2023/24 to 2025/26 for Tourism Bay of Plenty at their Council meeting on 30 August 2023.
- (f) Receives and approves Te Manawataki o Te Papa Limited's final Statement of Intent 2023/24 to 2025/26 (Attachment 7).
- (g) Receives and approves Te Manawataki o Te Papa Charitable Trust's final Statement of Intent 2023/24 to 2025/26 (Attachment 8).
- (h) Receives and approves Bay of Plenty Local Authority Shared Services' final Statement of Intent 2023/24 to 2025/26 (Attachment 9).
- (i) Receives and approves Local Government Funding Agency's final Statement of Intent 2023/24 to 2025/26 (Attachment 10).

CARRIED

11.6 Proposed Plan Change to Rezone Lower Belk Road

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

Key points

- The area was currently under the rural zone in the Western Bay of Plenty District Plan and as part of the boundary alteration a portion of Lower Belk Road must become part of the Tauranga City Plan by April 2024.
- This was a portion of land that was not included in the private plan change.

RESOLUTION CO13/23/10

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the report "Proposed Plan Change to Rezone Lower Belk Road".
- (b) Approves proceeding with the development of a plan change to rezone land at lower Belk Road.

CARRIED

11.7 Executive Report

Staff Nic Johansson, General Manager: Infrastructure Services
Barbara Dempsey, General Manager: Community Services
Paul Davidson, Chief Financial Officer

Christine Jones, General Manager: Strategy, Growth & Governance
 Sarah Omundsen, General Manager: Regulatory and Compliance
 Gareth Wallis, General Manager: City Development & Partnerships

Infrastructure

Key points

- The tender prices for the Pāpāmoa East interchange had come in well below the estimate for the works and a report would be provided to a future meeting. Stage 3 site access would be provided to the contractor in October/November 2023 to begin two years of construction.

In response to questions

- In terms of congestion created from the upgrade of Totara Street the previous week, staff agreed that they should have done better and in future would manage, plan and communicate the next stage of works on Totara Street better and differently.

Discussion points raised

- At a recent Mayoral Forum the presentation on Tauranga's waste facility received good interest from other councils, with Opotiki and Kawerau District Councils indicating they wanted to be involved in a regional facility.
- Positive comments had been received regarding the Kingswood Road traffic calming and Thirteenth Ave/St Mary's School access across the avenues and it was requested that the positive feedback regarding better access be passed on to the team involved.

Community Services

Key points

- New reporting format under community outcomes rather than activities.
- There was a large amount of interconnection between staff for events, workshops and training opportunities and getting involved with the community.
- There had been a lot of positive feedback from having the Netherlands FIFA women's football team in the city and the community being able to view some training sessions.

In response to questions

- The Pāpāmoa shared path beyond Parton Road would be discussed with the infrastructure team to analyse where the shared pathways were.

Discussion points raised

- Positive responses to breaking down artificial barriers and pathways had been received with the customer service desk now being in the community libraries.
- Commissioners complimented the team regarding the recent visit from the Minister of Culture and Heritage who had been well briefed on Te Manawataki o Te Papa and was supportive of the future of culture and arts in the city.
- Congratulations to the shared pathways teams, there were always a lot of children playing on and around the paths and they provided a decent amenity for the city. It was suggested that a range of playthings, such as hopscotch, be added to the pathways to encourage more play.

Chief Financial Officer

Key points

- The upgrade at the Airport was going well, with the firehouse relocation having been started and the carpark opened.
- Audit had indicated that due to staff resourcing they could not process the Annual Report and Long Term Plan 2023-24 consultation document simultaneously, which would result in Council breaching the statutory date for the annual report which would likely be a month late.

In response to questions

- Further information would be provided on the parking and rental park area at the Airport noting when the area would be repurposed for long term parking.

Strategy, Growth and Governance

In response to questions

- A comprehensive induction and professional development programme would be implemented for elected members following the 2024 election.

Corporate Services

In response to questions

- Include an explanation of SAP system for members of the public.
- The numbers through the engagement portal were encouraging.

Regulatory and Compliance

Key points

- The Council Urban Designer had resigned which had left a gap in the space. A staff member had stepped in to manage the Urban Design Panel. There may also be an opportunity to resource share with the Western Bay of Plenty District Council.
- In respect to the Kodiak Consulting Limited incidents, there were 13 low risk sites which had been assessed. Staff were working through the process, supporting other councils and providing information to the Police when requested. There were insurance implications, but these were minimal due to the low risk sites.
- Dog registrations were down from the previous years at this time.

In response to questions

- Work was still underway to capture reporting for new builds to separate out new dwellings.
- It was difficult to meet compliance with historic consents on the books. Staff were contacting applicants to determine if they wished to continue with their applications.

City Development and Partnerships

Key points

- \$1M of grants had recently been received for two community projects.
- The Dive Crescent carpark, Stage 1, was opened on 14 August 2024.

In response to questions

- Staff were confident that the next two stages of the destination skatepark would receive external funding allowing the work to be completed.

RESOLUTION CO13/23/11

Moved: Commissioner Bill Wasley

Seconded: Commissioner Shadrach Rolleston

That the Council:

- (a) Receives the "Executive Report".
- (b) Notes that due to the lack of available Audit New Zealand resources to concurrently complete the audits of the Long Term Plan Consultation Document and the 2023 Annual Report, Tauranga City Council will technically breach section 98(3) of the Local Government Act by not adopting the Annual Report within statutory timeframes.
- (c) The Annual Report 2023 will be adopted by the end of November 2023, no more than one month after the statutory deadline of 31 October 2023. This timeframe has been agreed with Audit New Zealand and the appropriate government departments will be notified.

CARRIED

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RESOLUTION CO13/23/12

Moved: Commissioner Bill Wasley

Seconded: Commissioner Stephen Selwood

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
13.1 - Public Excluded Minutes of the Council meeting held on 24 July 2023	<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 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>	<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>
13.2 - Exemption from open competition - Election Services	<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>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>

13.3 - Exemption from Open Competition - Supply and Commission of new Cemetery Cremator	s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
13.4 - Variation to contract - Maunganui Road Safety Improvements	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
13.5 - Backflow Prevention Device Physical Delivery Procurement	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

At 1.04pm the meeting adjourned.

At 1.31pm the meeting reconvened and continued in public excluded.

14 CLOSING KARAKIA

Commissioner Shadrach Rolleston closed the meeting with a karakia.

The meeting closed at 1.45 pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 4 September 2023.

.....
CHAIRPERSON

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

10.1 Tauranga Public Transport Joint Committee - Terms of Reference Amendment Report to Tauranga City Council

File Number: A14982279

Author: Sarah Drummond, Governance Advisor

Authoriser: Brendan Bisley, Director of Transport

PURPOSE OF THE REPORT

1. The purpose of this report is to bring a recommendation from the Tauranga Joint Public Transport Committee to Council for consideration. At its meeting on 16 August 2023, the Committee passed the following resolution which includes a recommendation to Council.

In accordance with the Joint Public Transport Committee recommendation of their meeting of the 16 August 2023

1. *Endorses the amendment to the Terms of Reference to allow for the appointment of a representative and alternate representative for Waka Kotahi NZ Transport, as a non-voting, external member of the Tauranga Public Transport Joint Committee;*
2. *Recommends that the Bay of Plenty Regional Council and Tauranga City Council approves the above amendment to the Tauranga Public Transport Joint Committee Terms of Reference.*

Tolley/Thompson

CARRIED

2. Council are now asked to approve the amendment to the Terms of Reference.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Tauranga Public Transport Joint Committee - Terms of Reference Amendment Report to Tauranga City Council".
- (b) Approve the amendment to the Tauranga Public Transport Joint Committee Terms of Reference, to allow for the appointment of a representative and alternate representative for Waka Kotahi NZ Transport, as a non-voting, external member of the Tauranga Public Transport Joint Committee.

ATTACHMENTS

1. Terms of Reference Amendment Report to Tauranga City Council - A14986211 [↓](#) 



Report To: Tauranga City Council

Meeting Date: 4 September 2023

Report Writer: Claudia Cameron – Committee Advisor (BOPRC)

Report Authoriser: Oliver Haycock – Acting Public Transport Director (BOPRC)

Purpose: To approve an amendment to the Terms of Reference to allow the inclusion of Waka Kotahi NZ Transport as a non-voting, external member of the Tauranga Public Transport Joint Committee.

Tauranga Public Transport Joint Committee Terms of Reference Amendment

Executive Summary

This report recommends an amendment to the Tauranga Public Transport Joint Committee (Joint Committee) Terms of Reference, to allow the appointment of a Waka Kotahi NZ Transport Agency (Waka Kotahi) representative and alternate, as a non-voting, external member of the Joint Committee.

Recommendations

That the Tauranga City Council:

- 1 Receives the report, Tauranga Public Transport Joint Committee Terms of Reference Amendment;**
- 2 Approves the amendment to the Terms of Reference to allow for the appointment of a representative and alternate representative for Waka Kotahi NZ Transport Agency, as a non-voting, external member of the Tauranga Public Transport Joint Committee.**

1. Introduction

The Joint Committee was established in December 2021 and comprises of two members from Tauranga City Council and two members from Bay of Plenty Regional Council.

Members of the Joint Committee identified the need to extend membership to include Waka Kotahi, as a non-voting, external member of the Joint Committee. This will assist with ensuring all relevant voices are heard when making decisions regarding joint Tauranga public transport projects. Waka Kotahi holds the same non-

voting membership positions on the Public Transport Committee and Regional Transport Committee.

A change of membership requires a change to the Terms of Reference (attached) with the proposed changes highlighted.

At the 16 August 2023 meeting of the Joint Committee, the proposed amendment was endorsed. The Terms of Reference of the Joint Committee specify that any amendment must be on the approval of partner councils, Bay of Plenty Regional Council and Tauranga City Council. The Joint Committee recommends both partner councils endorse the amendment.

1.1 Resolution of the Tauranga Public Transport Joint Committee

- 1 *Endorses the amendment to the Terms of Reference to allow for the appointment of a representative and alternate representative for Waka Kotahi NZ Transport, as a non-voting, external member of the Tauranga Public Transport Joint Committee;*
- 2 *Recommends that the Bay of Plenty Regional Council and Tauranga City Council approves the above amendment to the Tauranga Public Transport Joint Committee Terms of Reference.*

Tolley/Thompson

CARRIED

2. Proposed change to the Terms of Reference

2.1 Terms of Reference

The changes are highlighted in the attached Terms of Reference, and include Waka Kotahi as a non-voting external member.

The position of external member is recommended so as to be in-line with the membership positions held by Waka Kotahi on the Public Transport Committee and Regional Transport Committee.

A non-voting position is recommended so as to be in-line with the membership position held by Waka Kotahi on the Public Transport Committee.

3. Next Steps

Once approved by the Tauranga City Council and Bay of Plenty Regional Council, the Joint Committee will make the necessary changes to appoint a non-voting member and alternate member for Waka Kotahi.

Attachments

Attachment 1 - Tauranga Public Transport Terms of Reference - Updated and Highlighted August 2023

Tauranga Public Transport Joint Committee

Membership

Chairperson	Cr Andrew von Dadelszen
Deputy Chairperson	Commission Chair Anne Tolley
Members Bay of Plenty Regional Council Tauranga City Council	Cr Paula Thompson Commissioner Stephen Selwood
External Member (non-voting) Waka Kotahi NZ Transport Agency (One member and one alternate member to be nominated by Waka Kotahi NZ Transport Agency)	TBC – member TBC – alternate member
Quorum	Two members, consisting of half the number of members, of which one must be from each respective Council.
Meeting frequency	Bi-monthly or as required by the need for decisions.

Appointment of the Chair and Deputy Chair and associated administrative support to be rotated between the two partner councils on an annual basis.

Purpose

Provide strategic and operational advice and direction for an integrated public transport system for Tauranga city and monitor implementation delivery.

The aim is to ensure that decisions in relation to all relevant parts of the transport system are taken collectively and deliver outcomes that are greater than the sum of these parts. These outcomes are set out in the Urban Form and Transport Initiative (UFTI) Programme Business Case and Tauranga Transport System Plan (TSP).

Role

The Tauranga Public Transport Joint Committee is a joint committee of Bay of Plenty Regional Council and Tauranga City Council that report to their respective councils.

The area covered by the Joint Committee extends to the Tauranga City Council boundaries. The role includes:

- Enabling integrated decision making for Public Transport in Tauranga City.
- Preparing and reviewing a Tauranga City Integrated Public Transport Work Programme.
- The Work Programme to include:
 - Projects and business cases as outlined in Annex 1 (and prioritised accordingly).
 - Providing advice and guidance on Tauranga-specific content of the Regional Public Transport Plan (RPTP), for consideration by the Public Transport Committee.
 - RPTP policy implementation in relation to the Tauranga City Council area.
 - Tauranga city parking strategy and implementation.
 - Travel behaviour management programmes (including The Wednesday Challenge).
- Funding and financing (includes updates on Tauranga road pricing, bus fares, parking charges and third party funding).
- Monitor and review the implementation of the Work Programme.
- Receive reporting on the performance of public transport services and infrastructure, and making recommendations for improvement.
- Provide quarterly implementation updates to the Public Transport Committee.

For the avoidance of doubt, the Joint Committee's role does not include adopting, varying or renewing the Regional Public Transport Plan, which is a function of the Regional Council.

Reports to the Joint Committee will be prepared in partnership between the two councils. Where differences of view at officer level are apparent, these will be clearly set out in order for Councillors and Commissioners to make an objective and balanced decision.

Power to Act

To make all decisions necessary to fulfil the role and scope of the Joint Committee; with relevant powers delegated from the respective Council committees.

Any recommendations that impose financial commitments to either party are to be referred to the respective councils for approval.

Any variation to the Joint Committee's terms of reference are by formal agreement by both councils.

Power to Recommend

The Joint Committee has a recommendatory power in relation to Tauranga City public transport matters to be considered as part of the Regional Public Transport Plan (RPTP) process.

11 BUSINESS

11.1 Annual Plan 2023-24 Revised Capital Budgets

File Number: A14939368

Author: Susan Braid, Finance Lead Projects Assurance

Authoriser: Kathryn Sharplin, Manager: Finance

PURPOSE OF THE REPORT

1. To seek Council approval to amend 2023-24 Annual Plan (AP) budgets to ensure consistency with 2024-34 Long-term Plan (LTP) capital programme priorities and take account of budget required to be carried forward from financial year 2022-23.

RECOMMENDATIONS

That the Council:

- (a) Receives the report Annual Plan 2023-24 Revised Capital Budgets.
- (b) Agrees to budget adjustments as summarised in Attachment A, including:
 - (i) Capital expenditure carry forwards from 2022-23 of \$145m
 - (ii) Bring forwards of future year budgets of \$46m
 - (iii) New project budgets of \$11m
 - (iv) Additional budget for existing projects of \$27m
 - (v) Budget deferrals/reductions from 2023-24 Annual Plan of \$117m.
- (c) Agrees to a revised capital project budget of \$451m in 2023-24
- (d) Note that this revised capital project budget is not expected to lead to significant additional interest costs in 2023-24 as a portion of this budgeted capital is expected to be carried forward to 2024-25, the first year of the Long-term Plan

EXECUTIVE SUMMARY

2. In drafting the 2024-34 LTP, ((Tauranga City Council) TCC's capital expenditure programme was reprioritised based on both deliverability and financial capacity constraints.
3. The 2023-24 capital programme was also revisited to ensure budgets were consistent with the LTP reprioritisation and reflected the latest expectations of cost and timing.
4. The carry forward of unspent budgets from 2022-23 was incorporated into this reprioritisation, along with other decisions of Council regarding further investment and expenditure which were made after the 2023-24 annual plan (AP) was adopted.
5. The proposed revision to the AP capital budget to a new total of \$451m includes a \$78m capital deliverability adjustment (excluding vested assets and land sales). While project budgets are proposed to be increased it is unlikely the total capital programme at \$451m will be achieved in the year. Finance will monitor and report on capital expenditure and borrowing as we progress through the year and seek additional borrowing via Council if required.

BACKGROUND

6. In 2022-23, \$300m of capital expenditure was achieved (excluding vested assets and land sales).
7. The fourth quarter of 2022-23 delivered the highest expenditure to date (\$89m), which is reflective of the organisation having improved its capacity to manage an increasing capital programme to deliver the key infrastructure and amenity for the community.
8. The 2023-24 AP was adopted early with a net capital budget of \$367m, including a \$50m capital deliverability adjustment.
9. The draft 2024-34 LTP is a continuation of the priorities of the previous 2021-31 LTP. Priorities include:
 - Revitalising the city centre
 - Growth in the West (Tauriko)
 - Growth in existing zoned areas (including Te Papa/City Centre)
 - Community facilities and amenity
 - Transport network upgrades
 - Sustainability and Resilience
10. Annual Plan 2023-24 budget revisions have taken into the account the project prioritisation costs and timing from the draft LTP.
11. Carry forwards, bring forwards and reduction/deferral budget adjustments in Attachment A (being a total increase of \$74m) represent rephasing of budgets already agreed through the previously adopted Long-Term Plan Amendment, 2022-23 AP or separate decisions of Council.
12. New project budgets (totalling \$11m) were not incorporated into previous plans and are set out in Attachment B.
13. Additional budgets (totalling \$27m) relate to existing projects and are also set out in Attachment B.

STRATEGIC / STATUTORY CONTEXT

14. The draft 2024-34 LTP involved reprioritisation of TCC's capital expenditure programme due to deliverability and financial capacity constraints. The recommended revisions to the adopted 2023-24 AP budgets will ensure capital budgets in the current year are aligned with our project priorities and timing over the LTP.

OPTIONS ANALYSIS

15. Option 1 – agree to amendments as recommended to enable delivery of projects, consistent with draft 2024-34 LTP phasing and latest information.
16. Option 2 – do not agree to the amendments, meaning some projects would need to be delayed and included in the 2024-34 LTP.

FINANCIAL CONSIDERATIONS

17. The changes result in an increase in capital projects budgeted for 2023-24 from \$367m to \$451m. Most of this was offset by lower delivery in 2022-23, which flowed through to lower net debt (\$18m lower) than was budgeted for the end of June 2023.
18. An increase to capital expenditure over the total amount budgeted would increase our borrowing requirements and interest costs. However, it is likely the full amount of this budget will not be delivered in 2023-24 and there will continue to be carried forward budget year on

year. Finance will monitor and report on the expenditure and borrowing as we progress through the year and seek additional borrowing via Council if required.

LEGAL IMPLICATIONS / RISKS

19. There are no specific legal implications or additional risks arising from these budgetary adjustments.

CONSULTATION / ENGAGEMENT

20. There is no significant new project budget requested in the year over and above that agreed through previous LTP/AP planning processes.

SIGNIFICANCE

21. 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.
22. 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 issue.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
23. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue is of medium significance.

ENGAGEMENT

24. Taking into consideration the above assessment, that the issue is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

25. Update 2023-24 AP budgets and monitor and report on spend against revised budgets through the year.

ATTACHMENTS

1. **FY24 Budget Adjustments with Commentary - A14982375**  
2. **FY24 New and Additional Budget Requests - A14982378**  

	24 AP Budget (\$m)	Carry Forward Requested from FY23 (\$m)	Bring Forward from Future Years (\$m)	New Project Budget (\$m)	Reduction /Deferral (\$m)	Additional Budget on Existing Project (\$m)	Revised FY24 Forecast (\$m)	Comments
Civic & City Centre	88	39	15	5	(47)	4	103	
City Centre - Historical & Cultural Precinct	1	0	0	0	0	0	1	Slower than anticipated delivery of Lighting up the City project, to align with other City Centre construction works.
Civic Admin Building	16	2	1	0	0	0	19	Phasing adjusted in line with Willis Bond projections.
Growth - Intensification & Existing Growth Areas	4	3	6	0	(4)	0	9	Bring forward budget for city centre laneways land acquisition and development of Monmouth Redoubt. Deferral of budget related to later than anticipated commencement of Tunk's Reserve construction.
Memorial Park Aquatics Facility & Recreation Hub	3	2	0	0	(5)	0	1	Rephased due to seismic issues at OEYC and resulting design changes.
Other Projects	0	0	0	1	0	2	3	New Devonport Road carparking approved by Council on 3 July 2023. Additional budget required for southern end of Dive Crescent carpark.
Renewals	1	0	0	0	(0)	0	1	Carry forward of budget for strand pontoons, fisherman's wharf and other wharf renewals.
Te Manawataki o Te Papa - Community Services	38	10	0	0	(19)	2	31	Carry forward and rephasing of Central Library & Community Hub, Museum and Exhibition, and Baycourt upgrade. Additional Art Gallery door relocation budget now included as part of the Te Manawataki o Te Papa programme.
Te Manawataki o Te Papa - Spaces & Places	16	10	4	0	(13)	0	17	Rephasing of Masonic Park upgrade, Waterfront Central Plaza development and site establishment costs.
Te Manawataki o Te Papa - Support Services	2	2	0	0	(3)	0	2	Rephasing of Civic Wharf and reduction in building demolition costs.
Waterfront Development	7	8	5	4	(5)	1	19	Rephasing of Waterfront Playground and Memorial Pathway development. Additional budget required for Beacon Wharf upgrade and Strand Seawall (North) budget reallocated from Coastal Structures renewals.
Community Services	56	24	4	2	(24)	6	67	
Active Reserve Development	22	4	0	2	(12)	4	20	Reprioritisation of development across the active reserve network, including new budget for provision of additional indoor courts (to offset the current deficit), and additional budget for Baypark masterplanning and Gordon Spratt Multi Sport and Cricket Pavilion development.
Cemeteries Development	2	0	0	0	0	0	2	Minor building alterations and other projects carried forward for completion in 24FY.
Growth - Intensification & Existing Growth Areas	7	1	0	0	(7)	0	2	Deferral of Gate Pa community centre to years 1-3 of LTP and deferral of Fraser Street Reserve Development to beyond the 10 year period.
Growth - Western	1	0	3	0	(1)	0	3	Earlier than anticipated land purchase at Kennedy/Hastings Rd to develop neighbourhood reserve.
Historic Village Improvements	2	2	0	0	0	0	3	Complex 2 Development delayed due to seismic issues requiring further design and cost optioneering. Other work delayed to align with operational requirements at the Village.
Marine Park/Sulphur Point Development	0	0	0	0	0	0	0	Carry forward required to complete the disability access project currently underway.
Other Projects	15	12	0	0	(1)	2	28	Carry forwards required due to Elizabeth Street Streetscape, Omanawa Falls and Merivale Community Centre delays. Marine Parade Boardwalk budget carried forward and increased to complete further section of the boardwalk (funded externally). Additional budget required for depot construction in Tauriko to support in-housing of maintenance contracts.
Renewals	8	5	0	0	(4)	0	9	Historic Village renewals budget carried forward as contracts are underway. Coastal Structures renewals carried forward and reallocated to the Waterfront Development programme.
Sustainability & Resilience	13	2	0	0	0	0	15	
Bridge Resilience	0	0	0	0	0	0	0	No change.
Renewals	0	0	0	0	0	0	0	Carry forwards required for road and infrastructure renewals.
Resilience/Climate	1	1	0	0	0	0	1	Carry forward of Cambridge Road closed landfill upgrade due to delays associated with contractor supply issues.
Waste Facilities Redevelopment	11	1	0	0	0	0	13	Carry forward required due contract and funding delays.
Transportation	130	40	14	3	(17)	8	179	
Cameron Road Stage 2	8	1	6	0	0	0	15	Rephasing to allow construction completion by end FY28.
City Centre	26	1	0	0	(0)	0	27	Carry forwards associated with relocation of City Centre bus depot and active modes and public transport improvements around the city periphery.
Growth - Eastern	10	2	0	3	(2)	0	13	Rephasing of Sands Avenue and Te Okuroa Drive construction and new project budget requested for park and ride business case and implementation (per separate Council report on 4 September 2023).
Growth - Eastern (PEI)	14	4	0	0	0	0	19	Carry forward of budget for PEI Phase 2.
Growth - Intensification & Existing Growth Areas	5	3	0	0	(2)	0	5	Rephasing of Beaumaris Boulevard flood mitigation, Te Papa active mode connections and Chapel Street Esplanade walkway/cycleway.
Growth - Western	4	8	1	0	(2)	4	15	Rephasing of Hastings Road upgrade and Taurikura Drive construction. Additional budget required for construction of Matakokiri Drive through the SH29.
Hewletts Road	1	0	0	0	0	0	1	Additional budget required to complete business case, as indicated by Waka Kotahi.
Minor Safety Improvements	6	1	0	0	0	3	10	Maunganui Road budget increase approved by Commissioners on 14 August 2023.

Mount/Papamoa Multimodal	3	0	0	0	(1)	0	2	Rephasing of multimodal projects in Mount/Bayfair/Papamoa area (includes a portion of the Marine Parade boardwalk).
Other Projects	25	15	8	0	(6)	0	42	Carry forwards required across safe network programme, public transport infrastructure and the seismic strengthening of the Spring Street carpark building. Domain Road upgrade and Bellevue area-wide improvements deferred, while Grenada Street cycleway has been brought forward to access Waka Kotahi subsidy of 90%.
Otumoetai Multimodal	6	2	0	0	(3)	0	4	Rephasing of Otumoetai local loop.
Renewals	22	3	0	0	(0)	1	26	Pre seal repair budget increased to allow for catch up. Request with Waka Kotahi for additional funding for this.
Turret Road Multimodal	1	0	0	0	0	0	1	Carry forward of contingencies associated with this project budget.
3 Waters	92	30	13	0	(24)	9	120	
Cameron Road Stage 2	2	2	0	0	0	0	4	Additional budget required to complete stormwater upgrade in associated with Transport project.
Growth - Eastern	14	5	3	0	(3)	0	19	Deferral of Wairakei Stream culvert upgrade and corridor landscaping pending infrastructure development. Main Wairakei pump station budget brought forward due to earlier than anticipated delivery.
Growth - Intensification & Existing Growth Areas	5	2	1	0	(1)	3	10	Bring forward and additional budget required for Cameron Road water upgrades and the Turret Road strategic watermain, associated with Transport initiatives.
Growth - Western	13	13	6	0	(13)	1	20	Bring forward of Pyes Pa West Dam 5 and Wetland 5 as agreed at 3 July 2023 Council meeting. Additional budget requested for Tauriko floodway catchment and stormwater reticulation.
Other Projects	2	3	0	0	(1)	5	9	Projected spend from the stormwater reactive reserve omitted from the 24AP. Central Government requirement for water fluoridation added.
Renewals & Upgrades	25	5	2	0	(0)	0	31	Waiari reservoir and Tautau rising main budgets carried forward. Oropi trunk main and Ila Place wastewater reticulation pipe upgrades brought forward for early delivery.
Resilience/Climate	1	0	0	0	(1)	0	1	Deferral of Oropi and Joyce Rd supply tank upgrade.
Te Maunga Wastewater Treatment Plant	31	0	0	0	(5)	0	26	Rephasing of the programme to accommodate works on Bioreactor 2 and Clarifier 3.
Digital	20	0	0	0	0	0	20	
Other Projects	20	0	0	0	0	0	20	Minor carry forward for Finance solution.
Renewals	0	0	0	0	0	0	0	No change.
Other	19	10	0	1	(4)	0	26	
Other Projects	11	6	0	0	(2)	0	16	Delays across Airport, Pound Extension and Marine Precinct projects. The new car park at the Airport progressed faster than expected in 23FY, so less budget required than set out in the 24AP.
Renewals	0	1	0	1	0	0	2	Carry forward of Airport and residential property renewals budgets due to delays across the programme.
Strategic Acquisition Fund	7	3	0	0	(2)	0	8	Carry forward of unspent strategic acquisition budget to later years due to negotiation difficulties.
Grand Total	417	145	46	11	(117)	27	529	
Net Capital incl Capital Deliverability Adjustment*	367						451	

*numbers exclude vested assets and land sales

		24 AP Budget	Carry Forward Requested from FY23	Bring Forward from Future Years	New Project Budget	Additional Budget on Existing Project	Revised FY24 Forecast	Comments
New Project Budget								
Civic & City Centre	Parking Infrastructure	0	0	0	1,430,000	0	1,430,000	Construction of car parks on Devonport Road, as approved by Council on 3 July 2023. To be funded through the Parking activity.
Civic & City Centre	Marine Facilities Upgrades & Renewals	0	0	0	3,670,331	0	3,670,331	Strand seawall budget reallocated from existing Coastal Structures renewals project, to be 50% loan funded.
Community Services	Active Reserve Development	0	0	0	2,000,000	0	2,000,000	Development of additional courts to partly offset the court deficit (as noted in Greerton Maaraawae paper to Council on 14 August 2023).
Transportation	Park & Ride Activation	0	0	0	3,200,000	0	3,200,000	Park and Ride trial, as recommended in separate Council paper on 4 September 2023 (subject to approval).
Other	Airport Upgrades & Renewals	0	0	0	540,000		540,000	Replacement fire truck, as recommended in separate Council paper on 4 September 2023 (subject to approval).
Total New Project Budget					10,840,331			
Additional Project Budget								
Civic & City Centre	Parking Infrastructure	0	0	0	0	1,527,504	1,527,504	Development of the southern end of Dive Crescent carpark, as a result of scope and design changes to provide more parking stock.
Civic & City Centre	Te Manawataki o Te Papa	1,105,000	0	0	0	1,793,044	2,898,044	Art Gallery door relocation budget included as part of the Te Manawataki o Te Papa programme.
Civic & City Centre	Marine Facilities Upgrades & Renewals	0	2,200,997	0	0	500,000	2,700,997	Beacon Wharf upgrade budget reallocated from existing Coastal Structures renewals project, to be 100% loan funded.
Community Services	Active Reserve Development	1,092,616	148,998	0	0	3,963,384	5,204,998	To enable the relocation of netball from Blake Park to Baypark and development of shared pavilion at Gordon Spratt. Budget reprioritised from the wider active reserves programme in FY24.
Community Services	WC - Pyes Pa West Growth Area	0	0	3,302,500	0	12,050	3,314,550	Earlier than anticipated land purchase at Kennedy/Hastings Rd to develop neighbourhood reserve. Minor increase to budget required.
Community Services	Parks LOS Capital Development	0	3,299,447	0	0	800,000	4,099,447	Budget carried forward and increased to complete further section of the Marine Parade boardwalk (funded externally). A further \$900k investment for this cycleway is to be IFF funded as part of the Mount/Papamoa multimodal project.
Community Services	City Operations Capital	300,000	0	0	0	1,391,003	1,691,003	Additional budget required for depot construction in Tauriko to support in-housing of Spaces & Places maintenance contracts.
Transportation	WC - Pyes Pa West Growth Area	0	1,998,400	0	0	88	1,998,488	Minor increase
Transportation	WC - Tauriko Business Estate	0	608,448	0	0	86,890	695,338	Minor increase
Transportation	Western Corridor - Ring Rd	0	0	0	0	3,460,000	3,460,000	Cost of land purchase and construction costs underbudgeted through the 2021-31 LTPA.
Transportation	Hewletts Improvements	1,000,000	0	0	0	155,867	1,155,867	Additional budget required to complete Hewletts business case, as indicated by
Transportation	Local Roads Upgrades and Improvements	2,667,083	635,635	0	0	2,612,574	5,915,292	Maunganui Road safety improvements, per separate Council paper presented on 14 August 2023.
Transportation	TTOC Projects	0	0	0	0	314,465	314,465	To improve road safety.
Transportation	Carpark Buildings	0	1,789,196	0	0	111,991	1,901,187	Minor increase
Transportation	Local Roads Renewals	1,679,962	0	0	0	1,042,859	2,722,821	To allow for catch up on backlog of repairs across the network. Request with Waka Kotahi for additional funding for this.
3 Waters	Cameron Road Stage 2	1,000,000	198,200	0	0	150,000	1,348,200	Required to complete works in alignment with Transport initiatives.
3 Waters	Te Papa Intensification	500,000	0	0	0	2,000,000	2,500,000	Required to complete works in alignment with Transport initiatives.
3 Waters	Welcome Bay, Turret Rd & 15th Ave Corridor	500,000	0	0	0	912,366	1,412,366	Required to complete works in alignment with Transport initiatives.
3 Waters	WC - Tauriko Business Estate	0	937,713	0	0	1,293,201	2,230,914	Rephasing of FY23 developer works and increase in budget due to delays. Some available funds were also not carried forward from FY22.
3 Waters	SW Bulk Fund & Reactive Reserve	0	0	0	0	2,100,000	2,100,000	Projected spend from the stormwater reactive reserve omitted from the 24AP.
3 Waters	Water Supply Plant Upgrades & Renewals	0	61,749	0	0	2,600,000	2,661,749	To reflect Central Government requirement for water fluoridation.
Total Additional Project Budget						26,827,287		

11.2 Long Term Plan 2024-34 - Funding the Backlog of Development Contribution Funded Projects

File Number: A14981364

Author: Frazer Smith, Manager: Strategic Finance & Growth

Authoriser: Paul Davidson, Chief Financial Officer

PURPOSE OF THE REPORT

1. To confirm the current principles in relation to funding the Development Contribution Backlog.
2. To determine the basis for dealing with the under-collection (backlog) of Development Contribution funded debt for the 2024/34 LTP.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Long Term Plan 2024-34 - Funding the Backlog of Development Contribution Funded Projects".
- (b) Confirms the current principles in relation to funding any backlog.
- (c) Consults on establishing a targeted rate from 2025/26 to collect 50% of the backlog from the growth areas in which they arose as part of the 2024-34 LTP.
- (d) Agrees that any targeted rate would not commence before year 2 of the LTP.
- (e) Retains the current transfer of development contribution funded debt to rates funded debt (\$3.98 M per annum) pending the outcome of the consultation.

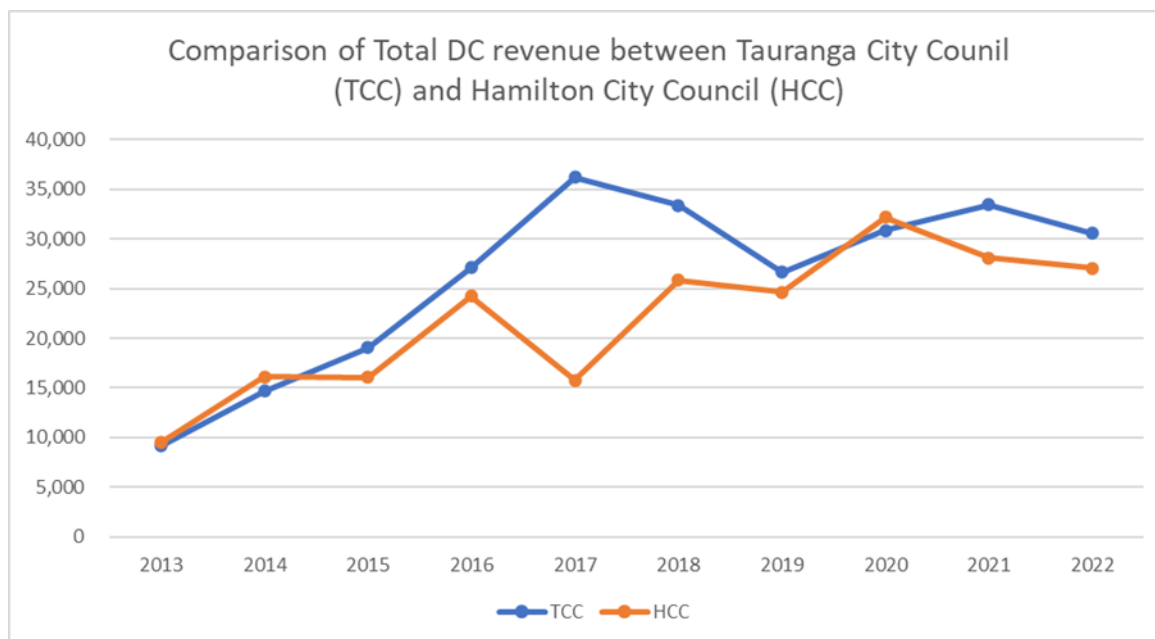
EXECUTIVE SUMMARY

3. While Council has a policy of growth pays for growth, we have not been able to collect the full costs of growth through development contributions. Council's financial DC reserves are less than they should be in order to fully recover our capital costs.
4. Rather than leave this as a problem for future ratepayers, Council (in 2011/12) started making transfers from DC funded debt to rates funded debt.
5. A change in approach is proposed, from just transferring the backlog of growth funded debt to ratepayer funded debt, to transferring some of the backlog to the geographic areas where the backlog was generated. The preferred option is that 50% of the backlog should be recovered from the growth areas in which the infrastructure was installed with the reduced balance (50%) being transferred as before.
6. While this change is to be consulted upon as part of the 2024-34 LTP, the recommended outcome will not be included in the budgets until after the consultation process. The recommended option is to commence any charge from the 2025/26 financial year (year 2 of the LTP).
7. While Council has made changes to its DC policy over the years to reduce the likelihood of future backlogs (such as getting developers to directly construct and fund key infrastructure), this process recognises that the current legislation and funding tools do not enable full cost recovery to occur

BACKGROUND

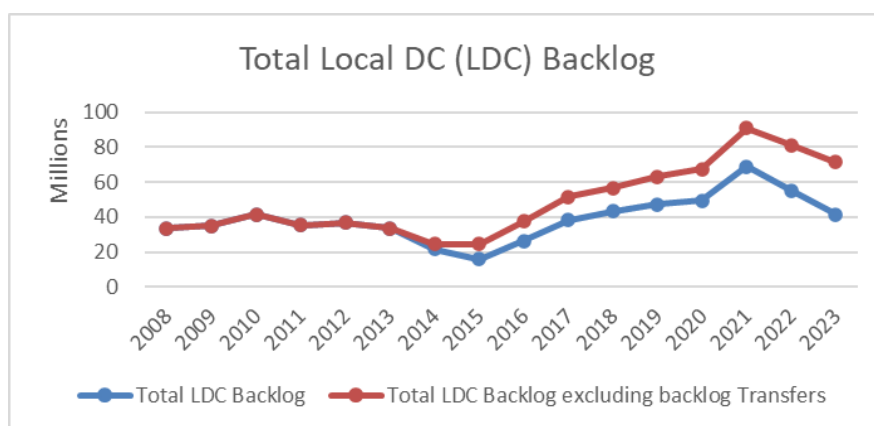
8. Development Contribution Revenue is one on TCC's most significant sources of revenue, accounting for over \$260 M in the 10 years to June 2022, and compares favourably to other large growth Councils, such as Hamilton, see Figure 1 below.

