



AGENDA

Vision, Planning, Growth & Environment Committee meeting Monday, 9 September 2024

I hereby give notice that a Vision, Planning, Growth & Environment Committee meeting will be held on:

Date: Monday, 9 September 2024

Time: 9.30am

**Location: Tauranga City Council
Ground Floor Meeting Rooms 1 & 1b
306 Cameron Road
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 – Vision, Planning, Growth and Environment Committee

Common responsibilities and delegations

The following common responsibilities and delegations apply to all standing committees.

Responsibilities of standing committees

- Establish priorities and guidance on programmes relevant to the Role and Scope of the committee.
- Provide guidance to staff on the development of investment options to inform the Long Term Plan and Annual Plans.
- Report to Council on matters of strategic importance.
- Recommend to Council investment priorities and lead Council considerations of relevant strategic and high significance decisions.
- Provide guidance to staff on levels of service relevant to the role and scope of the committee.
- Establish and participate in relevant task forces and working groups.
- Engage in dialogue with strategic partners, such as Smart Growth partners, to ensure alignment of objectives and implementation of agreed actions.
- Confirmation of committee minutes.

Delegations to standing committees

- To make recommendations to Council outside of the delegated responsibility as agreed by Council relevant to the role and scope of the Committee.
- To make all decisions necessary to fulfil the role and scope of the Committee subject to the delegations/limitations imposed.
- To develop and consider, receive submissions on and adopt strategies, policies and plans relevant to the role and scope of the committee, except where these may only be legally adopted by Council.
- To consider, consult on, hear and make determinations on relevant strategies, policies and bylaws (including adoption of drafts), making recommendations to Council on adoption, rescinding and modification, where these must be legally adopted by Council.
- To approve relevant submissions to central government, its agencies and other bodies beyond any specific delegation to any particular committee.
- Engage external parties as required.

Terms of reference – Vision, Planning, Growth & Environment Committee

Membership

Chairperson	Cr Marten Rozeboom
Deputy chairperson	Cr Glen Crowther
Members	Deputy Mayor Jen Scoular Cr Hautapu Baker Cr Rick Curach Cr Steve Morris Cr Kevin Schuler Cr Mikaere Sydney Cr Rod Taylor <i>Mayor Mahé Drysdale (ex officio)</i>
Non-voting members	(if any)
Quorum	<u>Half</u> of the members present, where the number of members (including vacancies) is <u>even</u> ; and a <u>majority</u> of the members present, where the number of members (including vacancies) is <u>odd</u> .
Meeting frequency	Five weekly

Role

The role of the Vision, Planning, Growth and Environment Committee is:

- To consider strategic issues and opportunities facing the city and develop a pathway for the future.
- To consider Tauranga's strategic responses at a sub-regional, regional, and national level as appropriate.
- To ensure there is sufficient land supply for housing and for commercial and industrial purposes.
- To ensure there is sufficient and appropriate housing supply and choice in existing and new urban areas to meet current and future needs.
- To ensure that Tauranga's urban form and transport system enables, supports and shapes current and future sustainable, vibrant and connected communities.
- To ensure there is a clear and agreed approach to achieve measurable improvement in transport outcomes in the medium to long-term including transport system safety, predictability of travel times, accessibility, travel choice, mode shift and improved environmental outcomes.
- To enable Tauranga's urban centres to thrive and provide a sense of place.
- To ensure that council and partner investments in Tauranga's build environment are economically and environmentally resilient.

- To work with all key partners to enhance, protect and restore (where necessary) the wellbeing of our natural environment and harbour to ensure the people of Tauranga can thrive and enjoy the lifestyle this city provides.

Scope

- Development and ongoing monitoring and update of the Western Bay of Plenty Transport System Plan and associated programmes and network operating plans.
- Development and ongoing monitoring and update of the Future Development Strategy and urban settlement patterns, including structure plans as required.
- Development and oversight of urban centres strategies, neighbourhood plans and master-plans.
- Development and oversight of the Compact City programme in support of higher development densities and the provision of a greater range of housing options.
- Development of City Plan changes and related matters for adoption by Council.
- Contribution to matters related to the SmartGrowth Strategy and input to the SmartGrowth Leadership Group.
- Regular monitoring of strategic growth-related projects and strategic transport projects.
- Development of strategies, policies, plans and programmes for the medium to long term delivery of social, environmental, economic, cultural and resilience outcomes.
- Ensuring that social, environmental, economic and cultural wellbeing's are promoted through all strategic work considered by the Committee.
- Consideration of significant natural hazards risks across the city, as they apply to current and future land-form and built environment.

Power to Act

- To make all decisions necessary to fulfil the role, scope and responsibilities of the Committee subject to the limitations imposed.
- To establish sub-committees, working parties and forums as required.

Power to Recommend

- To Council and/or any standing committee as it deems appropriate.

Order of Business

1	Opening karakia	9
2	Apologies	9
3	Public forum.....	9
4	Acceptance of late items	9
5	Confidential business to be transferred into the open.....	9
6	Change to order of business.....	9
7	Declaration of conflicts of interest	9
8	Business.....	10
8.1	Vision, Planning, Growth & Environment Committee Draft Programme	10
8.2	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - September 2024.....	13
8.3	Transport Major Projects Update.....	36
8.4	Connecting Mount Maunganui - Project Update	52
9	Discussion of late items	55
10	Closing karakia	55

- 1 OPENING KARAKIA**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO ORDER OF BUSINESS**
- 7 DECLARATION OF CONFLICTS OF INTEREST**

8 BUSINESS

8.1 Vision, Planning, Growth & Environment Committee Draft Programme

File Number: A16484677

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

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

PURPOSE OF THE REPORT

1. The purpose of this report is to provide the draft work programme for the Committee for information and comment.

RECOMMENDATIONS

That the Vision, Planning, Growth & Environment Committee:

- (a) Receives the report "Vision, Planning, Growth & Environment Committee Draft Programme".
- (b) Endorses the Committee's Proposed Work Programme, and notes that the programme will continue be updated on an ongoing basis and reported to this Committee.

BACKGROUND

2. The Vision, Planning, Growth & Environment was established by the newly elected Council on 15 August 2024. The approved Terms of Reference determine the scope and role of the Committee.
3. The proposed work programme for the Committee is outlined in Attachment 1.
4. The proposed work programme will continually be updated and discussed with the Chair and Deputy Chair of the Committee on an ongoing basis. It is expected that it will be reported on a six-monthly basis to the Committee.

STRATEGIC ALIGNMENT

5. This contributes to the promotion or achievement of the following strategic community outcome(s):

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city	✓
We can move around our city easily	✓
We are a city that supports business and education	✓

Collectively, the matters considered by the Vision, Planning, Growth & Environment Committee will contribute to all the Strategic Community Outcomes.

LEGAL IMPLICATIONS / RISKS

6. There are no legal or risk matters associated with this report.

TE AO MĀORI APPROACH

7. Matters of specific relevance to Mana Whenua are included in the work programme, and over time additional matters of relevance will be added. Individual matters on the work programme that have a Te Ao Māori impact will be addressed in those respective reports.

CLIMATE IMPACT

8. Matters with a climate impact are included in the work programme, and over time additional matters will be added. Individual matters on the work programme that have a climate impact will be addressed in those respective reports.

CONSULTATION / ENGAGEMENT

9. It is not proposed that consultation be undertaken on the work programme itself. Matters will be identified for inclusion in the work programme through a range of sources including connection with the community. Individual matters on the work programme will require consultation / engagement, and that will be addressed in those respective reports.

SIGNIFICANCE

10. 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.
11. 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.
12. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

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

NEXT STEPS

14. The forward work programme for the Committee will continue to evolve and be updated over time.

ATTACHMENTS

1. **Proposed Work Programme Vision, Planning, Growth & Environment Committee - A16484846**  

[illegible]

8.2 Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - September 2024

File Number: A16364172

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

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

PURPOSE OF THE REPORT

1. To report progress on key projects relating to managing growth in a sustainable manner, including land use planning projects and related transport, infrastructure and funding workstreams.

RECOMMENDATIONS

That the Vision, Planning, Growth & Environment Committee:

- (a) Receives the report "Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - September 2024".

EXECUTIVE SUMMARY

2. Managing growth is a significant issue for Council, particularly the challenge of ensuring growth is sustainable in a four well-beings context for both current and future communities.
3. The attached report outlines the progress being made in relation to a number of projects necessary to manage this continued growth. This information is also regularly reported to the SmartGrowth partners.

KEY UPDATES

4. The key points to note in this update are outlined in the paragraphs below.
5. A number of matters have been identified for more in depth consideration at future Committee meetings through workshop and presentation items. These currently include:
 - (a) Poteriwahi sportsfields and housing project
 - (b) Growth funding (Development contributions, Development Agreements and other funding sources)
 - (c) Plan Change 38 – Business Land Framework and commercial centres strategy
 - (d) Keenan Road urban growth area
 - (e) Government planning and housing reforms
 - (f) Three waters planning and infrastructure requirements to support growth
 - (g) SH29 Tauriko Network Connections
 - (h) Growth-related infrastructure not included in the 2024-34 LTP.

Plan Change 33 and Spatial Plans

6. Plan Change 33 – Enabling Housing Supply is now fully operative providing a quantum shift in residential intensification opportunities across the City. This will be the last quarterly report that includes PC33.

7. A key part of facilitating intensification is improving public transport, cycling and walking options. The Government's transport policy and funding availability for these investments is significantly reduced compared to the previous Government.
8. Likewise, we anticipated Kainga Ora to play a significant role in delivering intensification through its social housing and urban development functions. This is not likely to occur based on the new Government's direction. The new Government is more focused on building capacity of Community Housing Providers to play a greater role in social housing delivery which may especially provide opportunities for Accessible Properties Ltd who own a large amount of housing stock in Te Papa.
9. The Spatial Plans for Te Papa, Otumoetai and Mount/Arataki (including the Mount Industrial Planning Study) are no longer included in this report and the spatial plans themselves have been completed. The implementation phase is now underway and monitoring to Council will occur every 6 months as part of broader Asset and Investment Plan (AIP) monitoring. This monitoring will also pick up progress on urban design panel / AIP and the Greerton Maarawaewae Study which is linked to the Health New Zealand business case for the future of Tauranga Hospital.

Greenfield projects

10. Tauriko Business Estate extension: The Hearing for this private plan change took place on 20 August. This proposed development is essential to providing sufficient industrial land supply for the next 10 years. A further verbal update will be provided at the Committee meeting. Associated with this project, a recommendation has been received from the Independent Hearings Panel for a small rural residential plan change adjoining the Tauriko Business Estate extension. This will be reported to Council in the near future for decision-making.
11. Tauriko West: Variation 1 to PC33 to rezone Tauriko West will be heard by an Independent Hearings Panel in early December this year. We expect a recommendation for Council decision-making in the first quarter of 2025. This puts us on track for the rezoning of Tauriko West to be operative by mid-2025 in accordance with external funding agreements. Construction of the enabling works for the first 2,400 homes in Tauriko West is well underway in the vicinity of Redwood Lane, with construction of the northern access and improvements to the SH29/Cambridge Road intersection to commence in September.
12. Western Corridor Specified Development Project proposal: TCC has provided feedback on Kainga Ora's draft report and recommendation in relation to this proposal. We understand that Kainga Ora has provided advice to the Minister and that advice from other government departments is also to be provided to the Minister come before decision-making occurs.
13. Te Tumu: Staff have been working closely with landowner representatives to update technical reports to enable the structure planning phase to be completed and plan change documentation to be prepared. A key ongoing workstream is the negotiation of infrastructure corridors through the TK14 Māori land block. We anticipate reporting to Council for decision-making on this matter this calendar year.
14. Upper Ohauiti: This is a private plan change for approximately 500 homes. Council accepted this private plan change request in February this year. The plan change was notified for submissions. These have now been summarised and the further submission process required under the RMA is underway.
15. Keenan Road: The structure planning process continues, including public open days. Further processes, including rezoning, may be impacted by decisions on the Western Corridor Specified Development Project (SDP).

