



MINUTES

**Strategy, Finance and Risk Committee
meeting**

Monday, 4 December 2023

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**MINUTES OF TAURANGA CITY COUNCIL
STRATEGY, FINANCE AND RISK COMMITTEE MEETING
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS,
REGIONAL HOUSE, 1 ELIZABETH STREET, TAURANGA
ON MONDAY, 4 DECEMBER 2023 AT 9.30AM**

PRESENT: Commission Chair Anne Tolley (Chairperson), Commissioner Shadrach Rolleston, Commissioner Stephen Selwood, Mr Te Pio Kawe, Ms Rohario Murray

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Ceilidh Dunphy (Acting General Manager: Corporate Services), Sarah Omundsen (General Manager: Regulatory and Compliance), Lisa Gilmour (City Partnership Specialist), Carlo Ellis (Manager: Strategic Māori Engagement), Carl Lucca (Team Leader: Urban Communities), Jeremy Boase (Manager: Strategy & Corporate Planning), Andy Mead (Manager: City Planning & Growth), Janine Speedy (Team Leader: City Planning), Sharon Herbst (Policy Analyst), Richard Butler (Community Partnerships Funding Specialist), Ruth Woodward (Team Leader: Policy), Vicky Grant-Ussher (Policy Analyst), Jennifer Ross (Policy Analyst), Nigel McGlone (Manager: Environmental Regulation), Reece Wilkinson (Parking Strategy Manager), Coral Hair (Manager: Democracy & Governance Services), Anahera Dinsdale (Governance Advisor),

EXTERNAL: Nigel Tutt (Chief Executive) and Greg Simmonds (General Manager: Workforce and Policy), (Priority One) and David Phizacklea (Consultant – Mount Maunganui Industrial Study),

1 OPENING KARAKIA

Commissioner Shadrach Rolleston opened the meeting with a karakia.

2 APOLOGIES

COMMITTEE RESOLUTION SFR9/23/1

Moved: Commissioner Stephen Selwood

Seconded: Ms Rohario Murray

That apologies from Dr Wayne Beilby, Commissioner Bill Wasley, Ms Matire Duncan and Mr Bruce Robertson be received and accepted.

CARRIED

3 PUBLIC FORUM

None

4 ACCEPTANCE OF LATE ITEMS

4.1 Acceptance of late item - Local Alcohol Policy - Legal Advice (public excluded)

COMMITTEE RESOLUTION SFR9/23/2

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Accepts the late tabled report "Local Alcohol Policy – Legal Advice" to be considered in the public excluded section of the meeting as the legal advice was received after the agenda, it cannot be delayed to a subsequent meeting as there was a statutory timeframe to a decision which expires on 10 December 2023.

CARRIED

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

None

6 CHANGE TO ORDER OF BUSINESS

None

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Strategy, Finance and Risk Committee meeting held on 30 October 2023

COMMITTEE RESOLUTION SFR9/23/3

Moved: Commissioner Shadrach Rolleston

Seconded: Commissioner Stephen Selwood

That the minutes of the Strategy, Finance and Risk Committee meeting held on 30 October 2023 be confirmed as a true and correct record subject to the following correction:

7.1 Minutes of the Strategy, Finance & Risk Committee meeting held on 18 September 2023

Wording Correction below as it was incorrect.

Committee Member, Rohario Murray. declared she had worked on Resource Management Act reform and, while she didn't directly work on legislative reforms for Three Waters, there may be potential interactions between the two. She would not take part in any discussions relating to the RMA or Three Waters reforms

Commissioner Rolleston mentioned this change would be necessary for his declaration as well.

CARRIED

7.2 Minutes of the Strategy, Finance and Risk Committee meeting held on 13 November 2023

COMMITTEE RESOLUTION SFR9/23/4

Moved: Commissioner Stephen Selwood

Seconded: Ms Rohario Murray

That the minutes of the Strategy, Finance and Risk Committee meeting held on 13 November 2023 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

None

9 BUSINESS

9.1 Refreshed outline plan of the Committee's upcoming work programme

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

Key points

- Staff delayed the introduction of new projects/processes that would not be completed by this Committee before the change of Council in July 2024.

In response to questions

- Trees and Vegetation Policy Action and Investment Plan was in place now However the fine grain rules that staff follow needed to be tidied up.
- A discussion was held around the removal of Risk Deep Dives. This item would be further discussed in 2024.

Discussion points raised

- The Commission Chair noted that there was potentially further work on the Local Alcohol Policy (LAP) given the report in the public excluded session of this meeting, and therefore the LAP should not be removed from the work programme in 2024.
- It was noted that the Election Signs Policy was to be removed from the work programme and would be considered again after the Council elections in July 2024.

COMMITTEE RESOLUTION SFR9/23/5

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Refreshed outline plan of the Committee's upcoming work programme".
- (b) Notes the updated outline work programme for the Committee per Attachment 1 and that further work on the Local Alcohol Policy is likely to be added to the work programme and the Election Signs Review be removed.