Figure 1: Comparison of DC Revenue between TCC and Hamilton CC



9. TCC has been collecting Development Contributions (DCs) (either as Development Contributions (LGA) or as Financial Contributions (RMA)) since 1994. While Council has a policy of growth pays for growth, in practical terms we have not had sufficient knowledge of the future or the ability through the legislation to fully recover our costs.
10. Over time these charges have increased considerably. In many instances we have found that the charges paid by developers in the past were too low, given the greater information we have available now. More detail on this can be seen in **Attachment A**.
11. The result is that when the growth area is full, Council expects to have a shortfall in the amount of DCs collected. This is referred to as the 'backlog'. Legally TCC cannot charge current or future developments more development contributions to recover this backlog.
12. In order to reduce the risk of incurring further backlogs, particularly in new growth areas, Council has both improved its practices in terms of estimating future costs and has moved away from charging development contributions in favour of using tools such as developer agreements. More detail on this can be seen in **Attachment A**.
13. Council first quantified this backlog in 2008. Figure 2 shows the movement in this backlog since then.

Figure 2: Graph of DC Backlog



14. This backlog was reducing, predominantly due to a decision made by Council in 2011 to start funding this backlog by transferring some of the backlog growth debt to rates funded debt. Since 2015 this has been offset by significant project increases. (particularly in Pyes Pa West, West Bethlehem and Papamoa). These project increases have caused the backlog portion to increase.
15. As a proportion of total DC Revenue (adjusting for backlog transfers) TCC has collected over 84% of the cost of DC funded projects.
16. It is important to note that we cannot just look at the overall picture but need to examine each element in each growth area individually. This is because gains in one area cannot be used to offset losses in another. The full breakdown can be seen in Attachment A. The six key components (largest and least likely to reverse) are shown on Table 1.

Table 1: Key Components of DC Backlog

DC Component	2023 Backlog \$M
West Bethlehem Stormwater	\$8.9
West Bethlehem Transportation	\$3.7
Papamoa Stormwater	\$8.4
Pyes Pa West Stormwater	\$16.3
Pyes Pa West Transportation	\$9.6
Total	\$46.9
Total excluding 3 waters	\$13.3

17. These key components represent over 100% of the total backlog (\$44.4 Million). This is because some of the growth areas are in credit and offset the smaller balances.
18. In 2011/12 Council reviewed this backlog and determined that about \$23 Million of this backlog (at least) was very likely to be permanent and outlined a process of transferring this DC funded debt to rate funded debt. Despite the transfers that had occurred, this backlog increased to \$40.0 Million by 30 June 2020. This has further increased to \$44.4 Million by June 2023.

19. Up until 30 June 2023 a total of \$28.3 Million has been transferred from DC funded debt to rates funded debt in relation to the backlog.
20. These transfers were made on the basis of the following principles:
 - (a) There is certainty that the shortfall is permanent
 - (b) The amount of the shortfall is known and certain
 - (c) The projects that the shortfall relates to have been completed
 - (d) The amount that is transferred is treated as any other rate funded project would be for debt retirement purposes i.e. debt would be retired as per Council's Debt Retirement Funding Policy which is part of its Revenue and Financing Policy
 - (e) Elected members have approved the transfer
21. The remaining budgeted transfers from DC funded debt to rates funded debt (\$31.8 million) will be insufficient to clear the backlog.

CURRENT APPROACH

22. For the year ended 30 June 2023 the backlog has been calculated as \$44.4 Million. This predominantly relates to the Papamoa, West Bethlehem and Pyes Pa West growth areas, see Table 1. The current approach is to gradually transfer DC related debt, from the large permanent backlog categories, to general ratepayer funded debt. We are currently making this adjustment at \$3.98 Million per year.
23. On this basis we would increase the transfer to \$4.7 M per year (10 year recovery timeframe). This would have a rates impact of (\$0.7 M @5.75%) circa \$40,600 in 2024/25.
24. If we do not make this transfer for 3 waters debt this transfer would reduce to \$1.33 M per year and have a rates reduction of (\$2.65 M @5.75%) circa \$150,000 in 2024/25.

ALTERNATIVE APPROACH

25. Currently the transfer of DC debt to ratepayer debt ends up being funded by all ratepayers. However, the large majority of the backlog has been incurred in a few growth areas.
26. An alternative approach is to recover the backlog through a targeted rate over the same geographic area that the DC charges are being levied. Because there will be some properties (those at the end of the development) that will pay their full share and still pay the rate we recommend that less than the full amount of the backlog is charged through this targeted rate. This will also enable us to clear out the small deficits where a targeted rate is not justified by keeping a lower level of the general transfer currently being completed.
27. A map showing TCC's growth areas is included as **Attachment B**.

Options Considered

28. The options we have considered have an impact on the level of any targeted rate. The key variables we have used are the proportion of the backlog to be collected through the targeted rate and the period over which this is expected to be collected.

Length of time to charge the targeted rate

29. The longer the period over which the targeted rate is collected the lower the impact on individual households. Given that some of these geographic areas are fairly small (in terms of number of houses serviced) collecting this backlog over a short timeframe has a significant impact on individual households.

Basis for charging

30. The targeted rate could be charged based on either a per unit basis or a Capital Value basis. Given that this backlog relates to local infrastructure and each property benefits on a similar basis, it is recommended that the rate would be at a flat rate, per property, basis.

3 waters Impacts

31. We could initiate these charges for all the relevant activities or exclude those relating to 3 waters (predominantly stormwater for the backlog work). On the basis that it would be a significant amount of work to introduce a new rate that is going to be removed after a very short time (3 years or less) we have excluded any backlogs relating to 3 waters from the rest of the calculations.

Starting date of the targeted rate

32. The new approach and targeted rate could be introduced into the 2024/25 year (Year 1 of LTP), at a later date, or introduced on a stepped basis over time.

Financial Impacts

33. The financial impacts for the likely targeted rates are estimated as follows.

Table 2: Impact of targeted rate on West Bethlehem (estimated pa charge)

Period of Debt recovery	Proportion of backlog recovered from targeted rate		
	100%	75%	50%
10 Years	607.88	455.91	303.94
20 Years	303.94	227.95	151.97
30 Years	202.63	151.97	101.31

Table 3: Impact of targeted rate on Pyes Pa West (estimated pa charge)

Pyes Pa West			
Period of Debt recovery	Proportion of backlog recovered from targeted rate		
	100%	75%	50%
10 Years	442.17	331.63	221.09
20 Years	221.09	165.81	110.54
30 Years	147.39	110.54	73.70

Table 4: Impact on Backlog recovered through transfer of DC funded debt to rates funded debt

Amended Backlog Adjustment				
	Proportion of backlog recovered from targeted rate			
	100%	75%	50%	0% *
Total Recovery (\$M)	-	3.30	6.60	13.30
Annual Transfer (\$M)	-	0.33	0.66	1.33

* Status Quo

STRATEGIC / STATUTORY CONTEXT

34. The requirements around the establishing a new rate will need to be followed. Full engagement with the community would take time and therefore it is not proposed to include options for targeted rates before year 2.

OPTIONS ANALYSIS

35. On the basis that the principles adopted by Council (paragraph 20) remain valid, doing nothing about the backlog balances (and leaving a problem for future ratepayers) is not an option. The options below, therefore, relate to how we recover this backlog.
36. Council have previously considered options in relation to the period over which the backlog is collected using the current basis of transferring it to rates funded debt. We are not reconsidering this timeframe as part of this report but leaving it consistent (ten-year timeframe).
37. For comparison purposes we have used the median residential rates figure from the 2023/24 Annual Plan (p 34) of 3,241.69 (\$3,727.94 inc GST).
38. We have calculated the potential targeted rate as a flat charge per property as opposed to a charge based on Capital Value. This is consistent with the basis for charging the original Development Contribution charge.
39. The options to be considered include:
 - (a) How to address the DC backlog
 - (b) Recommended timing of any change that may include targeted rates

How to address the DC backlog

Option 1: No Targeted rate and transfer reserve balances from DC funded debt to rates funded debt over 10 years (Status Quo)

40. For identified reserves (where there is a high backlog and no expectation of recovering this), transfer the reserve balance from DC funded debt to ratepayer funded debt over a set period of years.

Advantages		Disadvantages
<ul style="list-style-type: none"> Matches current principles Transparent write-off Targets large balances Spreads the impact more evenly across whole population 		<ul style="list-style-type: none"> For most ratepayers this means that they are paying for a shortfall in the funding of infrastructure that provides no service to their property.
Budget – Capital Expenditure	No change in capital expenditure or total debt, but there would be a decrease of approximately \$2.65 M on rates funded debt (based on Table 1 above – excluding 3 waters) per year.	
Budget – Operating Expenditure	There would be a decrease of rates funded interest of approximately \$150 K in the 2024/25 year (being interest at 5.75% on the debt impact above).	
Key risks	None	
Recommended?	No	

Option 2: Establish a targeted rate to recover the entire backlog from the areas in which it has been caused.

41. There are 3 sub-options under Option 2 relating to the period over which these rates are expected to be charged.

Option 2a – Charged over 10 years

Option 2b – Charged over 20 years

Option 2c – Charged over 30 years

42. The anticipated targeted rates for option 2 are shown in Table 6 below. This rate is based on the current number of properties and is likely to reduce over time as new properties are subdivided.

Table 5: Anticipated targeted rate pa if we are collecting 100% of the backlog as a targeted rate.

Impact of 100% of backlog recovered from targeted rate.			
Area	2a) 10 Years	2b) 20 Years	2c) 30 Years
West Bethlehem	607.88	303.94	202.63
Pyes Pa West	442.17	221.09	147.39

Under option 2 the transfer of DC funded debt to rates funded debt would stop from 2025/26 financial year.

Advantages		Disadvantages	
<ul style="list-style-type: none">• Matches current principles• Transparent process• Targets large balances• Targets those areas that have historically given rise to the backlog• Charges those areas where there has been an underpayment of DC's• Doesn't charge ratepayers who have gained no benefit from that infrastructure.		<ul style="list-style-type: none">• For West Bethlehem ratepayers in particular, even at 30 years this would still be a significant increase in rates (over 6%).• Some ratepayers who have developed recently will pay a high DC and the targeted rate.• We have removed all of the transfer of DC debt to rates debt and there is nothing left to remove small balances.• Doesn't recognise that Council has, at times in the past, recovered costs relating to a specific area from the city wide population.• Doesn't recognise that some ratepayers have already gained from the \$28.3M already transferred to rates funded debt	
Budget – Capital Expenditure	No change in capital expenditure or total debt, but there would be a decrease of approximately \$3.9 M on rates funded debt (based on Table 4 above).		
Budget – Operating Expenditure	There would be a decrease of rates funded interest of approximately \$0.23 M (being interest at 5.75% on the debt impact above).		
Key risks	Introduction of a new rate may not be supported through consultation.		
Recommended?	No. Financial impact is too high on some areas and doesn't recognise that some ratepayers have already gained substantially from historical transfers.		

Option 3: Establish a targeted rate to recover a portion of the backlog from the areas in which it has been caused.

43. There are 3 sub-options under Option 3 relating to the period over which these rates are expected to be charged.

Option 3a – Charged over 10 years

Option 3b – Charged over 20 years

Option 3c – Charged over 30 years

44. The anticipated targeted rates for option 3 are shown in Table 6 at 75%, and Table 7 at 50% below. This rate is based on the current number of properties and is likely to reduce over time as new properties are subdivided.

Table 6: Anticipated targeted rate pa if we are collecting 75% of the backlog as a targeted rate.

Impact of 75% of backlog recovered from targeted rate.			
Area	3a) 10 Years	3b) 20 Years	3c) 30 Years
West Bethlehem	455.91	227.95	151.97
Pyes Pa West	331.63	165.81	110.54

45. Under option 3 at a 75% targeted rate the transfer of DC funded debt to general rates funded debt would reduce from \$3.9 M to \$0.33 M.

Table 7: Anticipated targeted rate pa if we are collecting 50% of the backlog as a targeted rate.

Impact of 50% of backlog recovered from targeted rate.			
Area	3a) 10 Years	3b) 20 Years	3c) 30 Years
West Bethlehem	303.94	151.97	101.31
Pyes Pa West	221.09	110.54	73.70

46. Under option 3 at a 50% targeted rate the transfer of DC funded debt to general rates funded debt would reduce from \$3.9 M to \$0.66.

Advantages	Disadvantages
<ul style="list-style-type: none"> Matches current principles Transparent process and write-off Targets large balances Enables small balances in other areas to be written off Targets those areas that have historically given rise to the backlog Charges those areas where there has been an underpayment of DC's. Does recognise that some ratepayers have already gained from the \$28.3M already transferred to rates funded debt 	<ul style="list-style-type: none"> For West Bethlehem ratepayers in particular, even at 30 years this would still be a reasonable increase in rates (almost 5% at 75% targeted rates recovery and over 3% at 50% recovery). Some ratepayers who have developed recently will pay a high DC and the targeted rate. Only partially recognises that Council has, at times in the past, recovered costs relating to a specific area from the city wide population Does charge ratepayers who have gained no benefit from that infrastructure, although at a much lower level than at present.

Budget – Capital Expenditure	<p>No change in capital expenditure or total debt.</p> <ul style="list-style-type: none"> At 75% targeted rates recovery there would be a decrease from \$3.9 M to \$0.33 M on rates funded debt (based on Table 4 above). At 50% targeted rates recover there would be a decrease from \$3.9 M to \$0.66 M on rates funded debt (based on Table 4 above).
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	above).
Budget – Operating Expenditure	<p>There would be a decrease of rates funded interest of approximately:</p> <ul style="list-style-type: none"> At 75% targeted rates recovery, \$0.21 M (being interest at 5.75% on the debt impact above). At 50% targeted rates recovery, \$0.19 M (being interest at 5.75% on the debt impact above).
Key risks	Introduction of a new rate may not be supported through consultation.
Recommended?	<ul style="list-style-type: none"> 75% targeted rates recovery not recommended. Financial impact is too high on some areas and doesn't give sufficient recognition that some ratepayers have already gained substantially from historical transfers. 50% targeted rates recovery is recommended. While the financial impact is still quite high for some areas this option is felt to be the best balance of costs lying where they fall, affordability and reflecting historical transfers. A 30 years payment period is recommended.

Recommended timing of any change that may include targeted rates

47. In relation to options 2 and 3 for addressing the DC backlog above there are options around when a new targeted rate could be introduced.

Option 1 – Introduce new targeted rate immediately (2024/25)

Option 2 – Introduce new targeted rate immediately (2024/25), but bring it in over time (such as over 4 years)

Option 3 – Introduce new targeted rate after a one year delay (2025/26)

48. The anticipated targeted rates for option 3 for addressing the DC backlog above are shown in Table 6 at 75%, and Table 7 at 50%. This rate is based on the current number of properties and is likely to reduce over time as new properties are subdivided.

Option 1: Introduce new targeted rate immediately (2024/25)

Advantages	Disadvantages
<ul style="list-style-type: none"> Brings in the change immediately Less uncertainty Financial impact (general rates reduction) happens earlier 	<ul style="list-style-type: none"> Could be perceived by affected ratepayers as having had a limited time to understand and prepare for.

Budget – Capital Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2024/25 year.
Budget – Operating Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2024/25 year.
Key risks	Introduction of a new rate in a fairly short space of time.
Recommended?	No

Option 2: Introduce 2024/25 in a stepped approach

Advantages	Disadvantages
<ul style="list-style-type: none"> • Brings in the change immediately • Less uncertainty • Partial financial impact (general rates reduction) happens earlier 	<ul style="list-style-type: none"> • Could be perceived by affected ratepayers as having had a limited time to understand and prepare for. • More complicated to understand/ administer • Jump in rates charge every year until being fully charged.

Budget – Capital Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2024/25 year, but reduced by the number of years over which the change is phased in (eg if phased in over 4 years then only 25% of the impacts would be realised in 2024/25).
Budget – Operating Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2024/25 year, but reduced as above.
Key risks	Introduction of a new rate in a fairly short space of time.
Recommended?	No

Option 3: Introduce 2024/25

Advantages	Disadvantages
<ul style="list-style-type: none"> • It allows us to consult more effectively with affected ratepayers, first in principle and then in more detail • It allows us to better take into account the likely impact of 3 waters • It allows us to better understand other factors that may impact on the backlog (such as the potential for additional lots to be realised through the development of Parau Farms) 	<ul style="list-style-type: none"> • Delays the change • Less certainty for the 2024/25 year • Financial impact (general rates reduction) happens later

Budget – Capital Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2025/26 year.
Budget – Operating Expenditure	The relevant financial impacts as outlined in option 2 and 3 above would eventuate in the 2025/26 year.
Key risks	Introduction of a new rate.
Recommended?	Yes

Recommended Option

49. Council staff recommend that the previously adopted principles are retained (see paragraph 20).
50. In relation to how we address the DC backlog, option 3c with targeted rate recovery at 50% is recommended.
51. In relation to the recommended timing of any change that may include targeted rates, option 3, delaying the introduction until 2025/26 (year 2 of the LTP) is recommended.
52. These options result in a recommendation to consult on charging 50% of the outstanding backlog as a targeted rate over 30 years, starting in 2025/26 and the remaining 50% as a reduced transfer from DC funded debt to general rates funded debt.
53. This is felt to be the best balance of:
 - Matching the current principles
 - Better charges costs where they fall
 - Better affordability than other options (excluding status quo).
 - Takes into account the benefit some growth areas have had through historical transfers
 - Allows us to consult more effectively with affected ratepayers, first in principle and then in more detail
54. The 30 year period is used and this has the greatest affordability where some areas have a fairly low number of ratepayers. The 30 year period also reflects Council's longer term approach being used for such items as Infrastructure Funding and Financing loans.
55. It is recommended that this option is consulted upon as part of the 2024-34 LTP, but that there is no change to the current budgeted transfers of ratepayer funded debt to ratepayer funded debt (\$3.98 M per year), pending the outcome of this consultation.
56. More detailed consultation would happen as part of the 2025/26 Annual Plan before this rate was introduced.

FINANCIAL CONSIDERATIONS

57. There are no financial implications for the 2024-34 LTP as we are only undertaking a consultation process.
58. The potential financial implications of the recommended approach are shown in Table 8 below for information purposes. These changes will not impact on the LTP put out for consultation.
59. Key additional information used for Table 8 include.
 - Assumption: Growth in number of ratepayers 2.5% pa
 - Impact on general rates funded debt from the previous LTP is \$3.98M pa up to and including 2030/31. The net impact is the recommended transfer (0.66 M pa) less the budget already in the system

Table 8: Funding of DC Backlog: Potential financial impact compared to current budgets (for consultation purposes only, no changes in the LTP budgets)

Financial Year	Impact on Rates West Bethlehem	Impact on Rates Pyes Pa West	Impact on Rates Funded Debt \$M	Impact on Rates (Cumulative) \$M
2024/25	\$ -	\$ -	0	0
2025/26	\$ 101.31	\$ 73.70	(3.32)	(0.19)
2026/27	\$ 98.84	\$ 71.90	(3.32)	(0.38)
2027/28	\$ 96.43	\$ 70.15	(3.32)	(0.57)
2028/29	\$ 94.08	\$ 68.44	(3.32)	(0.76)
2029/30	\$ 91.79	\$ 66.77	(3.32)	(0.95)
2030/31	\$ 89.55	\$ 65.14	(3.32)	(1.14)
2031/32	\$ 87.37	\$ 63.55	0.66	(1.10)
2032/33	\$ 85.24	\$ 62.00	0.66	(1.06)
2033/34	\$ 83.16	\$ 60.49	0.66	(1.02)
2034/35	\$ 81.13	\$ 59.01	0.66	(0.98)
Total			(17.29)	

LEGAL IMPLICATIONS / RISKS

60. There are no legal implications in relation to this decision.
61. The backlog (excluding 3 waters projects) principally relates to Transportation projects. If the water reforms do not happen, or are significantly delayed, this could have a significant impact on the financial impacts.

CONSULTATION / ENGAGEMENT

62. The proposed new targeted rate will be included within the consultation for the LTP, noting the fair share principle approach and again within the 2025/26 Annual Plan.

SIGNIFICANCE

63. 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.
64. 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 .
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
65. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that this matter is of low significance as it involves no rates impact in the 2024-34 LTP adopted for consultation.

NEXT STEPS

66. Council staff will include the outcome of these decisions in the LTP consultation document.

ATTACHMENTS

Nil

Attachment A: Background Paper on Development Contributions Backlog

Objective: ID: A14981364

Attachment B: Map of Tauranga showing future growth areas

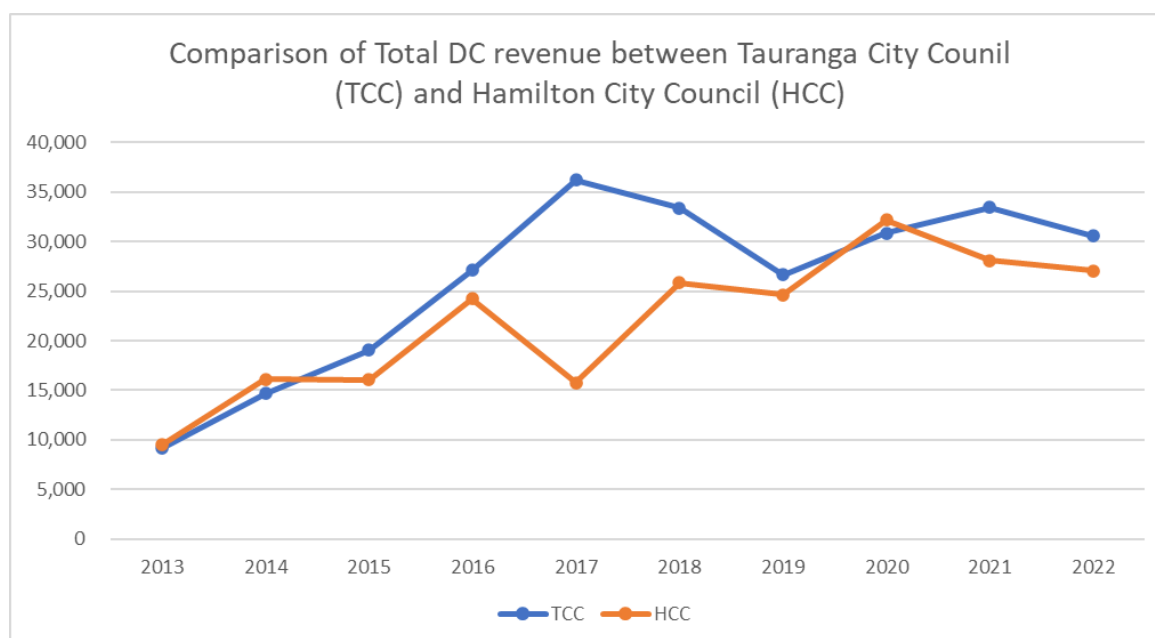
Objective: ID: A14981364

ATTACHMENT A**BACKGROUND PAPER ON DEVELOPMENT CONTRIBUTIONS (DCs) BACKLOG****1. Are we collecting a reasonable level of income from DCs?**

There is no absolute measure of how much should be collected through development contributions. All Council's have different growth profiles making comparison difficult.

For Tauranga City Council Development Contribution Revenue is one of the most significant sources of revenue, accounting for over \$260 M in the 10 years to June 2022. This compares favourably to other large growth Council's, such as Hamilton. See Figure 1 below.

Figure 1: Comparison of DC Revenue between TCC and Hamilton CC.

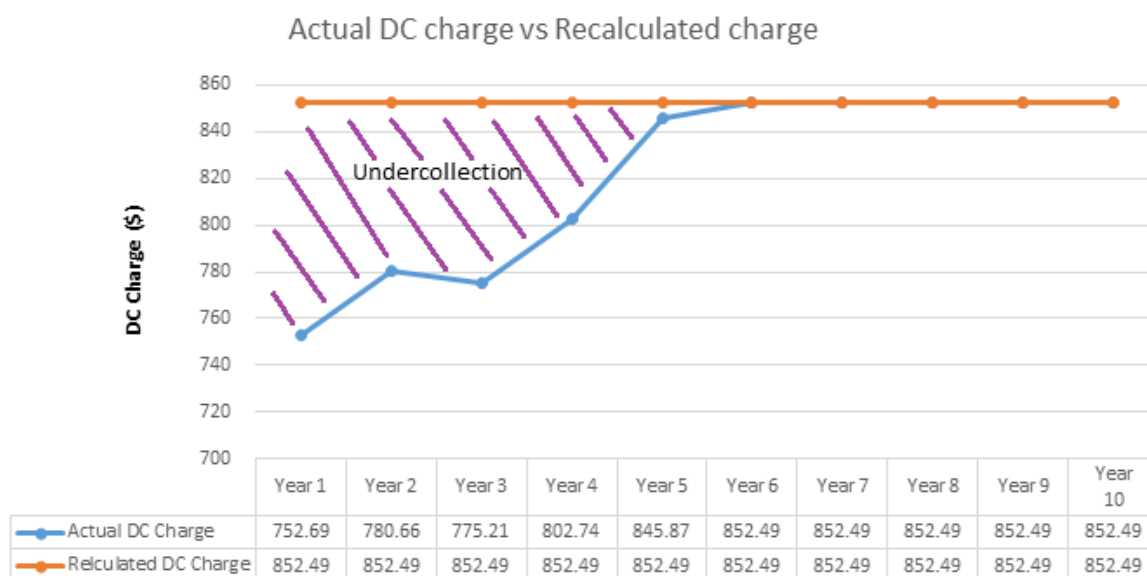
**2. What is the DC backlog and how is it calculated?**

DC Revenue policies are guided by statute and therefore have a degree of inflexibility about them. This tends to result, despite best efforts, in TCC collecting less revenue than we actually need to pay for infrastructure, especially from the early years of a growth area. This is commonly through causes such as:

- Costs being higher than initially budgeted
- Not all projects being included in the initial structure plan
- Projects needing significant amendment as the growth area develops

Councils cannot charge developers more than their fair share. This means that in the early years Council cannot make 'heroic' assumptions around future costs, nor can we charge developers in later years a higher charge to recover the undercharging in earlier years. This is shown diagrammatically in **Figure 2**.

Figure 2: Graphical representation of backlog



The difference between what we should have charged and what we actually charged is referred to as the DC backlog and is unable to be recovered through DC's. We therefore need to recover this through other means, typically rates. This backlog could be either:

- Permanent (eg cost of construction is much higher than estimated), or
- Temporary (eg a delay in the timing of growth that is expected to reverse)

A worked example of this is included in Table 1 below.

Table 1: Worked Example: Calculating the Development Contribution (DC) backlog

	Actual project costs and new dwellings					Estimated project costs and new dwellings					
Interest Rate	6.00%	6.00%	5.80%	5.80%	6.00%	6.00%	6.25%	6.25%	6.25%	6.25%	6.25%
	Current AP Year										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Opening Balance	0	5,910	12,478	18,110	28,640	25,428	18,932	22,397	10,610	2,482	0
Revenue	(4,262)	(5,967)	(10,230)	(12,787)	(12,787)	(12,787)	(12,787)	(12,787)	(8,525)	(2,557)	(95,479)
Plus Interest	172	536	862	1,318	1,575	1,292	1,252	1,000	397	75	8,479
Less Capital Expenditure	10,000	12,000	15,000	22,000	8,000	5,000	15,000	0	0	0	87,000
Closing Balance	5,910	12,478	18,110	28,640	25,428 (A)	18,932	22,397	10,610	2,482	0	0
Unit Rate	852.49	852.49	852.49	852.49	852.49	852.49	852.49	852.49	852.49	852.49	
Number of new sections	5	7	12	15	15	15	15	15	10	3	112
Revenue	4,262	5,967	10,230	12,787	12,787	12,787	12,787	12,787	8,525	2,557	
Historical Charge (Actual)	752.69	780.66	775.21	802.74	845.87	852.49					
Actual Reserve Balance											
Opening Balance	0	6,424	13,541	20,189	31,607						
Revenue	(3,763)	(5,465)	(9,303)	(12,041)	(12,688)						
Plus Interest	187	581	951	1,460	1,756						
Less Capital Expenditure	10,000	12,000	15,000	22,000	8,000						
Closing Balance	6,424	13,541	20,189	31,607	28,675 (B)						
Under collection				(B) - (A)	3,247						

The model in **Table 1** above is a simplified version of that used by TCC to calculate DC charges. The top section shows the expected movement in the DC reserve from its establishment until its expected completion.

The model is balanced by amending the Unit rate charge until the closing balance at the end of year 10 is zero.

As a by-product of this calculation the expected balance of the reserve is also shown (See **(A)** on Table 1). This can be compared to the actual balance of the reserve (see **(B)** on Table 1) to determine if we are ahead (in surplus) of where we expected to be or behind (in deficit) (ie **B-A**).

The closer a growth area gets to the end of its life, the less likely it is for a significant surplus or deficit to be reversed. For a deficit this will need to be recovered from the ratepayer.

An under collection can also be demonstrated graphically by reviewing a graph of the actual DCs charged against what 'should' have been charged. This is shown in **Figure 2** below. The area between the two lines represents the under collection.

3. How significant is the shortfall and how does it compare to other Council's?

TCC has a policy of growth pays for growth. However, as outlined above, we have historically under-collected this cost resulting in a backlog.

Given the size of the backlog it calls into question the value of having the DC at all (ie just charge through rates). **Table 2** highlights that Council has collected almost 85% of the funding required to fund growth Capital Expenditure.

Table 2: Proportion of Growth Capital Expenditure funded from DC's

	Total (\$Million)
Backlog as at 30 June 2020 (excl reserves)	\$41.6 M
Total of DC to loan debt transfers to 30 June 2020	\$28.3 M
Total Shortfall in DC's collected	\$69.9 M
Total Revenue collected from DC's (1994 to 2023)	\$456.2 M
Proportion of growth capital costs collected through DC's	84.7 %

Unfortunately, no other Council in NZ has set up the structures (either from DC calculations or accounting setup) to quantify the backlog to enable a comparison to be made, although all appear to acknowledge that it exists.

4. What makes up the DC backlog?

The DC backlog as at 30 June 2023 is shown on **Figure 3** below. This calculation is based on actual results to date and the assumption that future revenues and costs will eventuate as per the 2023-24 DC Policy. Any changes to budgeted project costs and growth projections will amend this position.

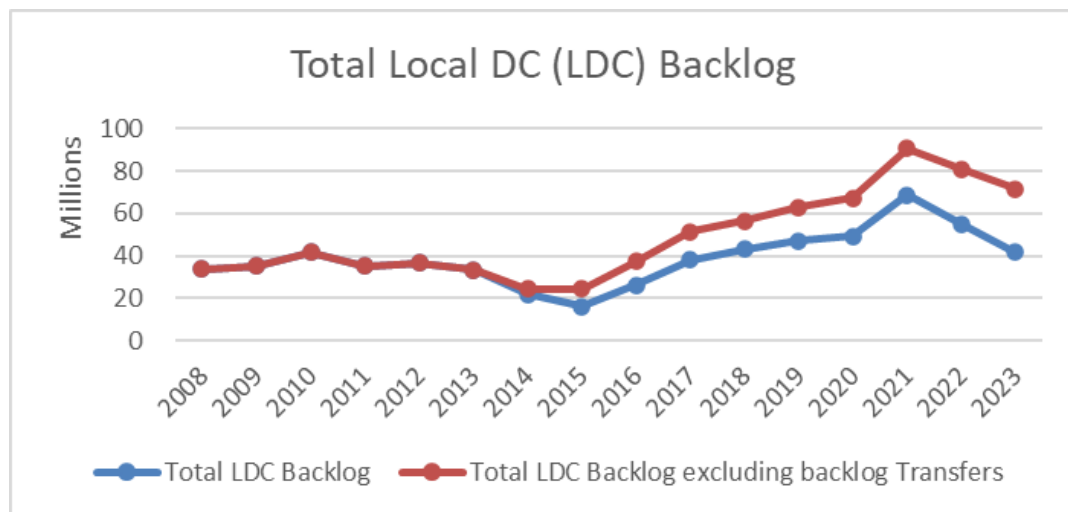
It is important to note that we cannot just look at the overall picture but need to examine each element in each growth area individually. This is because gains in one area cannot be used to offset losses in another.

In addition, losses in growth areas that are almost full are of much more concern than in growth areas that are relatively new. This is because the potential for subsequent DCs being able to reverse the current position are much higher if there is more growth remaining.

Council, in 2011, made a decision to start funding this backlog by transferring some of the backlog growth debt to rates funded debt. The trend in the backlog, separating out the impact of the transfers is shown of **Figure 3**.

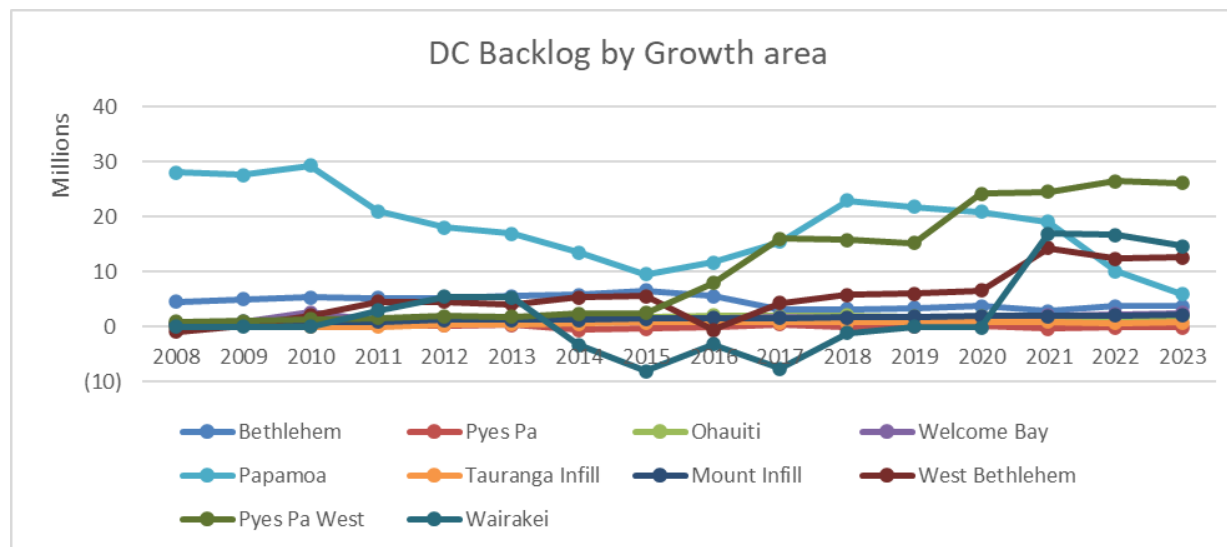
Despite the continued debt transfers, cost increases for a number of growth projects (particularly in Pyes Pa West, West Bethlehem and Papamoa) have caused the backlog portion to increase.

Figure 3: Graph of DC Backlog



Because of the nature of DC reserves (established through legislation) negative balances (surpluses) cannot be offset against other balances. Therefore each balance has to be examined and resolved on its own merits. A summary of the breakdown of the backlog by growth area is shown in **Figure 4**

Figure 4: DC Backlog by growth area



4.1. Generic Causes

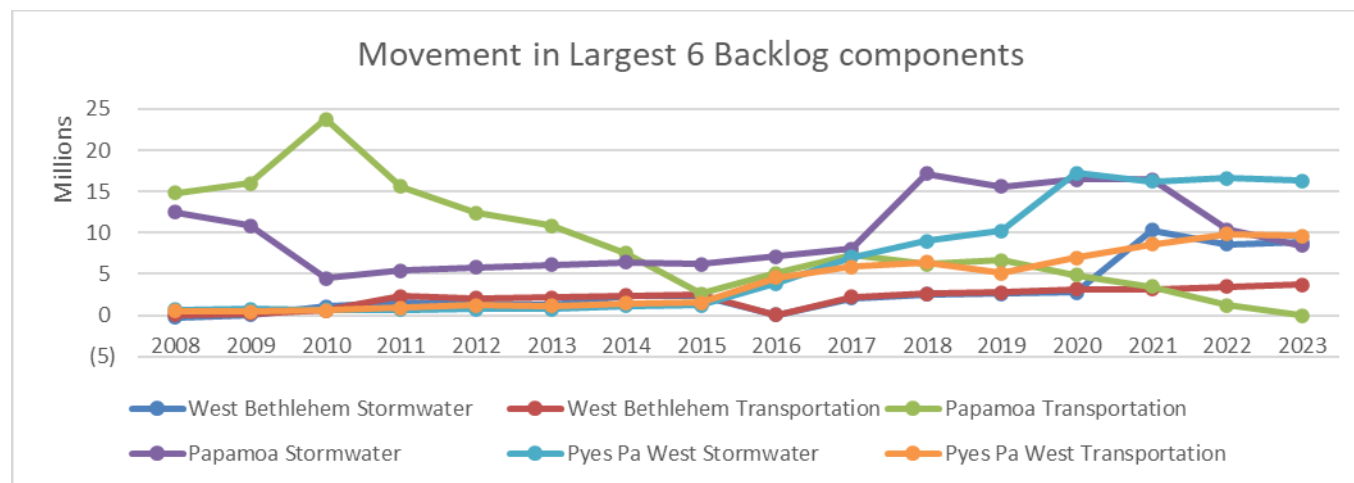
There are a number of generic causes of this backlog. Inflation (2007) and Cost of Capital (2008) were not originally included in the calculation of DC charges. This had the impact of increasing and then stabilizing the DC charges. Much of the backlog was created in the early years of charging DCs where these important components were not included. This needs to be understood within the context of that time;

- Initially DCs were charged as Financial Contributions (FCs)
Until the Local Government Act 2002 DC's were collected as Financial Contributions under the Resource Management Act (RMA). FC charges are very difficult to increase (main reason to change to DC's)
- When DCs were introduced there was significant opposition
If Council had attempted to introduce concepts of Inflation and Cost of Capital into the mix at the same time as it changed to DCs this may have resulted in legal challenges, significantly delaying the implementation.
- TCC has been a 'lead' adopter of DCs
TCC has been a leader in this area, both in terms of timing and methodology. While this has meant we have had to 'learn from our own mistakes' it has meant that TCC has collected millions of dollars from developers that would have been missed if we had delayed.

4.2. Specific Causes

When Council reviewed the backlog in 2011 it identified three components of the backlog that were particularly significant. These parts were Papamoa Transportation, Papamoa Stormwater and Bethlehem Transportation. Since 2016 Bethlehem Transportation has reduced in significance, but Pyes Pa West Stormwater, Pyes Pa West Transportation, Bethlehem West Stormwater and Bethlehem West Transportation have also become significant. **Figure 5** shows the movements for these components.