SmartGrowth

16. The updated SmartGrowth Strategy 2024 has now been adopted by all SmartGrowth Partners including tangata whenua. A key component of the SmartGrowth Strategy is the

30-year Future Development Strategy (FDS) requirements of the National Policy Statement for Urban Development. The role of the FDS is to identify how and where sufficient development capacity will be provided for the 30-year period. The FDS reconfirms the need for the key growth projects we are working on such as intensification, Tauriko West and Te Tumu. It also identifies that further growth in the Western Corridor (starting with Upper Belk Road) and in the eastern corridor (in the WBOP District) is required to address housing and business land shortages.

17. The next step is the development of the implementation plan for the strategy between now and the end of the calendar year. The implementation plan will set out key actions, responsibilities and timeframes, especially for projects that need to be progressed collaboratively by two or more SmartGrowth Partner organisations (eg Upper Belk Road). The Implementation and Funding Plan progress was reported to the SmartGrowth Leadership Group on 27 August.

Government Reforms

18. The Government is undertaking a wide-reaching policy and legislative reform process that will have significant implications for growth management in the City. Key initiatives include:
 - (a) Going for Growth Housing Policy
 - (i) Pillar One: freeing up land for urban development, including removing some planning barriers.
 - (ii) Pillar Two: improving infrastructure funding and financing to support urban growth.
 - (iii) Pillar Three: providing incentives for communities and councils to support growth.
 - (b) Resource Management reforms
 - (i) Fast-track Approvals legislation for infrastructure and housing projects
TCC has made applications for four projects to be included in the legislation
 - Poteriki sports fields and housing
 - Papamoa East Interchange surplus land (housing, community facilities and employment)
 - Turret/15th Ave transport improvements
 - Kaituna stormwater overflow in Te Tumu
 - (ii) Comprehensive review of national direction under the RMA (National Policy Statements and National Environmental Standards)
 - (iii) The longer-term replacement of the RMA with a new planning system.
 - (c) Local Waters Done Well which will provide greater capacity to invest in waters infrastructure for growth.
 - (d) Legislation to enable more use of road tolling and the introduction of congestion pricing of road networks in larger cities like Tauranga.
 - (e) The development of a framework for City/Regional Deals to provide greater coordination and alignment between central and local government outcomes and investment over the long-term.
19. Council staff are involved in a range of capacities and forums providing input and advice into the early stages of policymaking. TCC will have further opportunities to provide formal submissions in due course. We expect to have a significant focus on submissions to changes to the National Policy Statement for Urban Development and an RMA Amendment Bill to give effect to the Government's stated aim for Council to zone 30 years of feasible development capacity. This Bill will also address the ability for councils to opt out of the Medium Density Residential Standards in certain circumstances which may not apply to

Tauranga given our housing shortfalls. Indications are that the submission period will be in the first quarter of 2025.

Government Policy Statement on Land Transport and National Land Transport Plan

20. The Government has finalised its Government Policy Statement for Land Transport. The GPS includes a much greater focus on roading projects, particularly State Highway investment through Roads of National Significance (RONs). These include TNL Stage 2 and the long-term upgrades to SH29 through Tauriko. RONs projects are identified as being four laned and grade separated. As mentioned earlier there is a reduced focus on walking, cycling and public transport.
21. The National land Transport Plan determines which transport projects are funded over a three-year period. The NLTP will be finalised in September this year covering the period from July 2024 to June 2027. It will be instrumental in determining whether investment in the City's transport network will keep pace with growth.

STRATEGIC ALIGNMENT

22. The projects reported in this report and attachment contribute to all of the strategic community outcomes in the table below, with a specific focus on a well-planned city.

Outcome

We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city	✓
We can move around our city easily	✓
We are a city that supports business and education	✓

23. Further, the projects covered in this report are framed under the strategic direction of the SmartGrowth Strategy 2024 including the Future Development Strategy and the 2024-34 Long Term Plan (including the 30-year Infrastructure Strategy).

TE AO MĀORI APPROACH

24. We take a deliberate approach to collaborate and engage with Tangata Whenua as part of our planning projects ensure we understand Māori views and can reflect this in our projects using the Te Ao Māori approach.

CLIMATE IMPACT

25. Climate change is a significant matter that is considered and addressed in our planning projects, especially as it applies to natural hazards such as sea level rise and flooding from intense rainfall. Climate change impacts are modelled, and constraints associated with climate change are addressed through planning frameworks e.g. minimum building platforms above flood levels or setbacks from constrained areas.

OPTIONS ANALYSIS

26. There is no options analysis. This report is for information only.

SIGNIFICANCE

27. While growth is a significant issue for Tauranga City, this report does not require any decisions and is not significant in itself.

NEXT STEPS

28. Council will continue to progress the projects and works identified in the report and attachment (Ref A16364090).

ATTACHMENTS

1. **Growth, Landuse Planning & Transport Strategy Projects - September 2024 - A16364090**  

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
Plan Change 27 - Flooding from intense rainfall Plan Change	<p>Plan Change 27 proposes to manage the effects of flooding from intense rainfall on people, properties and infrastructure. Following decisions from Council on the Independent Hearings Panel recommendations, Environment Court appeals closed on 25 May 2022. Three appeals were received and 20 s.274 parties. One appeal was withdrawn on 24 November 2023. There are two appeals that remain.</p> <p>Mediation was held on 11 and 12 October 2022. The mediation resulted in a number of actions and follow up meetings to discuss the parameters of the flood model, the process for resource consents and building consents when landform has changed and providing clear information on process on Council website. Expert conferencing was completed in November 2023 to discuss the parameters of the flood model. Discussions are ongoing with the experts on the rainfall data used in modelling. Informal discussions were held with parties on the provisions and amendments made. These proposed amendments are with the appellants and s.274 parties.</p> <p>Urban Taskforce for Tauranga have requested a preliminary determination on the lawfulness of non-statutory maps. Relevant parties have responded with their views of having the preliminary determination to the Court.</p>	<p>Continuing discussion with appellants to resolve appeals.</p> <p>Awaiting direction from the Environment Court on whether there will be a preliminary determination.</p>
Plan Change 33 – Enabling Housing Supply	<p>Council made their decisions on the recommendations from the Independent Hearing Panel on Plan Change 33 on Monday 20 May 2024.</p> <p>Plan Change 33 became operative in part on 26 June 2024 and the Tauranga City Plan was updated to include all the accepted Independent Hearing Panel recommendations.</p> <p>Council received the decision from the Minister Responsible for RMA Reform on Thursday 27 June 2024, who accepted Council's alternative recommendation on increased heights in Mount Maunganui North, and rejected Council's alternative recommendation on limited heights in Area F of the City Centre.</p> <p>Plan Change 33 became 'operative in full' on 17 July 2024.</p> <p>On 4 July, central Government announced six changes the government will progress to free up land for development. The changes are:</p>	n/a