CARRIED

9.2 Priority One Annual Report 2022/2023

Staff Lisa Gilmour, City Partnership Specialist

External Nigel Tutt (Chief Executive) and Greg Simmonds (General Manager: Workforce and Policy, Priority One)

PowerPoint presentation.

Key points

- The report was taken as read.
- The Annual Report was provided by the economic development agency to Council as part of its role to ensure the organisation's performance was consistent with Council's partnership agreement with them.
- Key achievements were outlined in the PowerPoint presentation which set out key economic metrics that included the sub-region and Tauranga City.
- The economy was in reasonable shape with jobs being created and historically low unemployment figures. The mean annual income and housing and rental affordability were weaker parts of the economy and had longer term structural implications for the economy.
- While Tauranga was the fifth largest city with a fast growing economy, the mean annual income was below the New Zealand average. It was important that people shared in the prosperity and Priority One was working to increase the mean annual income by innovatively creating higher value industries with higher value jobs.
- Priority One encouraged industry scale and success and focused on leveraging education systems to target skills. Priority One did a lot of work to get youth t into university/trade pathways. The focus was also to improve Māori education and workforce outcomes to increase mean annual earnings for Māori.
- In terms of the economic outlook there was a decline in business confidence in the last few months due to high inflation and interest rates and this would continue to impact on businesses for the next six months. Some degree of retrenchment was occurring, although not wholesale, and it was more pronounced than a year ago.
- With a tight talent market businesses were holding onto staff which impacted on the costs for businesses. Businesses here needed more talent as there was a loss due to people moving to Australia and the aging workforce coming up for retirement.
- Kiwifruit was on the way up, after two bad years and, at 12% of the economy, this had an impact on retail spend and unemployment.
- In terms of what the Council could expect to see from Priority One in 2024 there would be a focus on businesses assisting with the infrastructure deficit; sustainability to get businesses engaged to develop a better environmental footprint; attracting and retaining talent and developing higher value industries that paid more and required more skilled workers.

In response to questions

- Agreed that the largest economic risk would be housing, especially with the future demographics of an aging population that needed to be supported and needed people to do that, with the largest employing sectors, health care and construction, at risk. Priority One would emphasis this risk.
- In terms of the future workforce Priority One was focussed on education and pathways to ensure local home grown talent was assisted into employment and creating talent pipelines for the region's businesses. Local Authorities can assist by including procurement policies that include local Māori businesses.
- In response to questioning about understanding the future workforce in Tauranga, the next generation and dealing with millennials, Gen X and Gen Z, Priority One saw the future was Māori, given that Tauranga had the second highest proportion of Māori Youth in the country, outside of South Auckland. Priority One had strong partnerships with Toi Kai Rawa (the Bay of Plenty's Regional Māori economic development agency) and supported them to deliver STEAM

(science, technology, engineering, arts and mathematics) in schools, as well as internship programmes with local primary industries, so that Māori and Pacific youth could see themselves in those high value roles of the future. Congratulated TCC on employing 23 interns this year and Priority One worked with employers to encourage this type of programme and believed it was a benefit to employers to access youth early.

- Launched a series “Business beyond Usual” that included an education programme on the future of work looking at employment law and ramifications and examples of where employers were utilising the older age demographics and transferring skills to younger employees.
- In response to how to attract talent when rental costs were so high and more houses were needed, Priority One stated that it was a circular discussion i.e. needed more people to serve other people, but to get there houses were needed to be built. Needed to press both levers at the same time, but it was difficult to get the balance. Priority One focussed on ensuring people that came to Tauranga, were retained here, thrived and got their dream they came to Tauranga to find, which relied on good housing and roading networks. A constant push on infrastructure and housing was one thing and right sized talent attraction was the other thing. In terms of it's role in helping the city through re-build, Priority One saw that it was much better if done together and included educating the community on what to expect and why. Priority One looked at 10-15 year future planning for talent to provide for infrastructure projects. Priority One could be of assistance with understanding specific parts of the city i.e. industrial location. .

Discussion points raised

- Thanked for work and partnership. Enjoyed the data driven approach to determine priorities.
- It was powerful to have a joined up message from Priority One and the Council to central government on the issues the city was facing in terms of the lack of affordable housing, with housing being 10x the average income, among the worst in New Zealand.
- However, the link between infrastructure and the cost of housing needed to be emphasised more by Priority One.
- The lack of transport infrastructure enabling land availability was driving house prices up. Failure to deliver the infrastructure meant less land available for housing. This story was not well understood in Wellington and collectively we needed to do more to get an understanding of this politically and within the community.
- A recent presentation by Dr Paul Spoonley on changing demographics nationally had highlighted the need for Council to be aware of the changing demographics and include this in future thinking and consider how to cater to the needs of an aging population. Dr Spoonley gave an example that a female pakeha woman born today had a life expectancy of 93 – 94 years and half of her cohort would be over the age of 100 years. In terms of housing for example, the Council needed to be thinking about providing more 1-2 bedroom houses for people over 65 years to move into and freeing up larger 3-4 bedroom houses with low occupancy rates by the over 65s to achieve greater housing optimisation.
- In terms of migration, Tauranga has the highest net internal migration but did not have the same levels of international migration as other metros. There was a change in migration from China to other parts of Asia, including the Philippines. Priority One's focus on higher skilled talent was supported to attract skilled people that were needed to be able to grow as a city and region.