Figure 5: Major components of Backlog



Papamoa Transportation

This relates to the increase in costs of projects. In particular the Sandhurst Interchange was omitted from the list of projects in this growth area for many years.

Papamoa Stormwater

The initial backlog related to the huge increase in land prices from when DCs were originally charged up until the land purchases were actually made. While this impacted right over the city it was particularly impacted here due to Papamoa's proximity to the coast and Papamoa's reliance on open swales rather than pipe solutions (due to flatness of the land). In 2018 the Kaituna Overflow project (33% funded from Papamoa) increased from \$11.6M to \$43.5M.

West Bethlehem

This area, historically, had much higher DC charges than most of the other areas (mostly due to small catchment size). Despite offering discounts, growth has been slow in this area until recently and the cost of projects and the interest on these has gradually increased to backlog component. In 2021 the Carmichael Rd – Eastern Rd Stormwater project increased from \$0.3M to \$5.1M

Pyes Pa West Stormwater

This relates to the increase in costs of projects. In particular the projects outside the Lakes (Carrus) development were under budgeted. In 2020 3 Pyes Pa West Stormwater projects increased, Pond 5 (\$4.4M to \$9.1M), Pond 25 (\$1.5M to \$6.2M) and Floodway F4 land (\$1.3M to \$3.3M) significantly.

Pyes Pa West Transportation

This relates to the increase in costs of projects. In particular the projects outside the Lakes (Carrus) development were under budgeted.

5. What is not included in the DC backlog calculation?

There are three main components not included in the DC Backlog calculation

5.1. Citywide DCs

Citywide DCs are not included in the above analysis. This is because:

- Citywide DCs are generally in surplus (ahead of where we expected to be).
- Unlike Local DC charges the area does not become full (although capacity may be all used up). This increases the opportunity to prevent an under collection.

5.2. Reserve DCs

When the DC backlog was first calculated a significant portion related to Reserves (both Local Purpose and Active Reserves). However in 2012/13 TCC changed the Level of Service in relation to Reserves. While the total amount of reserves required did not change, Council now allow 50% of this area to be achieved utilizing Stormwater Reserves and Coastal Reserves. This massively reduced the amount of reserve land still required to be purchased and practically eliminated the backlogs relating to reserves.

With some exceptions, TCC is generally not collecting reserve contributions any more.

5.3. Southern Pipeline DCs

A backlog has not been calculated for the Southern Pipeline project. This is because it is difficult to project the final reserve outcome. DCs will be collected on the Southern Pipeline project for 40 plus years. Therefore the ability to predict a backlog is less certain. This difficulty is considerably increased due to the fact that the Southern Pipeline 'catchment' includes growth areas that do not yet exist.

Recently there is also the potential for the water reforms to remove this risk.

6. What has TCC done about the backlog to date?

As part of the 2012-22 TYP Council undertook a detailed review of the backlog. This resulted in an initial report in June 2011 and a final recommendation in November 2011.

6.1. Key Findings

6.1.1. Principles adopted in relation to the transfer of shortfalls

- There is certainty that the shortfall is permanent
- The amount of the shortfall is known and certain
- The projects that the shortfall relates to have been completed
- The amount that is transferred is treated as any other rate funded project would be for debt retirement purposes i.e. debt would be retired as per Council's Debt Retirement Funding Policy which is part of its Revenue and Financing Policy
- Elected members have approved the transfer.

6.1.2. Scope of Transfers

The Council originally focused on three significant shortfalls. These were the transportation activity in Papamoa and Bethlehem and the stormwater activity in Papamoa. None of the other balances satisfied the principles outlined above at that time (particularly the second bullet point).

6.1.3. Timing of Transfers

The transfer from growth funding to rates funding in relation to the transportation activity in Papamoa and Bethlehem and the stormwater activity in Papamoa was included in the 2012-22 LTP on a progressive rates transfer basis, rather than all at once. This was based on the future capital expenditure in relation to these reserves. The logic for this was that the transfers would eventuate as these costs were incurred (in effect funding these projects from rates funded debt).

When this policy was reviewed as part of the 2018-28 LTP the basis for making the transfers was changed to a 10 year basis. This was because of the reduced period of the future capital expenditure in these growth areas meant that basing it on future capital expenditure meant that the backlog was written off over a very short period (3 years).

The most recent review 2020-30 LTP kept the 10 year timeframe but increased the transfer amount to \$3.98 M per annum.

6.2. Financial Impact

The actual transfers (and budgeted per current TYP) are as per **Table 3**.

Table 3: Financial Transfers Actual and Budgeted

Financial Year	Actual (\$M)	Budget (\$M)
2013/14	\$2.70 M	
2014/15	\$5.70 M	
2015/16	\$2.70 M	
2016/17	\$2.30 M	
2017/18	\$0 M	
2018/19	\$2.32 M	
2019/20	\$2.32 M	
2020/21	\$2.32 M	
2021/22	\$3.98 M	
2022/23	\$3.98 M	
2023/24		\$3.98 M
2024/25		\$3.98 M
2025/26		\$3.98 M
2026/27		\$3.98 M
2027/28		\$3.98 M
2028/29		\$3.98 M
2029/30		\$3.98 M
2030/31		\$3.98 M
Total	\$28.32 M	\$31.84 M

Note: This Table excludes the write-offs made in relation to Bethlehem West.

7. How is Council minimizing the risk of a backlog developing in current growth areas?

Council staff are well aware of the risk of future under-collection. This was reinforced by the growth in West Bethlehem being much slower than expected after most of the capital projects were completed.

Some of the ways Council has addressed this risk is to:

- Move from using engineers' estimates for projects to standard rates that can be updated each year.
- Undertake a review of structure plans to ensure these are accurate
- Completed a peer review of big projects, such as Te Okura Drive
- Recent increase in resourcing in both growth management and infrastructure areas.
- Just in time approach to putting infrastructure in, only after we are sure the developer is committed to developing (as opposed to profiting from an uplift in value for serviced land through a bulk land sale).

More specifically we have worked with developers to get them to complete works that would historically be funded through DCs. For the more recent developments this has been easier as there have been a relatively small number of large developers giving them the size and scale to complete works that traditionally had to be completed by TCC.

In addition to this TCC have included a development viability step into the assessment of all future growth areas. For Wairakei this had the following advantages:

- Helped create a positive relationship with the developers
- Council comfortable that developer would undertake development as there was sufficient profit for them (rather than just try to resell large land blocks)
- Significant rationalization of infrastructure to be put in place
- Developer increased the amount of works the developer would complete (ie changed from DC funded to developer funded projects)
- TCC better able to stage DC funded capital projects.

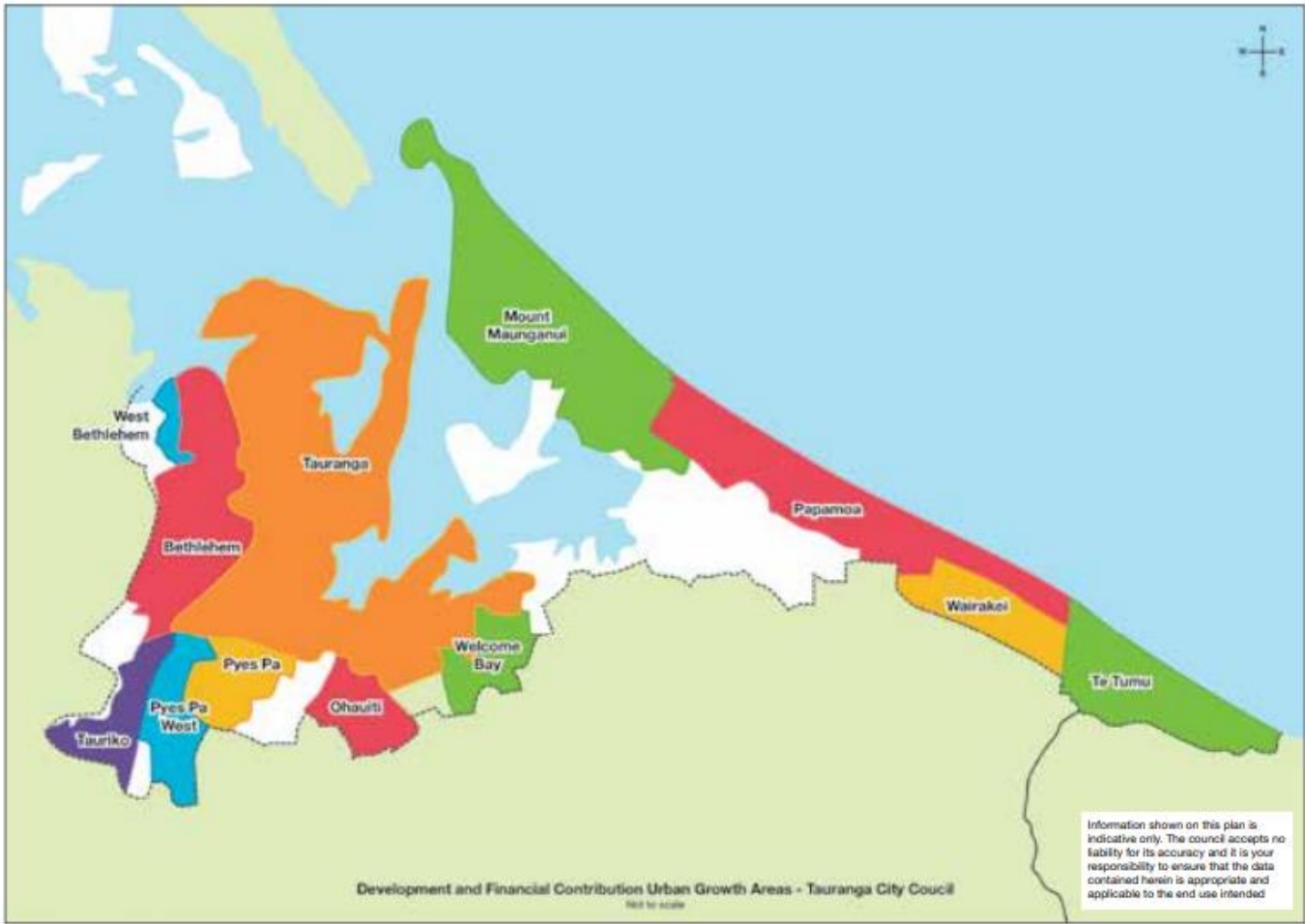
The net impact of this approach (in Wairakei) was a Local Development Contribution (in 2012) about \$25,000 per lot less than the original figure.

In more recent times, for Tauriko West (not yet started), TCC has moved even further away from local Development Contributions by coming to a direct agreement with the developers.

Note: While TCC can reduce this risk the legislation prevents us from passing on all of the risks onto the developer.

ATTACHMENT B

MAP OF TAURANGA SHOWING TCC GROWTH AREAS



11.3 Introduction of Te Papa Local Development Contributions Catchment

File Number: A14983974

Author: Ben Corbett, Team Leader: Growth Funding

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

PURPOSE OF THE REPORT

1. To seek direction from Council on whether to include a new Te Papa local development contributions catchment (Te Papa catchment) in the draft Long-term Plan 24-34 (LTP) and draft Development Contributions Policy for consultation.
2. To agree the infrastructure projects to be included in the proposed Te Papa catchment.
3. To outline the indicative cost allocations for each project and the supporting methodology.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Introduction of Te Papa Local Development Contributions Catchment".
- (b) Agrees to create a local development contributions catchment for the Te Papa catchment in the draft Development Contributions Policy 24/25 to be reported to Council in September 2023 for consideration and approval.
- (c) Agrees to adjust the draft Long Term Plan 24-34 project funding assumptions for the infrastructure projects included in the proposed Te Papa local development contributions catchment to incorporate:
 - (i) Approximately 20% transport costs for identified projects (after Waka Kotahi funding) to the new catchment; and
 - (ii) Approximately 20% of costs for neighbourhood open space land purchase and development to the new catchment.
- (d) Delegates to the General Manager: Strategy and Growth and the Chief Financial Officer the ability to make adjustments to these allocations prior to the draft LTP being adopted for Audit purposes subject to the outcome of further assessment underway, and notes that any changes would affect the proposed Te Papa development contribution charges.

EXECUTIVE SUMMARY

1. Significant residential and non-residential growth and development is anticipated in the Te Papa peninsula over the next 30+ years. To assist in managing this change, TCC has completed a spatial plan for the Te Papa peninsula which includes the City Centre. TCC is also well advanced in rezoning the area for medium and high-density development through Plan Change 33.
2. The Te Papa Spatial Plan is seeking to achieve urban transformation of the area, with significant increased density, greater multi-modal transport opportunities to support sustainable urban outcomes which leverage off the existing attributes of Te Papa such as the City Centre, high employment densities, University campus, high concentration of schools, Tauranga Hospital and relative resilience to natural hazard risks.

3. TCC is proposing significant infrastructure investment in the Te Papa peninsula through the upcoming Long-term Plan 24-34 (LTP) to support the existing community and to provide for growth.
4. TCC's Revenue and Funding Policy includes the principle that 'growth pays for growth'. Consequently, it is proposed to fund a portion of transport and parks and reserves infrastructure investment in Te Papa from growth by creating a new Te Papa local development contribution catchment.
5. While TCC is also investing in three waters assets and community facilities in Te Papa, it is not considered appropriate to fund a portion of these costs through development contributions because:
 - (a) Upcoming water reform means development contributions will no longer be a lawful funding mechanism for most waters infrastructure and waters infrastructure will not be in Council's LTP beyond Year 2 of the 2024-34 period.
 - (b) Stormwater infrastructure would be difficult to fund in Te Papa using development contributions. This is because of the large number of stormwater catchments within Te Papa, investment being limited to a small number of catchments and the benefits that accrue to existing properties even if they are not developing (eg through removal of actual or modelled flooding).
 - (c) Investment in community centres is focused on supporting the social wellbeing of existing communities in the Merivale and Gate Pā areas rather than directed at supporting growth. Citywide facilities located in Te Papa like the new library are partly funded by citywide development contributions.
6. Notwithstanding the previous paragraph, there is an existing development contribution charge across the Tauranga infill area which includes Te Papa. This will be retained until a three waters entity is established.
7. Allocating funding to growth will reduce reliance on rates funding.
8. Based on the proposed cost allocations the draft Te Papa local development contribution charge in total for the transport and reserves activity combined per dwelling is likely to be in the order of \$7,500 (plus inflation and interest costs), subject to further work outlined in the body of the report.

BACKGROUND

9. TCC is in the process of preparing its draft LTP and draft Development Contributions Policy 24/25 for public consultation.
10. TCC's Development Contributions Policy provides a mechanism to fund some growth-related infrastructure by collecting development contributions (DCs) from those who have caused the investment and who benefit from it (either through local or citywide development contributions).
11. TCC anticipates significant growth in residential and non-residential development in the Te Papa peninsula – from north of the city centre to Greerton. TCC has budgeted investment in a number of infrastructure projects in the Te Papa peninsula in preparing the draft LTP.
12. A portion of this investment is caused by, and provides benefit to, development in Te Papa. As such, it is appropriate these developers pay a share costs through a local development contribution.

STRATEGIC / STATUTORY CONTEXT

13. TCC has included investment in its draft LTP for three waters, transport, reserves and community facilities infrastructure in Te Papa. The recently adopted Play Active Recreation and Sport and Reserves and Open Space Action and Investment Plans recognise the need to further develop reserves in the Te Papa area in respond to increased demand from growth.

14. TCC is proposing to collect development contributions towards transport and reserves infrastructure only. This is because these projects have a clear link between the project being delivered and growth being enabled, as described below.

Growth funding for transport infrastructure

15. Further investment in the transport network within Te Papa is required to support on-going development in this area especially in regard to walking, cycling and public transport given limited space for road widening or new road construction. This investment has been identified through a range of planning processes, most notably the Urban Form and Transport Initiative, the Transport System Plan and the Te Papa Spatial Plan and associated Transport Business Case.
16. The table below shows each project proposed to be partly funded through a Te Papa local development contribution and how the project is currently proposed to be funded.
17. Initial assessment suggests that 20% of costs (after Waka Kotahi funding has been applied) would be appropriate to fund from a Te Papa catchment. This amount would be funded over 30 years given the long capacity life that these new projects will provide.
18. The table below also shows how each project is currently funded (column 4) and how it is proposed they would be funded if a Te Papa catchment was in place (column 5).

Project	Total Spend	Funding sources	Current funding	Proposed funding
Cameron Rd stage 1	94,684,206	Shovel Ready funding	44,500,000	44,500,000
		TSP IFF	50,184,206	40,147,365
		Te Papa DC	-	10,036,841
Cameron Rd stage 2	164,716,449	Waka Kotahi FAR	84,005,389	84,005,389
		TSP IFF	23,768,061	7,725,849
		Te Papa IAF	56,442,999	56,442,999
		Shovel Ready funding	500,000	500,000
		Te Papa DC	-	16,042,212
Cameron Rd Connections	19,850,952	Waka Kotahi FAR	10,123,986	10,123,986
		TSP IFF	5,053,262	3,107,869
		Te Papa IAF	4,673,704	4,673,704
		Te Papa DC	-	1,945,393
TSP024 Hospital Area Transport Hub	1,072,938	Waka Kotahi FAR	547,198	547,198
		Rates funded debt	525,740	420,592
		Te Papa DC	-	105,148
TSP025 Greerton Area Transport Hub	1,070,934	Waka Kotahi FAR	546,176	546,176
		Rates funded debt	524,758	419,806
		Te Papa DC	-	104,952
Total	281,395,479		281,395,479	281,395,479

19. A 20% funding allocation would result in a local development contribution of approximately \$4,000 (plus inflation and financing costs) per additional lot / dwelling. However, this amount does not account for non-residential development. Staff are undertaking further work on this matter which will lead to a non-residential dollar amount payable based on additional gross floor area and a consequential reduction to the residential per lot / dwelling amount.
20. 20% has been identified as an appropriate cost share based on the following factors:
- As a programme of works, the transport projects are assessed to provide benefit to the whole city but greater benefits to Te Papa. Those that live or work in Te Papa are more likely to use the infrastructure in the table above or to use it more frequently. This is especially true for the cycling and walking components that cater primarily for trips within Te Papa rather than trips to or from other parts of the city. On balance it is assessed that 50% of benefits to the transport programme accrue to the wider city and 50% more directly to Te Papa.
 - Te Papa residential dwellings are expected to grow by approximately 70% in the 30 years to 2054. Growth is expected to therefore equate to 40% of total dwellings in Te

Papa in 2054. If this is divided in half to account of the 50% of citywide benefit a cost allocation of 20% is arrived at.

- (c) TCC has less information in regard to current and future non-residential development in Te Papa. The level of non-residential development in Te Papa is currently high with employment densities the highest in the city. Significant future non-residential development is anticipated, and the number of jobs located in Te Papa is projected to grow by 40% from 2024-54.
 - (d) It could be argued that a further discount to this cost allocation should be applied to recognise that growth will happen in an incremental manner over 30 years, with the majority of it in the latter decades. The projects themselves are delivered sooner which provides a benefit in favour of existing residents compared to the growth community as they will be able to enjoy the benefits of these projects for a longer period of time.
 - (e) However, offsetting this is the significant inconvenience to the existing community as the result of project construction, as is evident through Stage 1 of the Cameron Road multi-modal project for example. The existing community have to bear the consequences of the construction phase, which are significant, whereas development will generally occur after these projects are complete. Given this, no change to cost allocation is considered appropriate because of the timing of growth occurring.
21. One potential concern is the effect this may have on TCC's Transport System Plan Infrastructure Funding and Financing Levy (IFF), specifically utilisation of the IFF funding toward the Cameron Road stage 2 project could be reduced in turn delaying the application of funding to transport projects. Staff are undertaking further work in this regard and will report back at the Council meeting.

Growth funding for neighbourhood reserves land purchase and development projects

22. The table below shows the neighbourhood reserves proposed to be invested through the Te Papa catchment and how it is currently proposed to be funded.
23. TCC is proposing to fund 20% of parks and reserves project costs from DC's in the Te Papa catchment. This amount would be funded over 10 years. TCC is proposing a shorter collection period for this project because further expenditure is signalled in years 10-20 to improve the Te Papa reserves network.
24. The table below also shows how the project is proposed to be funded currently (column 4) and once the proposed Te Papa catchment is in place (column 5).

Project	Total Spend	Funding Source	Current funding	Proposed funding
Te Papa neighbourhood area open space land purchase and development	17,836,500			
		Rates funded debt	17,836,500	14,269,200
		Te Papa DCs	-	3,567,300
Total	17,836,500		17,836,500	17,836,500

25. A 20% funding allocation to development contributions would result in a local development contribution of approximately \$3,500 (plus inflation and financing costs) for a new lot / dwelling.
26. 20% has been identified as an appropriate cost share based on the following factors:
- (a) Each project is assumed to benefit the Te Papa catchment only (as opposed to having any citywide benefit).
 - (b) Population and dwellings in Te Papa are expected to grow by approximately 20% between 2024 and 2034.
 - (c) Intensification in Te Papa will result in less private outdoor space as infill subdivision, duplexes, terraced houses and apartments are delivered. This will place greater demand and result in increased use of reserves and recreational assets. For example, recent townhouse development in Greerton has added approximately 20 new homes on a small number of sections that were previously single-family homes.

27. One risk to consider is that parks and reserves projects have historically been subject to budgetary changes, in particular in times of financial constraint or where underlying land costs escalate rapidly. This can create problems when development contributions are collected but projects are no longer in place to utilise them on. However, in this instance with only 20% of the programme across Te Papa proposed to be funded by development contributions this does not present a significant risk.

Other infrastructure activities

28. TCC is not proposing to collect development contributions towards three waters or community infrastructure investment in Te Papa aside from the existing charge for the southern pipeline project which would be retained (until a three waters entity is established).
29. While some three waters projects are clearly linked to growth, water reform is proposed which means that TCC would not be able to collect development contributions for waters assets from 1 July 2026 nor include three waters capital expenditure in its LTP beyond that point.
30. Further, stormwater infrastructure would be difficult to fund in Te Papa using development contributions. This is because of the large number of stormwater catchments within Te Papa, investment being limited to a small number of catchments and the benefits that accrue to existing properties even if they are not developing (eg through removal of actual or modelled flooding).
31. TCC is proposing investment in two community centres in Te Papa through the LTP in Gate Pa and Merivale. While these centres are of benefit to the community, the driver of investment is existing community need rather than to enable growth. While new residents in these areas will benefit from the community centres, they will contribute towards the investment through general rates.

OPTIONS ANALYSIS

Option 1: Consult through the LTP on the establishment of a Te Papa local development catchment (recommended)

Advantages	Disadvantages
<ul style="list-style-type: none"> Aligns with the 'growth pays for growth' principle Minimises impact of investment in Te Papa on general rates 	<ul style="list-style-type: none"> Increases the costs of development by introducing a Te Papa catchment development contribution

Option 2: Do not seek to establish a Te Papa local development contribution catchment

32. The advantages and disadvantages of option 2 are the inverse of option 1.

FINANCIAL CONSIDERATIONS

33. As discussed above.

LEGAL IMPLICATIONS / RISKS

34. There are no particular legal implications or risks associated with the decision whether to consult on introducing the Te Papa development contribution catchment.

SIGNIFICANCE

35. 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.

36. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
37. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

38. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision. If a decision was made to proceed, Council would consult on the introduction of the Te Papa catchment extensively through the LTP and Development Contributions Policy consultation process in November 2023.

NEXT STEPS

39. Subject to decision-making, Staff will:
- (a) Continue to refine the growth funding allocation model for the relevant projects prior to the draft LTP being adopted by Council for audit purposes on 11 September 2023.
 - (b) Return to Council with an updated draft Development Contributions Policy 24/25, including Te Papa catchment, on 11 or 25 September 2023.

ATTACHMENTS

Nil

11.4 City Centre Development Contribution Incentives

File Number: A14988700

Author: Andy Mead, **Manager:** City Planning & Growth

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

PURPOSE OF THE REPORT

1. To seek a decision on whether to consult through the 2024-34 Long-Term Plan Consultation Document on the potential for development contribution incentives in the city centre.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "City Centre Development Contribution Incentives".
- (b) Agrees to consult through the 2024-34 Long-Term Plan Consultation Document on the potential for development contributions incentives for city centre development.

BACKGROUND AND STRATEGIC CONTEXT

2. Tauranga City Council (TCC) utilises development contributions to fund growth-related capital expenditure. Development contributions apply across the city, including in the CBD area for both residential and non-residential development. Development contributions can be a significant cost item for large scale commercial and residential development totalling hundreds of thousands or millions of dollars.
3. TCC provides rates funding to offset development contributions for community housing and papakainga developments but not for other types of development.
4. TCC is investing significantly in the city centre area and will continue to do so through the 2024-34 LTP period. Ensuring the benefits of this investment are optimised requires more people living and working in the city centre, hence the need to attract more public and private sector investment in new development.
5. Development contribution incentives may play a role in achieving this and this occurs in other locations for example Hamilton City Council provide development contribution incentives for their city centre as outlined in the following link
<https://www.stuff.co.nz/national/waikato/131807227/cashbacks-for-central-hamilton-highrise-developments-pass-11m>.
6. In a strategic context we know that a stronger (Central Business District) CBD with more people living and working in it will result in Tauranga's transport network performing better with less congestion and delay compared with the historic development pattern focused on greenfield expansion. More city centre development and intensification will also reduce new infrastructure requirements in greenfield areas.
7. Any potential incentives would need to be robustly considered as funding forgone development contribution revenue would fall on ratepayers and this could be quite significant.
8. There are a number of considerations in terms of how development contributions incentives could be structured such as:
 - (a) Full or partial offsetting of development contributions
 - (b) Which land uses would they apply to (residential and/or non-residential)

- (c) The scale of development they would apply to (eg only to building of at least 6 stories, or perhaps to the component of a development above 6 stories only)
 - (d) The area in which they applied (eg just to the core of the city centre or to a larger area)
 - (e) The timeframe for construction of developments (with development to commence sooner likely to have priority)
 - (f) Any limits or caps on the amount of development contributions that could be offset to ensure affordability for ratepayers.
9. Consultation could occur through the 2024-34 Long-term Plan (LTP) Consultation Document on these matters to inform decision-making through deliberations. Council may wish to indicate an initial preferred approach in respect of some or all of the issues listed above to further inform the consultation process.
10. At this stage no allowance has been made in the draft LTP financials to fund any development contribution incentives in the LTP. This could however be incorporated into the final LTP document.
11. Staff are aware that the development community has other ideas on how development in the city centre could be incentivised beyond development contributions. These can also be raised through the consultation process for consideration.

OPTIONS ANALYSIS

12. There are two options to consider. The first is to consult on these matters through the upcoming LTP Consultation Document. The second option is not to undertake any consultation.
13. The first option is preferred because:
- (a) This will enable community views to be understood
 - (b) A number of prospective developers are seeking that Council consider city centre development incentives
 - (c) Consulting does not require TCC to implement any incentives but would allow more informed decision making
 - (d) Without consulting it is unlikely that incentives could be introduced through deliberations and decisions on the final LTP.

FINANCIAL CONSIDERATIONS

14. As noted above the introduction and implementation of City Centre development contribution incentives would result in additional costs becoming rate funded. The extent of that would depend on how the system was designed, the future level of development in the City Centre and whether any caps on development contribution incentives were put in place ie a maximum level of dollars per annum.
15. Further financial analysis will be tabled at the 4 September Council meeting.

LEGAL IMPLICATIONS / RISKS

16. There is a potential risk that development contribution incentives could result in greater profits to developers than required for developments to proceed. The design of an incentive scheme may be able to address this to some extent.

CONSULTATION / ENGAGEMENT

17. Consultation is proposed through the 2024-34 LTP Consultation Document.

SIGNIFICANCE

18. 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.
19. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
20. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

21. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision, noting that consultation would occur through the draft LTP process.

NEXT STEPS

22. Incorporate this matter into the LTP Consultation Document
23. Relevant LTP submissions will be heard and then assessed followed by an issues and options report to Council for decision-making.

ATTACHMENTS

Nil

11.5 SmartTrip Variable Road Pricing Study

File Number: A14965358

Author: Sarah Dove, Principal Strategic Transport Planner
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Authoriser: Christine Jones, General Manager: Strategy, Growth & Governance

PURPOSE OF THE REPORT

1. The purpose of this report is to provide an overview of the SmartTrip variable road pricing study to support Council's consideration of next steps, if any, for this work.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "SmartTrip Variable Road Pricing Study".
- (b) Notes the benefits identified by the study include reduced congestion and emissions and an ability to accelerate investment in the city's transport infrastructure.
- (c) Notes an expectation that, if implemented:
 - (i) Revenue derived locally from SmartTrip (less costs) would be reinvested in the Tauranga transport network as net additional funding to create a better roading network, more efficient public transport services and better active (cycling and walking) facilities;
 - (ii) The government would supplement SmartTrip locally-raised revenue with additional funding that at least matches the SmartTrip revenue.
- (d) Recommends engaging on the concept of variable road pricing with the community as part of the Long-Term Plan 2024-34 development as well as SmartGrowth Partners and Government.
- (e) Notes that changes in Government legislation would be needed before variable road pricing could be introduced.

EXECUTIVE SUMMARY

2. A study exploring the viability and impacts of Variable Road Pricing (VRP) in Tauranga has shown that road pricing could provide a range of benefits, including reduced congestion and faster, more reliable journey times. It could also deliver significant economic and social benefits, encourage different transport choices, reduce transport-related greenhouse gas emissions, and support the Government's objective of reducing vehicle trips in main urban centres.
3. The study, which has assessed a concept that has become known as SmartTrip Variable Road Pricing, was carried out by Waka Kotahi New Zealand Transport Agency and Tauranga City Council. The concept assessed involves a charge to all vehicle users for access to Tauranga's main transport corridors. The charge would vary, depending on the time of day, day of the week and traffic demand. It is similar in concept to the charges applied to toll roads and would include using prepayment systems and vehicle recognition technology.
4. The study was at a proof-of-concept level only and is clear that the introduction of road pricing would require new legislation. Community feedback and more detailed work on the benefits and implications of the concept would be important aspects of any next stage of investigation should this be considered by Government or Council.

BACKGROUND

5. The study is part of responding to a 'Key Move' of the SmartGrowth Urban Growth Partnership developed and endorsed Urban Form and Transport Initiative (UFTI), which is to:
"Investigate and introduce economic instruments to influence travel choice (parking policies, tolling, congestion charging, freight mode choices) within years 0-10 of the programme."
6. The need for the Study recognises that different approaches to funding and financing to those currently available (e.g. tolling) are likely to be required in the future to provide the amount of revenue required to maintain and improve the land transport system and unlock development opportunities and support intensification in Tauranga.

THE STUDY

Purpose and Objectives

7. The purpose of the study was to identify at a proof-of concept level whether VRP might have sufficient value to be considered for implementing in Tauranga as part of a programme of activities to deliver UFTI outcomes.
8. The objectives of the Study were to investigate how VRP could:
 - Support urban form outcomes (primary outcome)
 - Achieve optimisation of the whole transport system, including past investment and the role of each travel mode
 - Improve travel time reliability and levels of service
 - Raise revenue to invest in local transport solutions
 - Incentivise lower carbon emissions
 - Incentivise travel choice

The Study

9. At a high level the study included:
 - Consideration of road pricing schemes elsewhere and their relevance to Tauranga and the outcomes sought by UFTI. These matters are addressed in the Milestone Solutions report¹
 - Transport modelling of road pricing concepts to provide insight on the impact of VRP to matters like daily vehicle kilometres travelled, carbon emissions, congestion and network performance, and mode share. These matters are addressed in the Beca report²
 - Economic analysis of the potential revenue and costs of VRP. These are addressed in the Waka Kotahi lead report³ in collaboration with Council.
10. The study was delivered in two stages. Stage one focussed on gaining an initial understanding of the potential for and implications of road pricing in Tauranga. This stage of the study included the development of four different road pricing concepts (i.e. two cordon and two network pricing based concepts). These concepts were assessed using the sub-regional transport model to understand their performance against network indicators like the average daily vehicle hours of delay, vehicle emissions and the level of service on the priced network at a future scenario year (2035). The transport model outputs were considered

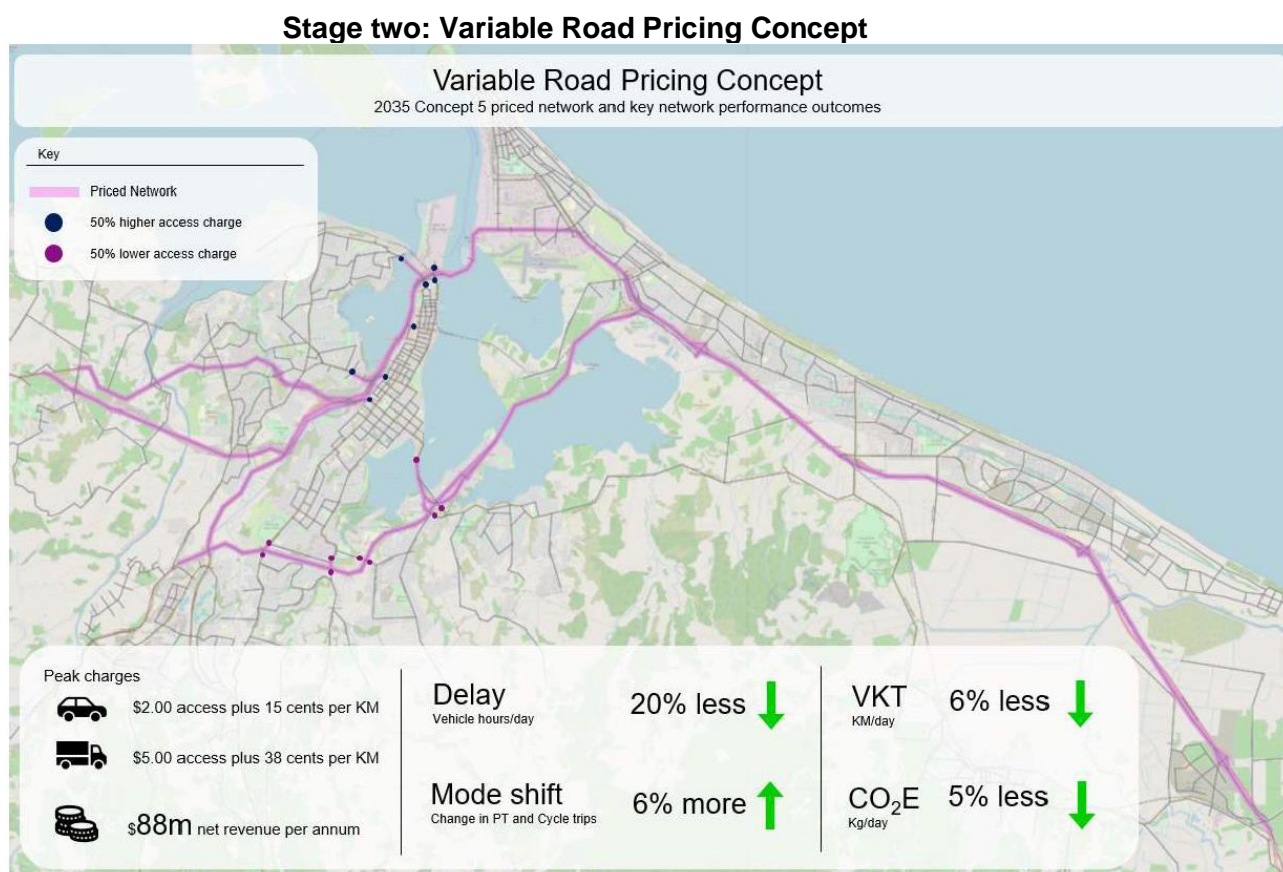
¹ International experience and policy trends in urban (including dynamic) road pricing; Milestone Solutions; 31 March 2023

² Road Pricing in Tauranga Proof-of-Concept Study: Technical report of traffic modelling, financial analysis, and economic analysis; Beca; 9 May 2023

³ Variable Road Pricing Study – Tauranga, Proof of Concept: Wider transport, financial and economic analysis; Waka Kotahi; 9 May 2023

together with a review of international road pricing experiences to then enable the development of a road pricing concept that became the focus of stage two of the study.

11. A key insight from stage one was that applying VRP (where price is known / scheduled in advance of travel) rather than dynamic road pricing (where road pricing changes in real time based on network conditions) was the appropriate concept to test in stage two. This was because it was deemed more effective in achieving the study's objectives in the Tauranga context. In addition, the stage one work identified that dynamic pricing has only been implemented on priced managed lanes, it has not been implemented nor is planned to be implemented in any cities worldwide for any other type of urban road pricing scheme due to the need for price certainty for the driver in advance of a trip, and alternatives to be readily available.
12. Stage two of the study initially focussed on using the results from stage one to develop the concept for further assessment (e.g. extent of the priced network; improved management of network diversion; improve network level of service implications). Then like stage one this second stage of the study used the sub-regional transport model to understand matters like network performance (e.g. delay), vehicle kilometres travelled and mode shift, and in addition potential revenue and costs at two future scenario years (2035 and 2048).
13. In addition, this stage of work also tested the concept at an individual corridor level (Tauriko to the Harbour Bridge). This was to test the effects of VRP on journey time savings on this key state highway and national freight route. The model results predicted 9-12% journey time savings on this key route.
14. A summary of the concept tested in Stage 2 ('Concept 5') is shown and described in the following image:



Key Findings & Benefits

15. The key findings of the study are that:

- Although Tauranga has a lower population, population density and significantly lower mode share for public transport than most cities with urban road pricing, the Milestone Solutions report identifies that this should not be a barrier to implementing some form of urban road pricing in Tauranga. That assessment identified several cities in Norway with road pricing schemes that have similar populations and densities to Tauranga but noted that in all cases the policy objective of the scheme was to raise revenue to support capital spending on transport networks whereas the study for Tauranga has a broader objective.
- VRP is technologically viable in the Tauranga context and could deliver reduced congestion and improved network performance. The concept was found to deliver a greater positive network impact in 2035 and 2048 – in terms of vehicle kilometres travelled (VKT), reduced CO² emissions and reduced travel time delays – than most of the other planned network improvements combined.
- The impact of traffic diverting onto unpriced local roads would need to be monitored and mitigated. Whilst a certain level of diversion is unavoidable (as it is not practical to price all roads), activities to mitigate diversion such as including works to reduce traffic and reallocate space on local streets to active transport modes and providing improved public transport priority need to support the principle to use the right mode/road for the right trip. SmartTrip would need to be designed to limit the likelihood of diversion where possible. Further stages of work should look at options to mitigate the negative impacts of diversion, including:
 - better design of the scheme boundaries;
 - traffic-calming local streets and improving alternative travel options on the local routes; and
 - use of technology to detect arterial traffic seeking to avoid charge points.
- Provides an additional funding opportunity which would supplement the current funding arrangements. The concept tested was found to generate approximately \$88 million per annum in 2035 and \$158 million by 2048, or about \$5.5 billion over a 40-year period.
- Successful implementation of the VRP concept would be dependent on the availability of efficient and convenient public transport services and alternative travel mode options (walking, cycling and other non-car mobility options) for those who choose not to drive.