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<ol style="list-style-type: none"> 1. The establishment of Housing Growth Targets for Tier 1 and 2 councils 2. New rules requiring cities to be allowed to expand outwards at the urban fringe 3. A strengthening of the intensification provisions in the National Policy Statement on Urban Development (NPS-UD) 4. New rules requiring councils to enable mixed-use developments in our cities. 5. The abolition of minimum floor area and balcony requirements 6. New provisions making the MDRS optional for councils <p>Staff are currently working with central Government staff on these proposed changes which may require further changes to the City Plan for residential intensification.</p>	
Plan Change 38 – Business Land Framework	<p>On 4 December 2023, the Strategy Finance and Risk Committee approved proceeding with development of a plan change to comprehensively review the commercial and industrial zones and relevant provisions in the City Plan. The key drivers for progressing a review of business land includes:</p> <ol style="list-style-type: none"> a) The lack of a clear commercial hierarchy in the City Plan; c) Inconsistency with the National Planning Standards structure and framework for commercial and industrial zones; d) Provisions within the City Plan that are no longer fit for purpose to support development in the commercial/industrial zones or alignment with strategic outcomes; e) The need to better manage effects of industrial activities within zones and adjacent sensitive zones, including outcomes from the Mount Industrial Planning Study; and f) Reviewing the spatial allocation of commercial and industrial land across the City to give effect to the NPS-UD. <p>The project plan was endorsed by the Strategy Finance and Risk Committee in May 2024.</p> <p>The plan change is currently in the research and investigation phase.</p>	<p>Report to the Vision, Planning and Growth Committee to seek endorsement of the work programme.</p> <p>Report to Vision, Planning & Growth Committee early 2025 to seek strategic direction on the plan change.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
Variation 1 to Plan Change 33 - Tauriko West Urban Growth Area	<p>This project is to re-zone the Tauriko West urban growth area from rural zone to medium density residential zone (MDRZ), through a variation to Plan Change 33: Enabling Housing Supply, known as Variation 1: Tauriko West.</p> <p>Variation 1 provides much needed greenfield housing supply (i.e. up to 4,000 homes at full build out) supported by provisions that enable small-scale commercial activities in local and neighbourhood centres, active and passive reserve and recreation areas including adjoining the Wairoa River, and schooling.</p> <p>https://www.tauranga.govt.nz/council/council-documents/tauranga-city-plan/proposed-plan-changes/variation-1-to-plan-change-33</p> <p>The Variation was notified for public submissions on 11 March 2024. Key topics raised in the submissions received include:</p> <ul style="list-style-type: none"> • The approach to the staging and sequencing of development within the UGA particularly in respect to the allocation of the first 2,400 homes (as provided for by the Enabling Works transport improvement project) to the majority landowners (Classic Group; Kainga Ora; Tauriko West Limited) who are part funding key infrastructure ahead of other landowners near Redwood Lane. • Minimum yield – a request for a lower required minimum average yield of 20 rather than 25 dwellings per hectare across the growth area. • That land adjacent to Cambridge Road, owned by Kainga Ora, is zoned rural residential rather than MDRZ. <p>A hearing on the Plan Change by an Independent Hearings Panel (IHP) is set down for 4 - 6 December 2024. The IHP will make a recommendation to Council on whether to accept, accept in part (with amendments) or reject the Variation. Council then makes a decision on Variation 1 and is programmed for the first quarter of 2025. Should Council not accept the IHP recommendation then the decision is referred to the Minister for Environment for a decision.</p> <p>In parallel to Variation 1 Council has lodged the Comprehensive Stormwater Consent (CSC) application with BoPRC. The CSC is required to manage stormwater runoff from the future urban development of Tauriko West. The period for making submissions to BoPRC on the CSC closed on 9 August. At the time of writing this report staff were still reviewing the submissions received to confirm the extent and significance of matters raised.</p>	<p>Hearing: 4 to 6 December 2024. Ahead of this staff will continue to liaise, as necessary, with submitters on some submission points to help finalise the Section 42A (planning report) to support the hearing by the IHP.</p> <p>Comprehensive Stormwater Consent submissions reviewed and if necessary, further technical work undertaken to address these. Request BoPRC to confirm a hearing date which could potentially be at the same time as Variation 1.</p> <p>Ongoing liaison with BoPRC, tangata whenua and stakeholders.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>In addition to the rezoning of Tauriko West and the CSC, there are a number of other key components required for the future housing in Tauriko West, including the joint NZTA/TCC Enabling Works which are underway, and the consents required by the developers (including earthworks, impacts on wetlands and watercourses, temporary stormwater discharges, and all the necessary subdivision related consents).</p> <p>The project team continue to keep stakeholders informed of the rezoning process and CSC timeframe, as well as ongoing engagement with tangata whenua at both Iwi Authority level and through Te Kauae a Roopu (hapu centric forum for Tauriko for Tomorrow). The project team also continues to liaise with BoPRC on the rezoning, stormwater management, flood modelling, and impacts on wetlands / watercourses.</p>	
Te Tumu Urban Growth Area	<p>On 11 December 2023 Council reconfirmed the importance of enabling urban development in Te Tumu and that work necessary to rezone this area be prioritised with a proposed plan change ready for notification by the first quarter 2026 at the latest. The plan change work is to take place concurrently alongside the process that is underway with Trustees of the Tumu Kaituna 14 block to agree a compensation arrangement for access rights through that Māori land block. Access rights across this block are critical to supporting future rezoning and enabling urban development within Te Tumu.</p> <p>Other critical matters that need to be addressed to support a plan change include carrying out statutory consultation and ensuring a proposed plan change is giving effect to higher order planning instruments – i.e., National Policy Statements and Regional Policy Statement. TCC staff are managing work programmes to address these matters including updates to technical assessment previously undertaken. This review process will also consider the impact of potential changes to national policy and other RMA amendments.</p> <p>Consultation with iwi and Māori land trusts is critical to understanding challenges and opportunities for development within Te Tumu and for the plan change to respond appropriately to these. TCC is working alongside the TK14 Trustees on a combined approach to consultation with these groups to ensure consistent messaging and to allow all parties to have a clear understanding of development aspirations for the TK14 block and how this relates to the overall rezoning plans for the growth</p>	<p>Continue to work with the TK14 Trust to re-commence Tangata Whenua engagement on the project and finalise a draft compensation agreement for access rights across the TK14 Block.</p> <p>An update on the work associated with the compensation agreement is expected to be reported to Council in October 2024.</p> <p>Continue to work with Landowner Group to ensure critical matters for the plan change are identified and any gaps in technical assessments are addressed.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>area. This process is intended to meet the statutory requirements under the RMA for a plan change process.</p> <p>TCC and TK14 are working through a process of valuations associated with securing access rights across the TK14 block via two infrastructure corridors and also an active reserve. These valuations will be critical to finalising the components of a draft compensation agreement with Trustees. Once a draft compensation agreement has been agreed between the Trust and TCC (including reporting to Council) this will be presented to beneficial landowners by the Trustees for their consideration and if approved by landowners it will then be lodged with the Māori Land Court. The Māori Land Court consideration of this matter will include a hearing process.</p> <p>Further detail on the Te Tumu urban growth project is set out in the Council reports to the 4 March Council meeting titled Te Tumu Development Timing, and Establishment of an Urban Growth Targeted Rate (Te Tumu Related Investment). Overall, these reports identify the risk profile for this project and includes recommendations around managing budgets for infrastructure construction associated with Te Tumu.</p>	
Upper Ohauti Urban Growth - Area – Private Plan Change 39	<p>Plan Change 39 is a private plan change that proposes to rezone land located at 120 Upper Ohauti Road. The property is currently zoned Rural and Greenbelt and the proposal seeks to create a new Residential Zone that will include the MDRS. The property has a total area of approximately 56 hectares and is located on both sides of Upper Ohauti Road.</p> <p>The proposed new residential zone will have a total area of approximately 23.5 hectares and is intended to deliver approximately 470 dwellings. The proposed residential zone is to be served by new public water and wastewater infrastructure and neighbourhood reserves that will be established at the time of future subdivision or land use proposals. Connections to the existing transport network are proposed with the establishment on a new internal road network proposed at the time of subdivision including completing upgrades to the existing network along the frontage of the site. The balance of land not proposed for residential zoning will retain the existing Greenbelt zoning and be used to manage stormwater on-site and protect existing cultural and archaeological features.</p> <p>The private plan change was accepted by Council on 12 February and publicly notified on 29 April 2024. The submission period closed on 24 May 2024 and a further submission period has run from</p>	<p>Consideration of submissions and further submissions.</p> <p>A report to Council to recommend appointment of the Independent Hearings Panel to make a recommendation to Council on the re-zoning proposal will be prepared once the nature and complexity of submissions is known.</p> <p>Preparation of hearing report.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	5 August 2024 to 16 August 2024. Staff will be reporting to Council on recommendations around appointment of a hearing panel to consider the proposal. A hearing on this plan change is then expected later in 2024 or early 2025.	
Lower Belk Road Urban Growth Area (Tauriko Business Estate Stage 4) – Private Plan Change	<p>The Lower Belk Urban Growth Area was shifted into the TCC jurisdiction by the Local Government Commission on the 1 March 2021.</p> <p>The majority landowner of the area (Element IMF) has prepared a structure plan and private plan change to rezone this area and extend the Tauriko Business Estate (known as Stage 4 of the Tauriko Business Estate). Private Plan Change 35 was accepted by Council on 11 December 2023 for public notification. Public notification commenced on 11 March. Submissions and further submissions were received from 15 parties. The hearing was held on 20 August 2024. The Independent Hearing Commissioner's Recommendations are to go to Council for consideration.</p> <p>Alongside the re-zoning process staff are working with Element IMF to confirm a Developer Agreement which would support the delivery and funding of infrastructure required to support development proposed by the Private Plan Change and futureproof for planned growth in the wider Western Corridor (e.g. in the Upper Belk Road area).</p> <p>Alongside the private plan change, TCC is progressing a separate plan change seeking to rezone a small number of existing lifestyle blocks on Belk Rd to rural residential under the City Plan. Currently these properties are still subject to the Western Bay of Plenty District Plan. Plan Change 34 was also publicly notified on 11 March. There were four submitters who did not want to be heard so the Independent Hearing Commissioner considered the submissions and made recommendations "on the papers", and these also are to go to Council for consideration.</p>	<p>Plan Change hearing held on 20 August. Following this, a report to Council to recommend adoption of the Independent Commissioner's recommendations.</p> <p>Council's decision will then be publicly notified and open to appeals to the Environment Court.</p>
Keenan Road Urban Growth Area	<p>The Keenan Road area is located south of The Lakes. It is identified for residential development in the order of 2,500-3,000 homes (subject to further assessment being undertaken as part of the development of the Structure Plan for the growth area). There are a range of landowners (including developers) in Keenan Road ready to develop.</p> <p>The technical studies to support the development of the Structure Plan to guide the development of the re-zoning proposal continue to progress. Key to this work are the technical assessments of the 3 waters, particularly the wider wastewater and stormwater and how that integrates with the planning for Tauriko West, and the broader Western Corridor. The development of an NZTA</p>	<p>On completion of the technical reports the next step will be development of a preferred structure plan. This will then be taken out to the community for consultation and is anticipated to be in the first quarter of 2025.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>business case for the transport components to enable the growth area is also key and nearing completion, noting also that development of the Keenan Road area is dependent on the NZTA Tauriko Network Connections improvement (e.g., SH29 / Takitimu Drive intersection improvement; SH29a / Barkes corner improvement being delivered).</p> <p>Capex and funding requirements to enable the Keenan Rd urban growth area were considered through the 2024-34 LTP development process. The LTP includes funding to complete planning processes and for early stages of infrastructure projects (e.g., design and land purchase) but does not include funding for infrastructure construction due to broader TCC debt and rates constraints. On this basis development would not be able to commence until after 2035 without external infrastructure funding and financing solutions, or alternatively an increase of Council held debt. It should be noted that Kennan Road is quite different to Te Tumu and Tauriko West where internal infrastructure will be directly funded and delivered by developers. The fragmentation of landownership in Keenan Road (over 80 landowners) means that TCC has to play the role of coordinating and delivering internal infrastructure and recouping these costs via development contributions.</p>	<p>Key risk is the cost and affordability of infrastructure (stormwater; wastewater; transport) to enable the development of the growth area. This matter will continue to be considered through the development of the structure plan.</p>
Specified Development Project (SDP) assessment for the Western Corridor	<p>On 14 September 2022, Kāinga Ora advised TCC that it had selected the Tauranga Western Corridor for assessment as a potential Specified Development Project (SDP) under section 29(a) of the Urban Development Act 2020 (the UDA). The area includes the planned urban growth areas of Tauriko West, the Tauriko Business Estate extension and Keenan Road, as well as future areas of Upper Belk Road, Merrick Road and Joyce Road.</p> <p>The UDA gives Kāinga Ora the ability to lead or facilitate complex urban development projects through a Specified Development Project process. The value of the SDP process is that it could allow Kainga Ora, TCC, and the SmartGrowth partners to bring together multiple, complex, and otherwise separate urban development processes and enables them to be accessed through a single, integrated process. The aim is to ensure that the planning, infrastructure, and funding for a project is agreed early on, providing greater certainty and coordination for the implementation and delivery of the project.</p> <p>The decision to select the Western Corridor for assessment as a potential SDP is the first formal stage of the SDP process, which includes an engagement and consultation component. The assessment is a collaborative process working with TCC, mana whenua, other SmartGrowth</p>	<p>Waiting for decision from joint Ministers.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>partners, central government, landowners/developers and other stakeholders. The outcome of the assessment will then determine whether Kāinga Ora recommends establishment of an SDP.</p> <p>KO invited feedback from the community on the 'key features' (project area, objectives and governance) of a potential SDP in September 2023. KO then released their Tauranga Western Corridor: Specified Development Project Draft Project Assessment Report in March 2024 for Council feedback which was provided in May 2024.</p> <p>The KO Board considered Council's feedback (along with that of Western BOP District Council) and has presented their recommendation to the Ministers of Housing and Finance for consideration. We understand the Minister is awaiting advice from other Government departments before making a decision. The timeframe for a decision is not known.</p>	
Smith's Farm	<p>As part of the Takitimu North Link (TNL) project Waka Kotahi will deliver the Smiths Farm access road which will provide access and reticulated services to enable development of this site. The TNL project was expected to be completed in 2026, now NZTA are advising 2027. As such the site cannot be developed immediately.</p> <p>This land was rezoned as part of Plan Change 33 and now includes a Medium Density Residential Zone across the area of the site that previous obtained a resource consent to allow for residential development as a Special Housing Area.</p> <p>Alongside the rezoning of the site, TCC continue to progress the strategic divestment of the site with the objective of achieving a mix of affordable and market housing with a range of typologies. The preferred purchaser is currently undertaking detailed due diligence.</p>	Progress sale with preferred purchaser with a view to Sale and Purchase agreement becoming unconditional.