COMMITTEE RESOLUTION SFR9/23/6

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Priority One Annual Report 2022/2023".

CARRIED

Attachments

- 1 Presentation - Nigel Tutt - Priority One

9.3 Mount Industrial Planning Study Key Recommendations

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Carl Lucca, Team Leader: Urban Communities
David Phizacklea, Consultant – Mount Maunganui Industrial Study

PowerPoint presentation.

Key points

- The report was taken as read. Report follows on from the workshop that was held on the 30 October 2023.
- The Mount Industrial Planning Study was the plan for the future of the industrial area and identified a programme of actions.
- The Mount Industrial Plan was part of the Mount to Arataki Spatial Plan.
- This work also fed into the transport options for Hewlett's Road, Totara Street and Hull Road which was being led by Waka Kotahi.
- Over the last 12 months, the staff worked with mana whenua, community, the impacted businesses, and Priority One. The community voice was strong with phase one and two engagement from the Mount to Arataki Spatial Plan.
- If a plan change was undertaken, Tauranga City Council needed to adopt requirements under the National Planning Standards. Council currently had one industrial zone across the whole city.
- The Tauranga City Plan recognised the existing use rights of businesses and provided for their future operations.
- It was recommended that land use interventions were intended to look at how city's would look at transitioning industrial areas to lighter industrial uses with less impact on the environment.

Vision and Objectives

Key points

- Eight key challenges were identified and stakeholders were asked to reflect on these challenges when they thought about interventions.
- The vision was developed with three scenarios (Business as usual, expansion and environmental limits) through various workshops held with stakeholders and individuals. A balanced approach was taken and reflected in the vision and objectives in recommendations (b) and recommendation (c) took a partnership approach.
- Priority One would be working with the industrial businesses and a cultural report was currently being completed for the Mount to Arataki Spatial Plan. This report included cultural mapping.

In response to questions

- Higher value land use was determined economically.. In terms of the Council's role in promoting higher value land use it was not about replacing industrial use with commercial use but using the limited amount of land more efficiently i.e. taller, larger buildings with more capacity, higher employment yields at edges with transition areas other land uses..
- When the eight objectives of the vision were implemented they needed to be considered together. A balanced approach was required with best practice to ensure that the interface areas with mana whenua were improved over time and the issues that currently existed were addressed.
- The vision and objectives were future focussed.

Discussion points raised

- One of the key challenges that had not been addressed were the businesses who did not want to move from their current location.
- It was noted that 'reverse sensitivity' was a term used by Council planners that could be misinterpreted by the public.

- It was identified that the inherent conflict was that Whareroa Marae was surrounded by an industrial area and the largest export port in Aotearoa. It was noted that this would not change immediately but this vision was implemented to manage this conflict and the affects on Whareroa and to seek change over time.

Policy options and recommendations

Key points

- Four main recommendations in the report set out the policy interventions to be considered through the Tauranga City Plan.
- The first recommendation was adopting appropriate zoning consistent with the National Planning Standards requirements.
- The second recommendation was to introduce land use interventions to progress a transition to lighter industry over time adjacent to sensitive land uses in proximity to Whareroa and Newton Street and MacDonald Street and create a greater separation distance.
- The third recommendation was to restrict residential activities in current commercial zoned areas of the Mount Maunganui Airshed at Newton Street and MacDonald Street.
- The fourth recommendation was to provide for avoiding and mitigating existing environmental impacts of existing businesses.
- Reviewed best practice approaches with industrial land use interfacing sensitive areas in the Auckland Unitary Plan and the Wellington City District Plan.
- Three options were identified and staff recommended Option 2, introducing controls to regulate future industrial land use activities.
- Priority One Mount Maunganui Industrial Blueprint was currently under development.
- Connecting Mount Maunganui transport and movement options was also under development. An Indicative Business Case was expected in April 2024.

In response to questions

- One of the considerations to work through was that any plan change did not contain an economic disadvantage. Businesses were concerned that a different set of regulations may impact on the value of the land.
- Demand for container storage areas was growing and the City Plan provided for these activities currently and these would be provided for under a light industrial zone with controls to deal with the effects, e.g. hours of operation, noise generation etc. A section 32 report economic analysis would be undertaken to understand what industries might thrive and what industries may require bespoke rules to avoid negative impacts.
- Option 3, relocation of industrial businesses with tighter controls, was constrained by the existing use rights that businesses currently had, and there was no ability to compel businesses to move. Any movement would be based on business decisions.
- Under Option 2, an existing business would not be allowed to add a new activity that included discharge to air, however any activity that would improve environmental outcomes would be a permitted activity. This would provide certainty to businesses.
- Two bitumen plants were proceeding through resource consent processes and issues relating to odour and air quality were being addressed through this process.
- The detail of the Connecting Mount Maunganui preferred option was not known, however alignment would occur once decisions were made and be integrated with the Mount Industrial Planning Study and the Mount Arataki Spatial Plan.
- Recommendation (e) was to endorse key interventions listed in Attachment B for consideration through the Mount to Arataki Spatial Plan which would set a direction and enable the Committee to pick this up in the new year.
- Ngāti Kuku's preference was to see the historic Whareroa viewshaft to Mauao returned and it was important this was recognised.
- An intervention was included in Attachment B for ongoing and enhanced monitoring of air quality, waterways and land to work with the BOP Regional Council, mana whenua and businesses to monitor environmental effects and understand the cumulative effects over time from all sources and the impact of interventions in reducing these effects.