16. The key potential benefits (represented at a network wide level for the 2035 scenario year) identified by the study are:

- Journey time savings – delays in vehicle hours per day would reduce by 20%;
- Accelerated transport mode shift (+6%);
- Reduced vehicle kilometres travelled per day (-6%); and
- Reduced transport Co2 emissions (-5%).

17. The study identifies that these benefits would increase significantly if the price/charge was higher at peak travel times. In addition, the study identified that the benefits of VRP are projected to continue over the longer term (as indicated by the results for the 2048 scenario year) which showed similar levels of service being maintained, further increases to public transport, walking and cycling trips, and further reductions in VKT (6% to 9%) and a corresponding reduction in Co2.

18. VRP could have a different impact at an individual corridor or route level. For this reason, the study included a more detailed assessment of one corridor this being Tauriko to the Harbour Bridge which represents a key route in the strategic network. This test considered the impact of the VRP on journey time. The model results indicate that VRP (at a medium price point) could deliver 9-12% journey time savings on this key route.

19. In terms of broader potential benefits from VRP the study identifies that these include:
- Benefits to commercial users by reducing freight movement costs, lowering operating costs (fuel, labour, etc.), increasing the flexibility for deliveries in peak travel times, and leading to increased productivity.
 - Making the real cost of transport choices transparent and encourages behaviour change (flexible working/hours/working from home/choosing other routes/shared vehicle trips/public transport use/other transport modes).
 - Making new finance available to fund transport network improvements.
20. The above benefits were considered in the context of the existing network analysis (which is a system without VRP). This analysis indicates that despite a focus on public transport and mode-shift enhancements, vehicle trips on Tauranga's transport network will continue to increase (+14% in 2028 and +40% by 2048). This traffic growth leads to a deterioration in network performance and significant doubling in delay experienced by road users.

Other Matters

Limitations of the Study

21. As a proof-of-concept study only, there was no comprehensive forecasting and subsequent assessment of all monetised and non-monetised impacts, nor regard to aggregating and then discounting the benefits and costs over time. This level of assessment could form part of any next stage of investigation.
22. The modelling for this study assumed the future UFTI transport network in 2048 is in place, with public transport network and service improvements brought forward from 2048 to 2035. The assumption is significant as without the assumed network and service improvements being in place the results would be very different. It also means that there is a need for further analysis about the association between net revenues and planned UFTI projects, the availability of finance and funding to deliver the assumed projects, and whether the projects are the right scope, mix and scale to best support the VRP concept.

Equity

23. There are equity implications to consider when designing a road pricing scheme. An assessment of the equity of the scheme and pricing showed the ability for the concept to be flexible to equity disparities and needs. For example, the concept allows for differential access charges by access location so lower access charges could potentially be used in certain locations to address (to a degree) potential localised equity concerns. The practical implementation of subsidies and differential access charges would need to be investigated in further stages of work.

Implementation

24. Road pricing as represented by the SmartTrip concept would require new legislation. That is a significant process that Government would need to progress.
25. At a more local level the current Tauranga transport network does not support implementation of an efficient SmartTrip concept. Significant investment in transport solutions, particularly those that provide improved travel choices (ie alternatives to driving), would be needed before implementing the SmartTrip concept.
26. The Milestone Solutions report identifies that most urban road pricing schemes have been implemented in stages, with initial implementation being on a smaller scale before expanding geographic scale and scope over time. For example, a key lesson from implementation of road pricing in Singapore is the value of gradualism as it enables future stages to be implemented guided by the behavioural responses seen with first stage(s). Staging or phasing is just one matter that would need to be considered in any further investigation of the SmartTrip concept.

27. Net revenue from road pricing (before accounting for revenue needed to pay off loans) needs to account for anticipated gross revenue minus operating costs. For SmartTrip one transaction per use is assumed with maintenance costs of \$4m per annum. Operating cost fluctuations/inflation will impact on overall anticipated revenue, and therefore further work on refining these estimates is required in further stages of SmartTrip development.

Public Acceptability

28. There are very few international examples of road pricing, even though there is a lot of supportive general and location-specific evidence that road pricing would be effective. The most significant barrier is public acceptability – which relates directly to the value proposition to the person who would be paying the costs and the implications for people who would not want to pay the costs.
29. The Milestone Solutions report identifies that international experience suggests that public acceptability or 'social licence' (i.e. the acceptance by communities to pay to drive on the roading corridors) is predicated on a clear, compelling, accurate and locally-agreed understanding of the value proposition to the "payer", supported by sufficient alternatives provided before a pricing scheme is implemented, and in particular, significant improvement in travel options, especially public transport.

STRATEGIC / STATUTORY CONTEXT

30. The study has identified that the SmartTrip concept could deliver a range of benefits aligned to UFTI and the 'Community Outcomes' in the Councils Long Term Plan 2021-31, including:
- *We have a well-planned City*
 - *We are inclusive*
 - *We value and protect our environment*
 - *We can move around our City easily*

OPTIONS ANALYSIS

31. The proposed options are summarised below:
- 1) To seek community feedback on the VRP concept and its potential issues and impacts through the next Long Term Plan development process.
 - 2) Not progress any next step investigations including community engagement on VRP.
32. The options are assessed in the Table below.

	Option	Pros	Cons
1	<p>Seek community feedback on the SmartTrip VRP concept as part of the next Long Term Plan development</p> <p>Recommended</p>	<p>Provides a timely opportunity to seek community feedback on a potential additional funding and financing concept that could support delivery of improved outcomes for Tauranga.</p> <p>Would provide feedback on the issues of interest to the community in respect to the VRP concept that could inform next stage, if any, investigation of road pricing.</p> <p>Would provide local community feedback that could support engagement with Government on the potential for new funding and financing concepts.</p>	None identified.

2	<p>Not progress any next step work including community engagement on the SmartTrip VRP concept.</p> <p>Not Recommended</p>	None identified.	<p>Would lose a timely opportunity to consult on the VRP concept through the LTP process.</p> <p>Would miss an opportunity to obtain community insight that could inform the direction of any future work on VRP for Tauranga.</p>
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FINANCIAL CONSIDERATIONS

33. If Council decides to engage on the VRP concept through the LTP development process, then the costs associated with this would be included within already approved operating budgets.
34. Further technical investigation of the VRP concept would likely occur through the development of a business case. If this was the case then this work would need to be scoped, costed and approved. In terms of costs for a future business case it is noted that the Transport System Plan (version 2) identifies a Variable Road Pricing business case investigation is estimated at \$3m.

LEGAL IMPLICATIONS / RISKS

35. There are no legal implications or risks associated with the options considered by this report.
36. It is noted that road pricing generally including VRP would require legislative change to implement.

CONSULTATION / ENGAGEMENT

37. To date there has been no community consultation or engagement on the Study. There is an opportunity for Council to consult on the Study through the next LTP development process and this is an option considered by this report.
38. Discussions have been held with Members of Parliament, Ministry of Transport and senior policy advisors.

SIGNIFICANCE






39. 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.
40. 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.
41. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision to consult is of low significance but is likely to be of high interest

to the community. This is due to the scale and significance of the decision which is related to whether to seek community feedback on a concept to inform potential further investigations, if any. Any potential future implementation of a road pricing scheme would likely have high significance.

NEXT STEPS

42. This study undertaken was at a proof-of-concept level only. However, it provides insight into the potential viability and benefits of the SmartTrip concept and how these align to those identified by UFTI. The SmartTrip concept would require legislative change and considerably more development, refinement and analysis before decisions to implement could be contemplated. Public acceptability of road pricing systems is important to a successful road pricing system. Given the above the next steps are proposed as including:
- Engagement with the community on the SmartTrip concept as part of the development of the next LTP and its benefits;
 - Engagement with the SmartGrowth partnership
 - Engagement with government (beyond Waka Kotahi)
43. The response to the engagement could help to scope and focus any next stage of investigation of the SmartTrip concept.

ATTACHMENTS

1. **Variable Road Pricing -Proof of Concept Study presentation - TCC Commissioners - 12 May 2023 - A14999667**  
2. **International Experience and Policy Trends in Urban (Including Dynamic) Road Pricing, Milestone Solutions - A15002778 (Separate Attachments 1)** 
3. **Road Pricing in Tauranga, Proof of Concept Study, Beca - A15002776 (Separate Attachments 1)** 
4. **Variable Road Pricing Study - Tauranga - Wider transport, financial and economic analysis, Waka Kotahi New Zealand Transport Agency & Tauranga City Council - A15002774 (Separate Attachments 1)** 



“SmartTrip” proof-of-concept study

Audience

TCC Commissioners, 12 May 2023, presenter




Summary

- SmartTrip core story
- SmartTrip study results
- Counter-factual: what if no road pricing
- SmartTrip innovation enables financing and funding opportunities
- Where to from here

Appendix:
Study results and observations



SmartTrip core story

- SmartTrip pricing in Tauranga would be viable technically and valuable if the customer value proposition was compelling
 - SmartTrip pricing is needed to:
 - Optimise network performance for UFTI outcomes
 - Inform real costs of travel choices, which influences behaviour, which therefore influences network outcomes – and therefore also delivers wider national outcomes
 - Fund UFTI projects that deliver strategic local and national outcomes
 - Get best value from future investments (e.g. PT capex and opex, network improvements)
 - Without SmartTrip pricing, or with only congestion charging:
 - LG and CG will continue to be unduly reliant on a public investment model that is not set up to deliver local or national outcomes at best value
 - Delays in striking a “financing and funding deal” will continue to result in social, financial and economic costs locally and nationally (as documented by NZIER, 2022)
 - The future national revenue system is a long way off - need pragmatism in next decade or so to enable local pricing solutions that will match local travel demand with supply
- 

SmartTrip study results

Something different is needed to deliver agreed Urban Form + Transport Initiative (UFTI) programme and therefore local and national benefits

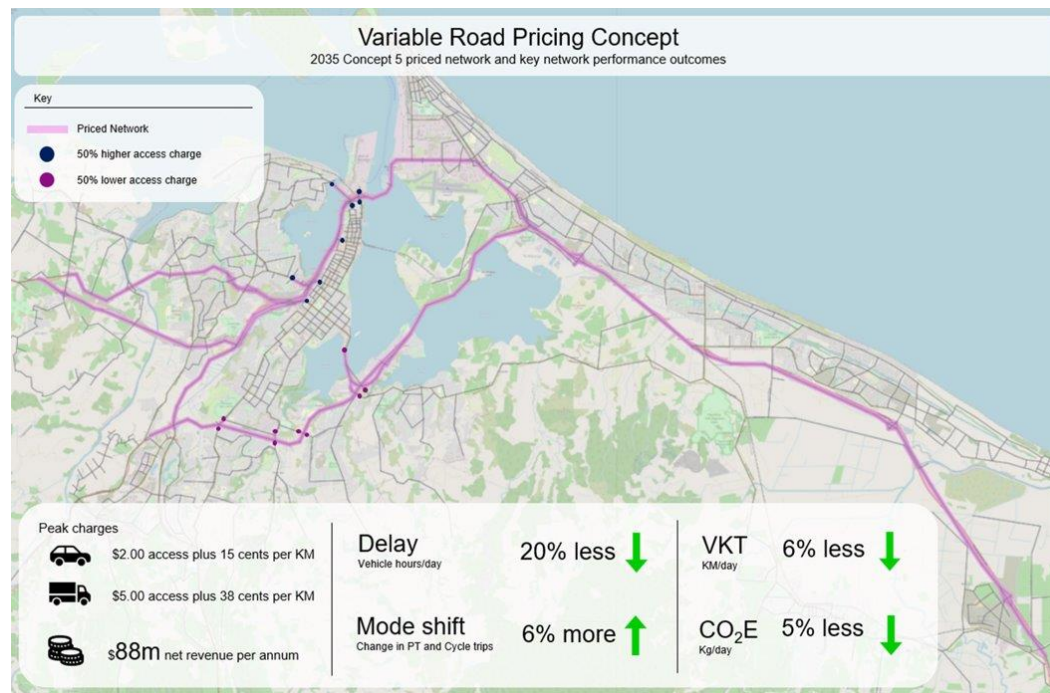
- UFTI being refreshed to include updated evidence and Government urban light vkt reduction direction
- Tauranga cannot deliver transport efficiencies, community wellbeing, accommodate development, and improve urban form quality using current public investment model
 - LG and CG have assumed “someone” will find the local, and national, funds for UFTI land transport projects
 - Investment alone is insufficient to influence travel behaviours to extent needed to deliver national outcomes
 - Markets lack clarity, certainty, and stability of forward work programme
 - Houses, jobs and GDP are suppressed (as reported by NZIER)
 - Communities and Councils not confident that can deliver outcomes under BAU policy
 - UFTI land transport improvements planned for coming decades will increase network delays significantly: +55% in 2035, and +63% in 2048 over 2018 baseline year without SmartTrip pricing

SmartTrip pricing can be part of the solution

- Pricing makes transparent real costs of travel choices, which influences behaviour, and therefore local (journey experience and network efficiencies) and national (e.g. reduction in Co2E and light vkt) outcomes
- The proof-of concept study identifies a “20% delay reduction” beyond planned UFTI investments - that’s with only moderate prices and limited peak period pricing. What pricing would mean for customers is: increased average speed (circa +6% in 2035, +5% in 2048) and reduced travel time (e.g. circa -12% in 2035, circa -6% in 2048 on Western Corridor)
- Annual net revenue available for investment in local transport solutions - which would unlock land development constraints, improve land transport performance, deliver national climate outcomes
- Indicative National Benefit Cost Ratio: 12-22 (excludes benefits from investing \$5.5b SmartTrip net revenue over 40 years into transport solutions)

SmartTrip pricing is not the same as (is more than) congestion charging

- Local network characteristics mean that need pricing beyond relieving “link” constraints and achieve desired shifts in travel modes (to PT, reduce light VKT) while maintaining choice and supporting economic development



Counter-factual: what if no road pricing

If no SmartTrip pricing

- Network performance and customer experiences continue to worsen despite significant investments – e.g. +83 increase in delay by 2048
- Very difficult to reduce Co2E and light vkt, and ensure future quality urban development, without pricing to influence behaviour and therefore demand and therefore outcomes – and pricing to influence demand effectively is not the same as pricing to relieve congested “links”
- Network and service investments will deliver sub-optimal benefits (because pricing improves value of investment package)
- New additional funding solutions will still be needed by local government and central Government – *Council needs use-related, as well as property-based, revenue tools*
- Unable to create sufficient scale and pace of investment to re-set land development model, improve land utilisation, unlock suppressed GDP
- Continued suppressed urban system performance:
 - Adverse impact on ability to accommodate quality development that provides jobs and houses
 - Unacceptably high house prices because sub-region can't bring on land supply to meet demand – e.g 25,000 homes linked to 12,500 jobs in Tauriko held up for want of transport capacity on SH29
 - NZIER reports that housing supply constraints (approx. 5,000 houses short in 2021) could lead to foregone GDP of up to \$1.609 billion in 10 years
 - The daily congestion impacting quality of life for workers and families
 - Productivity worsening - and logistics delays drives up customer costs
- Inequitable experience on current priced and unpriced corridors - drivers paying a toll 24/7 on Takitimu Drive and TEL to access a congested network, and drivers on unpriced network experience worsening congestion

If Congestion Charging only

- Limited ability to use pricing to manage demand in a way that network performance supports UFTI strategic urban system outcomes
- Toll comes off Takitimu Drive circa 2031 – network and CBD outcomes worsen if can't maintain 24/7 price on that corridor - and optimise the parallel mass transit (Te Papa peninsula) corridor
- Limited public acceptability – pricing is a fee for an experienced benefit for the pay-as-you-go driver
- Minor contribution to address the funding gap
- SmartTrip pricing is more than congestion charging, and different than revenue tools (such as land rates and levies and Regional Fuel Tax) which have less than minor impact on the level and shape of travel demand

SmartTrip innovation enables financing and funding opportunities

UFTI funding requirements

- More than \$2b needed per decade to deliver local and national outcomes – *there is no financing or funding plan in place, and sub-region has exhausted time and money looking for self-help solutions*
- The current scale and pace of funding is: insufficient, uncertain looking forward, and suppresses local and national outcomes. The State highway capex programme funding is periodic - in recent years partly financed and paid for locally (e.g. Eastern Link toll road) or Crown funded (e.g. Northern Link stage one)
- Outcomes are not driving central Government responses – *and NZIER reports that every year houses, jobs, and GDP is suppressed*
- New additional funding solution needed for Local Government and central Government – *need use-related as well as property revenue tools*
- Shared opportunity to accelerate delivery of the anchor investments to unblock constraints, improve quality of travel choice, improve freight logistics productivity, deliver national Co2E and VKT outcomes

Early thinking about pricing

- Pricing needs to reflect costs of financing local improvements (beyond short or long run marginal social cost to reflect congestion externalities)
- Further work will identify need much higher prices in peak travel times to reduce Co2E and VKT - that would increase significantly the avoided emissions profile, and increase PT Patronage, and result in delivering more Government benefits that would attract Climate Emergency Response Fund (CERF) funding grants

Early thinking about financing assuming SmartTrip pricing

- *Indicative borrowings envelope*: SmartTrip pricing and Crown matching contribution 1:1 - \$2.0b finance total. DBC would look at pricing, elasticities and financing
- *Indicative financing options*: Market approach (e.g. concession, sell revenue rights to third party, resulting NPV's of revenue streams provided as upfront for capex OR a public sector approach (e.g. financed by Crown/green fund, supplementary CERF funding pledged if VKT and/or PT patronage milestones met)

Early thinking about funding and financing plan assuming SmartTrip pricing and Government partnership

- Leverage revenue streams to repay financing: SmartTrip pricing and Crown contribution, IFF levy and Development Contributions on land development enabled by SmartTrip pricing
- Crown grants (e.g. CERF) to support ambitious Co2E and VKT reduction, to supplement Regional Council rates (for PT opex and capex), Territorial Authority rates (for road corridor opex), NLTF (State highway opex) and NLTF and FAR rates set to deliver agreed UFTI package and achieve agreed performance metrics
- Integrate local complements and substitutes that interact with pricing (e.g. parking fees, PT fares, corridor regulation)

Borrowings and Crown CERF grants totalling \$4.0b could fund anchor enabling infrastructure with national benefits, such as:

- PT facilities and corridor regeneration to support transformative PT service offering
- Active travel infrastructure to provide safe travel choices
- Western Corridor upgrades with PT lanes to shape future development and secure outcomes in Tauriko/Keenan road growth areas (SH29, SH36)
- Protect Port Access (Hewlett's road)

Where to from here

- Innovative proof-of-concept partnership between local and central government
 - Collaborative implementation planning and delivery model
 - Set the 2024 ten-year LTP with a stable pathway to address underinvestment effectively
 - Shared investment to deliver targeted local and national outcomes
- The demand management and investment policy setting for late 2020s needs to be different than today's
 - Pilot something new and pragmatic to deliver local and national outcomes
 - Enabling rather than prescriptive and restrictive policy (legislation and details such as price setting)
 - Tauranga residents have demonstrated innovation previously:
 - Application of road tolling (first one in 1988, now two State highway toll roads, amended LTMA to transfer Route K)
 - Water metering and volumetric pricing (2002)
 - Spatial planning (SmartGrowth in 2004)
- Support the sub-region if it progresses to next step and engages with communities about an innovative SmartTrip pricing partnership to achieve shared outcomes
- Reduce the ambiguity, uncertainty and costs in the next step: Detailed Business Case – partnership-based, outcome-focused ambition, and urgency to work backwards from implementation

Strategic Benefits



Promote mode shift to public transport, walking and cycling



Promote car sharing trips, work from home, time shift and encourage higher value trips, pricing off low value discretionary trips, support trip chaining



Reduced carbon emissions



Improved efficiency of the existing and future network



Additional revenue to undertake necessary improvements (without this revenue these other improvements might not be possible)



Study results and observations



Study results and observations

Summary

- Context
- Study objectives
- Pricing concepts
- Challenges
- SmartTrip is feasible and valuable
- SmartTrip pricing opportunities
- Government opportunities
- Findings
- Costs and revenues
- SmartTrip innovation enables financing and funding opportunities
- Observations



Context

What

- Discussed possibility of a Tauranga road pricing study late 2021

Why

- UFTI investment delivers modest transport choice benefits but **network performance worsens** in 2035 and 2048 scenario years (despite circa \$7.5b capex and opex over coming decades) - *and Commissioners are concerned about the current and forecast journey experience of most road users, and the wider economic impact on upper North Island logistics*
- SmartGrowth partners need **additional funding tools** to deliver the horizontal infrastructures and services to deliver UFTI outcomes - *and have spent years and money looking at revenue alternatives to property rates (e.g. KPMG, Mafic, Ascari)*
- Need to **accelerate funding** (e.g. finance and fund the first decade network and service improvements and bring forward SH29 upgrade from second decade) - *as tangible actions and agreed forward plan to deliver UFTI sub-regional outcomes and national benefits*



Study objectives

- Support urban form outcomes (primary outcome)
- Optimisation of the whole transport system, including past investment and the role of each travel mode
- Improve travel time reliability and levels of service
- Raise revenue to invest in local transport solutions
- Incentivise lower carbon emissions
- Incentivise travel choice

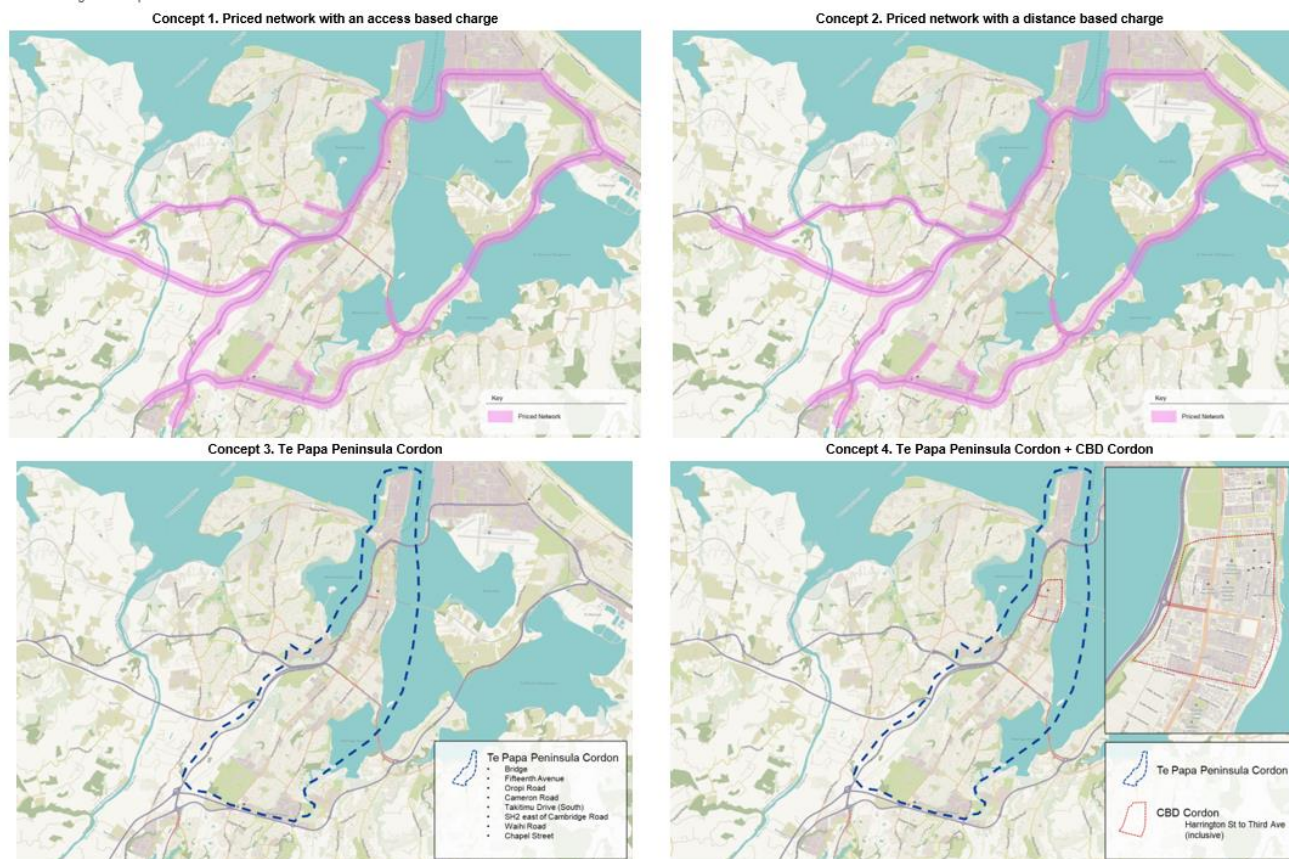
“SmartGrowth has commissioned sub-regional funding and financing studies to identify options to finance and fund needed horizontal infrastructure, such as wastewater, potable water and transport networks, and social amenities like the libraries and community centres needed to cater for a growing population. These studies, conducted by KPMG and Mafic in 2021 and 2022, and reviewed by Ascari in 2022, confirm that for the SmartGrowth councils, there are few alternative funding tools that could be used to raise revenue for transport investment.”

Source SmartTrip context report, May 2022

Pricing concepts

Four preliminary pricing concepts assessed against the study objectives, using six network performance indications:

- VKT. Vehicle Kilometers travelled Average daily vehicle kilometers travelled
- Emissions Carbon dioxide equivalent CO₂E Kg / Day
- Delay. Average Daily vehicle hours of delay: Congested time - free flow time
- Public transport mode share
- Level of service. Proportion of the priced network links at LOS D or better
- Revenue. The amount of net revenue generated



Challenges

Trade-off between: price points + travel delay + traffic diversion

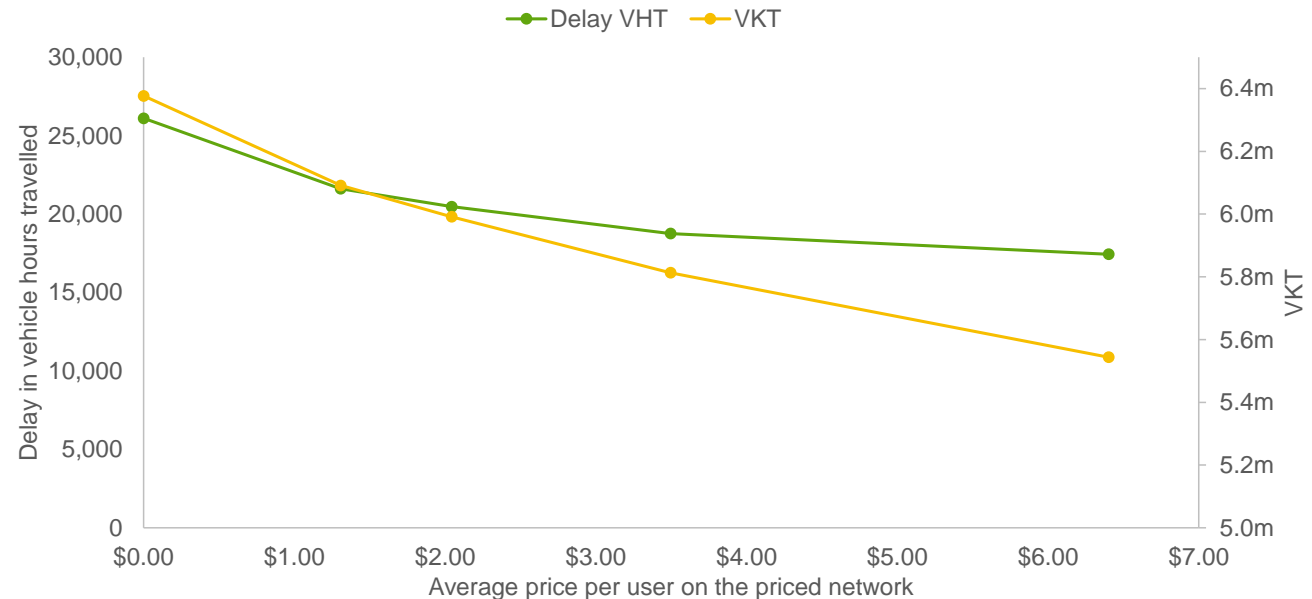
Above \$2 diminishing delay benefits and significant displacement of private travel, could have a negative trip suppression effect (social wellbeing and economic impacts)

Primary risks

- A primary risk is political motivation to ensure that road pricing is implemented
- A primary risk is public acceptability
- There is only one way to secure the necessary social licence – by:
 - Providing a compelling value proposition to the pay-as-you-go-driver, and
 - Ensuring there are viable and attractive travel alternatives, especially public transport options - which need up-front investment

Mitigate and impacts and risks

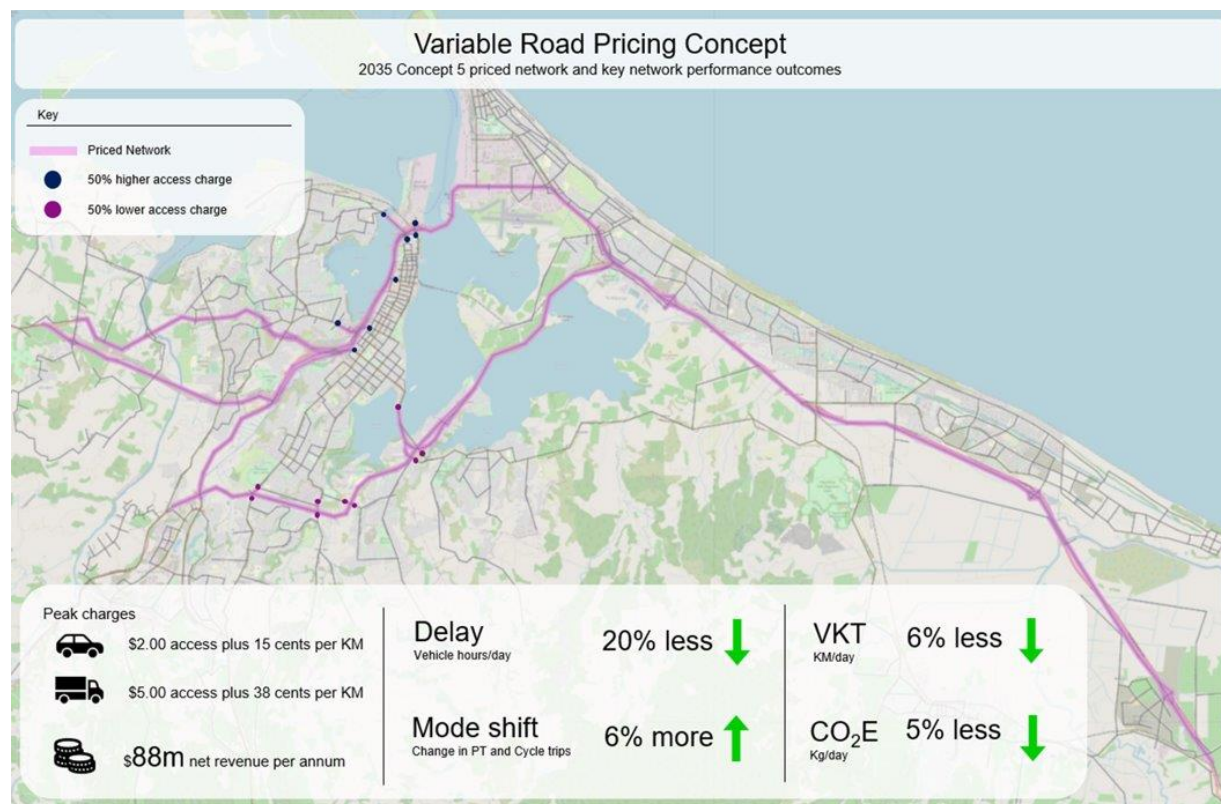
- Enablers to mitigate risk: clear objectives, smart scheme design, effective communications, investment package
- Mitigate distributional impacts
 - Traffic diversion onto unpriced streets – up to LG to manage
 - Equity of access - LG build mitigation into scheme design
 - Affordability – LG build mitigation into scheme design, CG accountable for any social equity payments



SmartTrip is feasible and valuable

- Supports sub regional and national strategy delivery – influences shape and level of land transport demand to underpin Urban Form and Transport Initiative outcomes
- Viable in small city
- More significant impact on local network performance objectives (such as reduced travel time delay) and national objectives (reduce VKT & CO₂E) than most future planned investment combined – *in 2035 and 2048 scenario years*
- Net revenue of circa \$100m p.a. in first decade

Caveats: Revenue based on study price points, trip volumes, estimated costs. Mode shift forecasts influenced by legacy behaviours



SmartTrip pricing opportunities

• Enable and accelerate transport outcomes

- Effective network optimisation tool to deliver reduced delay and increased journey time reliability
- Effective travel demand management intervention
- Improves the value of transport investments
- Charges users (beneficiaries) not land owners for improvements - it's a "fee for service"
- Net revenues can fund some investments needed to deliver Urban Form and Transport Initiative outcomes, including unlock suppressed development
- Additional net revenue above costs would deliver additional transport benefits only available due to pricing, and those benefits would be valued by the driver, and on that basis the net revenue is an economic benefit not a "transfer payment"

• Enable increased self-help

- Local communities already contribute toll tariff revenues to enable national State highway investments
- Local communities could contribute more funding to local solutions if the deal was fair and compelling VP to communities - rather than everyone in NZ paying (location equity as we all as national allocative efficiency)

• Enable innovation

- Playing forward today's business model with minor changes is not enough to break the:
 - Incremental and ad-hoc investment cycle – something different is needed to achieve sub-regional and national outcomes and unlock suppressed urban development (jobs, GDP, housing, wellbeing)
 - Undue and inadequate reliance on private sector to advance and deliver public outcomes (e.g. affordable housing, less VKT and Co2E, wellbeing)
- Embed variable (adjust regularly) pricing then can consider dynamic (real time) pricing

*"NZIER assessed the potential economic impacts of identified housing capacity supply shortfalls. NZIER estimate that with NPS-UD competitiveness margins included it could lead to **foregone GDP of \$436m in three years and \$1.609 billion in 10 years....** NZIER estimates that the housing market is not in equilibrium at present and there is an **existing housing shortage at 2021 which ranges from 4,300 to 5,300 houses.** This is in addition to forward estimates of housing shortages."This reflects the cumulative population of 14,951 people who could not reside in Tauranga due to this predicted housing shortfall."*

Source: TCC staff strategic advice to Commissioners (A13801002), September 2022, from NZIER impact of a housing shortage report to TCC August 2022, page 4

Government opportunities

- Leverage the timing window
- Use SmartTrip as part of a F&F deal to fund Urban Form and Transport Initiative network and service improvements
- Future focused rather than prescriptive and restrictive enabling legislation
 - Adaptable to innovation and disruption over next decade
 - Provide applicants with certainty
 - Outcome focus rather than constraint and risk focus
 - Pricing to achieve outcomes and not just mitigate congested road “links”
 - Pricing to manage level and shape of travel demand and improve urban form
 - Pricing to manage demand and optimise networks for urban system outcomes is not the same as pricing for congestion relief
- Pragmatism over policy purity
 - Have exhausted time and money exploring viability of land-based and other revenue tools - need economic tools that will charge users who are the beneficiaries rather than land owners for the costs of land transport improvements
 - Coming decades may be messy because need short and medium term demand pricing and then adapt local schemes to future revenue system in the longer term
 - Need use economic tool of pricing to manage travel demand for sub-regional and national outcomes - need focus on the “why” mitigating link congestion
 - Use pricing to disrupt and re-set the current public investment and land use development models
 - Long term revenue system is a different topic, and long lead time

Findings

- It is extremely difficult to implement road pricing even if significant value and enabled by legislation - even harder where the PT service offering is limited
- Road pricing can be viable in a small city
- SmartTrip pricing can deliver reduced congestion and improved network performance
- Pricing is shown to have a greater network impact (VKT, CO2E, delay) than most of the future planned network and service improvements combined in 2035 and 2048 scenario years
- The forecast trip distribution impact of price on top of investment is significant decrease in trips between suburbs and a modest increase in trips within suburbs - similar for 2035 and 2048, overall net small trip reduction in shorter trips (due to “access” charge)
- Higher price points than modelled in proof-of-concept would be needed to shift the dial for light VKT and carbon emissions
- SmartTrip would result in increase in local vehicle traffic on local roads (need mitigate undermining intensification and liveability objectives)
- A tangible value proposition to the pay-as-you-go driver would be essential if want to introduce pricing (it's a fee for service)
- Phased approach to a pricing scheme may demonstrate value if start with congested links, but that would lack transaction and funding scale needed to ensure effectiveness over time

Costs and revenues

- Costs and revenues are very sensitive to scheme type, scale and any phasing
- This table includes guestimates of costs, modelled revenue forecasts
- \$5.5b net revenue over 40 years - before any funding partnership, or then leveraging that partnership revenue stream for long term financing

	2035	2048
Revenues		
Gross	\$205m	\$310m
Net (less GST, exemptions, discounts, leakages, existing (and assumed TNL) Toll road financial obligations, transaction costs)	\$88m	\$158m
Capital		
Roadside facilities (e.g. 95 cameras and supporting infrastructure)	\$30m	TBC
System (one-off to adapt current system, continually improve current system for all users)	\$5m set up \$10m p.a.	\$10m p.a.
Operating		
Fully allocated cost transaction charge (e.g. financial, customer, roadside, back office system)	\$42m	\$44m

Observations

Strategic value of road pricing

- Road pricing is a **powerful intervention**. It has a more significant impact on behaviour, network performance, and transport outcomes than many other (high cost) demand and supply side interventions – and it can provide a new additional local revenue stream for investment in local transport and urban development outcomes, *and the beneficiaries pay for improvements rather than property owners*
- Reduction in VKT requires changes in land use (recognising there will be little change in the medium term because the settlement pattern is in place), and **economic tools** (to nudge behaviour), and traditional travel demand management initiatives
- Pricing as part of an **integrated package** of demand management and network improvements and services would have the greatest impact on VKT reduction

SmartTrip and delivering UFTI outcomes

- Significant **additional funding** is needed to deliver UFTI investments in the horizontal infrastructures required to create the compact urban form that over time can incentivise the required exponential reduction in light VKT in a growing urban centre
- The **funding challenge** to enable the sub-region to thrive would be much greater if there was no SmartTrip pricing
- **Development scale** is needed to: deliver outcomes, improve land use efficiencies, secure future transport footprint, mitigate total costs, charge all beneficiaries (rather than land owners) for improvements, change the (incremental) investment planning model that unduly subsidises the current (incremental land release) development model

Finance and funding

- Maybe need explore **F&F vehicle** to bring forward enabling investments (so could introduce pricing before 2030)

Implementation

- **A phased roll out** to secure social licence and mitigate equity impacts (expand as corridor choices expand) could undermine effectiveness and value proposition (need sufficient revenues to deliver outcomes)
- Integrate networks and **optimise all prices** (e.g. parking, PT fares) and network incentives (e.g. road space allocation)
- Need **invest more in PT** to increase patronage/mode share significantly in Tauranga

11.6 Tauranga City Growth Projections and Allocations

File Number: A14958983

Author: Andy Mead, Manager: City Planning & Growth
Ayv Greenway, Team Leader: Growth Research & Analytics

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

PURPOSE OF THE REPORT

1. To update the Council on dwelling capacity assessment work undertaken for proposed Plan Change 33 – Enabling Housing Supply (PPC33), and alignment with current city dwelling projections and allocations.
2. To advise the Council on the expected impact of proposed Long-term Plan (LTP) capex changes on housing supply and recommends adjustments to the LTP dwelling growth projections as a consequential response.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Tauranga City Growth Projections and Allocations".
- (b) Adopts the adjusted growth projections for the 2024-34 Long-term Plan being a reduction of approximately 640 dwellings in the period 2024 to 2034, and a reduction of 1,260 in the period 2034 to 2040.