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
Pōteriwahi (Parau Farm)	<p>A report was brought to Council 29 April and 10 June 2024, the reports presented Council resolved to establish the direction to proceed with a mix of housing and reserves on site. A draft concept plan was adopted. This was developed through internal subject matter experts' engagement to gain understanding of the site opportunities and constraints, and to narrow the scope of further external consultant work.</p> <p>Procurement processes have been initiated to obtain specialist information on the areas agreed critical to the next steps. These are geotechnical investigations, soil contamination report, ecological initial assessment and market economic feasibility aspects for the site as they relate to development.</p> <p>Two hapū representatives have been appointed from Ngāti Kahu to partner with and input into various workstreams as the planning towards development evolves.</p> <p>An application was submitted to consider the future development of the site through the Fast Track Approvals legislative pathway. An outcome of possible Fast Track Approvals pathway is anticipated late this year.</p> <p>The 2024-34 Long Term Plan does not currently include budget provision for all infrastructure and development costs required to deliver the concept plan. Once budget requirements for the project are better understood issues and options will be reported to Council.</p>	<ul style="list-style-type: none"> Continue with project, site planning and technical reports. Await outcome of possible Fast Track Approvals pathway.
Resource Management (RM) System Reform	<p>The Government has signalled it will develop new legislation to replace the RMA during its tenure to make it easier to develop new housing and infrastructure, enable primary industry, and better balance environmental protection.</p> <p>To date the Government has repealed the Natural and Built Environment Act and the Spatial Planning Act and introduced a new Fast Track Approvals Bill which TCC has submitted on and put projects forward for inclusion in. The Government is also making targeted amendments to parts of the RMA and undertaking a full review of National Policy Statements and National Environmental Standards.</p>	Continue to engage with Government officials on RM reform and make submissions.

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	The Government has also made further announcements around progressing and implementing its Going for Housing Growth policy which are outlined in the cover report.	
Regional policy and planning initiatives	<p><u>Proposed Change 6 (NPS-UD) to the Bay of Plenty Regional Policy Statement</u></p> <p>Proposed Change 6 to the BoP RPS was in response to the requirements under the National Policy Statement on Urban Development (NPS-UD) to be more responsive to urban development proposals and provide support to intensification of urban areas. The purpose being to enable additional development capacity, regardless of whether it is planned in existing planning documents, and to contribute to well-functioning urban environments. The proposed change was also a response to the requirements under the NPS-UD for local authorities to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) in planning decisions relating to urban environments.</p> <p>The Bay of Plenty Regional Council has made its decision to accept the recommendations made by the Hearings Panel on submissions to Proposed Change 6. The decision was released on 12 February 2024. There are four Environment Court appeals. Council is a s274 party (an interested party) to all of these appeals. Mediation is set for September 2024 for all appeals. In the meantime, staff are currently working with the appellants and BoPRC on amended wording.</p> <p><u>Proposed Change 8 (National Policy Statement on Highly Productive Land) to the Regional Policy Statement</u></p> <p>BoPRC have put this plan change on hold given that central Government have indicated that amendments will be made to the National Policy Statement.</p>	Continue to work with BoPRC and make submissions as appropriate and, advocate and engage with the BoPRC on matters as they relate to Tauranga and the western Bay of Plenty sub-region.

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
Development Contributions	<p>TCC adopted its 2024/25 Development Contributions Policy (DCP) in April 2024 with the DCP becoming operative from 1 July 2024.</p> <p>Staff are now working to prepare a draft DCP for the 2025/26 year. This draft is in the early stages of development. Key areas of investigation are:</p> <ol style="list-style-type: none"> 1. Creation of new local development contribution catchments for TBE Stage 4, Tauriko West and Upper Ohauiti. This would align with the proposed plan changes discussed above. 2. Revisiting growth funding allocations for certain waters assets which are funded through citywide development contributions. 3. 'Business as usual' updates to reflect changes in project budgets, assumed financing costs and growth projections. <p>At this stage it is difficult to quantify the impact on development contribution charges in dollar terms. This is due to the high level of uncertainty around any budget changes, changes to the timing of projects and ongoing beneficiary identification. This is usual at this stage of the planning cycle.</p> <p>Subject to any future Council decisions, staff expect to have greater certainty regarding proposed changes to charges early in 2025 for Council consideration. These will be made public as part of a draft DCP for public consultation and the final DCP may be adopted towards the end of the 2024/25 financial year.</p>	<p>Further assessment of policy options followed by council reporting.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
Development Agreements	<p>TCC is increasingly used development agreements to fund and facilitate the delivery of growth-related infrastructure. Historically, TCC would have delivered this infrastructure and funded it from its own balance sheet with costs recouped through development contributions. This requires significant balance sheet capacity and exposes TCC to financial risk and under-collection.</p> <p>In order to manage TCC's limited balance sheet capacity, TCC has negotiated (or is in the process of negotiating) agreements with a number of developers in which the developer agrees to deliver and fund infrastructure that benefits their development. The agreements can relate to single assets (for example a wastewater pumpstation) or to all infrastructure within a greenfield urban growth area (for example, Tauriko West).</p> <p>Often new urban growth areas will require a number of funding sources and so plan changes will be accompanied by a development agreement and a new local catchment in the Development Contributions Policy.</p> <p>Staff are currently working on a number of large-scale development agreements for Tauriko West, Tauriko Business Estate Stage 4, Upper Ohauiti and land at the end of Rowesdale Drive, Ohauiti.</p>	<p>Negotiations underway and looking to be concluded alongside each respective planning process with regular reporting to and decision-making by Council as required.</p>
Future Development Strategy (FDS) / SmartGrowth Strategy 2024-74	<p>SmartGrowth is required to prepare a Future Development Strategy (FDS) under the National Policy Statement for Urban Development (NPS-UD), informed by the Housing and Business Capacity Assessment (HBA) completed in December 2022. The purpose of the FDS is to show the areas for development over the next 30 years and the infrastructure needed to support it.</p> <p>On 27 May 2024 the SmartGrowth Leadership Group (SLG) endorsed the SmartGrowth Strategy 2024-2074 including, as part of that strategy, the FDS. The SmartGrowth Strategy has also been formally adopted by Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council and the Combined Tangata Whenua Forum. A copy of the strategy can be viewed here: SmartGrowth Strategy 2024-74</p> <p>Key issues addressed in the SmartGrowth Strategy and FDS include:</p> <ul style="list-style-type: none"> • Addressing the shortage of residential development capacity identified in the HBA, including the role of the Western and Eastern Corridors • Addressing the shortage of industrial / employment land in Tauranga identified in the HBA 	<p>SmartGrowth Senior Leadership Group (SLG) IFP workshop – 18 September 2024.</p> <p>Combined Tangata Whenua Forum meeting on IFP – 25 September 2024.</p> <p>SLG IFP approval meeting 15 October 2024.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<ul style="list-style-type: none"> Identifying the critical need for funding and delivery tools required to housing and business land shortfalls. <p>SmartGrowth is now working with its partners to prepare a supporting Implementation and Funding Plan (IFP), with a focus on the next three years. The IFP sets out the details of Key Actions over three years that are required to give effect to the SmartGrowth Strategy, including assigning roles and responsibilities, funding and timing. In particular, the IFP identifies the Key Actions where a SmartGrowth partnership-led approach can add value to the implementation of the FDS, including land use planning, infrastructure delivery, and funding (including funding gaps) aligned with the plans of partners including Long Term Plans.</p>	
TRANSPORT STRATEGY		
Eastern Corridor Transport Planning (Te Tumu & Wairakei)	<p>A number of transport-focused workstreams remain underway related to the Te Tumu structure planning process, Wairakei Town Centre development and the Papamoa Eastern Interchange (PEI), these include:</p> <ul style="list-style-type: none"> Transport planning workstreams associated with Te Tumu structure planning which are well advanced. The structure plan includes dedicated public transport lanes on The Boulevard through Te Tumu to the Wairakei Town Centre, high-quality walking and cycling connections, and general traffic lanes, and this has guided the development of the NZTA Te Tumu transport corridors business case. Further work is required to refine transport requirements and determining staging to address affordability challenges. Development of this business case is to confirm the eligibility and availability of the National Land Transport Fund to support implementation of the transport system for the Wairakei Town Centre and Te Tumu growth areas. NZTA's current policy heavily limits the amount of funding that would be provided to support this transport infrastructure. <p>The scope of this Business case covers The Boulevard, Te Okuroa Drive, The Sands Avenue and a bus facility within Wairakei Town Centre.</p> <p>A preferred option (i.e. that sets out the key corridor functions and conceptual corridor cross-sections have been developed for the Te Tumu corridors of Te Okuroa Drive and The Boulevard) and now further assessment is underway to:</p> <ul style="list-style-type: none"> Enable better understanding of the stormwater management requirements for the corridor widths in terms of on-site stormwater containment and treatment. Corridor width requirements – accommodating walking, cycling, bus priority, general 	<p>Te Tumu & Wairakei transport infrastructure SSBC submitted to NZTA for approval / endorsement. Awaiting response following NLTP announcement (anticipated Oct 2024).</p> <p>Complete final stages of developing concept designs for The Sands Ave and Te Okuroa Drive extension within the Wairakei Town Centre. This work is being undertaken with Bluehaven through the Development Agreement.</p> <p>Contract detailed design and delivery of Te Okuroa Drive interim-stage to</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>traffic, utility berms, and swales. This includes transport modelling to inform the preferred option concept design staging and sensitivity testing for increased densities futureproofing.</p> <ul style="list-style-type: none"> Communications and Engagement – regular meetings with Bluehaven regarding the Wairakei section of the transport corridors, including discussions regarding the proposed bus hub on The Boulevard and the Te Okuroa Drive interim and longer-term form and function. Development of a temporary/interim design for Te Okuroa Drive extension (between Sands Ave and Te Tumu boundary) to allow for access to Wairakei Town Centre development (predominantly for the Mitre 10 development) and TCC employment land until long term solution is required. This work is progressing with TCC responsible for detailed design and construction but in liaison with the developer, Bluehaven, through the Development Agreement joint-Project Control Group. Continued construction of the PEI. 	enable the Town Centre development, through the PEI contract. This work is led by the Infrastructure Group.
Government Policy Statement (GPS) on Land Transport 2024	<p>The GPS is the Government's strategy for investing in the land transport system. It outlines what the Government wants to achieve in land transport, and how it expects funding to be allocated from the National Land Transport Fund across different types of activities (for example road maintenance, public transport, walking and cycling). Each GPS sets out the priorities for the following 10-year period and is reviewed and updated every 3 years.</p> <p>Following consultation, the new GPS 2024 was adopted on 1 July 2024. It identifies the following strategic priorities:</p> <ul style="list-style-type: none"> Economic growth and productivity – Efficient investment in land transport system connects people and freight quickly and safely, supporting economic growth and creating social and economic opportunities including access to land for housing growth. Increased maintenance and resilience – Increasing maintenance levels and improving resilience on state highways, local and rural roads is critically important in achieving the Government's overall objective of supporting economic growth and productivity. Safety – Safety on our transport system is critically important. Road deaths and serious injuries place a substantial burden on families, society, the economy, and the health sector each year. Value for money – The significant investment in transport network must deliver better outcomes for present and future generations of New Zealanders. 	Await NLTP announcements (Sept 2024).