Discussion points raised

- Concern was expressed about the proliferation of container storage areas under a light industrial zone could potentially result in worse amenity value and financial impacts for the city.
- Keen to investigate non-regulatory methods.
- Important to have a conversation with mana whenua on their aspirations for residential development around Whareroa.
- The main concern for the Council was the wellbeing of the people and determining how to hold existing businesses to account to achieve better environmental and social outcomes.
- Noted that matters from Connecting Mount Maunganui would flow into the Mount Industrial Plan and the Mount to Arataki Spatial Plan. Caution was required until there was good understanding of how the interventions would work and until then there was a level of discomfort.
- The airport was not included in the Mount Industrial Planning Study, however it would be useful for the Manager Tauranga Airport to address the Committee in the new year on the statistics of flights over Whareroa marae.

The following changes were made to the resolutions:

- Recommendation (b) bullet point five of the vision be elaborated to read *"Promoting opportunities for higher value land uses that promotes economic, environmental, social and cultural outcomes"*.
- Recommendation (b) bullet point two, add the words *"and providing for"* to read *"Recognising the importance and providing for the importance of the area to mana whenua."*
- Recommendation (c) added the words *"noting that the environmental standards would have the most immediate impacts, and any land use changes will have most impact over the longer term."*
- Recommendation (e) add the words after the Tauranga City Plan *"Industrial and Commercial zoning review"*.
- Recommendation (e) (ii) delete the sentence *"for the purpose of providing a buffer between heavy industrial and sensitive land uses, and/or requiring any new heavy industrial activities to go through a resource consent process for the use of that land"*
- Recommendation (e) new (iv) *"Engage with Whareroa around future aspirations for residential activity"*.

COMMITTEE RESOLUTION SFR9/23/7

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Mount Industrial Planning Study Key Recommendations".
- (b) Endorses the vision and objectives from the Mount Industrial Planning Study, being:

An economically productive, healthy and connected industrial area that fits with the surrounding environment and communities.

We will work together to deliver on this vision by:

- *Proactively managing land use activities to enhance the environmental, cultural and social wellbeing of our community*
- *Recognising and providing for the importance of the area to mana whenua*
- *Adopting best practice and innovation*
- *Improving accessibility and movement within and through the area of both people and goods*

- *Promoting opportunities for higher value land uses that promotes economic, environmental, social and cultural outcomes*
 - *Delivering the necessary infrastructure to support business growth*
 - *Considering our response to climate change, technological changes and hazard risks.*
- (c) Recognises that achieving the vision will require partnership with Bay of Plenty Regional Council – Toi Moana, mana whenua and stakeholders noting that the environmental standards would have the most immediate impacts, and any land use changes will have most impact over the longer term.
- (d) Endorses the key interventions listed in Attachment B to this report for consideration through the Mount to Arataki Spatial Plan and notes the implementation of these is dependent on funding and commitments from all agencies and stakeholders.
- (e) Approves the following land use policy interventions for consideration through the Tauranga City Plan (Industrial and Commercial zoning review), subject to robust analysis and the requirements of Schedule 1 to the Resource Management Act 1991 being met:
- i) Adopting the appropriate zoning to manage existing and future industrial activities, consistent with the National Planning Standards 2019 requirements.
 - ii) Introducing controls to regulate future industrial land use activities adjacent to sensitive land uses in proximity to:
 - Whareroa
 - Newton Street and MacDonald Streets
 - iii) Restricting residential activities in current commercial zoned areas of the Mount Maunganui Airshed.
 - iv) Engage with Whareroa around future aspirations for residential activity.
 - v) Provide for the ongoing operation and investment of existing businesses where environmental impacts are able to be effectively avoided or mitigated.
- (f) Supports a joint agency approach to better managing noise, air quality, odour, amenity, hazards, climate change and transport within the industrial area and adjoining sensitive land uses.
- (g) Acknowledges that mana whenua and the community has requested to see health and environmental impacts addressed.