EXECUTIVE SUMMARY

3. The LTP growth projections and dwelling allocations have been reviewed and adjusted downward to reflect the exclusion of capital expenditure to enable development to commence in the Te Tumu and Keenan Rd urban growth areas until after the 2024-34 period.
4. A review of residential intensification projections has occurred based on the recently completed development capacity assessment for proposed Plan Change 33 (PPC33). This closely aligns with the intensification projections Council is currently working to. It also addresses concerns that intensification may be over-estimated as not all intensification opportunities will be delivered and because of geotechnical challenges.
5. Overall, the realisation of plan enabled development capacity from PPC33 is heavily constrained by the City's growth projections for the next 30 years. In other words, over 350,000 homes are plan enabled by PPC33 but only 30,000 homes are required in Tauranga City over the next 30 years. Other factors that affect realisation include:
 - (a) Infrastructure capacity (which is generally aligned with expected levels of growth).
 - (b) Feasibility, especially for vertical apartment buildings.
 - (c) Other constraints like private covenants.
 - (d) Homes that will be delivered in new greenfield area which are beyond PPC33.

DWELLING CAPACITY ASSESSMENT

6. At the 13 June 2023 SmartGrowth Leadership Group meeting, concerns were raised that residential intensification projections may be over-estimated as not all intensification that is enabled will be delivered and because of geotechnical challenges affecting the cost of development (especially for apartment buildings).

7. This report addresses the issue of projected intensification uptake. TCC's approach to intensification has been to assume a percentage increase in uptake over time from around 25% of total growth currently, increasing to around 50% of projected growth within established "infill" parts of the city over the next 30 years, as residential intensification is assumed to be further enabled and encouraged, particularly Proposed Plan Change 33 (PPC33).
8. TCC has undertaken a capacity assessment as required for PPC33 in accordance with the requirements of the Nation Policy Statement on Urban Development (NPS-UD).
9. Section 3.2 of the NPS-UD sets out specific development capacity requirements for Territorial Authorities like TCC.

Subpart 1 – Providing development capacity

3.2 Sufficient development capacity for housing

- (1) *Every tier 1, 2, and 3 local authority must provide at least sufficient development capacity in its region or district to meet expected demand for housing:*
 - (a) *in existing and new urban areas; and*
 - (b) *for both standalone dwellings and attached dwellings; and*
 - (c) *in the short term, medium term, and long term.*
 - (2) *In order to be **sufficient** to meet expected demand for housing, the development capacity must be:*
 - (a) *plan-enabled (see clause 3.4(1)); and*
 - (b) *infrastructure-ready (see clause 3.4(3)); and*
 - (c) *feasible and reasonably expected to be realised (see clause 3.26); and*
 - (d) *for tier 1 and 2 local authorities only, meet the expected demand plus the appropriate competitiveness margin (see clause 3.22).*
10. Plan enabled capacity (step 1) has been assessed by ME Spatial. Broadly speaking, ME Spatial have compared plan enabled capacity under the operative Tauranga City Plan provisions with the proposed PPC33 provisions to determine the additional level of development capacity that would be enabled by PPC33.
 11. Infrastructure capacity (step 2) has been assessed internally overlaying infrastructure constraints against plan enabled capacity to determine the extent to which plan enabled capacity is also infrastructure enabled. This assessment covers transport, three waters, electricity and communications infrastructure.
 12. Veros have then taken the outcomes of the first 2 steps and assessed how much development capacity is likely to be feasible and what proportion of feasible development capacity is likely to be realised (i.e. delivered / built).
 13. These various assessments are documented in full and available in the PC33 page on the TCC website.
 14. Feasibility involves assessing development opportunities from a developer's perspective taking into account costs, revenues, profitability and risk. The definition of feasible from the NPS-UD is set out below:

feasible means:

- (a) *for the short term or medium term, commercially viable to a developer based on the current relationship between costs and revenue*

- (b) *for the long term, commercially viable to a developer based on the current relationship between costs and revenue, or on any reasonable adjustment to that relationship*

15. The NPS-UD enables a forward-looking approach to account for how feasibility may change over time. This provides the ability to 'look through' the current challenges faced within the property market to a more normal state of the property market in Tauranga where demand for new residential property is strong based on ongoing population growth and inward migration.
16. Not all development that is plan enabled, infrastructure enabled and feasible will be delivered. For example, land may be owned by parties that don't wish to develop. This is taken into account in the 'realisation' assessment.
17. The ME Spatial assessment of plan enabled development capacity has concluded that proposed PPC33 would enable in excess of 350,000 dwellings to be delivered. At 2.5 people per dwelling this could accommodate nearly 900,000 people.
18. Infrastructure is generally not in place or planned for anywhere near this level of growth. This is because growth in Tauranga in the next 30 years is expected to be in the order of only 30,000 dwellings (with a further 7,000 – 9,000 additional dwellings projected in the adjoining Western Bay District)⁴. In addition, a substantial portion of future growth is planned to be in areas beyond those addressed by proposed PPC33, notably the planned new greenfield areas of Tauriko West, Keenan Road, Ohauiti South, Te Tumu and Poteriwhi (Parau Farm).
19. Infrastructure is typically planned to provide for the expected level of growth in line with forward population projections and our guiding planning documents such as UFTI, Transport System Plan and our Housing and Business Assessment under the NPS-UD. Generally, this infrastructure is not expected to have a large amount of surplus capacity to provide for additional growth especially key infrastructure such as water and wastewater treatment plants. It is not economically efficient or affordable for developers, councils and the Government to invest in infrastructure capacity at the plan enabled level and would likely result in significant idle infrastructure capacity.
20. The feasibility of attached dwellings in Tauranga is generally quite challenging at present, especially in lower value suburbs or for larger scale developments such as apartment buildings. While this is expected to improve over time, only a portion of plan enabled development capacity is considered feasible as assessed by Veros. Over the 30 year period Veros assesses that approximately 140,000 dwellings would be feasible based on PPC33. This exceeds the total demand for housing over this period of 30,000 homes by a factor of nearly 5.
21. It is further assessed by Veros that only a portion of feasible capacity will be realised. A key constraint on realisation is the aggregate demand for housing i.e., it is unlikely that considerably more than 30,000 homes will be built in the city over the next 30 years if aggregate demand is only for 30,000 homes. However, it could reasonably be expected, based on the 140,000 dwellings Veros consider feasible, that if aggregate demand increased then so could realisation.
22. Overall, over the 30-year period it is expected that 19,000 dwellings would be delivered in the Medium Density, High Density, Commercial and City Centre Zones related to PPC33. Combined with development capacity from other planned greenfield outlined above, the amount of development capacity enabled is anticipated to meet or exceed the total number of new dwellings required in the City over the next 30 years which is in the order of 30,000 new homes.

⁴ Across the Western Bay of Plenty subregion close to 40,000 homes are required over the 30 year period. Growth is anticipated to be stronger in the first 10 year at approximately 1,500 homes per year and taper off to an average of approximately 1,000 homes per year over years 10-30 due to demographic factors such as an aging population resulting in more deaths and less births.

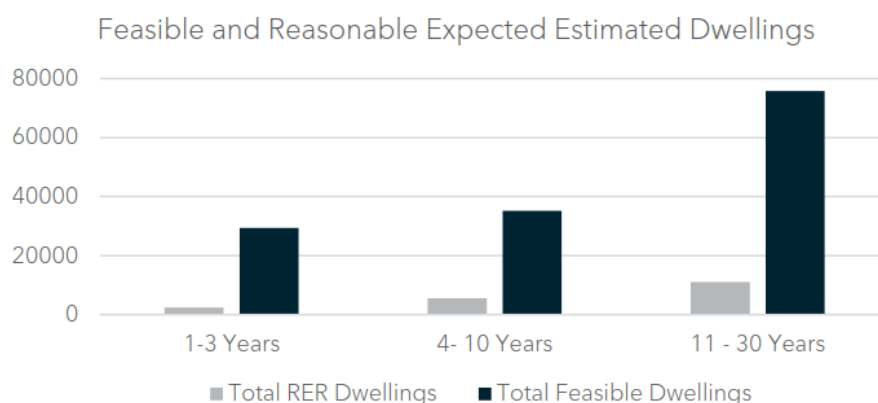


Figure 1: Feasible and RER Estimates. Source: Veros

23. Figure 2 below sets out the 'realisation' results. Future Greenfield Zoned areas such as Te Tumu, Tauriko West and Keenan Road have been excluded from the feasible and reasonably expected to be realised (RER) dwelling estimates. 11,000 dwellings have been assumed in these future UGA areas in the current TCC allocation.
24. It should be noted that the vast majority of delivery is expected to be in smaller scale housing development comprising detached homes, duplexes and terraced housing (generally 2 levels). These typologies can be more easily and cost effectively delivered in areas with geotechnical challenges such as in the Te Papa peninsular and a number of these developments are currently underway.
25. The level of vertical apartment building development assumed is relatively low, especially in the first 10 years. It is likely to be located in high value areas or delivered through market participants with lower profitability requirements (eg Kainga Ora).

Estimated RER Development	Short Term Years 0-3	Medium Term Years 4-10	Long Term Years 11-30	Total Years 0-30
Detached	1,420	3,100	4,990	9,510
Attached (Horizontal)	860	2,120	4,270	7,250
Attached (Vertical)	120	380	1,740	2,240
Total RER PC33	2,400	5,600	11,000	19,000

Figure 2: Reasonably Expected to be Realised Estimates – Source: Veros

31. It is acknowledged that the city's future greenfield projects are subject to other planning processes and challenges, and it is possible that some of the resulting development capacity may be delayed, reduced or not eventuate with Te Tumu being the area with the highest level of risk (over 5,000 homes are assumed to be delivered in Te Tumu). If greenfield growth was constrained below expected levels there may be scope for realisation from PPC33 to increase due to the level of dwellings considered by Veros to be feasible (140,000).
32. The 19,000 dwellings expected to be delivered over the next 30 years in the area PC33 affects are closely aligned to our current growth projections as shown in Figure 3 below. Based on this further assessment of development capacity staff are comfortable with the current level of intensification assumed in our forward growth allocations.

Figure 3 – Comparison of Veros RER with TCC allocation.

	Shorts Term Years 1-3	Medium Term Years 4-10	Long Term Years 11-30	Total
Veros 'Realisation' Assessment	2,400	5,600	11,000	19,000
TCC Supply Allocation	2,500	6,350	9,650	18,500

IMPACT OF PROPOSED LTP CHANGES ON HOUSING SUPPLY

33. The current TCC allocation of growth projections are set out in the Tauranga City Population and Dwelling Projection and Allocation Review 2022⁵ (the 2022 Review). These were adopted as part of the significant forecasting assumptions for the 2024-34 LTP on 27 February this year.
34. Proposed changes to the timing of infrastructure investment to be incorporated into the draft 2024-34 LTP are expected to delay the release of Keenan Road and Te Tumu UGAs from the latter part of the 2028-2033 planning period to around 2040.
35. For the 2024-34 LTP planning period this would potentially reduce housing supply by around 980 dwellings (710 at Te Tumu, 270 Keenan Road) - see Figure 4. When this is extended out to 2040 the reduction in assumed housing supply increases to 2,650 dwellings.
36. An assessment was undertaken to explore whether the reduction in housing supply resulting from the delay in UGA release could be realistically accommodated elsewhere in the City.
37. The outcome of this review was that around 750 additional dwellings (345 within the LTP period, 405 within 2034-40 period) could potentially be accommodated in established infill parts of the City (along coastal strip of Papamoa, infill parts of Hairini, Welcome Bay and Maungatapu), in Pyes Pa West where former large lot zoned land is proposed to be medium density zone under PPC33, and in Bethlehem (via greater assumed yield on two key sites, and the release of Poteriwhi (Parau Farm)).

Figure 4: Assessment of impacts of proposed LTP changes on housing supply

Current allocation to future greenfield UGAs 2024-2040 (as at 30 June)

	2024-34	2034-2040	2024-40
Tauriko West	1,413	1,001	2,414
Ohauiti South	187	252	439
Te Tumu	709	1,251	1,960
Keenan	273	417	690
	2,583	2,920	5,503

Proposed Deduction

Te Tumu	-709	-1,251	-1,960
Keenan	-273	-417	-690
	-983	-1,667	-2,650

Potential additional allocation

Infill/ intensification outside spatial plan areas	100	100	200
Pyes Pa West	50	50	100
Bethlehem - Poteriwhi	120	180	300
Bethlehem Centre sites (R282 & 250 SH2)	75	75	150
	345	405	750
Net difference	-638	-1,262	-1,900

⁵ Tauranga City Population and Dwelling Projection Review 2022, City Planning & Growth Division, Tauranga City Council, October 2022. This report is available on the [TCC website](#).

38. It is recommended that these updated projections are adopted for the upcoming LTP.
39. The projections and allocations will be reviewed and updated on a regular basis.
40. While the draft LTP will affect growth negatively in some areas, it will also support Commissioner decisions to provide for growth in other locations including:
 - (a) Resolving access to land at the end of Rowsdale Dr in Ohauti (200-300 homes)
 - (b) Divestment process for the development of Smiths Farm (over 250 homes)
 - (c) Poteriwhi – Parau Farm (300 homes)
 - (d) Divestment and redevelopment of Council-owned elder housing villages
 - (e) Construction of stormwater infrastructure to enable development in the vicinity of Kennedy Rd in Pyes Pa West (160-300 homes)
 - (f) Construction of the Papamoa East Interchange (subject to separate tender decision-making) – (2,200 homes in and around the Wairakei town centre).

STRATEGIC / STATUTORY CONTEXT

41. Growth projections and dwelling assumptions are a key input to the long-term planning process and confidence that these are robust and reasonable is essential to ensuring sufficient housing supply is enabled to accommodate the city's growth.

FINANCIAL CONSIDERATIONS

42. None.

LEGAL IMPLICATIONS / RISKS

43. None.

CONSULTATION / ENGAGEMENT

44. Engagement on draft LTP including growth projections and dwelling allocations will occur later this year.
45. Engagement will also occur later this year on an updated SmartGrowth Strategy including a Future Development Strategy which sets out projected growth and the plan to provide for this over the next 30 years.

SIGNIFICANCE

46. 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.
47. 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 matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
48. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

49. Taking into consideration the above assessment, that the matter is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision, noting the further engagement opportunities set out in the Consultation / Engagement section above.

NEXT STEPS

50. Next steps are for the updated growth projections and dwelling allocations to be incorporated in the draft 2024-34 LTP.

ATTACHMENTS

Nil

11.7 Active Reserves Masterplans

File Number: A14837485

Author: Alison Law, Manager: Spaces & Places
Ross Hudson, Manager: Strategic Planning and Partnerships, Spaces and Places

Authoriser: Barbara Dempsey, General Manager: Community Services

PURPOSE OF THE REPORT

1. To adopt revised masterplans for Baypark, Blake Park and the Tauranga Domains, confirming the direction and priorities for those sites over the next ten years and beyond.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Active Reserves Masterplans".
- (b) Adopts the revised Blake Park Masterplan and requests that staff proceed with its implementation
- (c) Adopts the revised Baypark Masterplan and requests that staff continue with its implementation, working with Bay Venues and current & future site users towards appropriate site management and tenure agreements
- (d) Adopts the revised Tauranga Domain Precinct 'Stadium Deferred' Masterplan as the approach to short-term site development, with the current masterplan (endorsed on 3 October 2022) being retained as the longer-term vision for the site.
- (e) Delegates to the Chief Executive or appointee to make further decisions on minor amendments to the masterplans

EXECUTIVE SUMMARY

2. On 3 October 2022, Council endorsed preliminary masterplans for Baypark, Blake Park and the Tauranga Domains and refinement of the plans through engagement with key stakeholders and feasibility assessment. Alongside that, work has also been undertaken to ensure that the key actions arising from the masterplans are cost-effective and minimise disruption to user groups where possible. The attached 'revised masterplans' are the outcome of those processes. The Tauranga Domains masterplan that was endorsed on 3 October 2022 has been redated to August 2023 to be consistent with the other masterplans; no changes have been made to the plan.
3. The purpose of the masterplans and the actions that flow from them remain the same – to provide an integrated approach to community sport, events and high-performance sport across these key sites and to optimise the use of the spaces as the city grows. As part of the broader Active Reserves programme, the sites will enable quality community sport and recreational outcomes, aligned to the *Play, Active Recreation & Sport* Action and Investment Plan in ways that make efficient use of available space and funding.
4. High level changes from the preliminary masterplans are as follows –
 - (a) Baypark – revised locations to the West of the site for the relocation of netball and athletics facilities; retention of the speedway pit area in its current location; expanded carparking to the East of the site.

- (b) Blake Park – retention of the tennis club in its current location and the creation of six additional tennis courts; amended provision and alignments for new sportsfields, alongside additional rugby and cricket fields retained from the preliminary masterplan.
 - (c) Tauranga Domains – creation of a ‘Stadium Deferred’ masterplan that presents a phased approach to the Domains’ transition to becoming a premier events space over the next few years, with the existing masterplan being retained as a longer-term vision for the site.
- 5. The intention of these changes is to reduce cost and disruption as well as to better meet the requirements of current and future users and to provide an agile approach to implementation.
 - 6. At Blake Park and Baypark, detailed design and enabling works will be undertaken through 2023/24, with key early moves, including relocating netball to Baypark and developing new sportsfields at Blake Park, to follow.
 - 7. Concurrently, we are working with Bay Venues and user groups to develop scheduling, site management and tenure arrangements at Baypark to enable efficient, safe and collaborative use of the space.

BACKGROUND

- 8. With population growth and changing sport and recreational interests and with scarce and competing demands for land, it is essential that we optimise the use of the major sports, recreation and events spaces we have. Blake Park, Baypark and the Tauranga Domains are Tauranga’s premier sports and recreational spaces. The Active Reserves Masterplans programme puts forward integrated plans for these spaces to maximise community use and broader community benefit from them over the long term. In doing so, the plans seek to balance the provision for community sports, high performance sports and events use across the sites. We aim to create high quality, high use spaces that our communities can be proud of and love to make use of.
- 9. On 3rd October 2022, Council endorsed preliminary masterplans for the three sites and requested that they be further refined through dialogue with stakeholders and that implementation planning and delivery should begin at the earliest opportunity. Since then, staff have engaged extensively with stakeholders with all parties providing valuable insights that have helped form the revised masterplans now proposed for adoption. Where stakeholders have raised concerns about the impact on their activities, we have sought to accommodate those wherever possible and where necessary to work with them to develop viable alternative options or locations.
- 10. We will continue to work with all affected parties through the detailed design and implementation processes on all of the masterplans. We are confident that the revised masterplans provide the best balance between achieving intended outcomes and minimising disruption and cost.
- 11. Key changes from the preliminary masterplans are as follows –

Blake Park

- 12. At Blake Park, the preliminary masterplan proposed relocating the Mount Maunganui Tennis Club South-eastwards on the site to enable two new rugby fields and senior cricket ovals to be created. Further analysis and dialogue have determined that we can achieve most of what was intended without moving the tennis club. This involves a changed alignment of the new fields, the provision of an additional senior cricket oval and extra rugby field and also enabling the development of additional tennis courts on the residual netball hardcourt areas. This change significantly reduces cost and disruption. Implementation will be undertaken once the Netball Centre has been relocated to Baypark.
- 13. At the Hinau Street end of the site, the Number 1 field will be realigned with improved surface quality and resilience, bringing it closer to the Mount Sports club enabling better match viewing. The playground will be moved to the area where the current skating ‘half-pipe’ is as the new Destination Skatepark is developed.

14. Instead of the originally proposed demolition and redevelopment of the Mount Sports Centre, it is now proposed to be refurbished and extended with additional squash courts.
15. Site works will begin this year with carparking upgrades and the field improvements at the Hinau Street end.

Baypark

16. At Baypark, the preliminary masterplan has been significantly revised. Key reasons for the revisions include: the expected costs, consenting issues and disruption of moving the Speedway pit lane; concern from netball and athletics groups around direct proximity to wastewater treatment facilities; re-consideration of the overall site logistics to enable efficient and safe movement of people and vehicles.
17. Relocating the netball and athletics facilities to the Western side of the site enables user interests to be met, may lead to more favourable ground conditions for the early move of the netball centre and can enable more efficient use of current and new facilities by Tauranga Netball and the athletics community.
18. The repositioning of the netball and athletics facilities in turn requires additional carparking to be provided on the Eastern side of the site and it is anticipated that the current entrance off Truman Lane will remain the primary entrance for cars. Additional, improved access onto SH29, along with pedestrian/cycling access to the site via the new overbridge and, in due course, bus access will make the Western half of the site orientated around non-car modes and pedestrian movement within the site.
19. Whilst we are confident in the proposed site configuration in the revised masterplan, there are geotechnical, infrastructural and consenting issues to resolve to deliver it. Further adjustments may be required to the site layout to achieve the intended outcomes.
20. Work is underway to formally agree suitable arrangements with users of the site to ensure an appropriate balance between operational autonomy for site users and overall site management by Bay Venues, with key principles being safety, operational flexibility and a collaborative approach to allow multiple concurrent activities and opportunities for other uses of space when not in use by primary user groups. In addition, work is in train to fully understand the costs and viability of maintaining the stadium in a safe and sustainable condition long-term.

Tauranga Domains

21. The vision for the Tauranga Domains is that they become a premier events space, as well as continuing to provide for community sport and recreation. The current preliminary masterplan positions the proposed Community Stadium as the centrepiece of that transition. With a slower, staged approach now proposed for delivery of the stadium, it is nonetheless important to implement changes to enable the site to evolve in the intended direction over the next few years, enabling greater use for events and to enable more effective use of the space by community sports groups.
22. The 'Stadium Deferred' masterplan seeks to capture this transition, rather than being a fixed view of the future. It proposes the following key changes to the site of the next few years –
 - (a) The athletics track relocated to Baypark, albeit at a later date than envisaged at the time of the preliminary masterplan. With the track reaching its need for renewal around the end of this decade, a decision will need to be taken as to its future no later than 2028. Irrespective of the Community Stadium, a relocated athletics facility is considered to be beneficial for the athletics community in the medium term and for the use of the Domains by other sports groups, casual users of the space and as events space.
 - (i) The MoU between Council and the Tauranga Millenium Track Trust (TMTT) dated November 2007 states:
 - (1) *the ownership of the athletics track at Tauranga Domain was transferred to Council pursuant to the contract entered in to between the parties in 2007*

and that the Millenium Track Trust have no remaining rights in the track other than those as general users.

- (2) Council will not be responsible for the future replacement of the Track surface and shall have no obligation to do any such works. The intention of the parties is that the costs of resurfacing (including all costs associated therewith) and any other capital improvement to the Track will be met by TMTT and/or the Athletics community.*
 - (3) Should TMTT wish to carry out any capital improvements to the Track they shall be required to obtain Council's prior written approval to the proposed works and the specification thereof. In considering a request for approval in terms of this clause, Council may have regard to whether there is sufficient need for the Track and that some other use should not have priority in the public interest. If such approval is granted, Council may impose such conditions as are reasonable in relation to any resurfacing or capital improvement works.*
 - (4) Council is responsible for regular maintenance of the track but is not responsible for the future replacement of the track surface*
 - (5) the costs of resurfacing the track will be met by TMTT and/or the athletics community. TMTT are required to obtain Council's prior written approval to the proposed works.*
- (b) The Tauranga Lawn Bowls club relocated, with the building becoming available to other sports user groups, noting that the alternative masterplan continues to propose demolition of the buildings behind the current stand. Dialogue with Tauranga Lawn Bowls is well underway in respect of opportunities for relocation.
 - (c) Tauranga Croquet Club retained on the site, at least until the end of the current lease period to 2029, unless a suitable alternative site for the relocation of the club can be agreed with the club prior to that date. Alternative sites are under investigation.
 - (d) Retention of the Tauranga Lawn Tennis Club as it is currently, without moving the two courts proposed through the preliminary masterplan. The tennis club would benefit from additional parking onsite during regular use periods.
 - (e) Improvements to site access and movement through the site for vehicles servicing events, including additional hardstand spaces where the bowls greens and buildings behind and beside the grandstand are located. This is expected to be available for regular site users outside of events.
 - (f) Improvements to the Wharapei Domain and building to enable more community sport use and events use.
 - (g) Identification of the site for a new Eastern stand and buildings, as identified in the preliminary masterplan and the Community Stadium Business Case, retained as a site for the first phase of a Community Stadium development.

STRATEGIC / STATUTORY CONTEXT

23. The Masterplans and their work programmes give effect to the *Play, Active Recreation & Sport* Action and Investment Plan, which itself gives effect to the broader strategic framework and the outcome of a well-planned city *Tātai Tauranga Whenua*.

FINANCIAL CONSIDERATIONS

24. The draft Long Term Plan budget for delivering the Active Reserves masterplans is \$47m (inflated and excluding stadium development costs), with at least \$10m expected to be from development contributions and external sources.

LEGAL IMPLICATIONS / RISKS

25. The plans and their proposed actions are generally consistent with the classifications of the land on which they sit. Consents are being sought where required for new works. At Baypark, new agreements are being developed with current and future site users to enable the site to function effectively and safely in all circumstances and to enable maximum value for users of the space.

CONSULTATION / ENGAGEMENT

26. Stakeholders have been engaged extensively through the development of the masterplans and will continue to be through the design and implementation phases.

SIGNIFICANCE

27. 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.
28. 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 proposals.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
29. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the proposal is of medium significance.

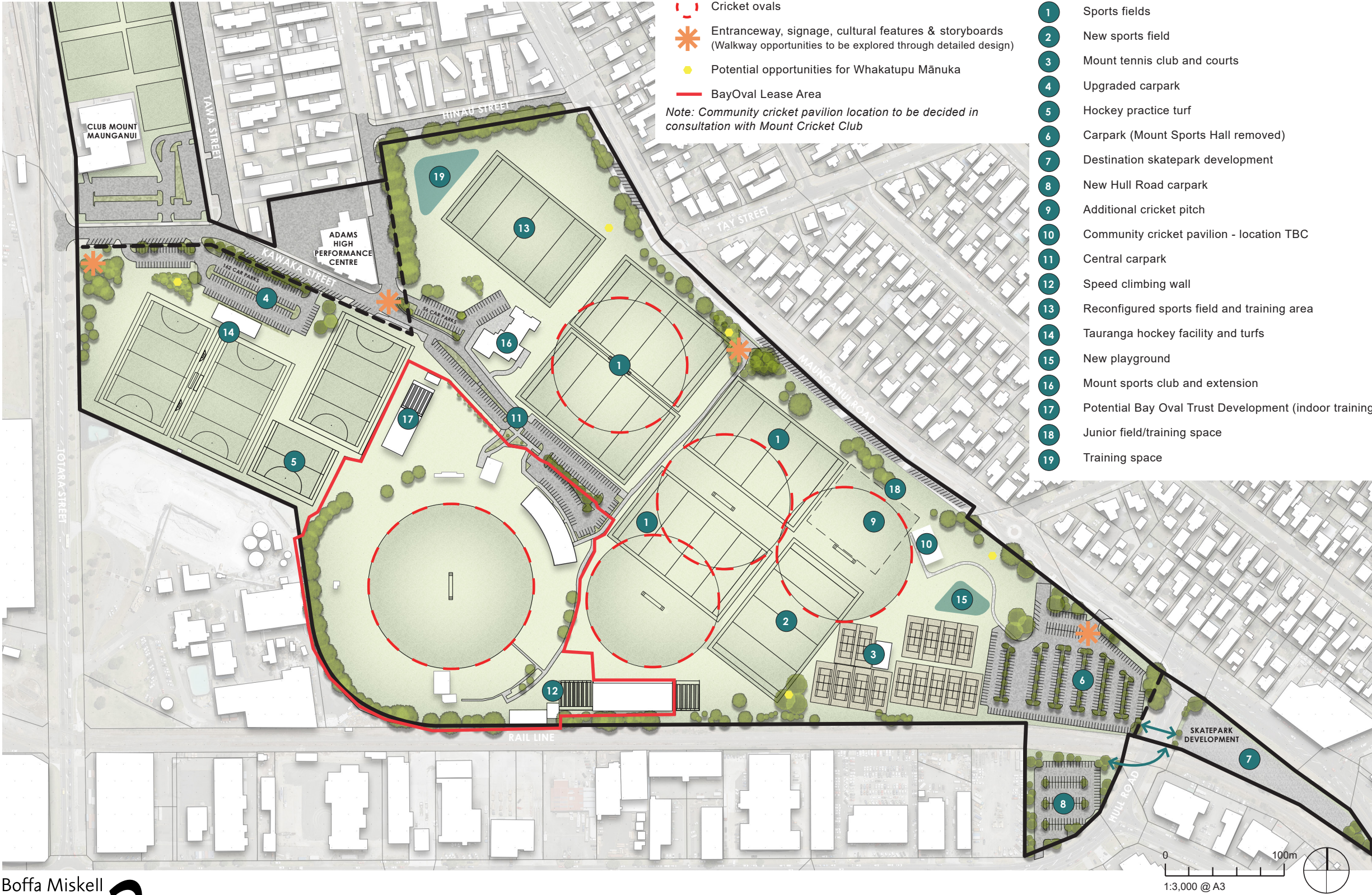
NEXT STEPS

30. Detailed design and consenting are in progress at Blake Park and Baypark, with enabling works planned to start later this financial year, with the relocation of the Tauranga Netball Centre being the key early move.

ATTACHMENTS

1. **Active Reserve Masterplans_August 2023 - A14996164** [↓](#) 

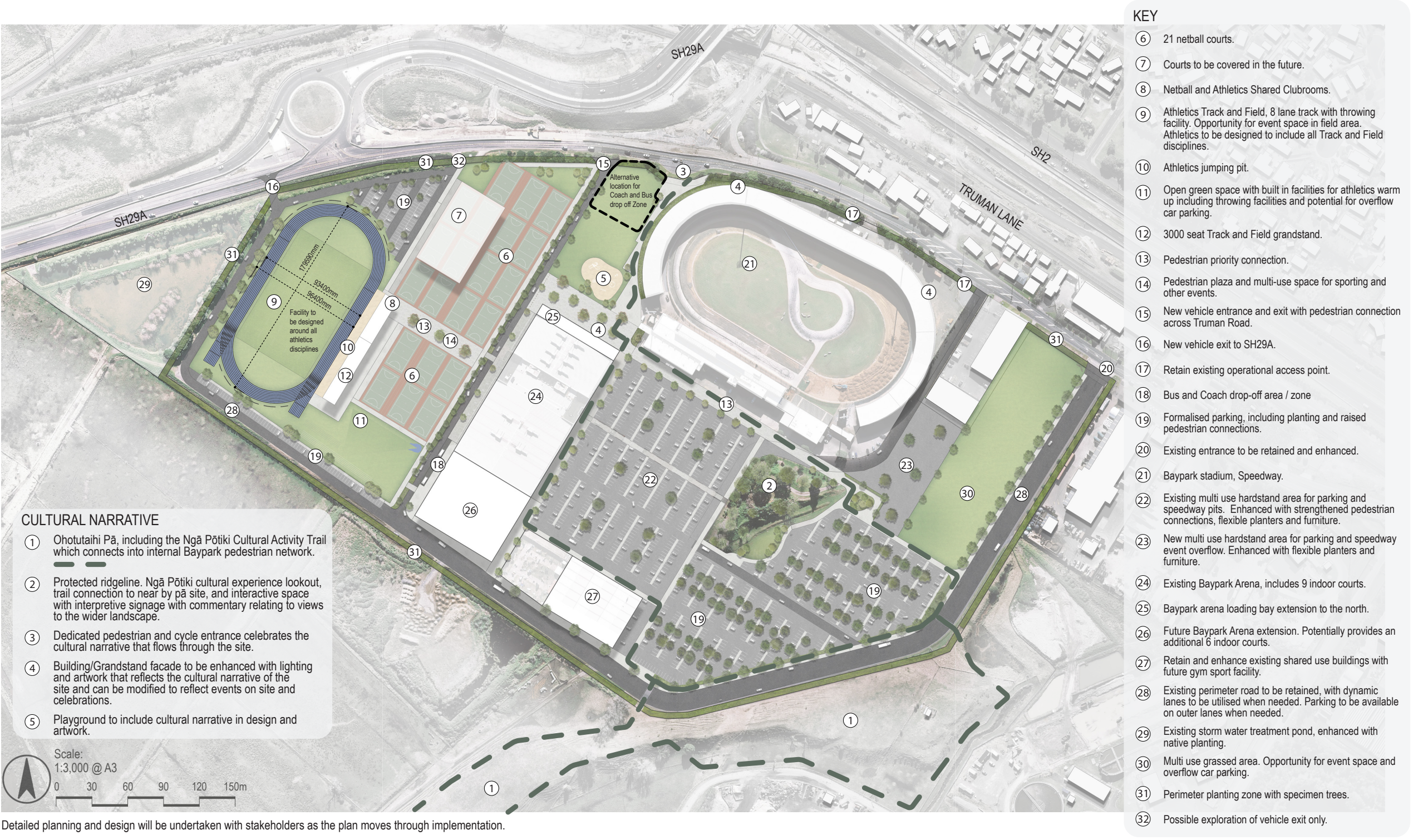
MASTERPLAN - BLAKE PARK



Boffa Miskell

Date: August 2023 | Rev 1

BAYPARK MASTERPLAN.



BAYPARK MASTERPLAN, TAURANGA
CONCEPT OPTION ASSESSMENT.

Date: 28.08.23 | Rev: J | Drawn: AB / CB / EH | Reviewed: EH



MASTERPLAN - TAURANGA DOMAIN PRECINCT - STADIUM DEFERRED OPTION



MASTERPLAN - TAURANGA DOMAIN PRECINCT - STADIUM DEFERRED OPTION

PRELIMINARY MASTERPLAN - TAURANGA DOMAIN PRECINCT



Boffa Miskell

VISITOR
SOLUTIONS

Date: August 2023 | Rev 1

RECREATIONAL MASTERPLANS | PRELIMINARY MASTERPLAN - TAURANGA DOMAIN PRECINCT

11.8 Annual Report on Dog Control Policy and Practices 2022/2023

File Number: A14963750

Author: Brent Lincoln, Team Leader: Animal Services

Authoriser: Sarah Omundsen, General Manager: Regulatory and Compliance

PURPOSE OF THE REPORT

1. To meet the reporting requirements of section 10A of the Dog Control Act 1996.
-

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Annual Report on Dog Control Policy and Practices 2022/2023"
 - (b) Pursuant to Section 10A of the Dog Control Act 1996, adopts the Tauranga City Council Report on Dog Management Policy and Practice for 2022/2023.
-

EXECUTIVE SUMMARY

2. The Dog Control Act 1996 requires all territorial authorities to report annually on the outcomes associated with key areas identified by Section 10A of the Act.
3. This includes the number and type of complaints received, the number of infringements issued, and prosecutions taken, and the number of registered dogs and their classification status.
4. There has been a 3.3% increase in the number of known dogs for the year. Compared to last year, there has been an increase in dog aggression, dogs impounded and complaints received and responded to.
5. The 2022/2023 Report on Dog Management Policy and Practice for adoption is provided in Attachment A.

BACKGROUND

6. Section 10A of the Dog Control Act requires that a Territorial Authority must report on Dog Control Policy and Practices –
 - (a) In respect of each financial year, report on the administration of –
 - (b) Its Dog Control Policy adopted under section 10; and
 - (c) Its Dog Control Practices
7. The report must include, information relating to –
 - (a) The number of registered dogs.
 - (b) The number of probationary and disqualified owners.
 - (c) The number of dogs classified as dangerous and the relevant provision under which the classification was made.
 - (d) The number of dogs classified as menacing under section 33A.
 - (e) The number of dogs classified as menacing under section 33C.
 - (f) The number of infringement notices issued.
 - (g) The number of prosecutions taken.

8. The Territorial Authority must give public notice of the report –
 - (a) by means of notice published in –
 - (i) one or more daily newspapers circulating in the district; or
 - (ii) one or more other newspapers that have at least an equivalent circulation in the district to the daily newspapers circulating in that district.
 - (b) by any means that the territorial authority thinks desirable in the circumstances.
9. The territorial authority must also, within one month after adopting the report, send a copy of it to the Secretary for Local Government.
10. There is a requirement for the report to be publicly notified.

ENGAGEMENT

11. Preparing and advertising the Annual Dog report is a legislative requirement so no further consultation or engagement is required.