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>The GPS 2024 reintroduced the Roads of National Significance (RoNS) programme to achieve its strategic priorities. The SH29 (Tauriko Network Connections) and Takitimu North Link Stage 2 are included in the 15 RoNS projects.</p> <p>The Regional Land Transport Plans (RLTP) have been submitted to NZTA which are currently being considered for inclusion in the NLTP. A decision on NLTP (NLTF funding supported) will be announced early Sept 2024 and will provide certainty on level of funding and project prioritisation on a regional basis.</p>	
Emissions Reduction Plan 2	<p>The new government has produced an updated Emissions Reduction Plan (ERP2) which is currently out for consultation. A key shift from the previous ERP is towards a general emphasis and reliance on an Emission Trading Scheme to meet targets.</p> <p>TCC has lodged a submission (for which elected member input was sought). Transport is a key policy and there has been a shift in the overall policy direction towards a reliance on a substantial investment in EV Charging infrastructure across the country, along with investment in PT in key urban areas (reference to Auckland and Wellington as per GPS 2024).</p> <p>The previous ERP required the development of a Vehicle Kilometres Travelled (VKT) Reduction Plan. With the change in government this requirement was removed but the work undertaken in the WBOP was pivoted to create a valuable 'Transport Optimisation Program'. This has led to testing through a Corridor Optimisation Plan, which will inform and feed into broader Network Optimisation work the Infrastructure Group are leading (under TSP governance).</p>	Corridor Optimisation Plan to feed into broader Network Optimisation (led by Infrastructure Group).
Time of Use Charging - Including Variable Road Pricing Study (SmartTrip)	<p>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 reduction of vehicle trips in the City. The study was undertaken jointly by TCC and NZTA and was only a proof-of-concept study, resulting in the 'SmartTrip' concept.</p> <p>Following consultation on the SmartTrip concept through the Long-Term Plan, Council endorsed (March 2024) to not proceed with a full business case, but to proceed to investigate key areas of</p>	<p>Further investigate key areas of local community feedback.</p> <p>Work together with NZTA, Auckland, and other interested councils to investigate consistent approaches to road pricing.</p>

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>community feedback received, and also continue to engage with NZTA, the Ministry of Transport, and other interested councils including Auckland Council / Auckland Transport to explore nationally consistent approaches to road pricing.</p> <p>On 12 August 2024, the Minister of Transport announced that the Government will introduce a Bill later this year that amends the Land Transport Management Act (LTMA) 2023 to provide the enabling framework for time of use road charging schemes. The Government expects to introduce a Bill to Parliament before the end of the year. The Bill will then go to select committee where submissions can be made on the legislation.</p> <p>Once the new law and legislation is in place, local authorities will be able to propose schemes and work will be able to begin on scheme development, with the aim to reduce travel times on NZ's busiest roads and boost economic growth. When developing a scheme, local authorities will be required to talk to local stakeholders and the community. The NZTA will lead the design of schemes in partnership with local authorities, and the scheme will then be referred to the Minister of Transport for approval. Council will be tracking this process and continuing to discuss opportunities with NZTA.</p> <p>Discussions with NZTA staff have indicated that NZTA continues to be a strong advocate of time-of-use charging, and values working in partnership together with councils. However, given the sensitivity of the legislative process and NZTA's role in this, they are not in position to engage on policy matters during this time.</p>	Track development of time of use road charging legislation
Western Corridor (SH29 Tauriko / Tauriko West)	<p><u>Tauriko Enabling Works Business Case</u> This project is now being constructed, and reporting is provided through the Infrastructure Group as part of the 5 Major Transport Projects Reporting.</p> <p><u>Tauriko Network Connections Detailed Business Case</u> The business case recommended improvements including the following:</p> <ul style="list-style-type: none"> • A new offline State Highway 29 corridor for inter-regional traffic between Redwood Lane and Takitimu Drive that then enables the current state highway to perform a local road function with multi-modal services; • A new online six-lane SH29A corridor between Takitimu Drive and Barkes Corner including dedicated bus lanes; and • Widening of SH36 between Lakes Boulevard and SH29A including dedicated bus lanes. 	Await the NLTP decisions, expected in September 2024, to understand the funding commitments for all projects.

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p>At its meeting on 27 June 2023 Council resolved to endorse the final NZTA business case being submitted to their Board for approval alongside other key resolutions including:</p> <ul style="list-style-type: none"> • The strong preference that the project be delivered in a single stage within a decade (by 2034) • The next stage of the business case identifying solutions to resolve 'pinch points' at key locations including SH29a/Cameron Road, Takitimu Drive/SH29/SH29a/SH36 and across the Omanawa stream on SH29. <p>The Waka Kotahi Board endorsed the business case at their meeting on 18 August 2023. This decision did not include funding to progress the next stage of this project at that time.</p> <p>The GPS 2024 on Land Transport identified this project as a 'Road of National Significance' (RoNS). RoNs are described in the draft GPS as <i>"New Zealand's most essential state highway corridors that require significant development and investment that, when complete, will reduce congestion, improve safety, support housing development to address New Zealand's ongoing housing crisis, boost economic growth, and provide a more resilient roading network."</i> Furthermore, the draft GPS identifies that:</p> <ul style="list-style-type: none"> • <i>"All Roads of National Significance will be four laned, grade-separated highways, and all funding, financing and delivery options should be considered to deliver them in stages and as quickly as possible."</i> • <i>"The Government expects that the NZTA will prioritise these strategic corridors in the development of the National Land Transport Programme given their importance, alignment and impact on the Government's wider programme and the Government's focus on returning the NZTA to its core statutory activities and particularly, for this GPS period, maintaining and developing the state highway network."</i> <p>We understand that the replacement of the existing bridge on SH29 over the Omanawa River will be delivered as an early phase and we are seeking to engage with NZTA further on matters associated with this as the replacement bridge is only planned to have 2 lanes.</p> <p>When the Council endorsed the NZTA Tauriko Networks Connections Detailed Business Case for NZTA Board endorsement on 27 June 2023 it passed the following resolution:</p>	

Quarterly Update – Growth, Land Use Planning & Transport Strategy Projects – September 2024

PROJECT DESCRIPTION	PROGRESS UPDATE / KEY MATTERS	NEXT STEPS / IDENTIFIED RISKS
	<p><i>Recommends to Waka Kotahi that a 4-lane bridge over the Omanawa stream is constructed in Stage 2, rather than the proposed 2-lane replacement bridge, to integrate with 4-lane sections of state highway to be constructed either side of the bridge and to support the function of this inter-regional freight route.</i></p> <p>Staff are seeking the opportunity to review the design to form our own technical view on whether it is adequately futureproofed for widening in the future.</p>	

8.3 Transport Major Projects Update

File Number: A16484436

Author: Jason Spencer, Transport Programme Manager - Major Projects

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To provide a Major Projects update.

RECOMMENDATIONS

That the Vision, Planning, Growth & Environment Committee:

- (a) Receives the report "Transport Major Projects Update".
- (b) Reviews and Approves the update and provides any queries back to the Major Projects Team via an action register.

DISCUSSION

2. Please find the Major Projects slide pack containing a Major Projects Overview and the August 2024 Directors update attached for review.

NEXT STEPS

3. Monthly Major Projects Directors report to be included in future Vision, Planning, Growth & Environment Committees.

ATTACHMENTS

1. Major Projects presentation for VPGE (002) - A16533323 [!\[\]\(3292f5442e3b4027aa0bb60988f9fc82_img.jpg\)](#) 
2. V-1465-TCC Major Projects Milestones_26Aug2024 - A16486025 [!\[\]\(655843b308847eeb6852edac6d504d04_img.jpg\)](#) 



Major Projects (T5) – Slides for Vision, Planning, Growth and Environmental Overview Presentation

All data correct as of 08th Aug 2024 in this slide pack



Major Projects Map of Locations of Projects



INDUCTION
'24

WELCOME TO
TAURANGA
CITY COUNCIL

Elected Members' Induction 2024

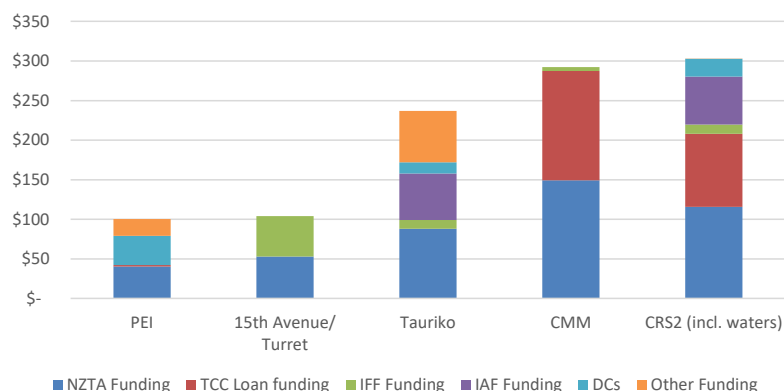
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Major Projects – Funding Breakdown of T5 Projects



	FUNDING STACK REQUIRED (WoL) (\$ millions)						COMMITTED COSTS (\$ Millions)				
	NZTA Funding	TCC Loan funding	IFF Funding	IAF Funding	DCs	Other Funding	Total Funding required	Total Funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
PEI Ph3 (incl. waters)	\$ 40	\$ 2	\$ -	\$ -	\$ 37	\$ 21	\$ 100	\$ 100	\$ 57	\$ 12	\$ 89
15th Avenue/ Turret	\$ 53	\$ -	\$ 51	\$ -	\$ -	\$ -	\$ 104	\$ 4	\$ 1	\$ 4	\$ 100
Tauriko	\$ 88	\$ -	\$ 11	\$ 59	\$ 14	\$ 65	\$ 237	\$ 237	\$ 180	\$ 37	\$ 200
CMM	\$ 149	\$ 138	\$ 5	\$ -	\$ -	\$ -	\$ 292	\$ 1	\$ 1	\$ 1	\$ 291
CRS2 (incl. waters)	\$ 116	\$ 92	\$ 12	\$ 61	\$ 22	\$ 0	\$ 303	\$ -	\$ 6	\$ 2	\$ 300
TOTALS	\$ 446	\$ 232	\$ 79	\$ 120	\$ 73	\$ 86	\$ 1,037	\$ 342	\$ 245	\$ 56	\$ 981

FUNDING STACK REQUIRED WoL (\$ millions)



Following pages provide a High Level Breakdown provided against each Project outlining:

- Overall Funding - Stack breakdown – Required Vs Secured
- Committed Cost - Paid to date - Remaining budget
- High Level Project overview

Note: All project costs are Whole of Life

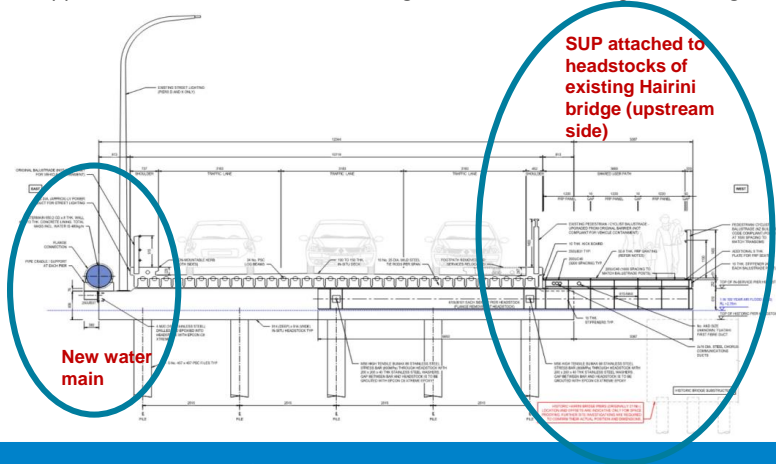
(Further information and financial data available on request)

15th Ave Turret W/B Project



PROJECT OVERVIEW

- Three-laning of Turret Road and the Hairini Bridge and Causeway.
- A tidal-flow (dynamic lane) system along Turret Road to provide an additional lane of capacity in the peak directions of travel.
- High Occupancy Vehicle (HOV) lanes along Fifteenth Avenue and Turret Road – starting as T2, but potentially changing to T3 or bus lanes at some point in the future.
- Improved walking and cycling facilities, targeting the key journeys to schools.
- Safety improvements.
- Opportunities to include cultural design elements that recognise the significance of the corridor to mana whenua.