CARRIED**Attachments**

- 1 Presentation - Mount Industrial Planning Study

9.8 Review of policies on grants for development contributions on Papakāinga Housing and Community Housing

Staff Christine Jones, General Manager: Strategy, Growth & Governance
 Sharon Herbst, Policy Analyst
 Ruth Woodward, Policy Analyst
 Richard Butler (Community Partnerships Funding Specialist)

Key points

- The development contributions on Papakāinga housing and community housing grants were reviewed for a second time.
- A decision was made in early 2023 to allocate a further \$500,000 per grant per annum over three years. This needed to be included in both policies.
- Requested a move from an annual review to a three yearly review in both policies.
- Update the definition of a registered community housing provider (CHP) in the Community Housing Policy to align with the Community Housing Regulatory Authority definition.
- Update the Community Housing Policy to include leasehold home ownership schemes.
- This currently does not meet the criteria.
- The Committee was asked to consider whether to refund GST to CHPs who were not GST registered. One CHP had raised a concern about the treatment of GST. Currently, because the grant was retrospective, GST was initially paid as part of the development contribution. If the CHP was not GST registered, then when the grant was paid, the GST portion was not refunded. This effectively leaves the CHP out-of-pocket as the full amount of the development contribution paid was not covered by the grant.

In response to questions

- If GST was paid, Council would be able to claim this back.
- Only one CHP was impacted by the GST provision and as outlined in paragraph 32 of the report the CHP was a large corporate charity with large net profits and accumulated funds. The Papakāinga Development Contribution grant was an internal transfer and no GST changed hands and the applicant should not be impacted by GST.
- The forecasted papakāinga development would exceed the accumulative value of the Papakāinga Development Contribution grant for the next three years. The quantum of the grant was a resourcing decision as part of the Annual Plan and Long Term Plan processes.

Discussion points raised

The Committee declined the CHP's request to refund GST.

COMMITTEE RESOLUTION SFR9/23/8

Moved: Commissioner Stephen Selwood

Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Review of policies on grants for development contributions on Papakāinga Housing and Community Housing".
- (b) Makes the following amendments to the Grants for Development Contributions on Papakāinga Housing Policy:
 - (i) update the policy to reflect the recent decision to extend the allocation of \$500,000 per annum for a further three years to 2027. This will include amendments for consistency in the definitions of the Grant Fund for Community Funding, the Grant Fund for Papakāinga Housing, and clause 5.1.1.
 - (ii) update the policy from an annual review to a three-yearly review. This will include amendments for consistency in the review date/process box on page one, and clause 5.5.1 and 5.5.2.
- (c) Make the following amendments to the Grants for Development Contributions on Community Housing Policy:
 - (i) update the policy to reflect the recent decision to extend the allocation of \$500,000 per annum for a further three years to 2027 This will include amendments for consistency in the definitions of the Grant Fund for Community Funding, and the Grant Fund for Papakāinga Housing, and clause 5.1.1

- (ii) update the policy from an annual review to a three-yearly review. This will include amendments for consistency in the review date/process box on page one, and clause 5.5.1 and 5.5.2
 - (iii) update the definition of a registered community housing provider to include that the Community Housing Regulatory Authority requires the community housing provider to “either retain ownership of the community housing, or to oversee tenancy management for the duration of their Income-Related Rent Subsidy agreement”
 - (iv) update clause 2.2 to include leasehold home ownership schemes, so that it reads “community housing developed and owned by, or on land leased from, registered community housing providers (registered CHPs) and accredited transitional housing providers”.
- (d) Adopt the revised policies included as **Attachment 3 and 4** in this report and delegate authority to the General Manager: Strategy, Growth and Governance for any minor tidy ups prior to publication.

CARRIED

9.4 Delivering on Our Direction - keeping it live

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

Key points

- It was noted this project journey was coming to an end.
- Our Direction was visually represented by Te Kupenga (fishing net) and was a system tailored to portray Tauranga Moana. This aligned with Tai Whanake.
- This strategic framework was built to assist with planning for the city and understand the importance of interconnections.
- Te Kupenga included the five community outcomes and the three approaches.
- Te Kupenga was well-constructed and the different aspects would be considered and connected to have an effective tool to capture all of our aspirations. If one of the outcomes or approaches was missed this would leave a hole in the net and would be less effective as it took all the individual streams being connected to get optimal results. This was considered an improvement of an earlier version.
- A six monthly review of the current year Action and Investment Plan (AIP) actions was proposed with reporting against the current actions starting next year.

In response to questions

- There were currently 38 to 40 Action and Investment Plans in Tauranga City Council. The Commission had adopted 13 and one was currently in the works. Another assessment of the remaining AIPs would happen in the lead up to the 2027 Long Term Plan.

Discussion points raised

- It was suggested that the three approaches, Te Aho Māori, Sustainability and Working beyond Tauranga be reported against and included in the annual reporting cycle.
- Te Kupenga best represented Tauranga as a port city. The net was a representation of Tauranga Moana. The analogy of a hole in a net should assist staff with identifying issues in the framework and repair the ‘hole’.
- It was noted that this framework was a clear direction and commitment.
- “Ka pū te ruha, ka hao te Rangatahi (The old net cast aside, the new net goes fishing)” This whakatauki refers to Te Kupenga being an updated and better version of the old framework.

COMMITTEE RESOLUTION SFR9/23/9

Moved: Commissioner Stephen Selwood

Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Delivering on Our Direction - keeping it live" for information, and
- (b) Notes the proposed monitoring, reporting and review programme outlined in this report.
- (c) Approves the three approaches, Te Aho Māori, Sustainability and Working beyond Tauranga be reported against annually.