ATTACHMENTS

1. **Attachment A - Annual Section 10A Report on Control of Dogs for the year 1 July 2022 to 30 June 2023 - A14981836** [↓](#) 

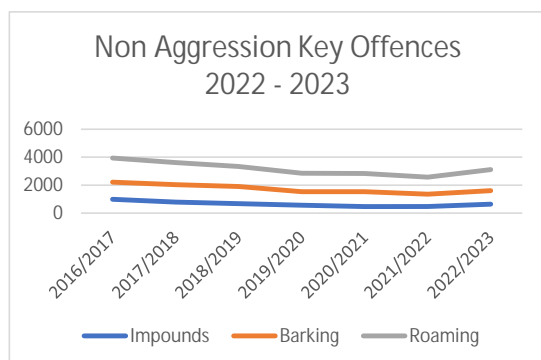
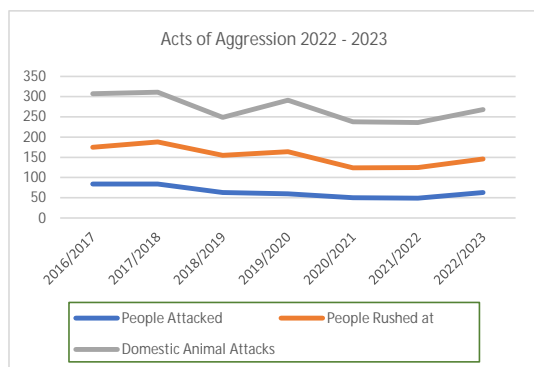


**TCC Policy and Practices in Relation to the
Control of Dogs for the Year
1 July 2022 to 30 June 2023
(Section 10A of the Dog Control Act 1996)
Attachment A**

Brent Lincoln
Team Leader: Animal Services
Tauranga City Council

1. Background

After a number of years of declining complaints about dogs, the 2022 / 2023 year saw a change in this trend with increases across all sectors of dog complaints. The charts below show these trend over the last 7 years. During this period, dog numbers have increased by 3,578 from 12,138 to 15,716 so an upswing in offending is not unexpected. This upswing also follows the trend of other larger Councils which saw this change happening in the late 2021/2022 year.



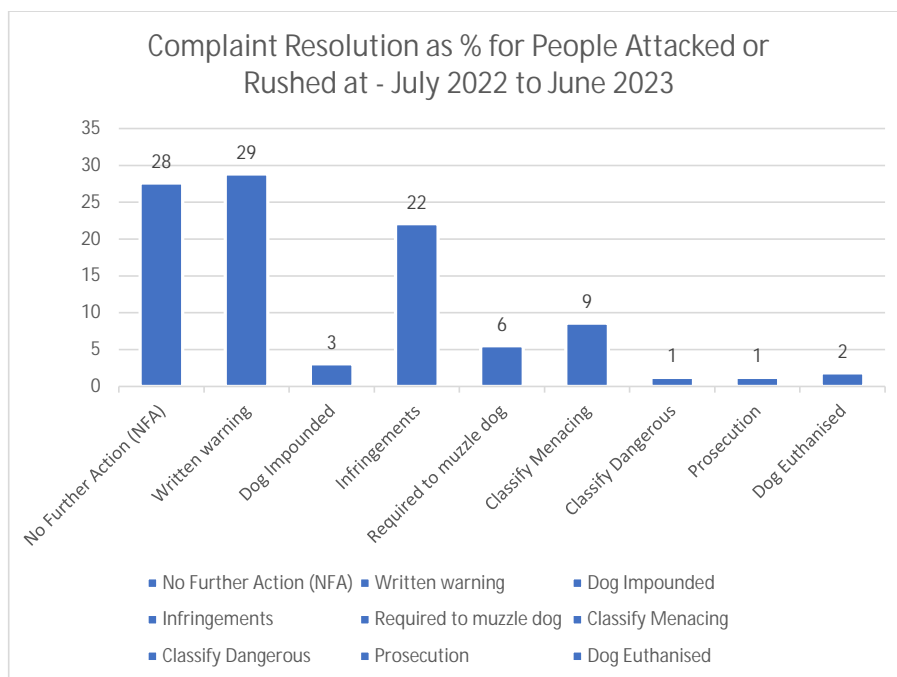
2. Education

- 50 school students and 95 employees of 11 businesses were provided with skills to manage their interaction with dogs to help avoid attacks. This included TCC staff, nurses and postal workers.
- To assist owners, meet their legal obligations with microchipping their dogs, Council offers a microchip service from the pound. The cost is only \$30 and at the same time staff have the opportunity to discuss dog control and behaviour with the owner. We chipped 210 dogs at the pound during the year, up from 89 last year.

3. Trends in Dog aggression

At 30 June	Attacks on people	Rushing People	Attacks on Domestic Animals	Total	Total Known Dogs	Aggression as a % of Total Known Dogs
2019	63	92	94	249	13493	1.85%
2020	60	104	127	291	14246	2.04%
2021	50	74	114	238	14736	1.6%
2022	49	76	111	236	15219	1.5%
2023	63	83	122	268	15716	1.7%

- 643 dogs were impounded. This includes dogs roaming, captured, seized and trapped. 483 dogs were released to their owner, 39 were adopted as unclaimed and 121 were euthanised (release rate 81%).
- Often dogs that are impounded and not claimed have been abandoned by their owners because they have behavioural issues which the owner can't manage. Unfortunately, many of these dogs have to be euthanised as unsuitable to return to society.
- We are continuing to develop our adoption program which rehomes many unwanted dogs each year. Staff have established strong liaisons with other adoption groups with our dogs finding new homes throughout New Zealand.



4. Complaints

	2021/2022	2022/2023
Total number of registered dogs	14554	14961

Total number of probationary owners	0	0
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Total number of disqualified owners	44	56
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Total number of dogs classified as dangerous		
▪ S.31 (1)(a) Section 57A conviction	0	0
▪ S.31 (1)(b) Sworn evidence	14	15
▪ S.31 (1)(c) Owner admits in writing	5	5
TOTAL	19	20

Total number of dogs classified as menacing because of:		
▪ S.33A(1)(b)(i) Observed or reported behaviour (deed)	63	72
▪ S.33A (1)(b)(ii) Characteristics associated with breed	0	0

▪ S.33C Dog breeds listed in schedule four of the Dog Control Act 1996	117	108
TOTAL	180	180

Number of infringement notices issued	522	747
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Number of dog related complaints received		
▪ Attacks on people	49	63
▪ Attacks on domestic animals	111	122
▪ Person rushed at	76	83
▪ Other animals or vehicles rushed at	29	44
▪ Barking dogs	883	966
▪ Bylaw (excludes roaming dogs)	78	65
▪ Roaming dogs	1226	1541
▪ Miscellaneous*	1441	1744

* NB: Miscellaneous complaints are made up of customer messages, registration enquiries, requests for dog traps etc.

Number of summary prosecutions commenced	4	1
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11.9 Park and Ride Trial Project Unbudgeted Expenditure

File Number: A14964153

Author: Nick Chester, Principal Strategic Advisor
Rebeka Psajd, Junior Project Manager

Authoriser: Brendan Bisley, Director of Transport

PURPOSE OF THE REPORT

1. To seek approval to progress with delivery and operations of a 2-year trial Park and Ride facility at Tara Road, Papamoa to promote the shift from private vehicles to public transportation, contingent on Bay of Plenty Regional Council funding for the express bus services from opening (early 2024),
2. To seek approval for \$3.2m capital funding for design and construction, to be sourced from the current FY24 Transportation activity budget using the principle of substitution,
3. To seek approval for \$90,000 per annum operational funding for the facility for the 2-year trial period,
4. Highlight delivery and operational risks associated with progressing the Park and Ride trial facility

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Park and Ride Trial Project Unbudgeted Expenditure".
- (b) Approves the establishment of a Park and Ride facility in Tara Road, Papamoa, to be run as a trial for 2 years, beginning 4 March 2024, contingent on express bus service funding from Bay of Plenty Regional Council from opening
- (c) Approves capital budget of \$3.2m being transferred from other projects in the FY24 financial year where their current delivery timeframes (and financial forecast) are less than the current budget phasing in FY24.
- (d) Approves operational budget of \$90k per annum for the 2-year trial period for operating the facility.

EXECUTIVE SUMMARY

5. Tauranga is experiencing significant transport challenges due to population growth. Tauranga City Council (TCC) and Bay of Plenty Regional Council (BoPRC) are committed to addressing these challenges through the Urban Form and Transport Initiative (UFTI), and the Transport System Plan (TSP).
6. One potential option to alleviate some of the strain on the transport system is to investigate options for "Park and Ride" facilities in the city. The Council has commissioned a feasibility study to determine the best location to trial such a facility.
7. The recommended trial location is at Tara Road, Papamoa, with the facility accommodating up to 200 car parks. The estimated cost is \$5.05 million over two years which includes establishment and operation. The trial will inform future decisions and align with the strategic vision of the Urban Form and Transport Initiative (UFTI).
8. The establishment of the Park and Ride will be led by the TCC, with a commitment required by BoPRC (with Waka Kotahi Funding) to operate and fund the express bus service from

opening of the facility. The express bus service is a key success factor for the Park and Ride facility, encouraging a shift from private vehicles to public transport.

9. There is currently no Tauranga City Council funding allocated through the 2021-31 Long Term Plan to meet this cost. In order for a trial to be undertaken, funding will need to be sourced.
10. There is currently no BoPRC funding allocated through the 2021-31 Long Term Plan to fund the new Express Bus Route. The Joint Public Transport Committee on 16 August 2023 resolved to seek funding from the BoPRC for the express bus route. This is intended to be raised to the BoPRC meeting on 21 September 2023.

BACKGROUND

11. Project Justification

- (a) TCC and BoPRC are collaboratively addressing the transport challenges facing Tauranga and the Western Bay of Plenty. Their joint efforts aim to realize the strategic, long-term vision of the Urban Form and Transport Initiative (UFTI) and the Transport System Plan (TSP). One potential option for reducing peak traffic flow into the central city are “Park and Ride” facilities that reduce overall car trips into the city centre.
- (b) One potential option for reducing peak traffic flow into the central city are “Park and Ride” facilities that reduce overall car trips into the city centre.
- (c) Previous studies have been completed in relation to Park and Ride facilities with key success factors of these facilities being:
 - (i) CBD car parking shortage and high car parking price,
 - (ii) Vehicular traffic congestion on routes feeding CBD, with bus priority lanes separated from regular traffic,
 - (iii) Good quality public transport services, that have high frequency,
 - (iv) Sufficient population catchment near Park and Ride site and close proximity to main arterial roads.
- (d) A number of feasibility studies have been undertaken in recent years to establish the best location for such a facility. Feasibility studies have generally recommended that any Park and Ride facility undergoes an initial trial period to establish what works and what improvements would need to be made on any permanent facility in the future.
- (e) The most recent feasibility study on location was completed in May 2023 and suggested five potential locations. Staff have considered these options and identified that the location of Tara Road, Papamoa, is the most appropriate to trial a park and ride facility.
- (f) A site, managed by Waka Kotahi, on behalf of the crown has been selected as the most suitable location to lease the land for the trial. The land can be lease until December 2024 until a decision to keep or dispose the land for a permanent Transport HUB or Park and Ride Facility can be made. This decision is based on the recommendations of the current Joint Public Transport Business Case.
- (g) Tara Road, Papamoa site can accommodate up to 200 car parks, and is in a key location where there is a desire to reduce trips made to the central city by private car on weekdays.
- (h) As part of the longer-term Public Transport Services Business Case and future proposed Park and Ride Business Cases, it has been assumed that the trial will commence operations at the beginning of 2024 in order to provide relevant data and findings for decision making.

12. Project Status

- (a) The following objectives and goals for this trial have been developed with the project partners and team for the delivery of this Park and Ride Trial.
 - (i) The trial should demonstrate a change in mode-shift from private vehicles to public transport for commuters travelling into the city centre from the regional centres in the East of the sub-region (Papamoa, Te Puke, Paengaroa, Whakatane, etc.).
 - (ii) The trial needs to demonstrate value for money in both the development of the facility and during the operational phase of the trial.
 - (iii) The trial needs to provide clear evidence and customer responses to inform future decision making.
- (b) The key outcomes for success of the park and ride will be evidence of increased Public Transport use and ability to demonstrate mode-shift and Vehicle Kilometres Travelled (VKT) reduction. The benefit mapping and measures are being developed as part of the Single Stage Business Case.

13. Project Status

- (a) Project progress has been significant with current project status as follows:
 - (i) Preliminary Design complete.
 - (ii) Detailed Design is underway and on schedule. The project team is working on the design specifics to achieve a balance between the potentially temporary nature of the trial and the opportunity for facility upgrades if permanence is achieved, thereby ensuring minimal disruption in service.
 - (iii) A Communication and Engagement Strategy has been prepared
 - (iv) Resource consent and land use consent are on track for submission.
 - (v) Land lease has been confirmed with Waka Kotahi, with option to purchase in the event the Park and Ride were to become permanent.
 - (vi) A project update was provided to the Joint PT committee in August 2023.
 - (vii) The current project programme indicates that with funding approval for the express bus service from Bay of Plenty Regional Council at the end of September, the Park and Ride could be open from early March 2024.
- (b) Current constraints and risks in relation to the delivery and operation of the park and ride are as follows:

(i) *Public Transport (PT) Service Funding for Express Bus Service*

There is currently no commitment from BoPRC to fund an additional Express/Limited stop service to:

- coincide with the current forecast opening date of the facility (early March)
- include funding for the express bus service in the next BoPRC Long Term Plan. If endorsed, this would provide for express bus service operational funding from 1 July 2024.

The Joint Public Transport (PT) Committee held 16 August 2023 highlighted a risk that funding will not be available for the express bus service this financial year. The Committee also resolved for this funding to be sought from the Bay of Plenty Regional Council meeting end September. The operational success of the Park and Ride at Tara Road relies on an express bus service from commencement. Previous studies have indicated that good

quality and high frequency services and bus priority lanes are key success factors for a park and ride.

If the facility does not receive full backing for an express bus service from its commencement, there is a substantial risk that the trial could fail. This outcome could negatively impact prospective Park and Ride opportunities in the future.

(ii) *NZ Bus Mobilisation Timeframes*

Further information is awaited from Bay of Plenty Regional Council on the NZ Bus mobilisation timeframes for an additional bus and drives. With these timeframes unknown, there is a risk to having this available on the start date.

STRATEGIC / STATUTORY CONTEXT

14. The proposed Park and Ride is to inform future decision making and support regional strategies to promote mode-shift and implement transport choices. This will deliver on the strategic long-term vision of the Urban Form and Transport Initiative (UFTI), and the Transport System Plan (TSP).
15. The TSP identified a programme of investment within the Western Bay of Plenty to address issues around safety, access, and growth in the region. Within this programme, public transport improvements featured heavily, including Park and Rides schemes along the Northern and Eastern Corridor.
16. As a short-term trial, the trial will operate in line with this strategic vision to deliver the desired outcomes and to offer the best value for money.
17. A Public Transport business case is under development, with current forecast completion of the Business Case scheduled for February 2024.

OPTIONS ANALYSIS

18. The following options have been considered in relation to delivery of the Park and Ride Trail project.
19. Staff recommend Option 1 as the most appropriate to ensure express bus service funding is confirmed, enabling the Park and Ride to be in the best possible position to achieve community benefits.
20. **Option 1 – Deliver Park and Ride, contingent on Express Bus Service funding**

Description	
Progress project as per schedule, contingent on the Express Bus Service funding being confirmed by Bay of Plenty Regional Council from opening date (currently forecast for early March 2024).	
Benefits	Disadvantages/Risks
Construction in summer months presents lesser risk around delays.	Express bus service funding from Bay of Plenty Regional Council is not received.
Park and Ride will be available for use from March 2024. Local residents would benefit from the services earlier.	Mobilisation/lead time for NZ bus unknown.
Tauranga City Council has provided a facility that encourages reduced parking in the city centre and reduced traffic congestion.	TCC will need to fund operational costs for the facility to 30 June 2024 (\$45k) – rates impact.
Express Bus Service will be available from day one, ensuring that the key success	Funding beyond 30 June 2024 is still subject to LTP and WK Single Stage Business Case.

factors of a Park and Ride are in place from day one.	
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21. Option 2 – Deliver the project in stages

Description	
Proceed with design and construction as scheduled but wait to operationalise the Park and Ride until external funding is available from 1 July 2024.	
Benefits	Disadvantages/Risks
The facility would be ready for service if the external funding for express bus services is available.	There is no guarantee that external funding for the express bus service is achieved through the BoPRC Long Term Plan, or Waka Kotahi.
Schedule allowance for unforeseen risks and issues.	Community outcomes are delayed. The reputational risk with the facility being complete, but not being used as intended.

22. Option 3 – Delay Project to deliver in time for Operational funding from 1 July 2024

Description	
Delay delivery of the project until there is more confidence of confirmed funding for express bus service and facility from 1 July 2024.	
Benefits	Disadvantages/Risks
More certainty of operational costs being covered by Bay of Plenty Regional Council and Waka Kotahi.	Community outcomes are delayed.
Reduced risk of delay in construction – less work happening in parallel.	Construction in winter conditions is not optimal causing additional delays to the start of the trial - summer 2025.
Additional time to resolve any mobilisation issues with NZ Bus.	Operational costs for the express bus services need to be confirmed by the BoP Regional Council and Waka Kotahi before the start of construction.
The facility would be ready for service as soon as the external funding for bus services is available.	
Reduced cost to TCC (for the facility operations)	

23. Option 4 – Do Nothing (Status quo)

Description	
Do not undertake the proposed Park and Ride Facility trial.	
Benefits	Disadvantages/Risks
No immediate financial commitment or potential delays to other projects.	Missed opportunity to explore or promote alternative transport solutions to reduce congestion and enhance public transport use in Tauranga.
No risk of further cost to TCC through not receiving external funding for express bus service.	

FINANCIAL CONSIDERATIONS

24. The trial park and ride is a joint TCC, BoP Regional Council and Waka Kotahi initiative and currently sits outside the National Long Term Plan (NLTP) funding programme.
25. The estimated cost to establish and operate the facility for a two-year trial period is \$5.05 million. The establishment (design and construction) is \$3.2 million of capital costs and \$1.8 million of operational costs for 2 years. Tauranga City Council, Bay of Plenty Regional Council and Waka Kotahi have no approved budget for the project for this financial year.
26. Staff have explored various avenues for securing funding as follows, and commentary is provided below on next steps for establishing budget.

	Current Forecast Costs	Funding
Capital – Project costs	\$3.2m	External funding is not available. Public Transport business case is currently under development for long term options relating to Public Transport. This will include Park and Ride options. Full capital funding is sought from within the current approved Transportation Activity capital budget using the principle of substitution. Budget will be sought from other projects where their current delivery timeframes (and financial forecast) are less than the current budget phasing in FY24. Initial projects identified for fund reallocation within the current year's budget include "TSP054 - Park and Ride - Eastern Corridor (Domain Road area) Business Case & Design" and the "Domain Rd upgrade". The final decision regarding these projects will be confirmed based on progress made in FY24.
Operational – Facility operations including property lease	\$180k per annum	Single Stage Business Case currently under development. With Waka Kotahi cost share (51%), this would reduce to \$90,000 per annum, however any funding from Waka Kotahi will only be available from 1 July 2024. There is no certainty of funding. TCC will need to fund this from opening through to 30 June 2024 (\$45k opex). This will need to be sourced from current FY Transportation Activity budgets.
Operational – Express Bus Service	\$1.8m to Dec 2025	Bay of Plenty Regional Council cost – to be sought as part of their Long Term Plan (LTP), however LTP funding will only be available from 1 July 2024. Funding from opening is being sought at the regional council meeting end September. Costs as subject to final NZ Bus contract variation
Land Purchase	\$1.6m	Option to purchase if the facility to extend the trial or upgrade the site to become permanent. This is not included in the \$5.05M. Cost estimate requires formal valuation. Additional cost to upgrade the facility to a permanent solution would also be required and could be the range \$2-5M.

27. Breakdown of capital budget for design and implementation of the Park and Ride is as follows:

Phase	Tasks	Cost
Pre-Implementation	• Business Case	\$600k

	<ul style="list-style-type: none"> • Site Investigation • Detailed Design • Statutory Approvals • Comms and Engagement • Land Agreements • Project Management 	
Implementation	<ul style="list-style-type: none"> • Construction • Project Management 	\$2.6m
Total		\$3.2

LEGAL IMPLICATIONS / RISKS

28. Environmental Regulations: The project would need to comply with local and national environmental standards and regulations.
29. Land Use Regulations: The project needs to comply with the local land use regulations. Any breach of these regulations could potentially lead to legal disputes.
30. Land Lease: The temporary occupation of the Waka Kotahi Land is subject to Waka Kotahi and TCC agreement over the Licence to Occupy LTO-. The lease temporarily use of this land fall under the obligations under S40 of the Public Works Act 1981 as the land will remain used for Public Transport. The duration of the lease is up to Dec 2024. At this point the Public Transport Business Case will be completed and future need for the land will either be established or not, triggering LINZ disposal.

CONSULTATION / ENGAGEMENT

31. No specific consultation has been undertaken on the location of a Park and Ride facility, or to establish community feedback on the exact location. The Tara Rd location for the trial was endorsed by the Joint Council Public Transport Committee, based on the recommendations of the trial feasibility study.
32. Significant public consultations have occurred on a number of strategic transport plans in Tauranga and the Western Bay of Plenty, including the Transport Systems Plan (TSP) and Regional Public Transport Plan. These have indicated a need for a variety of responses to reduce congestion and provide more options for accessing the central city during peak times.
33. Issues related to transport congestion and lack of suitable alternative options is a well-established community concern in Tauranga.
34. The nature of a 2-year trial will be to evaluate success, which will include regular feedback from users and the wider public.

SIGNIFICANCE

35. 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.
36. 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 .

- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

37. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance.

ENGAGEMENT

38. Taking into consideration the above assessment, that the decision is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

39. Park and Ride trial to progress contingent on BoPRC funding of the express bus service from opening date (March 2024).
40. Staff to report back early October 2023 in the event express bus service is unfunded with recommendation on next steps.

ATTACHMENTS

Nil

11.10 Transport Choices Grenada

File Number: A14870339

Author: Karen Hay, Team Leader: Cycle Plan Implementation

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To inform the Council on the progress of the Transport Choices project known as "Transport Choices along Grenada".
2. To seek approval of the scope of the project to proceed to implementation.

RECOMMENDATIONS

That the Council:

- (a) Receives the report; Transport Choices Grenada
- (b) Approves the project scope of the Grenada Street Upgrade as outlined in this report;
- (c) Approves the Grenada Street Upgrade project to proceed to implementation subject to Waka Kotahi approval of implementation funding; and
- (d) Delegates authority to the General Manager Infrastructure to award a construction contract for the Grenada Street Cycleway Upgrade following a public tender process, with a maximum Approved Contract Sum value of \$6,200,000 in accordance with existing project budget allocations.

EXECUTIVE SUMMARY

3. Tauranga City Council (TCC) has entered into a funding agreement with Waka Kotahi under the Climate Emergency Response Fund (CERF) Transport Choices initiative to provide improved transport options along Grenada Street between Girven Road and Sandhurst Drive. The project budget is \$6.95m with 95% funded from the CERF.
4. The proposed scope is a physically separated two-way cycleway on the south side of Grenada Street as well as a new shared path through Arataki Park, a morning peak bus lane on the Grenada Street approach to Girven Road, improved pedestrian crossing facilities and upgraded bus stop facilities.
5. All Transport Choices projects are required to be complete by 30 June 2024, and there is a deadline for detailed design to be complete and approved in September 2023.
6. Delivery of the project is currently on budget and programme. A cost estimate was completed on the Stage 1 detailed design drawings and the expected estimate for implementation is within the project budget allocations.
7. Community feedback on the project has been collected through online surveys, open days and letter drops as well as direct conversations and communication with key stakeholders such as local Iwi, Bay of Plenty Regional Council, the local primary schools and park users. In general, the feedback received has been significantly more positive/in favour than negative/opposed, and components of stakeholder feedback have been incorporated into detailed design updates.
8. There are some residual community concerns with the currently proposed project regarding the compromises within the design to balance space allocation between various modes (pedestrians, cyclists, buses, cars) within a constrained existing road corridor while

maintaining appropriate access and facilities for residents. The proposed design best balances these interests while meeting the requirements of the Transport Choices programme. It is noted that we are not aware of significant strong opposition to the project. Opportunities for further changes to the design are limited.

9. There are also some residual community concerns regarding potential disruption during construction. We will continue to work with the community to provide proactive communications on delivery and seek to mitigate disruption during construction as much as practicable.
10. It is noted that as part of Transport Choices TCC was also intending to deliver a programme of network upgrades across the Te Papa Peninsula to a value of \$5.99m. Funding for the pre-implementation phase of this programme was approved to a value of \$839k, however funding is not going to be approved for the implementation phase of this project/programme.
11. Subject to endorsement of the proposed scope for the Grenada Street project we anticipate seeking implementation funding approvals from Waka Kotahi in September and commencing construction procurement – with construction anticipated to commence in late 2023 and project completion by June 2024.

BACKGROUND

12. Tauranga is one of the fastest growing cities in New Zealand. Its unique location makes the city a beautiful place to live, but also means there isn't room to expand or build more roads to meet the traffic demands of the growing population. We must find better ways to keep our people moving freely around the city by providing more travel options.
13. Transport makes up almost half of New Zealand's carbon emissions, most of which comes from road transport.
14. Funded as part of the Central Governments Climate Emergency Response Fund (CERF), Waka Kotahi NZTA are administering the Transport Choices initiative nationally – targeted at reducing transport emissions.
15. The purpose of Waka Kotahi's Transport Choices programme is to enable the community to easily move around cities, in ways that help us protect our climate. This means transitioning to a low-emissions and climate resilient future for the benefit of all New Zealanders and future generations to come. Transport Choices aims to demonstrate what's possible for communities across Aotearoa New Zealand, by quickly providing people with more transport options, and making it easier to travel in ways that are good for all of us and our environment.
16. As previously reported to Council, following an application to the Transport Choices initiative in 2022 TCC have entered into a funding agreement to deliver a cycling and public transport upgrade in the Arataki area along Grenada Street between Girven Road and Sandhurst Drive.
17. This project takes an area wide approach to providing transport choice in the Tauranga suburb of Arataki – with Grenada Street identified as a strategic primary cycling corridor and key PT route.
18. Through previous engagement the Arataki community has expressed that getting around safely and easily in their neighbourhoods can be challenging. They have told us they want less traffic congestion, safer and separated cycleways and walkways, and better public transport.
19. Grenada Street is an important and well-used route for school children, commuters and the community to get to and from school, work, local parks, shops, the beach or other destinations. Dedicated infrastructure like separated cycle lanes and shared paths can encourage more people to walk or cycle on this road with confidence.
20. The separated cycleway has been designed for All Ages and Abilities (AAA). AAA is an internationally recognised design method that ensures a safe, protected cycleway for all

users. The best way of delivering AAA facilities involves physically separating people cycling from both vehicles and pedestrians, preventing dangerous interaction.

21. Prior to inclusion in the Transport Choices programme, the Grenada Street upgrade was planned as part of the Accessible Streets Area A programme.
22. The Grenada street project was adopted as a 'flagship' project under the wider Transport Choices programme and therefore attracts 95% funding from Waka Kotahi (as opposed to standard Transport Choices co-funding at 90% Financial Assistance Rate).
23. Key deliverables and Waka Kotahi deadlines for the programme are outlined below. To remain eligible for Transport Choices funding all projects must meet these deadlines.

Deadline	Council deliverable	Detail and document type
1 May 2023	Funding Agreement and Schedule 1	All funding agreements submitted and approved. (Complete)
29 September 2023	<ul style="list-style-type: none"> ○ Detailed design ○ Safe System Audit (Stage 3) as per Waka Kotahi Guidelines ○ Refined scope ○ Updated cost estimate for implementation ○ Final Project Plan ○ Final Communication & Engagement Plan ○ Final Monitoring & Evaluation Plan 	Final approved. This is the final deadline for approval of these documents to make sure we can report to the Minister on the final programme, and ensure you're set up well to deliver by June 2024.
20 October 2023	Schedule 2 Implementation approval for all remaining projects	Due to Ministerial reporting requirements, all Schedule 2 Implementation documents must be submitted to Waka Kotahi by this date.
4 March 2024	Construction Started	All projects must start construction by this date.
30 June 2024	Project evaluation and close Safe System Audit (Stage 4 - Post Construction)	The Transport Choices programme finishes on 30 June 2024. All claims must be submitted in TIO by this date.

24. Designs have been progressing since May 2023. Project development to date has included concept design, community and stakeholder consultation & engagement, design reviews from internal & Waka Kotahi subject matter experts, a safe system audit, detailed design and an updated cost estimate.
25. It is noted that due to tight timeframes associated with the Transport Choices programme there are very limited opportunities at this stage to progress any substantive redesign.

PROJECT SCOPE

26. The proposed project scope as illustrated in figure 1 below and on the attached detailed design drawings (**Attachment 1**) includes:
 - 1.7km of separated cycleway on the existing Grenada St carriageway from Sandhurst Drive to Monowai Street.
 - 500m of off-road cycleway in Arataki Park from Monowai street to Girven Road.

- 270m of priority am bus lane at the Grenada Street approach to the intersection with Girven Road.



Figure 1: Transport Choices along Grenada St - Simplified Consultation Map

- The project includes multimodal transport improvements and directly contributes to four key Transport Choices investment areas in the following ways:
 - Delivering strategic cycling micro mobility networks,
 - Creating walkable neighbourhoods,
 - Supporting safe green and healthy school travel,
 - Making public transport more reliable and easy to use.
- It is noted that a signalised pedestrian crossing across Girven Road near the new path will also be constructed this Financial Year (in alignment with completion of this project). This project is funded as part of TCCs 'Low Cost / Low Risk' transport improvements programme. This component is outside of the Transport Choices project scope – however will likely be included in the Grenada Street Upgrade construction contract.

TRANSPORT CHOICES – TE PAPA AREA UPDATE

- TCC also put forward an application to the CERF Transport Choices programme to deliver a series of projects across the Te Papa Peninsula with 90% to be funded from the Climate Emergency Response Fund.
- This intended programme of works as per the funding agreement was across 17 sites, split into two packages as budgeted below:

Project Schedule	Pre-Imp	Implementation	Total
Te Papa Spatial Plan – A-E	\$419,600	\$3,210,400	\$3,630,000
Te Papa Spatial Plan – F-L	\$419,600	\$1,948,975	\$2,368,575
Total	\$839,200	\$5,159,375	\$5,998,575

31. Following an updated cost estimate for the Implementation phase it was identified that delivery of the full implementation programme was not affordable within the Transport Choices budgets - the expected estimate to deliver the total programme was \$12.87m.
32. Staff proposed some rationalisation of the works programme and recommended prioritisation of sites to fit within the identified implementation budget, however Waka Kotahi have made the decision that implementation phase funding will not be approved for this project/programme as part of Transport Choices.
33. Waka Kotahi have advised that the key reasons implementation funding will not be approved are:
 - The overall Transport Choices programme is significantly overprogrammed nationally which means they have to make some difficult decisions in terms of implementation prioritisation.
 - The strength of the original application was the comprehensive area based approach and the outcomes that would deliver. When looking at individual projects/sites or a reduced scope, the outcomes and benefits of the projects are not as compelling for the investment.

STRATEGIC / STATUTORY CONTEXT

34. Works are all to be undertaken within TCC controlled land (road corridors and Arataki Park)

OPTIONS ANALYSIS

35. The existing insights from previous engagement in the area, especially the concerns around the removal of parking and overall safety while travelling in this area, enabled us to develop a robust draft design to present to the community. The latest revision of the design is not materially different from the earlier concept presented to community during consultation.
36. Council options are to either:
 - i. Support the project as outlined in this report and in the attached design to progress to implementation/construction; or
 - ii. Not support the project as outlined in this report and in the attached design – which would likely result in the project not being able to be delivered as part of the Transport Choices programme.

FINANCIAL CONSIDERATIONS

37. Total budget to complete the project as per the funding agreement with Waka Kotahi is \$6,950,000.00, comprised of \$707,175 of pre-implementation costs (funding approved for design phase and associated costs = schedule one) and \$6,242,825 of implementation costs (funding not yet approved – for construction and associated costs = schedule two).
38. The CERF Transport Choices programme is funding 95% of the project costs, with the remaining 5% (\$347,000) funded by from existing 2021-2031 Long Term Plan budgets.
39. Schedule one for pre-implementation was approved for \$707,175 and is almost complete. Should the Commission approve this project, TCC will apply for Schedule 2 (implementation) approval from Waka Kotahi.
40. Total project costs are summarised below:

Item	Budget
Pre-Implementation Phase incl. design and associated costs	\$707,175
Civil Construction Contract	\$5,600,000
Other Implementation Phase costs including Project Management, Construction Supervision / MSQA, Communications etc.	\$642,825
	\$6,950,000

41. Contingencies are included in the above estimates. For the construction contract, the base cost estimate (based on detailed design) is \$4.5m and the budget estimate includes a \$1.1m contingency.
42. The civil construction contract is proposed to deliver physical works for both the Transport Choices funded scope and also the construction of the proposed Girven Road signalised crossing (separately funded within the Low Cost Low Risk programme). The total budget associated with the Construction Contract is \$6,200,000 (including an estimate \$600,000 for the signalised crossing)

LEGAL IMPLICATIONS / RISKS

43. Staff confirm that the recommendations in this report comply with the Council's legal and policy requirements.
44. It is noted that the Transport Choices programme nationally is oversubscribed and that implementation funding may not be approved for some projects.
45. Due to Transport Choices programme timeframes there is limited opportunity at this stage to reconsider any elements of the design without putting project funding at risk.
46. There is a potential reputational risk to Council should CERF projects not progress and/or be delivered by 30 June 2024.

CONSULTATION / ENGAGEMENT

47. The project team have worked in partnership with Waka Kotahi, the Bay of Plenty Regional Council and mana whenua representatives throughout this first phase of the project. Mana whenua representatives from Nga Potiki and Ngai Tukairangi have agreed to collaborate on cultural inputs on the project, focussing mostly on the Arataki Park section of the project.
48. A community engagement summary report is attached (**Attachment 2**). Community feedback was collected from 19 June to 9 July through an online survey, open days and letter drops. Engagement was focused mainly on gathering local knowledge that could help fine-tune the draft design.
49. In general, the feedback received has been significantly more positive/in favour than negative/opposed. Positive feedback included themes of safety, reduced speeds and increased accessibility of cycling. Some negative feedback included general negative sentiment towards construction, loss of parking and opposition to spending money on cycleways. The cycling community had a mixed response with some commuters noting the design at intersections will result in cyclists using the vehicle lane rather than the cycle lane.
50. Existing insights, especially the concerns around removal of parking, helped develop a robust draft design to present to community. Engagement largely confirmed we were on the right track with the plan. Following feedback from specific residents about loss of parking, the design team revisited all individual locations, unfortunately however no further on-street parking could be accommodated.
51. For directly affected stakeholders and where requested by community groups, staff have held meetings to discuss concerns and explain the design philosophy.
52. Some refinements to the design following community feedback include confirmation of cycle separator locations, amendments particularly at intersections to provide options for cyclists to use the shared path or for confident cyclists to stay in-lane, and commitment to further consult on locations of trees to be planted.
53. Should the project proceed to implementation, another round of engagement will be planned targeting those residents directly affected by the construction, as well as commuters travelling through the project area.