Zone 1 – 15th Avenue - The Papa Connections

Zone 2 – Turret Road – Waimapu Estuary Crossing

Zone 3 – Welcome Bay Road (West)

Zone 4 - Welcome Bay Road (East)



INDUCTION
'24

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4

15th Ave Turret W/B Project - Funding

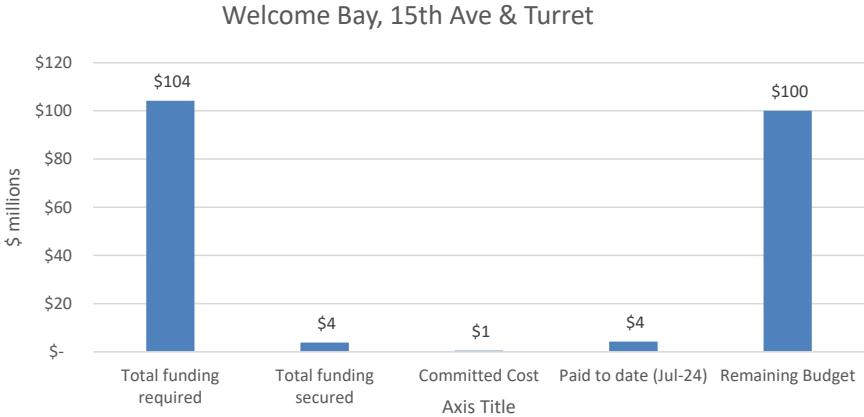


HIGH LEVEL OVERVIEW

Construction Start :
February 2026
Construction Finish:
January 2028

PHASE:
SSBC, Pre-implementation and
Implementation - (Project
Planning)

15th Avenue/ Turret (\$ millions)				
Total funding required	Total funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
\$ 104	\$ 4	\$ 1	\$ 4	\$ 100



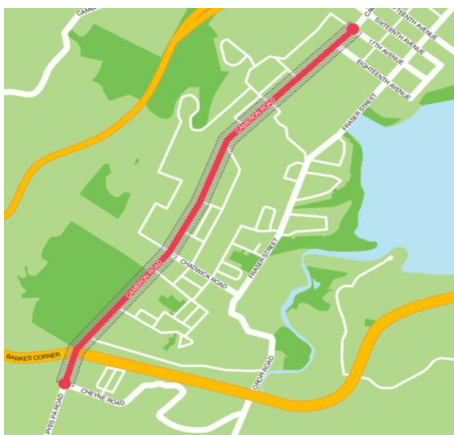
Cameron Road Stage 2 Project



PROJECT OVERVIEW

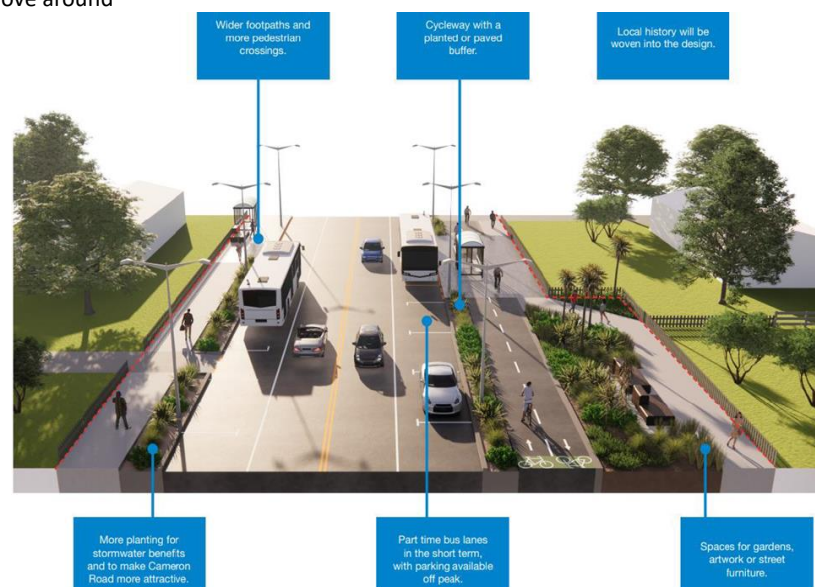
Cameron Road is one of:

- Tauranga's main arterial corridors
- Connection to the city for people in Tauranga's southern suburbs
- In the next 30 years, it is anticipated that 15,000 more people will be living on Te Papa Peninsula
- A place where more people can live, work, study, and provide more sustainable ways to move around



Route from Barks Corner through to 17th Ave.

Preferred Option



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Cameron Road Stage 2 Project - Financials

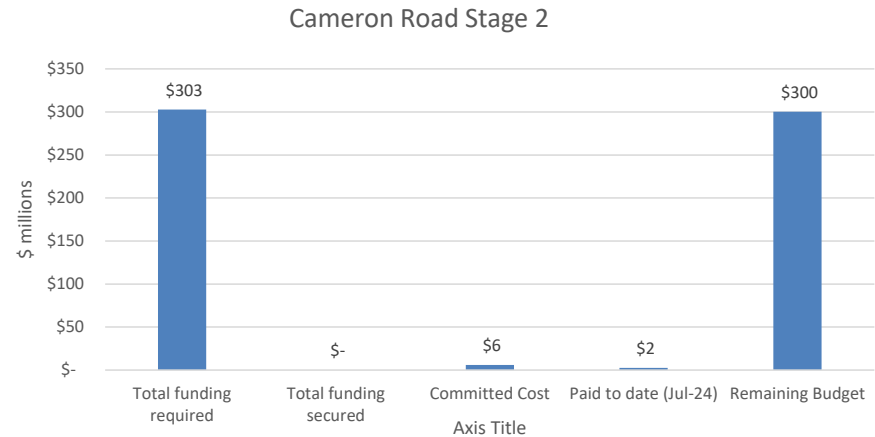


HIGH LEVEL OVERVIEW

Construction Start :
January 2026
Construction Finish:
January 2030

PHASE:
Pre-implementation – (Design)

Cameron Road Stage 2 (\$ millions)				
Total funding required	Total funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
\$ 303	\$ -	\$ 6	\$ 2	\$ 300



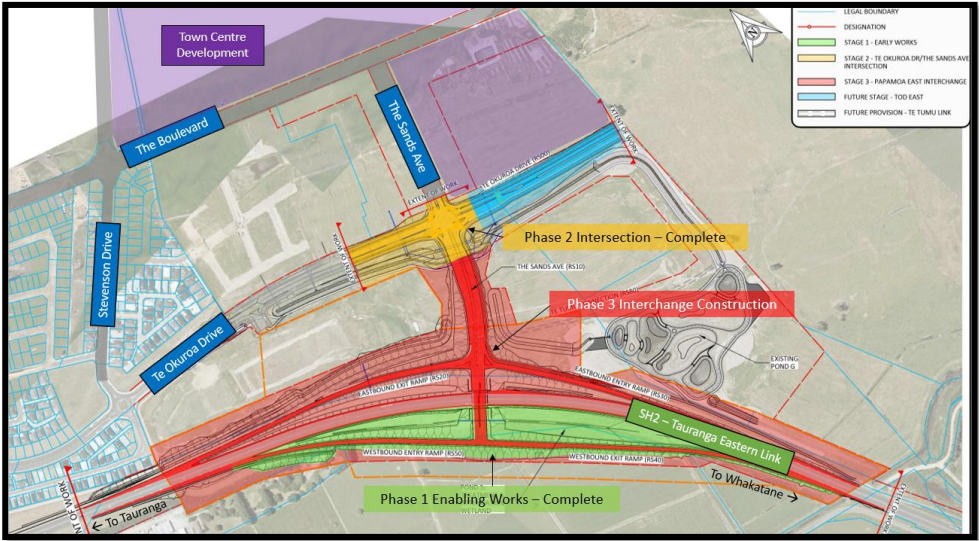
Papamoa East Interchange Ph 3



PROJECT OVERVIEW

PEI Ph 3 is a \$79.3m project being delivered by Tauranga City to create new transport connection (grade separated diamond interchange) between the Tauranga Eastern Link expressway and the Papamoa East Town Centre – due to be complete early 2026. The project creates a new connection to support ongoing growth and development of the Papamoa East / Wairakei / Te Tumu (future) growth area.

The PEI Ph 3 project summary cost breakdown is shown below:



Item	Budget
Design & Procurement	\$2.3m
Construction (Contract TC219/23 with HEB)	\$62m
Construction Supervision incl. EtC/ER & MSQA	\$2.5m
Other Project Costs incl. project management, governance, communication, consenting etc.	\$2.5m
Project Risk Contingency	\$10m
Total	\$79.3m

Papamoa East Interchange Ph 3 - Financials

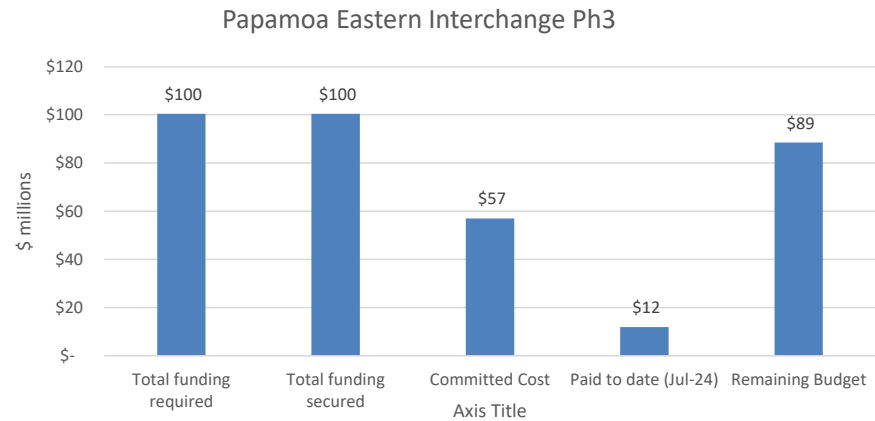


HIGH LEVEL OVERVIEW

Construction Start :
March 2024
Construction Finish:
May 2026

PHASE:
Implementation

PEI Ph3 (\$ millions)				
Total funding required	Total funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
\$ 100	\$ 100	\$ 57	\$ 12	\$ 89