CARRIED

9.5 Audit New Zealand - report to the commissioners on the audit of the consultation document for the 2024-34 long-term plan

Staff Paul Davidson, Chief Financial Officer
Jeremy Boase, Manager: Strategy & Corporate Planning

Key points

- The document outlined the audit of the consultation document for the 2024-34 Long Term Plan provided by Audit New Zealand.
- It was noted there was technical disclosures related to three waters.
- It was noted that there were no concerns raised around debt levels and funding of the capital programme.

Discussion points raised

- The ratepayers and residents can have confidence that the LTP for investment and management of the city stands up to a rigorous audit process.
- This was confirmation that Audit New Zealand, along with the Standard and Poors credit rating of A+ clearly demonstrated that the organisation was managing its financial affairs well and these independent reviews confirmed sound financial management.

COMMITTEE RESOLUTION SFR9/23/10

Moved: Commission Chair Anne Tolley

Seconded: Commissioner Stephen Selwood

That the Strategy, Finance & Risk Committee:

- (a) Receives the report "Audit New Zealand - report to the commissioners on the audit of the consultation document for the 2024-34 long-term plan".

CARRIED

9.6 Growth & Land Use Projects Progress Report - December 2023

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Andy Mead, Manager: City Planning & Growth
Janine Speedy, Team Leader: City Planning
Carl Lucca, Urban Planner

Key points

- It was noted that this report was a regular quarterly update of Growth and Land Use Projects.
- Staff worked with Mr Te Pio Kawe around Māori Housing information. This information would be included in the next quarterly update.

- It was noted that the SmartGrowth Strategy was currently in hearing process and decisions were to come.
- The engagement report around Mount to Arataki Spatial Plan would be outlined in more detail.
- The matters included were raised through the submissions and the hearings for Plan Change 33.

Mount to Arataki Spatial Plan Engagement

- The outcomes of engagement primarily with the community and key stakeholder for Stages one and two were included in the report. Specific engagement with mana whenua partners was on-going.
- It was noted that the engagement supported improving air quality and improving walking and cycling connections and safety and strong support was expressed for the coastal path and wanted to see that continued.
- Providing housing choice, increasing visitor accommodation and projects that resulted in conflicts of land use were not supported.
- Staff were committed to continued engagement and communication of the benefits from the Mount to Arataki Spatial Plan.
- The staff did engage with Rangatahi and local schools about the Mount to Arataki Spatial Plan. It was noted that the most diversity for engagement was found at the Bayfair shopping mall. It was suggested for better engagement with Rangatahi/teens were to go to their known hot spots.
- The character of the Mount and the surfing history was not strongly expressed in the report. Staff were aware of the culture and this would come through strongly in the final Mount to Arataki Spatial Plan.
- The engagement process included connectivity with the ocean and the community's main concern was safer access.
- It was noted an additional 5,000 residents over a three year period migrated to the Tauranga area.

In response to questions

- There was a need for ongoing and robust conversations with the community about the reasons why a more compact city was beneficial. The challenge was to truly engage and inform the community on the strategic direction provided through SmartGrowth that supported intensification. Innovative and interesting ways to get the message out and engage with the wider community would be considered next year.
- Tier One councils had difficulty proceeding with density changes due to the unknown future of the legislation. One of the uncertainties for TCC was to how the legislation was drafted and once this was known staff would then seek direction from the Council.
- Tauranga has a major housing shortage and would need to increase housing by going up as well as out and would not be able to opt out.
- It was suggested that the best practice for TCC was to continue with current plan change processes until further instruction from Central Government.

Discussion points raised

- It was suggested for the next quarterly report that the number of houses required be included.
- It was noted that Council needed to find new ways to fund infrastructure development such as IFF.
- The dilemma facing all councils was the NIMBY response to intensification of housing.

COMMITTEE RESOLUTION SFR9/23/11

Moved: Commissioner Stephen Selwood

Seconded: Mr Te Pio Kawe

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Growth & Land Use Projects Progress Report - December 2023".
- (b) Confirms that the:
 - (i) Plan Change 33 process will identify the future residential zoning for the Mount to Arataki area.
 - (ii) Mount to Arataki Spatial Plan will reflect the outcomes of the Plan Change 33 process and provide direction on future investment and policy to support the existing community and future growth.