SIGNIFICANCE

54. 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.
55. 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 issue.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
56. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

57. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

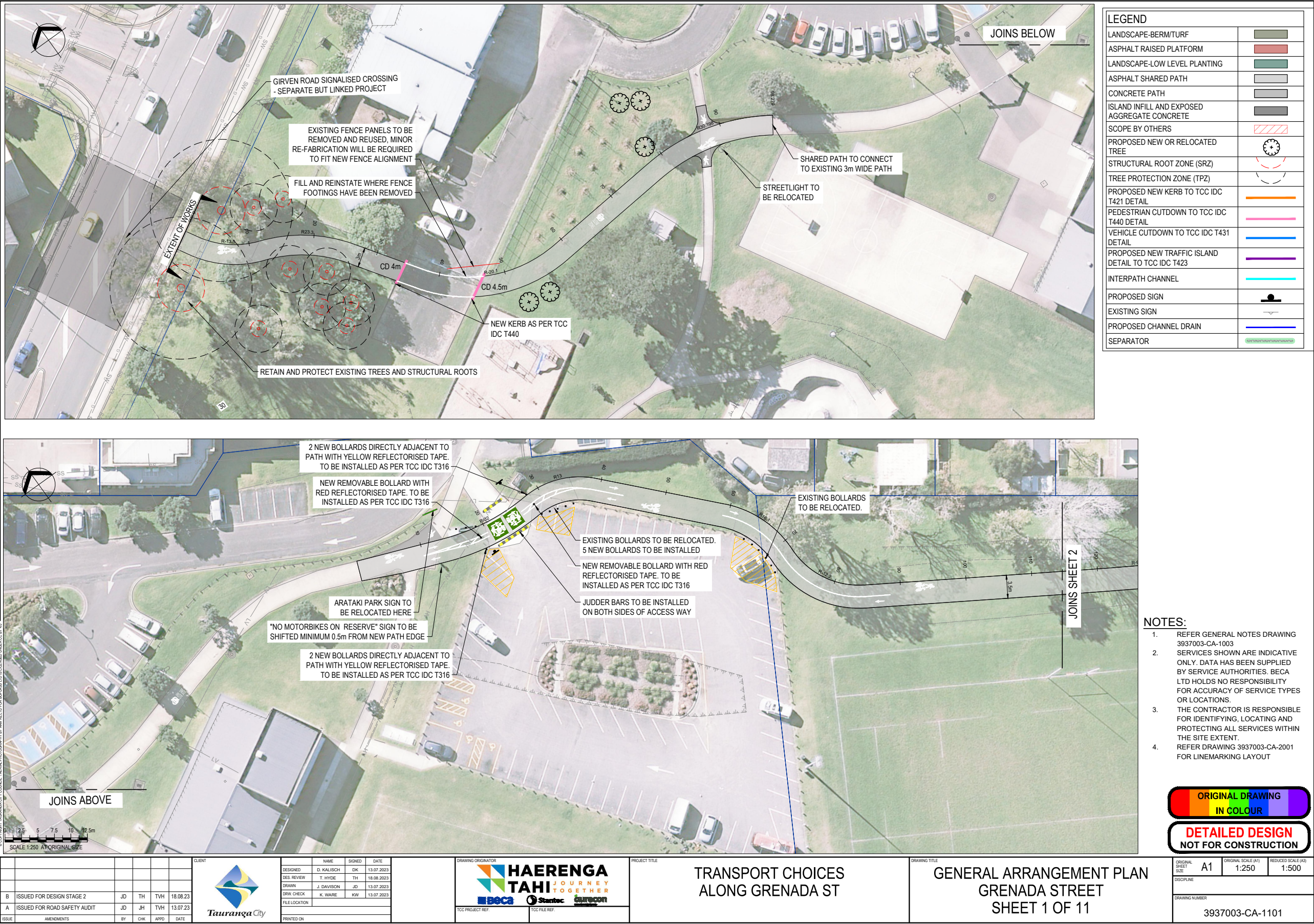
Click here to view the [TCC Significance and Engagement Policy](#)

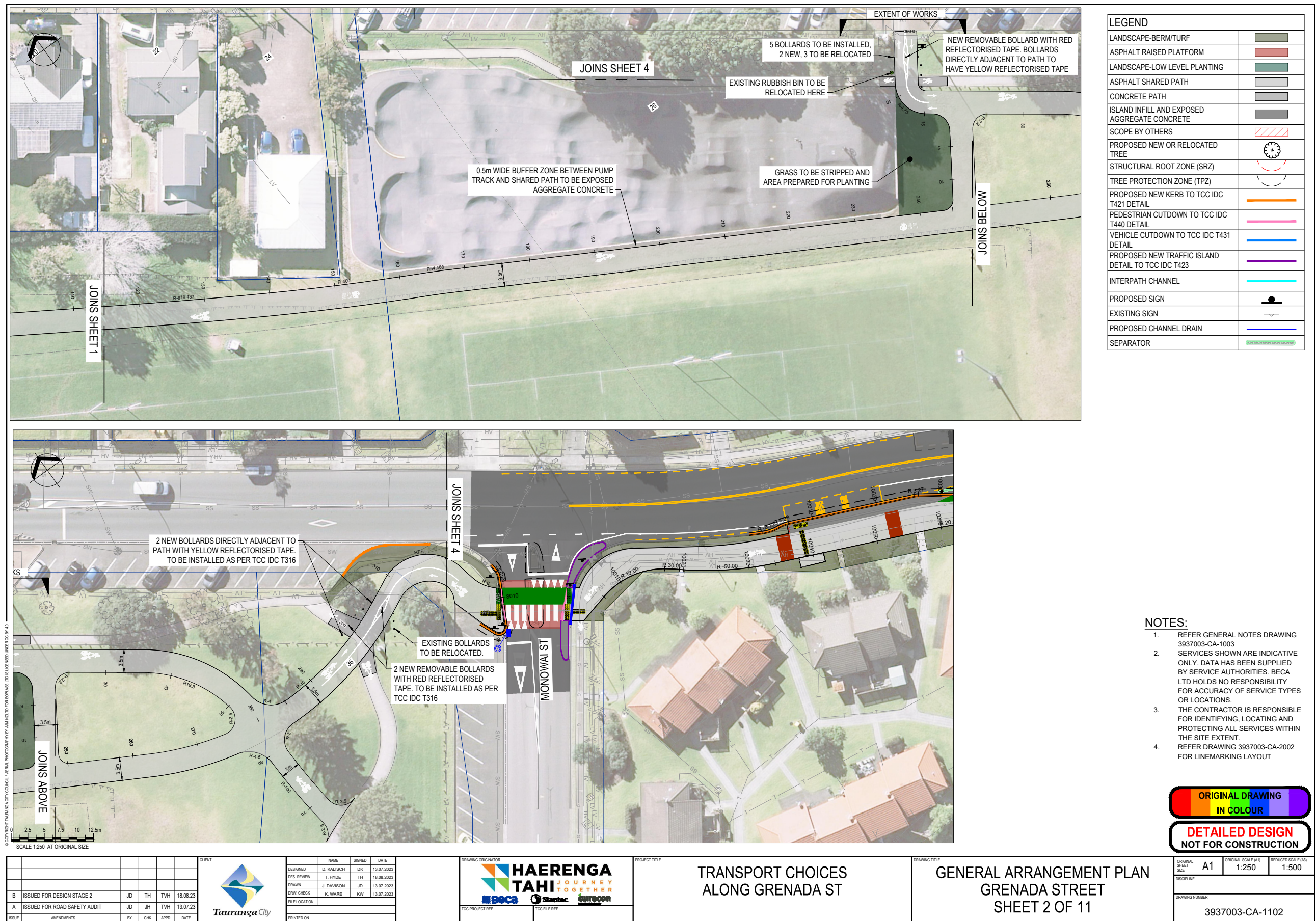
NEXT STEPS

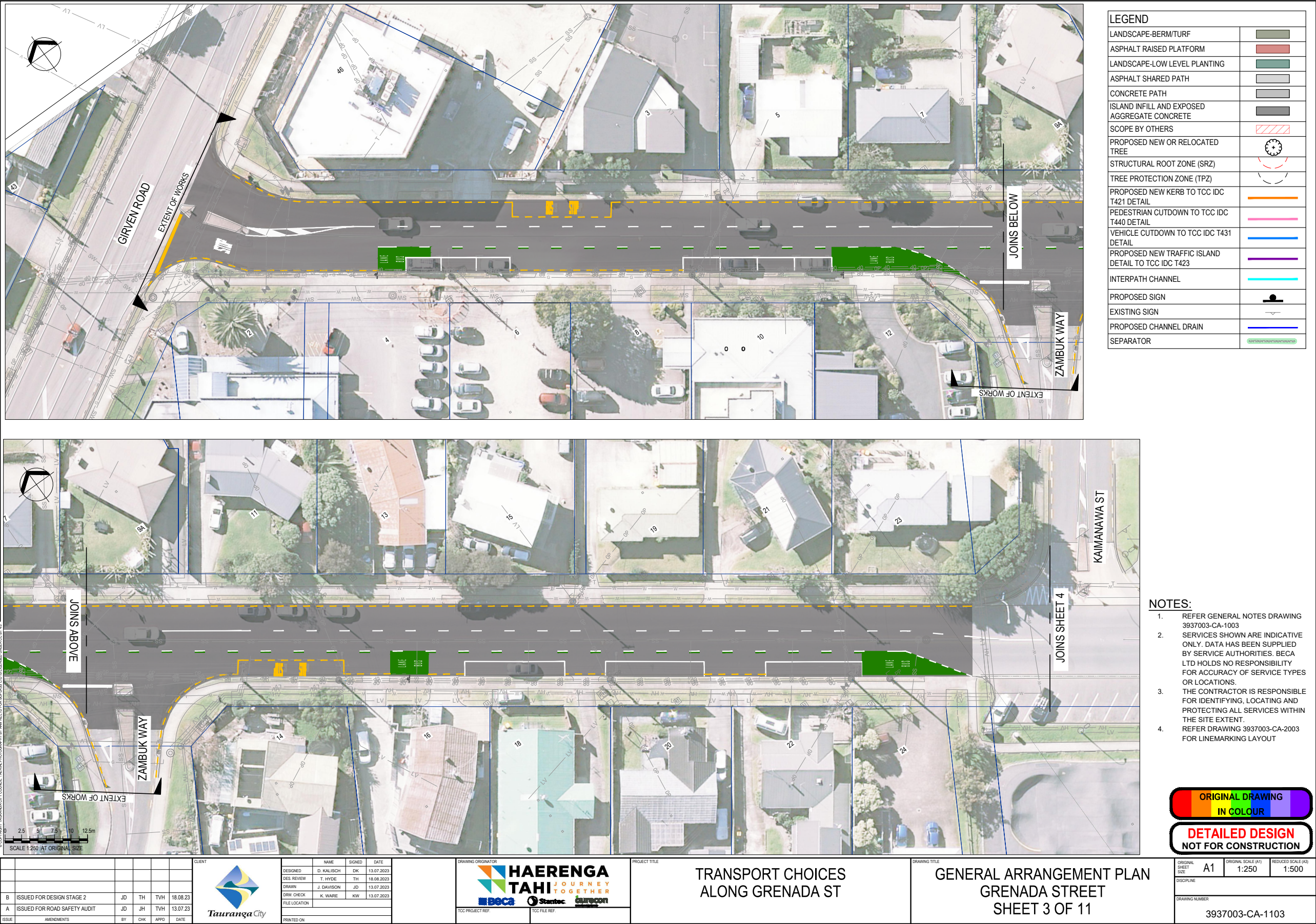
58. Subject to endorsement of the proposed scope, staff intend to progress the project for Detailed Design approval and Implementation funding approval with Waka Kotahi in September.
59. Subject to Waka Kotahi implementation approval it is intended to commence construction procurement in September. Construction procurement will be via a public request for tender and evaluated using a price-quality evaluation approach. It is intended that the contract will be a traditional NZS3910 form of contract.
60. It is recommended that authority is delegated to the GM Infrastructure to award the construction contract following the public tender process, subject to project costs being within existing budgets as outlined in this report. This is recommended to expedite the contract award process noting tight programme delivery timeframes.
61. It is currently anticipated construction will commence in late 2023 with completion by 30 June 2024.

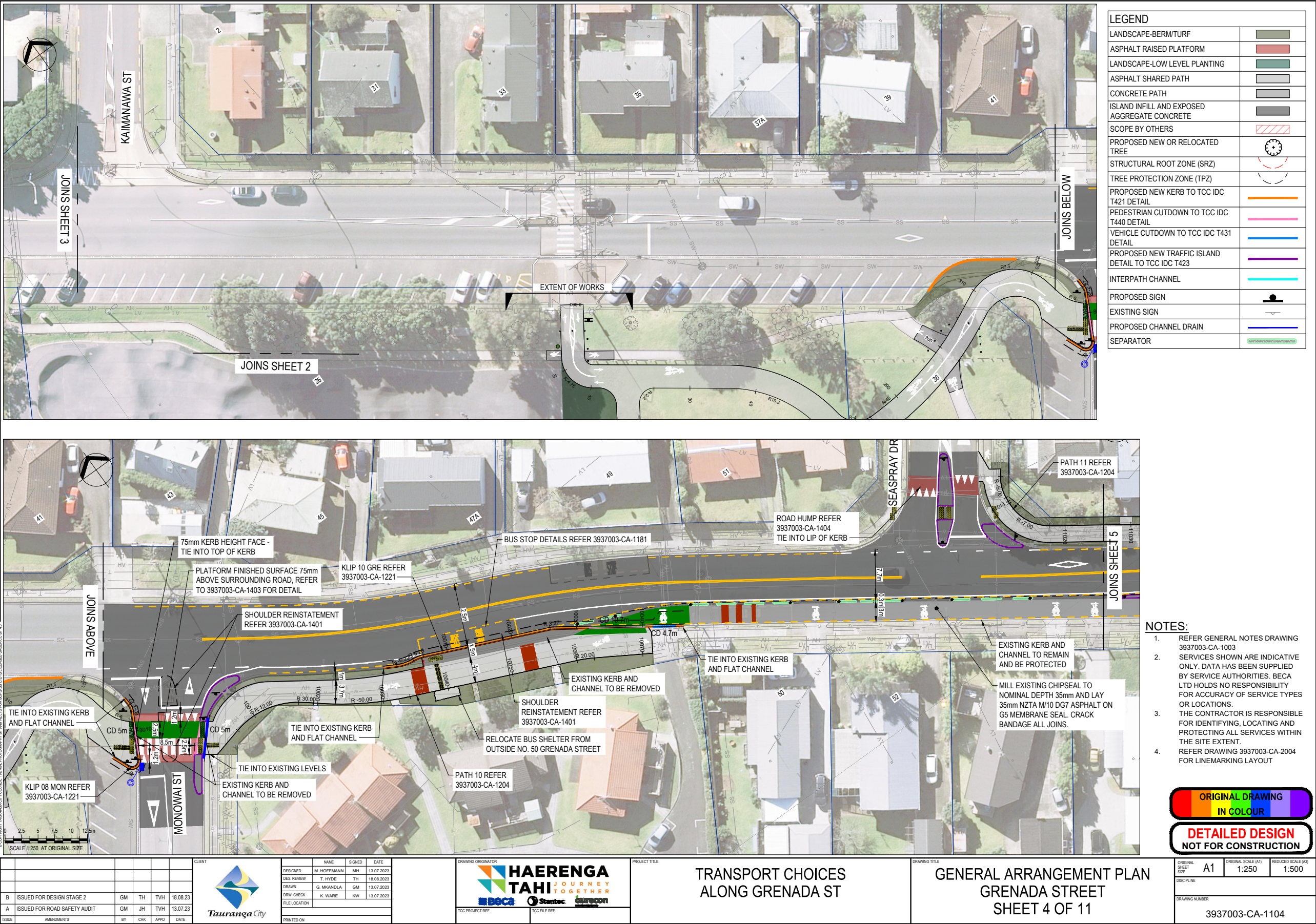
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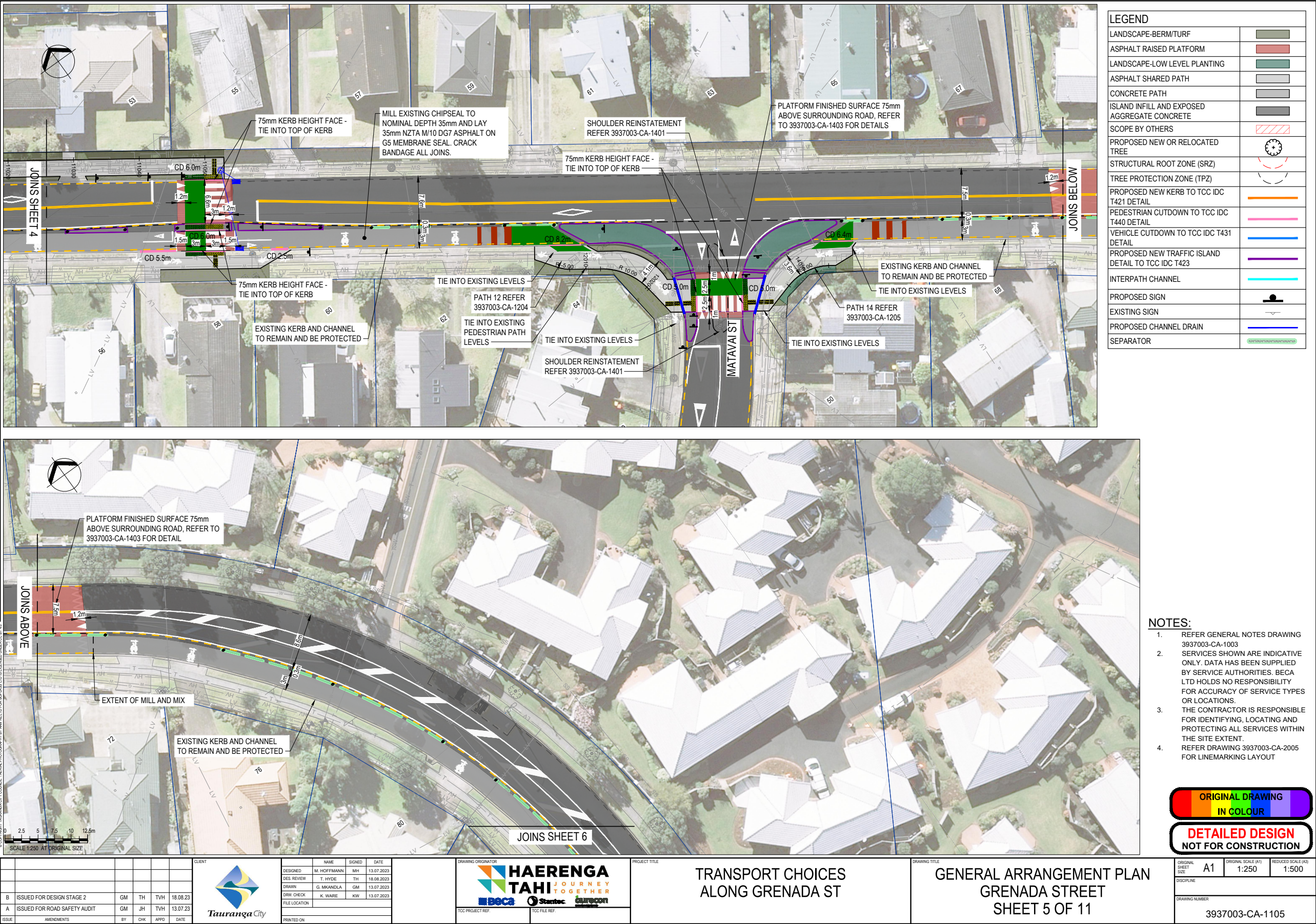
1. **Detailed Design Drawings - A14974324**  
2. **Engagement Summary Report - A14974322**  

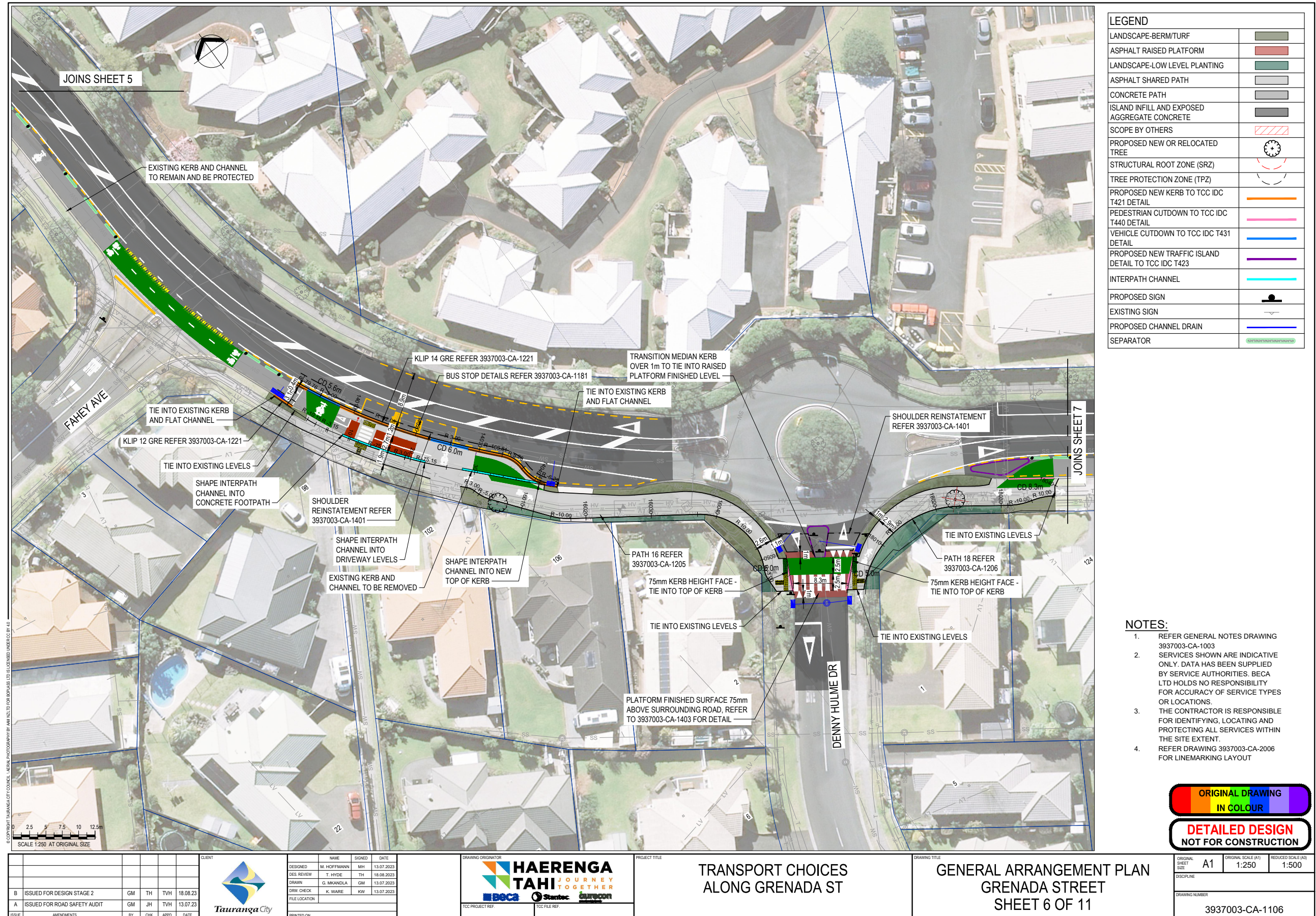


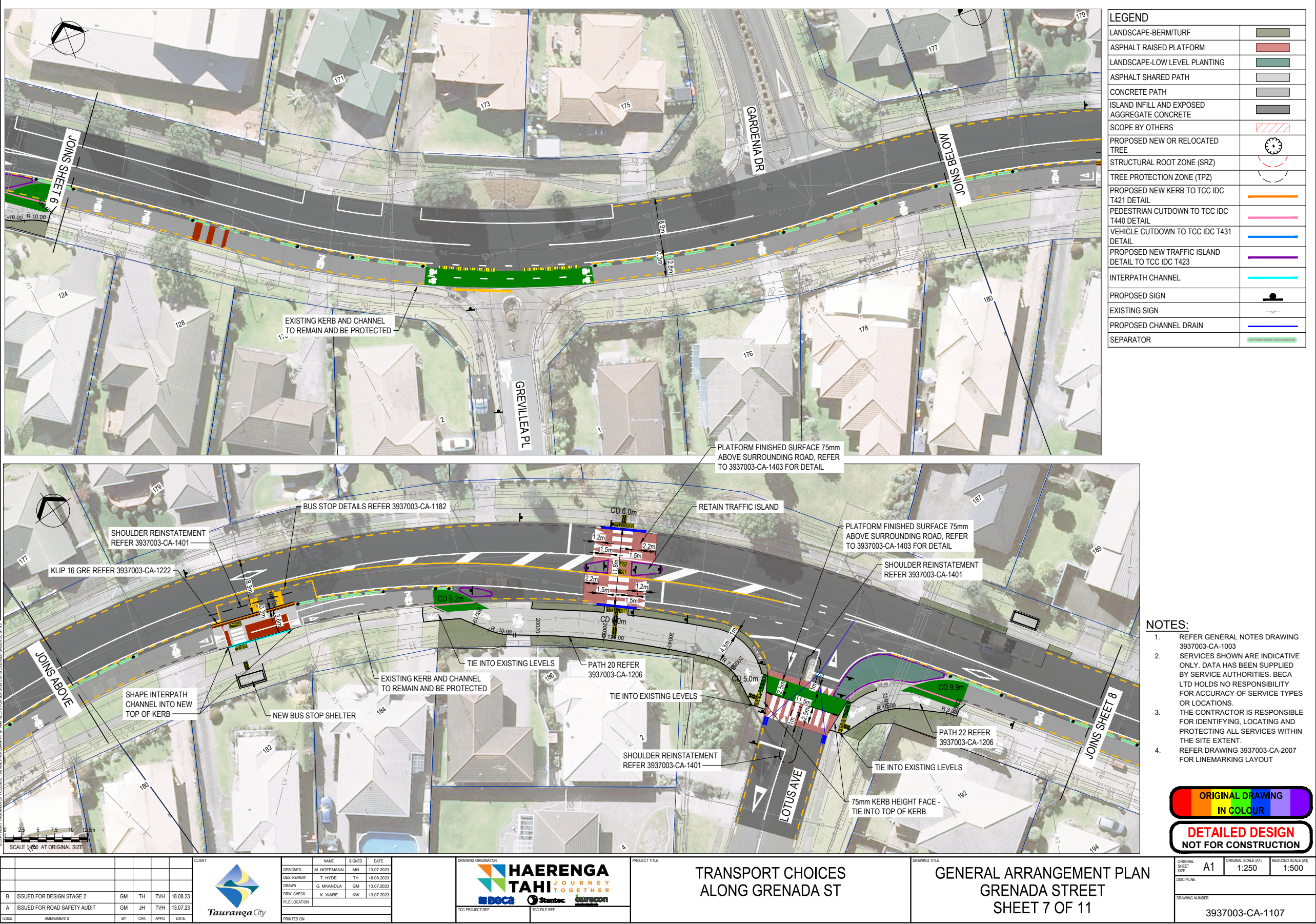


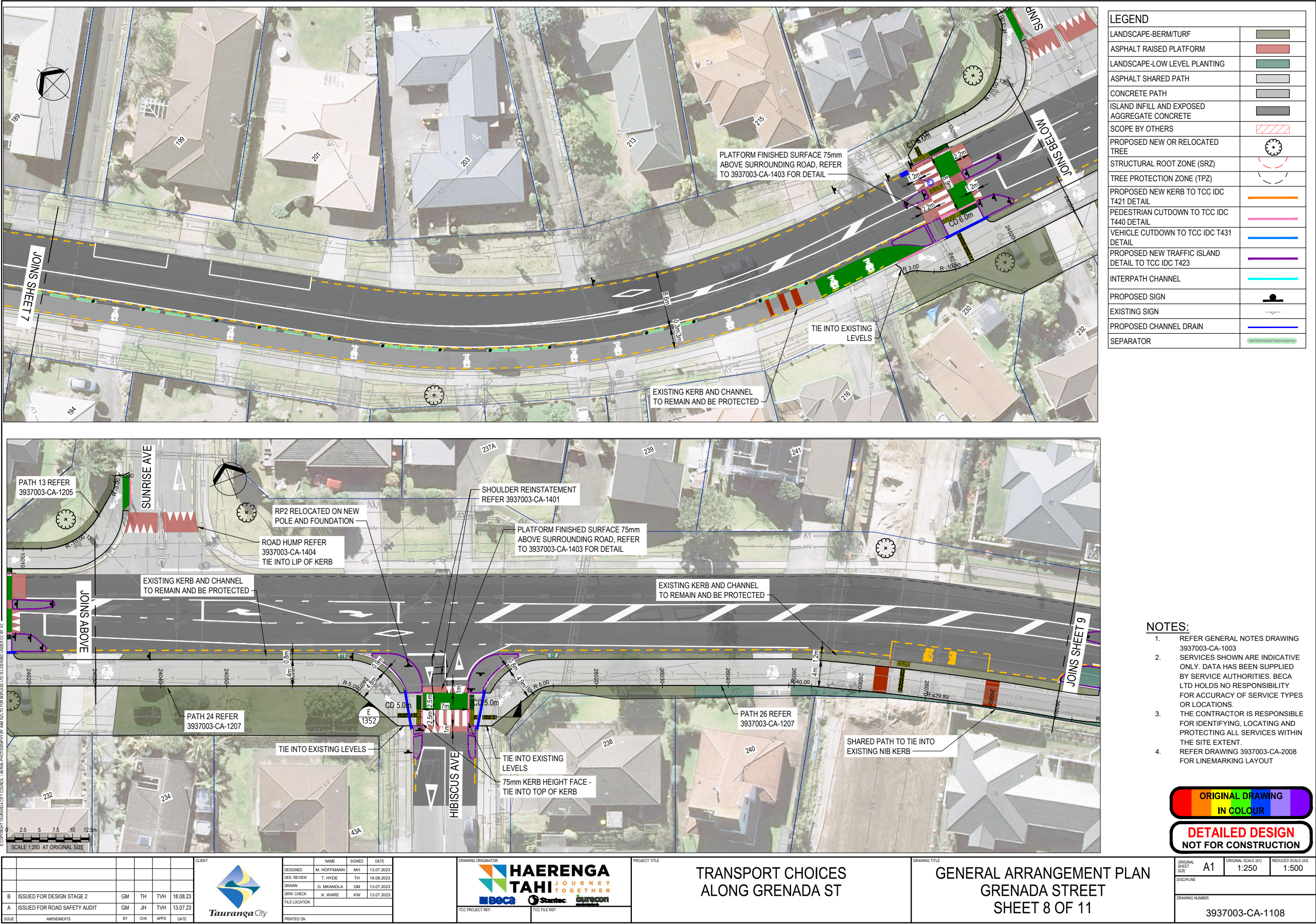


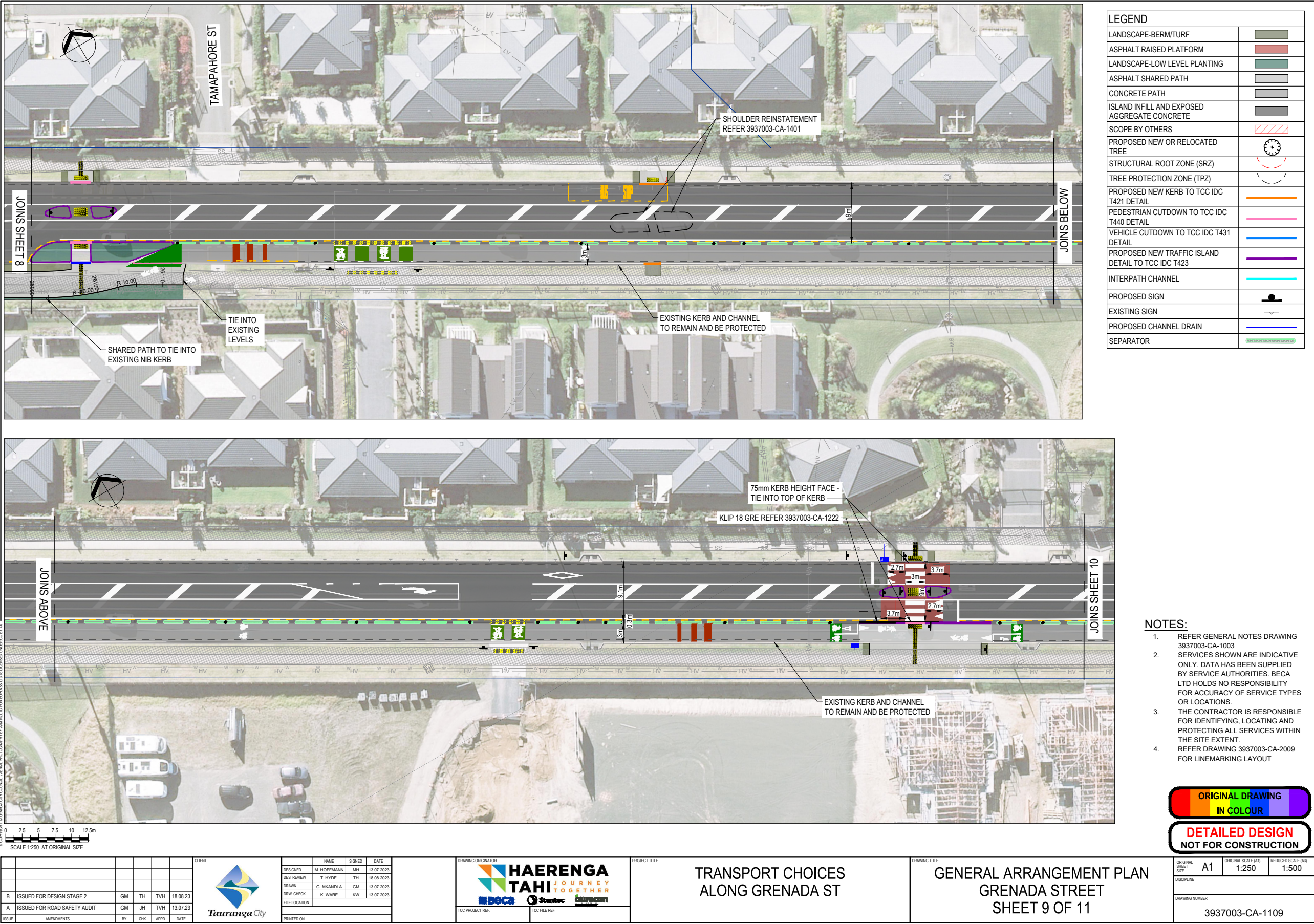


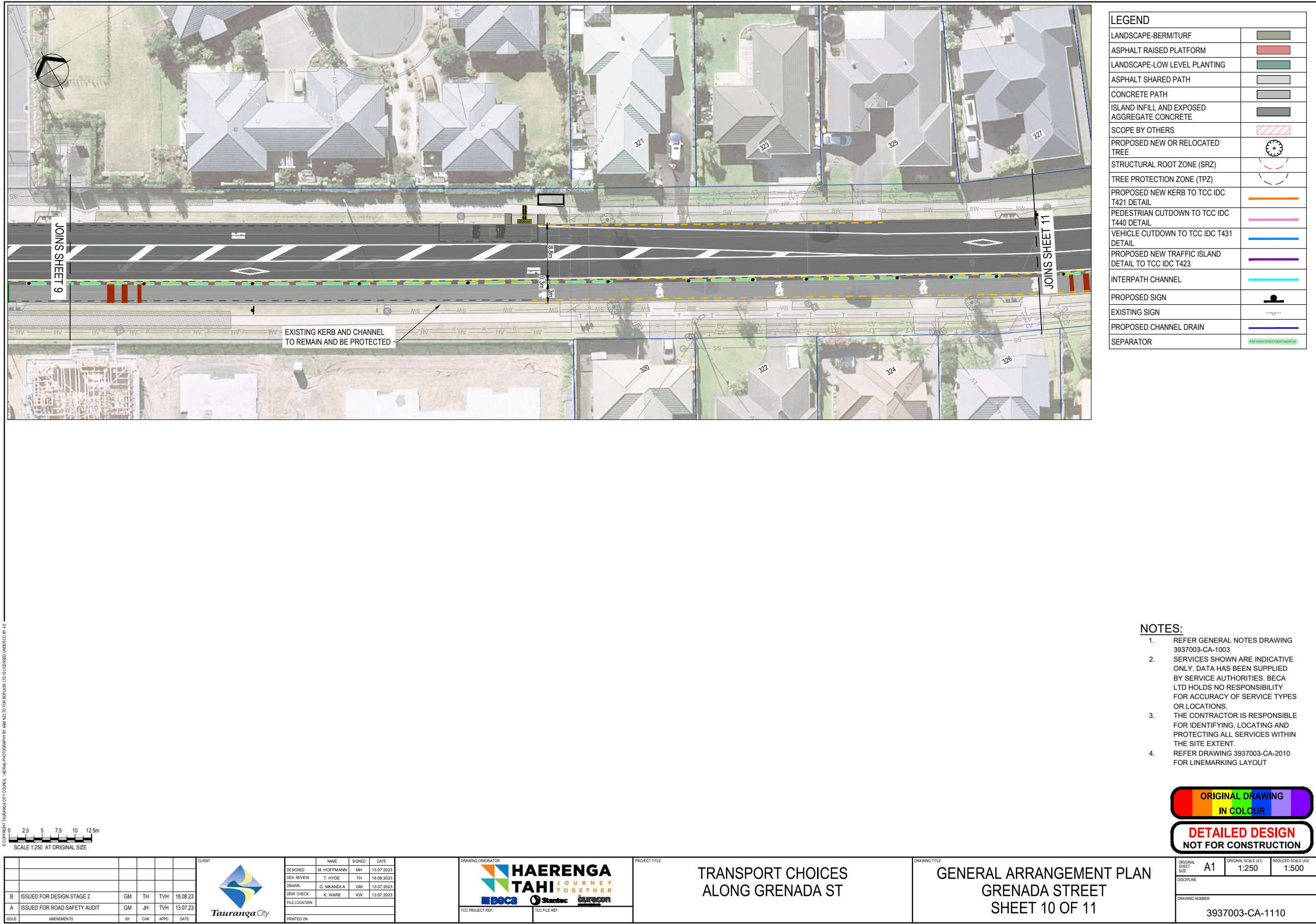


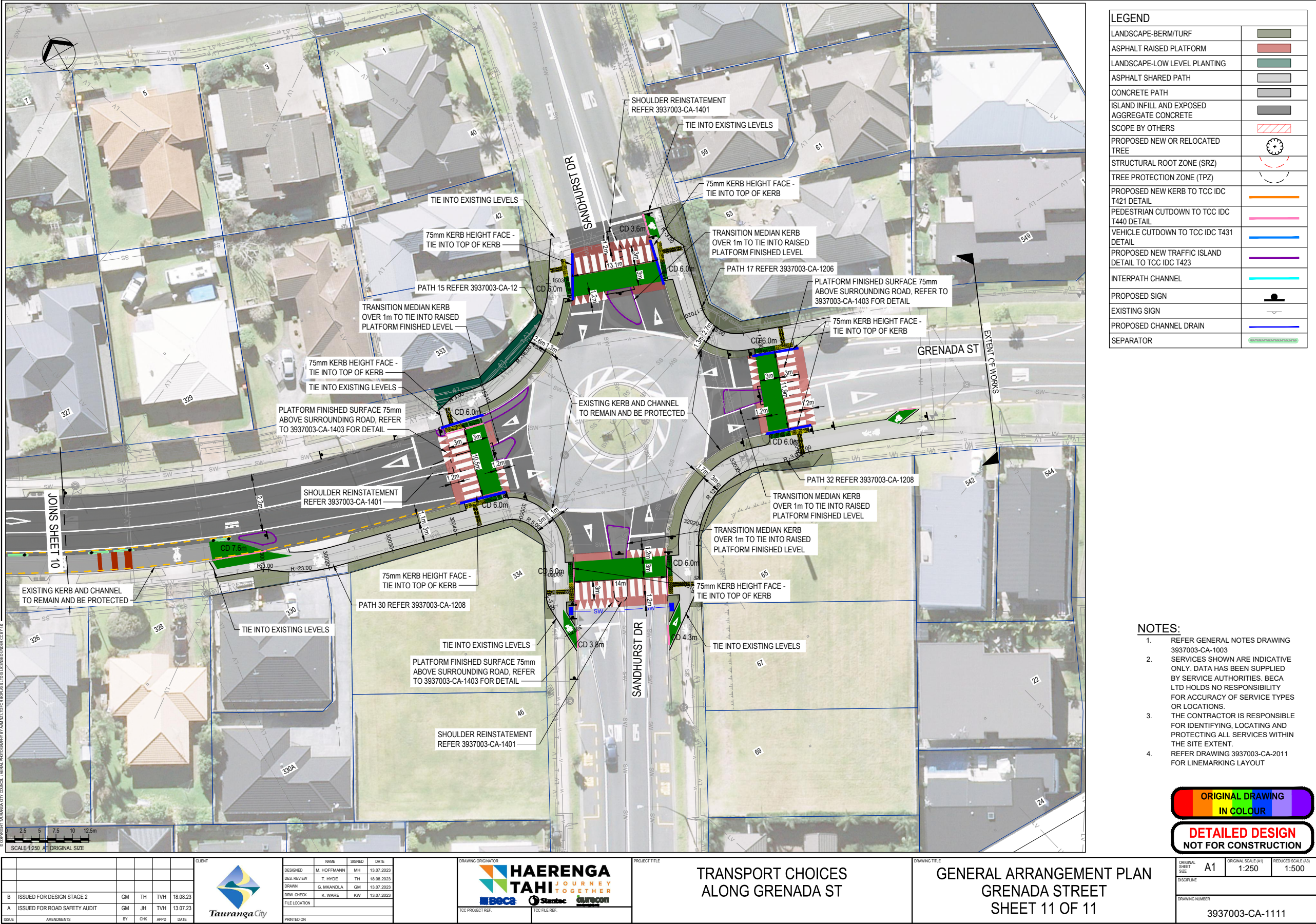












More ways to move on Grenada Street

Community engagement report

August 2023

1. Report purpose

This report provides a summary of the community engagement activities undertaken with mana whenua, other key stakeholders and the wider community to inform *More ways to move on Grenada Street*, a Transport Choices project. Community feedback was collected from 19 June – 9 July through a survey focused on gathering local knowledge that could help fine-tune the draft design. This feedback was used to help develop the Stage 1 Detailed Design for the project, which is aimed at making it safer and easier for people to get around in their community, while also providing more environmentally sustainable ways of transportation. If the design is endorsed by Tauranga City Council in September 2023, a second round of engagement will be undertaken prior to the construction works that are planned to kick off in October/November 2023.