Tauriko West Enabling Works Project

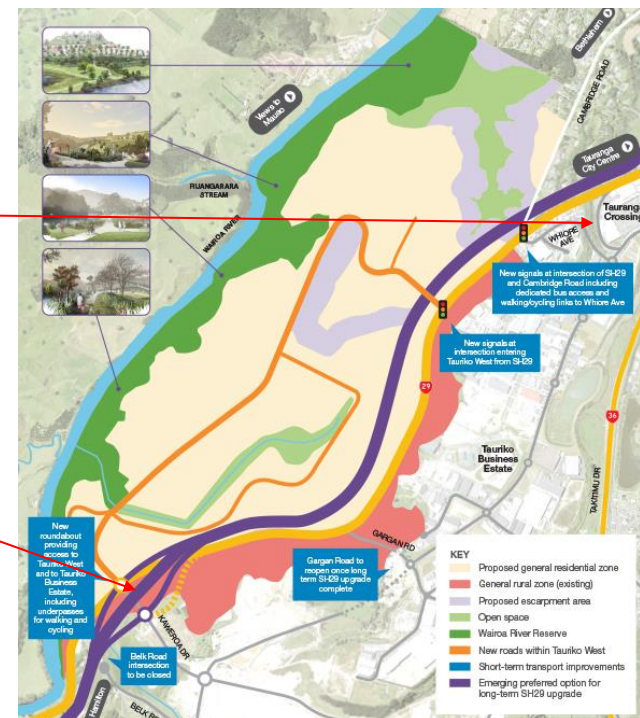


PROJECT OVERVIEW

Circa. \$240m project being delivered jointly by Tauranga City and Waka Kotahi to create new connections from SH29 into the new Tauriko West growth area to enable initial development of up to 2400 new homes as part of the Stage 1 development.

The enabling works involves two key sections:

- **SH29 Northern Access incl. Cambridge Road / Whiore Ave**
 - Provides northern 'Spine Road' connection to Tauriko West development area
 - Includes new traffic signals at Cambridge Road intersection
- **SH29 Intersection with Kaweroa Drive and Redwood Lane**
 - New Roundabout on existing SH29
 - Provides southern 'Spine Road' connection to Tauriko West development area
 - Provides connection to Tauriko Business Estate via Kaweroa Drive - enabling further development
 - Includes closure of Belk Road/SH29 intersection once alternative connection to SH29 available via Kaweroa Drive.



Tauriko West Enabling Works Project - Financials

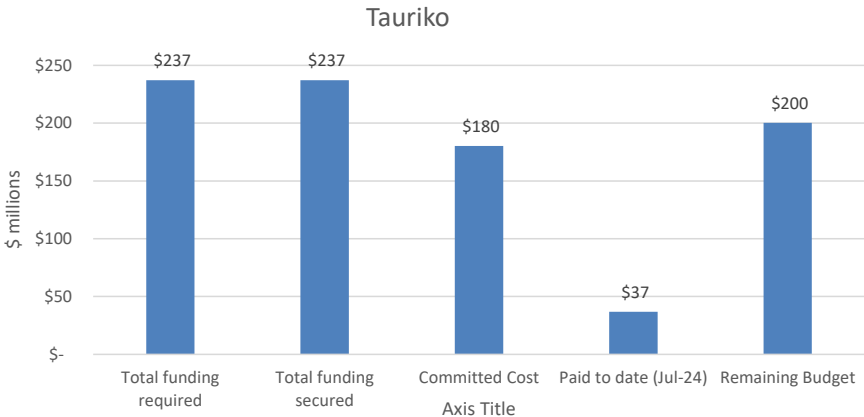


HIGH LEVEL OVERVIEW

Construction Start :
March 2024
Construction Finish:
April 2027

PHASE:
Implementation

Tauriko (\$ millions)				
Total funding required	Total funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
\$ 237	\$ 237	\$ 180	\$ 37	\$ 200



Connecting Mount Maunganui Project



PROJECT OVERVIEW

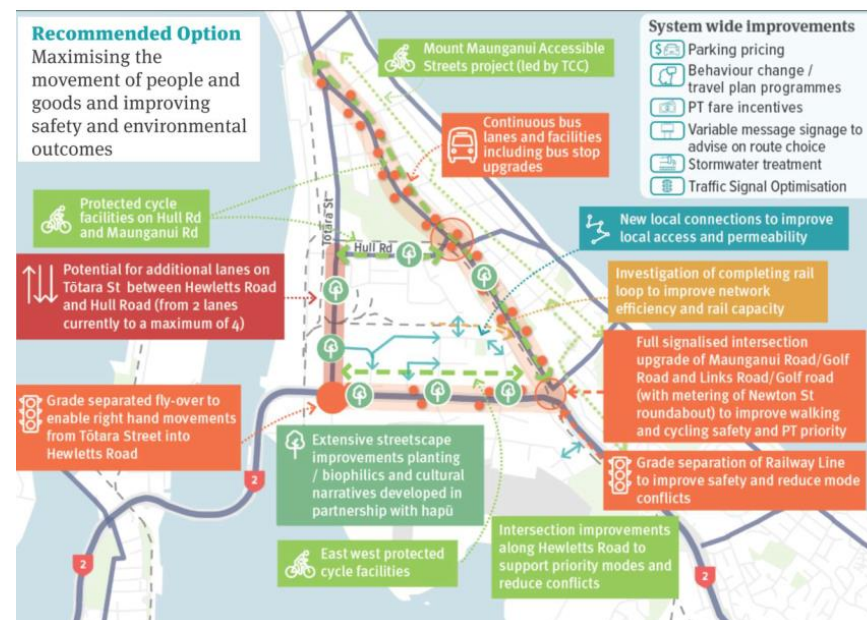
Waka Kotahi NZ Transport Agency, Tauranga City Council, Bay of Plenty Regional Council, Ngāi Tukairangi and Ngāti Kuku are working together to improve safety and create better transport connections across Mount Maunganui.

The demand across this part of the Tauranga network is significant, resulting in unreliable journey times and delays for freight, general traffic and public transport.

Demand is forecast to increase with significant growth anticipated across the Bay of Plenty and at key connections including the Port of Tauranga. The Port of Tauranga is nationally significant regarding economic growth and productivity.

The project will:

- Improve reliability and the number of people and goods moving through the area.
- Improve road safety for everyone.
- Increase public transport and active travel use for journeys in the area, and between the two sides of the harbour.
- Provide accessibility between Mount Maunganui, the eastern side of the harbour and Tauranga.
- Maintain freight and commercial vehicle accessibility, particularly during off-peak times.
- Reduce transport related emissions and environmental effects.



Connecting Mount Maunganui Project - Financials



HIGH LEVEL OVERVIEW

Construction Start :

tbc

Construction Finish:

tbc

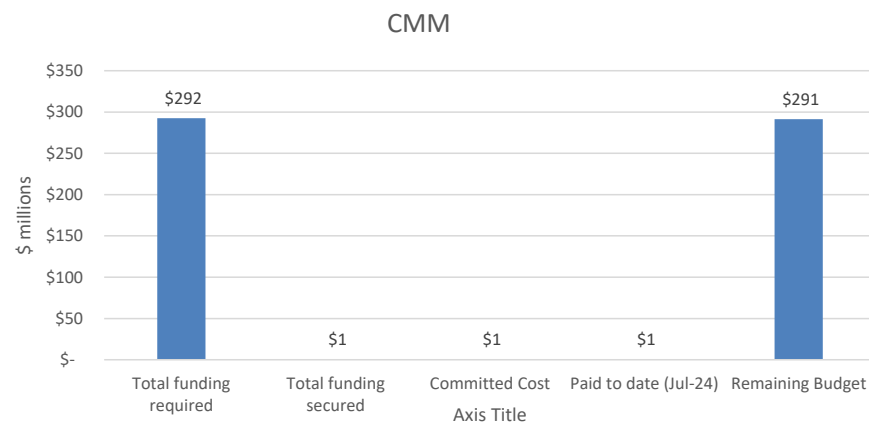
PHASE:

Indicative Business Case

CMM (\$ millions)				
Total funding required	Total funding secured	Committed Cost	Paid to date (Jul-24)	Remaining Budget
\$ 292	\$ 1	\$ 1	\$ 1	\$ 291

Narrative:

LTP (2024 – 2034) shows \$38m – Rest of budget sits outside this period.