CARRIED

9.7 City Plan Work Programme

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Andy Mead, Manager: City Planning & Growth
Janine Speedy, Team Leader: City Planning

Key points

- Council had substantially completed Plan Change 33 and the remaining work now sat with the City Plan Hearings Panel.
- A significant amount of work sat with the City Planning team, the majority being on green field development, some of which were large scale. Some works included were private and smaller plan changes.
- The report at this stage suggested a commencement of a significant Plan Change to review the commercial and industrial hierarchy provisions in the current Tauranga City Plan.
- It was noted there were a range of Resource Management issues that had not reached a plan change stage. These included papakāinga, development view shafts, zoning at Baypark, and work that included the benefits of water tanks for new development.
- The Tauranga City Plan currently no hierarchy within commercial zoning. There was also no differentiation between a large format centre or a small neighbour centre. There was a need to review the commercial and industrial zones to differentiate types of commercial and industrial activities. The rezoning of new land introduced bespoke commercial zones.
- Plan Change 33 raised concerns about differentiating the commercial and bespoke commercial zones in Tauranga City.
- The development community had raised issues around barriers to development. Reviewing rules on current limits on gross floor area would require an economic analysis of how big centres were, how much land was needed and where there were shortages..
- Central government requirement to apply the National Planning Standards and the Council had to apply those zones and draft the rule framework for those zones.
- Need to look at supporting rules such as transportation provisions that lacked requirements for multi model outcomes e.g. bicycle. If the committee agreed with commencing the commercial and industrial plan change then staff would begin the detailed thinking on these issues.

COMMITTEE RESOLUTION SFR9/23/12

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "City Plan Work Programme".
- (b) Notes the current and committed plan change projects.
- (c) Approves proceeding with the development of a plan change to comprehensively review the commercial and industrial zones and relevant provisions in the City Plan, including the commercial centres network and hierarchy.

- (d) Notes that work programme updates will be provided through the regular three-monthly progress reporting to the Committee.

CARRIED

9.9 Deliberations Report on the Street Use Policy

Staff Nic Johansson, General Manager: Infrastructure Services
Vicky Grant-Ussher, Policy Analyst

Commission Chair advised that she had read all the submissions.

Key points

- The Street Use Policy was reviewed in early 2023 and a number of submissions were received.
- Identified some policy issues that needed another look at, these were the rational for charging street to street dining and balcony dinning, smoke-free and vape-free requirement and prohibiting the use of artificial grass on berms.
- Through the submission process, there were mixed views regarding the changes proposed in terms of the timing due to the current economic conditions and other cost of living pressures.
- The proposed changes would be phased in through user fees and charges that would go out for consultation in 2024 and take effect from the 2025-26 Annual Plan.

In response to questions

- The recommendations do not make it clear that this was a phased approach and this clarity could be added.
- Balcony dining was already been paid and accounted in their current leases.
- The policy clarified user fees and charges would be part of the annual user fees and charges consultation rather than part of licence agreements to ensure greater transparency.
- While the Council had flexibility under the Policy to determine when fees would be introduced and what levels they were set, it was suggested that additional wording to section 6.8 of the Policy be included to widen the criteria.
- There was currently no fee for the Mount and consultation on phasing in the fees would be undertaken through the LTP process.

Discussion points raised

- The balcony spaces do not affect pedestrian walking space and the Council was effectively charging for air space. There was general support for charging for ground level street dining charges but not for balcony dining.
- Smoke and vape free areas received strong community support, however feedback from operators was that the requirement to regulate smokers was considered problematic.
- It was agreed to amend the Policy as follows:
 - promoting smoke-free and vape-free environments.
 - new applications for artificial grass on berms would be prohibited.
 - Balcony dining would be free.
 - Add a further bullet point to clause 6.8 of the Policy "or for other reasons determined by resolution of Council" to enable flexibility around fees and charges.
 - Fee reductions under clause 6.8 would be considered through the LTP process.

COMMITTEE RESOLUTION SFR9/23/13

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Deliberations Report on the Street Use Policy".

- (b) Approves the following changes to the Street Use Policy:
 - (i) promoting smoke-free and vape-free environment for new licences or leases for street dining from 1 March 2024.
 - (ii) prohibit new applications for the use of artificial grass on berms.
- (c) Approves draft Street Use Policy (Attachment One) with charges to be phased in from the 2024-34 Long Term Plan:
 - (i) zoned dining charges for street dining and free balcony dining
 - (ii) Add a further bullet point to 6.8 in the policy "or for other reasons determined by resolution of Council"
 - (iii) Note that through the 2024-2034 Long Term Plan deliberations Council will give consideration to fee reductions under clause 6.8 of the policy.
- (d) Adopts draft Street Use Policy incorporating Resolutions (b) and (c) above.
- (e) Delegates to the General Manager: Infrastructure authority to make any necessary minor drafting or presentation amendments to the consolidated Street Use Policy, prior to it taking effect.

CARRIED

9.10 Deliberations Report for Traffic and Parking Bylaw

Staff Nic Johansson, General Manager: Infrastructure Services
Vicky Grant-Ussher, Policy Analyst

Key points

- A statutory review of the traffic and parking bylaw was due for review.
- Staff were seeking to include the recommendations into the Traffic and Parking Bylaw.
- Adding a new parking category to enable electronic permits can be used instead of physical permits.

In response to questions

- Free parking; staging engagement with community to ensure all were informed of the change as there was a penalty if people did not register.
- Challenge would be that people would not understand where to register, and when to register, therefore communication had to be done effectively.