This engagement report summarises:

- the engagement approach
- the key themes of what we heard about the plans for Grenada Street and how it would affect the users of this road
- next steps

2. Background information Transport Choices

The purpose of Waka Kotahi's Transport Choices programme is to enable the community to easily move around cities, in ways that help us to protect our climate. This means transitioning to a low-emissions and climate-resilient future for the benefit of all New Zealanders and future generations to come. Transport Choices (TC) aims to demonstrate what's possible for communities across Aotearoa New Zealand, by quickly providing people with more transport options, and making it easier to travel in ways that are good for all of us and our environment.

TC Grenada Street is one of two Tauranga based projects that have secured funding under this programme. The other is Transport Choices Tauranga South, Gate Pā, Greerton and Merivale.



3. Engagement approach

Engagement on this project was informed by several factors:

- Existing insights following:
 - A previous round of engagement about transport improvements in Arataki, including a bus lane and cycleway on Grenada Street, which took place in 2019. The main concern from that round of engagement was around parking, following potential removal of parking on both sides of the road to accommodate cycleways on both sides. Refer to the Single Stage Business Case for the Arataki Corridor Transport Improvements.
 - 1-on-1 contact with schools by Travel Safe as part of the Arataki multi modal study 2018/2019.
 - Engagement with iwi/hapū.
 - Our Vital Update report 2020 for Arataki/Matapihi where residents had shared that they want less speeding and traffic congestion, safer and separated cycleways/walkways and better public transport.
- Short timeframes for engagement due to the speed at which the Transport Choices programme is being rolled out.
- The objective – there were no obvious optioneering questions for consultation, so for this round of engagement we sought general feedback to help finetune the design only.

The main focus of engagement was on residents and business stakeholders in the direct vicinity of Grenada Street, as well as current users of Arataki Park. Secondly, we aimed to reach out to the wider community along the corridor, towards Bayfair (west) and Pāpāmoa (east), including people who travel through this area.

Various community groups and schools within the corridor were included and made aware of the project and how they could have their say. Those stakeholders were contacted early on to ensure awareness of the plans and provide them with the ability to communicate with their base.

We **knocked on doors** at properties along the entire section of Grenada Street starting at (all sides of) the Sandhurst roundabout, and then along Grenada Street itself. Where residents were home, we introduced the project and handed over the letter, we talked about the main changes and answered questions. We then requested residents to go online to find out more and take the survey to provide feedback on plans or pop in at one of the open days if they had more questions. Where nobody was found home, gates locked or no apparent front door to knock on, letters were delivered in letter boxes.

Business owners received two visits, however it proved difficult to talk to relevant owners/practice managers/operating officers on site. To ensure awareness of the project, two **follow up emails** were sent (19 June and 5 July) to the relevant contacts at business stakeholders at the Girven Road end of Grenada Street to offer a visit and invite feedback via the survey.

On Wednesday 19 and Saturday 24 June we held **community drop-in sessions** with staff, technical experts and designers in attendance. As the Wednesday session took place at 3pm, we also approached parents at school pick-up, had good conversations and handed out flyers with an invite to the project page/survey.



Community feedback

We sought feedback from the wider community and stakeholders to understand their general support/opposition, as well as what concerns they may have regarding the design. We also asked for local knowledge that could help us fine-tune the design for the project and what effect these changes could potentially have on people travel behaviours. Lastly, to help guide future plans, we invited people to share their thoughts with us on what could help make their neighbourhood a better place to live and travel in, besides the current plans for Grenada Street – this information has been shared with other teams to incorporate in future plans.

The feedback received during this round of engagement (as summarised in sections below and in the attached overview of survey stats) helped inform further fine-tuning of the design. This resulted in the consideration of changing the location of a pedestrian crossing to the other side of an intersection to improve connectivity for a wider group, the potential of adding or removing of parking where requests were made as well as ensuring consultation on the proposed locations for the planting of new trees at implementation. For more see chapter 5 '**How this feedback was used to further guide design and implementation**'.

Mana whenua representatives from Arataki have been involved and informed throughout the project's life cycle. Further details relating to that partnership role are included later in this report.



4. Engagement methods

The objective of Stage 1 engagement was to seek feedback from the community and stakeholders that would help fine-tune the draft design. Therefore, it was key to make it easy for people to view the plans for Grenada Street and provide their feedback. The main way to collect feedback was through an online survey. As an alternative, people could also complete the survey at the drop-in sessions or send their feedback via email to the project team. Additionally, feedback was gathered during various meetings, see below.

To ensure people were aware of the project and the survey, we decided to deliver a multi-faceted communications approach which included:

- **Letters** sent/delivered in June sharing brief project information, dates for drop-in sessions and directing people to the website for more information
 - 144 to property owners (where not occupiers) via NZ Post
 - 1200 directly to affected residents, via door knocking/delivery by engagement advisors
- **Emails** to key stakeholders informing them about the project and how they could provide feedback, including an extensive list of cycling groups and contacts (i.e. Cycle Action Tauranga), St Johns (at Arataki), Accessible Properties, Kainga Ora, PRRA and Bay of Plenty Regional Council.
- **Meetings** with:
 - School principals from Arataki School and Tahatai School, together with Travel Safe, to inform them about the project, ask their input and ask them to share project info with their base ([here's an example](#)).
 - Park users at Arataki Community Centre (15 June) where C3 Church, Arataki Whalers and the Sports club were invited – only Whalers attended.
 - Representatives from PRRA and Pacific Lakes Village to discuss concerns.
 - Hapu meetings (see further on for more detail).
- **Flyers:**
 - 200 distributed to Baywave, Arataki Community Centre, Pāpāmoa Library/community Centre, Bayfair, Mount Hub and local café's (Blended eatery at Sandhurst and Farm Street Larder Bayfair)
 - A further 300 delivered in letterboxes along Grenada Street, side streets and Sandhurst and Hiria Crescent on 3 July, as a reminder for people to fill out the survey by 9 July.
- **Posters:**
 - On all bus shelters along Grenada between Pāpāmoa Plaza and Girven Road
 - Several distributed to Baywave, Arataki Community Centre, Pāpāmoa Library, Bayfair, Pacific Lakes Village and Mount Hub, as well as local cafés.
- **Project webpage:**
 - Project information on the letstalk platform.
- An [online article](#) about the project on Sunlive.
- **Organic posts** on TCC Facebook, as well as **digital advertising**, targeted at the wider project area, which reached more than 26,000 people and directed them to the project webpage.

Formal consultation with the wider community ran from 19 June to 9 July 2023.



5. Engagement feedback – what we heard

In general, the feedback received has been significantly more positive/in favour than negative/opposed. In conversations during door-knocking, talking to parents at Arataki School and at drop-in sessions, any concerns were mainly focused on the implementation of the cycleway (the 'how') rather than the need for one.

Those who support the project but also had some reservations about the design or approach want to make sure the team delivers a high-quality outcome, one that also supports commuters/experienced cyclists and isn't only to provide a sense of safety for those who are less confident. This related to the sections of shared path around intersections and through the park, as well as the bi-directional cycleway as opposed to single direction.

The following is a summary of those key themes but is by no means an exhaustive list of all the feedback received. Of surveys received, 64% of respondents support the project fully or supported the project somewhat with additional suggestions. Consistent key themes in concerns raised or suggested changes (received via the online survey or email) are covered by the following:

- Need to reduce speed (in cars)
- Opposition due to spending on cycleways/cost of the project
- Restricted access to property
- Need to increase safety of cyclists, including cycling school kids
- Navigating a dual cycleway from a driveway/side street
- Location of bus stop/design of platforms
- Narrower traffic lanes
- Loss of parking
- Preference of one-way cycleways rather than two-way cycleways (better safety)
- Overall disagreement
- Overall support

Specific points raised by the cycling community are dual cycleway versus a single direction cycle way (preference for the latter), as well as the sections of shared path specifically around intersections – highlighting the likelihood that seasoned cyclists will be inclined to go straight through the intersection using the road rather than the shared path.

Some hesitancy has also been expressed around navigating the cycleway coming out of driveways or when crossing between footpath and bus stops. This concern came from a small number of individuals, the Pacific Lakes Village and two visually impaired tenants (of Accessible Properties) at a property (house number withheld for privacy reasons) on Grenada Steet.

Survey results

We received a total of 191 survey results. Overall, a vast majority of people who took the survey are in support, with 41% Fully Support and an additional 23% Somewhat Support which provides an impression of significant backing for the project on Grenada Street. Opposition is 15% Fully Oppose and 17% Somewhat Oppose.



Of the people that took the survey, 167 gave us their age. This provides an interesting take on support by age, as shown below:

		Q27: Age:				
		Total	Up to 34	35-44	45-54	Over 55
Q7: Do you support the project?	Total Count (Answering)	167.0	22.0	55.0	35.0	55.0
	fully support	43.1%	68.2%	50.9%	45.7%	23.6%
	somewhat support	22.2%	9.1%	29.1%	20.0%	21.8%
	neutral	4.8%	0.0%	5.5%	8.6%	3.6%
	somewhat oppose	16.2%	4.5%	5.5%	17.1%	30.9%
	fully oppose	13.8%	18.2%	9.1%	8.6%	20.0%

Support goes up for people who indicate to have (grand)children – 88.4% have expressed their support for this project.

When looked at opposition by area, the majority of those opposed to the plan come from the Pāpāmoa area. Those who live in Arataki/Bayfair and Mount/Omanu give the plan the highest amount of fully support (39% and 54% respectively). Full support of the plan is highest (68.2%) amongst younger demographics (up to 34) – and lowest (23.6%) for those aged 55 and above .

Of the total amount of respondents who currently drive a private car, truck or van 55% think they will use the bike once this project has been completed.

How this feedback was used to further guide design and implementation

The existing insights from earlier engagement (see Chapter 3), especially the concerns around the removal of parking and overall safety while travelling in this area, enabled us to develop a robust draft design to present to the community. In this draft design we had already maximised parking along the corridor, particularly near Arataki school where all the parking had been maintained in the draft design. The design also recognised that speed was an issue and included several (raised) crossings for traffic calming and pedestrian/cyclist safety.

This recent round of feedback largely confirmed we were on the right track with the plan and the design was robust. Some refinements for the project design and implementation were already on the cards and feedback reinforced these, such as:

- Removal of one bus stop.
- The commitment to consult on location of trees to be planted.
- Subtle design refinements to ensure cyclists can have options/flexibility to use the separated facility or – for confident cyclists – to stay in lane.
- Post implementation, rubbish collections to be conducted at low peak times.

Following feedback from the retirement villages and Accessible Properties, we've included this post implementation action to our plans:

- Working with retirement villages and Accessible Properties to support residents' confidence in navigating road layout changes once implemented (together with Travel Safe team).



There were some common feedback themes that are not in scope under Transport Choices. These were:

- Overall connectivity of the cycle path to other areas. This will be addressed through future council works.
- Lighting the path through Arataki Park. However, ducting will be installed along the path to future proof for lighting installation.
- Major road widening. This is not in scope for Transport Choices and is not necessary to achieve accommodate the separated facility.
- The bottleneck at the Grenada Street/Girven Road intersection due to traffic turning right from Grenada onto Girven.

Feedback considered, but not implemented in design due to constraints:

- We considered moving a shared crossing to the other side of Seaspray Drive. Whilst this made absolute sense, the road geometry – proximity to intersections and an existing bus stop – meant it was unachievable.
- Following feedback from specific residents about loss of parking, we revisited all individual locations, unfortunately however no further on-street parking could be accommodated.

Notes for future relevance:

Post implementation we recommend proactively offering support for visually impaired people living on a property Grenada Street to ensure they are confident about navigating bus stops/cycleway. We have also offered support to local retirement villages to help residents get used to the new road layout, specifically; use the new flush median to enter the village (Bayswater) and confidently navigate the dual cycleway (Pacific Lakes).

Girven Road crossing – this element to the design was added days prior to the survey going live and whilst included in the design/maps last minute, this was not specifically addressed in survey/engagement.

6. Engagement with mana whenua

From early in the project lifecycle (prior to design engagement) and with support from the Takawaenga team, Council proactively engaged with mana whenua including representatives from Nga Potiki and Ngai Tukairangi.

Several hui have been held since May 2023 introducing the project scope and seeking input/feedback throughout design development. Representatives from Nga Potiki and Ngai Tukairangi have expressed support for the project and have agreed to collaborate on cultural inputs focussing mostly on the Arataki Park section of the project with potential for story boards, pou, and surface markings. Council will continue to partner with mana whenua to finalise cultural inputs in design and work through any construction inputs.

7. Next steps

Should the project proceed to implementation, we will progress with preparations for the construction, which is then planned to start in October/November 2023. Another round of engagement and communications will be planned for this stage of the project.

For more information go to <https://letstalk.tauranga.govt.nz/projects/more-ways-to-move-on-grenada-street>



11.11 Traffic & Parking Bylaw Amendment No.46**File Number: A14956783****Author: Will Hyde, Senior Transportation Engineer****Authoriser: Nic Johansson, General Manager: Infrastructure****PURPOSE OF THE REPORT**

1. To obtain approval from the Commission to introduce amendments to the appropriate Attachments within the Traffic and Parking Bylaw (2012).

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Traffic & Parking Bylaw Amendment No.46".
- (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 5 September 2023 subject to appropriate signs and road markings being implemented.

EXECUTIVE SUMMARY

2. The Traffic and Parking Bylaw 2012 includes Attachments each of which lists various traffic and parking restrictions.
3. Council can amend the Attachments by Council Resolution.
4. This report sets out amendments to the following:
 - (a) Attachment 7.1: No Parking Behind Kerb
 - (b) Attachment 7.2: Prohibited Stopping and Standing of Vehicles
 - (c) Attachment 7.7: Mobility Parking
 - (d) Attachment 7.9: Parking Time Restrictions
 - (e) Attachment 7.12: Pay Areas
 - (f) Attachment 7.16: Loading Zones with Time Restriction
5. These amendments are proposed for general operational reasons, principally requests from the public or other stakeholders for numerous small changes to parking controls.
6. These amendments are summarised in Appendix A.

BACKGROUND

7. The amendments set out in Appendix A are changes proposed to reflect and support operational and safety needs on the road network.
8. The proposed amendments are minor changes to parking restrictions across the city which have arisen through requests from the public, transportation staff or other stakeholders; changes resulting from approved developments; plus other minor changes deemed necessary by the Network Safety and Sustainability team.
9. The proposals include changes on residential, commercial, and industrial roads.

STRATEGIC / STATUTORY CONTEXT

10. The amendments achieve the vision and strategic transport priorities to help make our network safer and easier for people to get around the city.

OPTIONS ANALYSIS

11. The reasons for each proposal are described in Appendix B. In each case the problem identified is expected to continue if the proposed amendment is not adopted.

FINANCIAL CONSIDERATIONS

12. Negligible – the associate signs and markings costs can be accommodated within existing project or operational budgets.

LEGAL IMPLICATIONS / RISKS

13. The bylaw amendment is needed to allow enforcement of changes deemed necessary for safety and amenity purposes.

CONSULTATION / ENGAGEMENT

14. The amendments proposed in Appendix B have been assessed as being of a minor nature.
15. Consultation is not required for minor stopping and parking amendments, or other minor amendments required to support operational or safety improvements.

SIGNIFICANCE

16. 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.
17. 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.
18. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

19. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

ATTACHMENTS

1. **Appendix A - T&P Bylaw Amendment 46 - A14974575** [!\[\]\(1b4963ba8c28b661a2681f69ab439557_img.jpg\)](#) 

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012**Attachment 7.1: No Parking Behind Kerb**

Pursuant to clause 12.1 and Clause 12.3 of the Traffic and Parking Bylaw 2012 the parking of motor vehicles is at all times prohibited between the kerb line and road boundary in the locations listed below:

No Parking Behind Kerb		Reason for implementing
Devonport Road Both sides	<i>Insert:</i> From Thirteenth Avenue to Fifteenth Avenue.	Significant numbers of vehicles associated with Tauranga Boys' College park on these berms, and a number of complaints about blocked sight lines, damage to berms, and littering by those parking there have been received from residents and the college. The east side of Devonport Road between Thirteenth and Fourteenth Avenues has had No Parking Behind Kerb signs for many years, but this restriction does not appear to have been previously resolved by Council.
Fourteenth Avenue Both sides	<i>Insert:</i> From Devonport Road to Fraser Street.	
Evans Road Both sides	<i>Insert:</i> From Gloucester Road to Ella Place (west side) and from Gravatt Road to Kane Road (east side). Monday to Friday 8.10 – 8.40AM and 2.15 – 2.45PM	These roads experience high levels of berm parking during the school peak periods. Footpath users are put at risk as many vehicles are driven across or along the footpath to access berm space. The adjacent school (Tahatai Coast) and residents have been consulted and a high level of support has been received.
Thoroughbred Place Both sides	<i>Insert:</i> Entire road. Monday to Friday 8.10 – 8.40AM and 2.15 – 2.45PM	
Beach Road North side	<i>Insert:</i> From its intersection with Otumoetai Road westwards to the end of the road.	Significant damage to the berm is occurring, particularly at the eastern end of the road. Additionally, TCC has received numerous reports of antisocial behaviour from occupants of parked vehicles, especially at night. Consultation with the community has been undertaken and there is a high level of support.
Te Hono Street West side	<i>Insert:</i> From the southern end of the angled parking on the eastern boundary of Te Wati Park, southwards for 17m.	Berm parking causing berm damage, and vehicles drive across or along footpath to access berms.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012

No Parking Behind Kerb		Reason for implementing
Devonport Road Both sides	Insert: From Thirteenth Avenue to Fifteenth Avenue.	Significant numbers of vehicles associated with Tauranga Boys' College park on these berms, and a number of complaints about blocked sight lines, damage to berms, and littering by those parking there have been received from residents and the college. The east side of Devonport Road between Thirteenth and Fourteenth Avenues has had No Parking Behind Kerb signs for many years, but this restriction does not appear to have been previously resolved by Council.
Fourteenth Avenue Both sides	Insert: From Devonport Road to Fraser Street.	
Evans Road Both sides	Insert: From Gloucester Road to Ella Place (west side) and from Gravatt Road to Kane Road (east side). Monday to Friday 8.10 – 8.40AM and 2.15 – 2.45PM	These roads experience high levels of berm parking during the school peak periods. Footpath users are put at risk as many vehicles are driven across or along the footpath to access berm space. The adjacent school (Tahatai Coast) and residents have been consulted and a high level of support has been received.
Thoroughbred Place Both sides	Insert: Entire road. Monday to Friday 8.10 – 8.40AM and 2.15 – 2.45PM	
Beach Road North side	Insert: From its intersection with Otumoetai Road westwards to the end of the road.	Significant damage to the berm is occurring, particularly at the eastern end of the road. Additionally, TCC has received numerous reports of antisocial behaviour from occupants of parked vehicles, especially at night. Consultation with the community has been undertaken and there is a high level of support.
Te Hono Street West side	Insert: From the southern end of the angled parking on the eastern boundary of Te Wati Park, southwards for 17m.	Berm parking causing berm damage, and vehicles drive across or along footpath to access berms.
Fontana Street East and north side	Insert: Along the frontage of No.12	Currently vehicles parked on the berm block sight lines on a small-radius curve, and also cause berm damage in wet weather.
Saville Place Both sides	Insert: All of the cul-de-sac	Berm parking causing damage to berms. There is adequate parking capacity at the kerb.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012

Attachment 7.2: Prohibited Stopping and Standing of Vehicles

Pursuant to Clause 12.1 and Clause 12.3 of the Traffic and Parking Bylaw 2012, the parking of motor vehicles is prohibited at all times in the following locations:

Prohibited Stopping and Standing of Vehicles		Reason for implementing
Anchorage Grove East side	Insert: From a point opposite the northern boundary of No.8 southwards to Maungatapu Road.	Parking on the inside of a curve is blocking sight lines.
Awatira Crescent Both sides	Insert: From the north boundary of No.57 south and westwards to the west boundary of No.67.	Parking on both sides of a tight curve is causing sight line issues. Alternative on-street parking is available nearby.
Benmore Crescent Inside of loop	Insert: From the vehicle crossing to No.14 to the vehicle crossing to No.16. From the vehicle crossing to No.32 to the vehicle crossing to No.34.	Parking on the inside of two curves is blocking sight lines.
Carex Close End of cul-de-sac	Insert: Between the vehicle crossings to No.5 and No.10	Parked vehicles blocking sight lines from driveway and movement of vehicles around the end of the cul-de-sac.
Franks Way West side	Insert: Along the frontage of No.58	Parked vehicle blocking movement around curve on narrow road.
Grange Road North-west side	Insert: From a point 19m east of the eastern boundary of No.243 eastwards and northwards for 99m.	Parking on either side of the road at this curve causes passing vehicles to cross the centre line, which is creating a potential for head-on crashes.
Grange Road South-east side	Insert: From the western boundary of No.256 eastwards for 13m. Insert: From the eastern boundary of No.256 north-eastwards for 60m.	
Kuihi Street	Insert: The whole road.	This is a new subdivision with approved parking restrictions in place from construction, which has not

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012

Prohibited Stopping and Standing of Vehicles		Reason for implementing
Inaka Place	Insert: The whole road, except for in-set parking spaces.	previously been resolved by Council.
Hinaki Street	Insert: The whole road, except for in-set parking spaces.	
Tangaroa Place Both sides	Insert: From the eastern boundary of Kuihi Street, eastwards for 15m.	
Marine Parade South-west side	Insert: From the east boundary of No.21 westwards for 11m.	Creating a gap in angled parking for a new property driveway, allowing for sight lines.
Maungatapu Road West side	Amendment: Commencing at a point 9 metres north south from the northern boundary of property No.148, extending 85-5 177 metres north, except for two marked spaces outside No.154. Delete: Commencing at a point 11 metres south from the north side of the inset Bus Drop off bay exit adjacent to Maungatapu school extending 30 metres north.	The proposed changes will maintain safe sight lines at a new pedestrian crossing outside Maungatapu School.
Maungatapu Road East side	Amendment: Commencing at a point 4-5 10 metres south from the southern boundary of property No.129, extending 405 185 metres north, except for two marked spaces outside No.129.	
Oceanbeach Road	Insert: From the south-east boundary of No.147 north-westwards for 9m.	Requested by property owner, vehicles parking close to vehicle crossing are blocking sight lines.
Paerangi Place East side	Amendment: From the northern boundary of No55 northwards for 5m and southwards for 40 22m. Insert: From the north boundary of No.74 northwards for 5m and southwards for 11m.	Road provides access to industrial lots, kerbside parking is blocking access to properties by large vehicles.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012

Prohibited Stopping and Standing of Vehicles		Reason for implementing
Rainey Crescent South and west side	Insert: From a point 13m north of the southern boundary of No.16, northwards and westwards for 25m.	Parking on inside of small-radius curve blocks sight lines to oncoming traffic.
Roxanne Place North side	Insert: From the eastern boundary of No.14 eastwards for 26m. Insert: From the eastern boundary of No.10 eastwards for 7m and westwards for 10m.	Requested by property owner as parked vehicles are preventing access to this industrial lot by trucks.
Saville Place Both sides	Insert: From the western boundary of Pyes Pa Road, westwards for 20m.	Parking too close to intersection creating safety concerns, and vehicles parked partly on the berms causing berm damage.
Te Hono Street West side	Insert: 3m on each side of the vehicle crossing to No.32. Insert: 3m on each side of the vehicle crossing to No.38.	Requested by property owners, vehicles parking close to vehicle crossing are blocking sight lines and making access difficult.
Te Hono Street East side	Insert: From the northern boundary of No.39, southwards for 3m.	
Thoroughbred Place Both sides	Insert: All of Thoroughbred Place except for a single parking space outside No.9 and two parking spaces outside No.11.	Parking related to nearby Tahatai Coast School regularly blocks access along this road. Requested by residents.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012**Attachment 7.7: Mobility Parking**

Pursuant to Clause 12.1 and Clause 12.2(d) of the Traffic and Parking Bylaw 2012 the driver or person in charge of a motor vehicle in which an approved disabled persons parking permit is displayed may park in the following parking space.

Mobility Parking		Reason for implementing
Devonport Road West side	Delete: Commencing at a point 30 metres north of the northern kerb-line of Elizabeth Street, extending northwards 6 metres.	Relocating mobility space across the road from existing location, to enable new loading zone on west side of road.
Devonport Road East side	Insert: One marked space fronting No.106	
Hewletts Road Reserve (No.29 Hewletts Road)	Insert: One marked mobility space on the eastern side of the sealed car park.	Existing space not currently included in the bylaw.
Merivale Road South side	Insert: One marked space outside No.18	Requested by residents, to serve multiple users at adjacent assisted-living accommodation.
Seventeenth Avenue South Side	Insert: Two marked spaces fronting No.146	To serve a need identified by St John Ambulance HQ at this location.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012**Attachment 7.9: Parking Time Restrictions**

Pursuant to Clause 12.1 and Clause 12.2(c) of the Traffic and Parking Bylaw 2012 no vehicle (except for passenger service vehicles in vehicle stands) may park on the following roads for longer than the applicable time limit listed below:

Parking Time Restrictions: 5 minute parking		Reason for implementing
Livers Road North Side	Insert: One space outside No.97.	To enable parking turnover outside local dairy and café.

Parking Time Restrictions: 15 minute parking		Reason for implementing
Maungatapu Road West Side	Insert: The eleven angled parking spaces opposite Nos.87 to 89 Maungatapu Rd. 8.30 – 9.15 AM and 2.45 – 3.30 PM on school days only.	The time limits have been proposed to create turnover of parking at this location which is a short walk from Maungatapu School and convenient for drop-offs/pick-ups. Without the time limit all-day parking can occur which is likely to result in short-term at inappropriate locations closer to the school.
Dive Crescent West side	Delete: The first four parallel parks on the western side heading north outside Iron Design and Rutherford Marine and Electrical.	These spaces no longer exist following development of Dive Crescent car park.

Parking Time Restrictions: 120 minute parking		Reason for implementing
Sixth Avenue South side	Insert: Two marked spaces fronting No.58.	At the request of nearby business, to offset loss of parking on Cameron Road.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012**Attachment 7.12: Pay Areas**

Pursuant to Clause 13.1 of the Traffic and Parking Bylaw 2012 the following areas of road, land or buildings are declared to be Pay Areas: The location and maximum parking time allowed for each parking area within the Pay Areas below are displayed on signs or parking machines.

Loading Zones with Time Restriction		Reason for implementing
23/24 Dive Crescent Car Park	Delete: Lots 1 to 18 DPS 18377 and Lots 14 to 18 DP 23009 Insert: The off-street parking lot comprising Nos.14 to 50 Dive Crescent.	Clarifying the location and amended size of the redeveloped Dive Crescent off-street car park.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012**Attachment 7.16: Loading Zones with Time Restriction**

Pursuant to Clause 18.1 of the Traffic and Parking Bylaw 2012 the following portions of road, land or building are declared to be loading zones during the times specified below only:

Loading Zones with Time Restriction		Reason for implementing
Devonport Road West side 5-minute time restriction. 8.00Am to 5.00PM	Insert: Fronting 2A/109 and 3/109 Devonport Rd.	Safety and operational reasons. Current loading demand at this location exceeds available loading zone capacity, often resulting in trucks blocking the northbound lane very close to the signalised intersection with Elizabeth Street.

APPENDIX A: Proposed Amendment No.46 to the Traffic and Parking Bylaw 2012

11.12 Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review Report

File Number: A14971038

Author: Warren Budd, Team Leader: Transport Safety

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE

1. The Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review report was prepared in response to the issues raised by residents and / or petitioners regarding safety concerns of a signalised pedestrian crossing located on Tamatea Arikinui Drive / State Highway Two (SH2) just west of Bethlehem Road intersection in Bethlehem Village area (referred to as the East Crossing from here on). Refer Figure below.



RECOMMENDATIONS

That the Council:

- (a) Receives the report "Bethlehem Signalised Pedestrian Crossing Investigation and Safety Review Report".
- (b) Approve the recommendation that the east pedestrian crossing is not removed.
- (c) Approve the Transport Team continue negotiations with Waka Kotahi for both the short and long term safety improvements on the State Highway for Bethlehem Village.

DISCUSSION

2. A petition was tabled by Mr Mark Kimber to the Council on 28 November 2022 *"to have the unmarked, traffic light controlled pedestrian crossing at the corner of Moffat Road and Tamatea Arikinui Drive (State Highway 2) removed due to the inherent dangers. With no warning signs and crossing less than 50 meters passed a busy roundabout, this leaves inadequate time or distance to view the roadway before entering the crossing"*

3. The Council resolved on 28 November 2022 to receive the petition and

"That staff be requested to provide a report, including Waka Kotahi involvement, on the issues

raised with regards to pedestrian crossings at Bethlehem”.

4. The petition was triggered by a double fatality crash which occurred at around 8:30pm on 22nd July 2022. The police report indicated that the motorcyclist was suspected to be over legal alcohol limit or under the influence of illegal substance and travelling at excessive speed and drove through a red light at the East Crossing and collided with the two pedestrians within the crossing, who had a green “walk” signal phase indicating that the pedestrians have the right of way to cross.
5. The report outlines a road safety engineering investigation, provides assessment of the existing crossings and proposes safety improvement options for consideration. It should be noted that:
 - the report was prepared in collaboration with Waka Kotahi NZ Transport Agency who is the asset owner of SH2 and is responsible for operating and maintaining state highways
 - being on state highway, any changes and improvements at the site will require Waka Kotahi’s approval and full funding, providing that the proposed activity meets relevant funding requirements under the policy of the National Land Transport Plan
6. It should also be noted that the safety review is not an in-depth crash reduction study for the subject site. It does not address the specific causes of the double fatality crash, but rather whether the East Crossing should be removed as suggested by the petition or, the proposed option(s) be undertaken to make it safer.

KEY POINTS RAISED IN THE PETITION

7. The table below is a summary of points raised in the petition, relevant findings in TCC’s investigation and corresponding / subsequent safety improvements. It is noted that most of the petition signatures are from local commercial establishments.

Ref	Description of the Concern Raised	TCC Investigation Finding	Next Step / Proposed Safety Improvements
1	Insufficient advanced warning in terms of signage and road marking for vehicles exiting the roundabout at Tamatea Arikinui Dr. (westbound traffic at Bethlehem Rd end) regarding the signalised pedestrian crossing ahead. It is difficult for drivers at the roundabout to pay attention to the pedestrian activity on Tamatea Arikinui Dr. ahead / on their left while exiting the roundabout as they are too busy looking to the right	Site observation concurs this. A pattern of recorded nose-to-tail / rear end crashes in the area also confirms this. Despite the posted speed limit (50kph) and associated signs in the Bethlehem roundabout area, there are insufficient traffic calming features and advanced warning signage and road marking regarding the change of road environment including pedestrian crossing in the village shopping area.	Identify and develop appropriate improvement measures to meet both interim and long-term needs. Positive traffic calming such as raised pedestrian safety platforms and advanced warning measures are both expected to be appropriate and effective. Rationalise existing signage at Bethlehem Road roundabout approaching Bethlehem Village
2	The crossing is too close to the roundabout. Vehicles often rear-ending one another at the signal due to insufficient time to react to stopping / slowing vehicles in front of them.	Site observation concurs the this. A pattern of recorded nose-to-tail crashes in the area also confirms this. Although the distance is not outside the current design specs (it is the minimum). The observed vehicle travel speed in the area is higher than the safe and appropriate speed (30kph) for the area with pedestrian crossing. Road surface treatments are	Short term improvements may include: - Reconfigure and reposition the East Crossing to maximise the distance between the roundabout and the East Crossing and the distance between the staged west and eastbound crossings - Upgrade existing crossings as per Point 1 - Introduce speed management measures

		inconsistent at the approaches of the two signalised pedestrian crossings.	Investigate feasibility of changing intersections to signal controlled (long term)
3	The crossings are too wide in the village area. The signalised crossing's green phasing (time) at the East Crossing is inadequate for pedestrian to walk through the crossing. The signal does not have an amber phase, and this make the crossing less safe.	Both traffic signals have amber phase. The existing road layout has a wide crossing width. However, kerb extension is not feasible as there is no shoulder width to utilise. Required infrastructure appear to be in place. The phasing design can be reviewed, and changes investigated.	Consider reconfigure the East Crossing as per Point 2 above. Signal phasing to be adjusted with the proposed new configuration. Queue length at the crossing is to be taken into consideration in peak hours.
4	The pedestrian fence along the footpath and the refuge island obscures driver's visibility to the pedestrian at the crossings The garden in the middle of the roundabout obscures the drivers' forward visibility Night-time visibility is insufficient at the crossing	Site visit including night-time observation concurs this. Giving the size of the roundabout (medium size in an urban setting) and the existing posted speed limit, if the vehicles travel at safe and appropriate speed, adequate forward visibility can be obtained, however, due to the lack of positive traffic calming measures in the area, vehicle speed is much too high for a busy urban centre.	Assess lighting level at the two crossings. Investigate and develop measures to provide advanced warnings for approaching drivers. Remove fence and reconfigure footpath and kerb line to maximise visibility while not compromising pedestrian safety. The measures in point 1 can also increase driver's awareness of the crossing and encourage safer and more appropriate travel speed.
5	Pedestrians have been observed to cross without the green signal. Vehicles have been observed to run red light at the crossing. Near-misses involving pedestrians are frequently observed	Limited observation appeared to confirm this. More road user behaviour data to be collected.	Evidence based road safety engineering measure to be developed to meet both interim and long-term needs. Improvement measures mentioned above are expected to improve safety at the crossings.

RESPONSE TO PETITION REQUEST

8. Traffic survey indicates that the East Crossing is frequently used by active road users. Therefore, the safety review and assessment does not support the suggestion of removing the East Crossing as this may potentially result in pedestrian crossing the road without any traffic control at the east end of the village and increase crash risk. A table includes a summary response to each of the point raised is included in the detailed report.

SAFETY ISSUES IDENTIFIED

9. As indicated in Figure 1, there are two signalised pedestrian crossings within the Bethlehem village area. One is the East Crossing approximately 45m west of the Bethlehem Road roundabout and the other is about another 120m to the west (referred to as the West Crossing from here on) near a bus stop, directly outside Bethlehem Countdown supermarket. The safety review focus on the East Crossing given it is where the double fatality crash occurred.
10. Following retrieving and reviewing Waka Kotahi's Crash Analysis System (CAS) data, site visits during day light time and after dark when the lighting condition was similar to that of the time of the fatal crash, the safety review has identified some road safety risk at the subject crossing. Key contributing factors to the risk are:
- Wide and open road corridor and lack of road features which encourage slower and safer traffic speed on the westbound approach and in the village area
 - Lack of enforceable speed limit supporting features on the westbound approach

- Lack of other visual cues, including effective advanced warning signage and road markings, for the abrupt change (from wide an open road space to the busy Bethlehem Village area), to prepare drivers for the pedestrian crossing located very close to the roundabout
11. Other possible contributing factors such as night-time visibility, inconsistent pedestrian crossing treatments are also noted. A full list of other possible contributing factors is listed in the detailed report.

Short Term Safety Improvements

12. In short term, it is proposed to Waka Kotahi, that the following potential safety improvements are investigated further for consideration. The rationales of these improvement measures are discussed in the detailed report.
- (a) Introduce raised safety platform crossings
 - (b) Reconfigure the East Crossing
 - increase the distance between the crossing and the westbound traffic from 45m to 60m.
 - increase the walking gap from 7m to 15m between the two independent crossing stages for westbound and eastbound traffic.
 - (c) Improve consistency of the surface treatment by introducing high-fiction Calcined Bauxite surfacing at the westbound approach to the East Crossing
 - (d) Review and update signals timings
 - (e) Assess Lighting Condition at both crossings and any subsequent improvements as guided by the assessment
 - (f) Paint/mark the median/ splitter island
 - (g) Signage rationalisation and improvement – reduce signage clutter and introduce electronic (flushing) warning signs on the approach to the East Crossing
 - (h) Increase effectiveness of the advanced warning measures
 - (i) Others such as planting and road furniture to indicate land use change in the village area
13. Further detailed assessment and site visits may identify other solutions on the westbound approach to the roundabout that help slow vehicles and highlight the changing land use environment.

Long Term Safety Improvements

14. Long term solutions should be developed with analysis on the feasibility of changing the two intersections at either end of the commercial area from roundabouts to signalised roundabouts or intersections with incorporated raised safety platform pedestrian crossings and safe cycling infrastructure. This will provide for improved safety for active users. A third pedestrian crossing should also be considered close to the existing West Crossing near the bus stop. This will provide an additional convenient and safe crossing point mid-block for pedestrians including bus passengers.
15. Feasibility to reconfigure road corridor space, and footpath alignment and remove pedestrian fence to enhance night-time visibility of the crossings should also be considered.
16. Based on the traffic modelling prediction, it is not feasible to reduce the carriageway to a single lane in each direction on Tamatea Arikunui Drive to reduce the pedestrian crossing widths and

allocate more road reserve space to pedestrians, cyclists, and other vulnerable road users (i.e., mobility impaired, e-mobility users).

17. Given the subject site is on a state highway, the responsibility of funding and implementing safety improvement sits with Waka Kotahi. However, Tauranga City Council understand that with the anticipated opening of Takitimu North Link (TNL) in August 2027, this section of Tamatea Arikini Drive is expected to be revoked from State Highway status (managed and maintained by Waka Kotahi, NZ Transport Agency) to local road (managed and maintained by Tauranga City Council) once TNL is established.
18. Being a key stakeholder as well as the future asset owner, Tauranga City Council will continue working with Waka Kotahi to ensure that road safety concerns are sufficiently addressed through revocation process.

NEXT STEPS

19. Refer recommendation

ATTACHMENTS

Nil

12 DISCUSSION OF LATE ITEMS

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RECOMMENDATIONS

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
13.1 - Public Excluded Minutes of the Council meeting held on 14 August 2023	<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 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>	<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>
13.2 - Replacement of Number 2 Rescue Fire Truck	<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>	<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</p>

		under section 6 or section 7
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14 CLOSING KARAKIA