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Tauranga City

TCC Major Projects Milestones								
Project Milestones			May Baseline Dates	Critical Path	Complete	August Update.1		
						Date	Variance (days) from Baseline	Variance (days) from Last Month
Cameron Road Stage 2 Milestones	Detailed Design	Non Intrusive Surveys commencing	30-Jan-2024	Yes	Y	2-Apr-24	63	0
		Commence 30-50% Design	4-Jun-2024	Yes	Y	4-Jun-24	0	0
		Intrusive Service Investigations commence (Tranch 1)	10-Jun-2024	Yes	N	26-Aug-24	77	0
		Non Intrusive surveys completed	27-Jul-2024	Yes	Y	12-Aug-24	16	3
		Intrusive Service Investigations complete (Tranch 1)	10-Oct-2024	Yes	N	18-Dec-24	69	0
		50% Design Gate (LoD 200) requires updating	24-Oct-2024	Yes	N	1-Mar-25	128	88
		Commence 50-85% design	25-Oct-2024	Yes	N	30-Apr-25	187	188
		85% Design gate – (LoD300)	27-Feb-2025	Yes	N	1-Nov-25	247	171
		Commence 85-100% Design	28-Feb-2025	Yes	N	15-Jan-26	321	322
		100% Design Gate (LoD350)	4-Jul-2025	Yes	N	1-Mar-26	240	172
15 th Ave W/B Milestones	Consenting	White fronted tern resource consent approval - TBC	9-Sep-2024	No	N	26-Nov-24	78	0
		SSBC Waka Kotahi Approval	2-Oct-2024	Yes	N	24-Oct-24	22	0
		Main Works Resource Consent Approval - Stage 1	20-Mar-2025	No	N	15-Oct-25	209	0
	Bridge and Causeway Works	Design Contract Award Bridge and Causeway works	19-Jun-2024	Yes	N	28-Feb-25	254	147
		Bridge and Causeway Detailed Design Complete	28-Jan-2025	No	N	17-Sep-25	232	0
		Bridge and Causeway IFC Package Complete	16-Apr-2025	No	N	13-Nov-25	211	0
		Bridge and Causeway Construction RFT Issued	14-Jul-2025	No	N	16-Jan-26	186	0
		Bridge and Causeway Construction Contract Award	19-Sep-2025	Yes	N	29-Apr-26	222	0
		Confirm success of white fronted tern habitat - TBC	5-Sep-2025	Yes	N	25-Sep-25	20	0
		Bridge and Causeway Main Works Construction Complete	15-May-2026	No	N	2-Nov-26	171	0
	Road Corridor Works Zone 1	Road Corridor Works Stage 1 Detailed Design Complete	7-Feb-2025	Yes	N	17-Sep-25	222	0
		Road Corridor Works Stage 1 IFC Package Complete	21-Mar-2025	Yes	N	13-Nov-25	237	0
		Road Corridor Works Stage 1 Construction Contract Award	26-Sep-2025	Yes	N	20-May-26	236	0
		Road Corridor Works Stage 1 Construction complete	17-Nov-2026	Yes	N	13-Jul-27	238	0
	Road Corridor Works Stage 2 Zone 3 & 4	Road Corridor Works Stage 2 Detailed Design Complete	19-Jun-2025	Yes	N	19-Jan-27	579	0
		Road Corridor Works Stage 2 IFC Package Complete	1-Aug-2025	Yes	N	18-Mar-27	594	0
		Road Corridor Works Stage 2 Construction Contract Award	12-Jan-2026	Yes	N	2-Sep-27	598	0
		Road Corridor Works Stage 2 Construction complete	9-Mar-2028	Yes	N	19-Dec-28	285	0
	All Project	PE1 Construction Cost Estimate complete - Stage 1	6-Nov-2024	No	N	12-May-25	187	0
		PE2 Construction Cost Estimate complete - Stage 1	21-Mar-2025	No	N	4-Dec-25	258	0
		IE Construction Cost Estimate Complete - Stage 1	12-Sep-2025	No	N	29-Apr-26	229	0
		Project Completion	16-Mar-2028	Yes	N	23-Jan-29	313	0
PEI Ph 3 Milestones	General	TEL Northern side Traffic Management Installed	16-May-2024	Yes	Y	16-May-24	0	0
		TEL Southern side Traffic Management Installed	13-Jun-2024	Yes	Y	13-Jun-24	0	0
		33KV _a Power Cable Relocation Complete	9-Aug-2024	Yes	Y	4-Aug-24	-5	0
		OverBridge Ground Improvements Complete (North and South)	16-Dec-2024	Yes	N	9-Jan-25	24	0
		Bridge Deck Beams Placed	24-Jun-2025	Yes	N	30-Jun-25	6	0
		Construction Complete and Interchange Open	26-May-2026	Yes	N	28-May-26	2	0
Tauriko Milestones	General – SH29 / Redwood Lane / Kaweroa Drive Intersection (SP1)	SH29 / Redwood Lane / Kaweroa Drive Intersection Completion	1-Oct-2025	Yes	N	1-Oct-25	0	0
		SH29 / Belk Road Intersection Closed	1-Dec-2025	Yes	N	1-Dec-25	0	0
	General - TW Northern Access + SH29 / Cambridge Road & Whiore Ave (SP2) (Possible Delays)	All required land acquisition agreements in place	1-Jun-2024	Yes	Y	30-Jun-24	29	0
		Contract Separable Portion 2 Award	30-Jun-2024	Yes	Y	17-Jul-24	17	0
		Construction Commencement	1-Sep-2024	Yes	N	16-Sep-24	15	0
		New School and Playcentre Carpark Complete	20-Mar-2025	Yes	N	1-Jun-25	73	0
		Tauriko West Northern Access Open (enabling access for land development)	15-Jan-2026	Yes	N	1-Jan-26	-14	0
		Construction Complete	8-Apr-2027	Yes	N	8-Apr-27	0	0
	Indicative Business Case (IBC)	Completing IBC Updates	1-Jul-2024	Yes	N	16-Sep-24	77	0
		IBC VOS Review and Endorsement	1-Aug-2024	Yes	N	1-Oct-24	61	0
		IBC Council Approval	1-Aug-2024	Yes	N	23-Oct-24	83	0
		IBC NZTA Board Approval	1-Sep-2024	Yes	N	15-Nov-24	75	0
		NLTP Funding Approvals (DBC + Pre-Imp/Imp for Horizon 1)	1-Sep-2024	Yes	N	1-Sep-24	0	0
CMM – Milestones	Detailed Business Case (DBC)	Procurement Complete	1-Oct-2024	Yes	N	15-Dec-24	75	0
		Commencement	1-Nov-2024	Yes	N	6-Jan-25	66	0
		Completion (Horizon 1)	1-Dec-2025	Yes	N	15-Aug-25	-108	0
	Horizon 1 (Te Maire Link + Hewletts Intersection Optimisation)	Pre Imp Commencement	1-Nov-2024	Yes	N	1-Oct-25	334	0
		Design Complete	1-Jun-2025	Yes	N	30-Apr-26	333	0
		Construction (Implementation) Commencement	1-Oct-2025	Yes	N	1-Jul-26	273	0
		Construction Completion	1-Jun-2026	Yes	N	30-Jun-27	394	0

8.4 Connecting Mount Maunganui - Project Update

File Number: A16483852

Author: Chris Barton, Senior Project Manager: Major Projects

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To provide an update on the Connecting Mount Manganui (CMM) transport project.

RECOMMENDATIONS

That the Vision, Planning, Growth & Environment Committee:

- (a) Receives the report "Connecting Mount Maunganui - Project Update"

BACKGROUND

2. Connecting Mount Maunganui is a project being jointly progressed by NZTA and TCC seeking to increase the efficient and reliable movement of people and goods through the Mount Maunganui sub-area of Hewletts Road (SH2), Tōtara Street and Maunganui Road
3. The Mount Maunganui transport network including SH2 provides access to many key local and inter-regional destinations including the Port of Tauranga, freight logistic centres, Mount Maunganui town centre, residential areas and beach, and is a major throughfare for people crossing the Tauranga Harbour.
4. SH2/Hewletts Road and the surrounding area is the crucial 'last mile' connection between the Upper North Island freight network and the Port of Tauranga for transportation of goods – which is regionally and nationally significant regarding economic growth and productivity.
5. The demand across this part of the Tauranga network is significant resulting in unreliable journey times and delays for freight, general traffic and public transport. High traffic volumes and conflicting use in the area also result in significant road safety issues.
6. Demand is forecast to increase with significant growth anticipated across the Bay of Plenty and to/from key destinations including the Port of Tauranga and anticipated Mount Maunganui intensification area. Without intervention current issues with journey time reliability and delays will continue to increase.
7. Ensuring this section of the transport corridor and network functions well now and in the future is a key enabler of ongoing growth in the subregion and also a key contributor to overall transport network level of service.
8. There are many competing functions that SH2/Hewletts Road and the surrounding area are currently performing including local road movements (local trips to access to/from housing, employment and recreation activities in the Mont Maunganui area) and through movements (travel through the area including inter-regional State Highway movements), as well as balancing various transport modes including freight, general traffic, public transport and active mode (walking and cycling) travel.
9. As outlined in previous reports to Council on 29 April and 13 May 2024, the project is currently in the business case phase of assessing options and establishing a recommended programme of interventions to provide network upgrades and improvements.

10. Following a previous review of the draft Indicative Business Case (IBC) by the NZTA Value, Outcomes and Scope Committee (VOS) feedback was that additional assessment was required to review the recommended option and complete an incremental economic assessment of interventions including additional modelling.
11. It is also noted the final Government Policy Statement on land transport (GPS 2024) was released on 7 July 2024. The GPS guides prioritisation for investment from the National Land Transport Fund (NLTF) as part of the 2024-27 National Land Transport Programme (NLTP). GPS 2024 is built around four strategic priorities – Economic Growth and Productivity, Increased Maintenance and Resilience, Safety, and Value for Money.
12. NZTA are leading the development of the project Indicative Business Case (IBC). Total costs for the IBC development are shared between NZTA (50%) and TCC (50%) – noting the TCC component is also NZTA co-funded at a 51% Financial Assistance Rate (FAR).

DISCUSSION

13. The focus over the past four months has been responding to the feedback from the NZTA VOS Committee on the previous draft IBC and also ensuring the IBC aligns with the GPS 2024.
14. Staff from NZTA and TCC will present an update on recent assessment, the emerging preferred option and proposed project next steps.
15. Following additional investigation an alternative 'emerging preferred' option has been identified (aligned to the updated GPS) which includes:
 - partial grade separation at the Hewletts/Tōtara intersection with a flyover;
 - 4-laning Tōtara St between Hewletts Road and Hull Road;
 - converting current Hewletts Road bus lanes into High Occupancy Vehicle lanes (T3); and
 - creating new local road and cycleway connections between Tōtara Street and Newton Street / Maunganui Road through the current Mount Maunganui industrial area.
16. It is noted this option excludes some previously proposed interventions. The cost estimate of this revised option (circa \$292m) is significantly less than the previously recommended option (circa \$500m) – and also has a more favourable Benefit Cost Ratio (BCR) than the previous draft IBC option.
17. Works are currently progressing to further review the findings and confirm a recommended programme of interventions for the updated IBC – noting this is likely to be the 'emerging preferred' option as outlined.
18. As part of the IBC a proposed staging/implementation plan has been drafted which includes various delivery horizons. Implementation phasing and staging will be important to ensure the network in the area remains functional throughout construction - including consideration of timing with other major transport projects in the region. Indicative staging includes:
 - Stage 1 – Implement SH2 Hewletts Road High Occupancy Vehicle (HOV) lanes & connect Te Maire Street to Newton Street
 - Design and implementation of these proposed early and comparatively lower cost interventions (circa \$5m) can be accelerated subject to funding approvals
 - Stage 2 – New local road connections including new east/west connection through the Mount Maunganui industrial area
 - Stage 3 – Rationalise SH2 accessways, further local road connections to provide alternate access to businesses and properties, and Hewletts Road / Maunganui Road bus stop upgrades
 - Stage 4 – Active travel facilities incl. new east/west connection from Tōtara Street to Maunganui Road and separated cycle path on Maunganui Road

- Stage 5 – Additional Lanes on Tōtara Street and flyover at Tōtara Street / SH2 Hewletts Road intersection
19. It is anticipated that following the IBC prior to any of the above stages progressing to detailed design or construction further planning and design development will be required – likely via a Detailed Business Case (DBC) process.

FUNDING STATUS

20. Future phases of delivery are anticipated to be co-funded by NZTA and TCC. TCC funding has been allocated in the 2024-34 Long Term Plan (LTP) to progress the project, noting that this is subject to confirmation of NZTA co-funding.
21. The 2024-27 National Land Transport Programme (NLTP) was released by NZTA on 2 September 2024. The NLTP includes all activities prioritised for funding from the NLTF between 1 July 2024 and 30 June 2027.
22. Activities are submitted to the NLTP by each region's Regional Transport Committee (RTC) through a Regional Land Transport Plan (RLTP). Connecting Mount Maunganui was included in the Bay of Plenty RLTP.
23. Projects are assessed for inclusion in the NLTP using the Investment Prioritisation Method, which creates an objective assessment framework to prioritise projects based on their alignment to the GPS.
24. The next phases of the project have not been prioritised for inclusion in the NLTP. This is primarily due to the low BCR of the previously preferred option, which was the information available at the time the project was assessed.
25. The intention is to complete the IBC and continue to look for opportunities to obtain funding for the Stage 1 interventions in the next 3 years. Further stages will be put forward to the RTC for inclusion in the 2027-2030 RLTP and NLTP.

NEXT STEPS

26. Key next steps include updating the IBC. Following updates a report will be provided to this Committee to seek formal endorsement of the IBC. It will then be submitted to the NZTA Board for endorsement.
27. Options for funding for the next stage improvements including optimisation and high occupancy vehicle lanes on Hewletts Road and completing the Te Maire link will be explored once Board endorsement is received.

ATTACHMENTS

Nil

9 DISCUSSION OF LATE ITEMS

10 CLOSING KARAKIA