COMMITTEE RESOLUTION SFR9/23/14

Moved: Commissioner Stephen Selwood
Seconded: Commissioner Shadrach Rolleston

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Deliberations Report for Traffic and Parking Bylaw".
- (b) Notes that work is underway to address mobility parking concerns in the city centre
- (c) Agrees to the following updates to the Traffic and Parking Bylaw 2012:
 - (i) clarifying that secondary vehicle crossings require written council approval
 - (ii) introducing a registered parking category to better monitor time-limited parking with implementation subject to a further Council resolution
 - (iii) incorporating drafting changes to the bylaw to clarify that council may issue approval through electronic permits
 - (iv) removing redundant provisions now covered under relevant legislation to reflect legislative updates since the last review, correcting an omission and editorial changes to improve clarity.

(d) Recommends to Council:

- (i) the adoption of the draft Traffic and Parking Bylaw 2023 (Attachment One), pursuant to section 145 of the Local Government Act and section 22AB of the Land Transport Act to be brought into force on 20 December 2023
- (ii) to resolve that, in accordance with section 155 of the Local Government Act 2002, the proposed draft Traffic and Parking Bylaw is the most appropriate and proportionate way of addressing the perceived problem and does not give rise to any implications under the New Zealand Bill of Rights Act 1990
- (iii) to delegate to the General Manager Infrastructure, the authority to make any minor edits or presentation amendments to the draft Traffic and Parking Bylaw 2023 to correct any identified errors or typographical edits, before the bylaw comes into force.

CARRIED

9.11 Deliberations Report - Gambling Venues Policy

Staff Sarah Omundsen, General Manager: Regulatory and Compliance
Jennifer Ross, Policy Analyst
Ruth Woodward, Team Leader: Policy
Nigel McGlone, Manager: Environmental Regulation

Key points

- The report was taken as read.
- The existing policy only allowed relocation of gambling venues under specific criteria.
- The proposed amendments would enable changing locations within commercial zone or industrial zones.
- Consultation was taken in October 2023 and submissions overwhelmingly supported this approach.
- The original deprivation index was an area to consider 8,9 and,10, however reflecting on the Local Alcohol Policy decisions taken a couple of weeks ago this has been amended to 9 and 10.
- Suggested adding a requirement to include the proximity of relocated venues to sensitive locations such as schools, marae and places of worship when considering the granting of a consent to relocate a venue, which would be consistent with the legislation.

COMMITTEE RESOLUTION SFR9/23/15

Moved: Commissioner Stephen Selwood

Seconded: Mr Te Pio Kawe

That the Strategy, Finance and Risk Committee:

- (a) Receives the report "Deliberations Report - Gambling Venues Policy".
- (b) Agrees to amend the Gambling Venues Policy to:
 - (i) allow gambling venues to relocate to alternative premises for any reason as long as the alternative premises are in a commercial or industrial zone identified in the Tauranga City Plan, that is more than 100 metres from residential zones with a deprivation index of 9 or 10, measured on the NZ Index of Deprivation – section 5.4
 - (ii) add a requirement to include the proximity of relocated venues to sensitive locations such as schools, marae and places of worship when considering the granting of a consent to relocate a venue - section 5.4

- (iii) remove the out-of-date city maps (currently in Schedule 1) and refer to online maps on the council website instead – section 5.4
- (iv) make minor clarifications and updates to text.
- (c) Adopts the updated Gambling Venues Policy (Attachment One).
- (d) Delegates to the General Manager: Regulatory and Compliance the authority to make minor editorial or presentation changes to the draft policy for correction or clarity.

CARRIED

9.12 LGOIMA and Privacy Report Q1 for 2023/2024 year

Staff Christine Jones, General Manager: Strategy, Growth & Governance
Coral Hair, Manager: Democracy & Governance Services

Key points

- The report was taken as read.
- There was a 42% increase in LGOIMA requests from the first quarter of the previous financial year.

In response to questions

- The majority of LGOIMA requests were from individuals.

COMMITTEE RESOLUTION SFR9/23/16

Moved: Commissioner Shadrach Rolleston

Seconded: Ms Rohario Murray

That the Strategy, Finance and Risk Committee:

- (a) Receives the report “LGOIMA and Privacy Report Q1 for 2023/2024 year.

CARRIED

10 DISCUSSION OF LATE ITEMS

The late item was discussed in Public Excluded session of the meeting.

11 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

COMMITTEE RESOLUTION SFR9/23/17

Moved: Commissioner Stephen Selwood

Seconded: Ms Rohario Murray

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
11.1 - Corporate Risk Register - Quarterly Update	<p>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</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)(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>
11.2 - Internal Audit & Assurance - Quarterly Update	<p>s6(b) - The making available of the information would be likely to endanger the safety of any person</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(j) - The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</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>
11.3 - Litigation Report	<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)(g) - The withholding of the information is necessary to maintain legal professional privilege</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>

11.4 - Local Alcohol Policy – Legal Advice	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege	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
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CARRIED

12 CLOSING KARAKIA

Commissioner Shadrach Rolleston closed the meeting with a karakia.

The meeting closed at 3:20pm.

The minutes of this meeting were confirmed as a true and correct record at the Strategy, Finance and Risk Committee meeting held on 19 February 2024.

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CHAIRPERSON