



MINUTES

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

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**MINUTES OF TAURANGA CITY COUNCIL
VISION, PLANNING, GROWTH & ENVIRONMENT COMMITTEE MEETING
HELD AT THE TAURANGA CITY COUNCIL, GROUND FLOOR MEETING ROOMS 1 & 1B, 306
CAMERON ROAD, TAURANGA
ON MONDAY, 9 SEPTEMBER 2024 AT 9.30AM**

MEMBERS PRESENT: Cr Marten Rozeboom (Chairperson), Cr Glen Crowther, Cr Hautapu Baker, Cr Rick Curach, Cr Steve Morris, Cr Kevin Schuler, Deputy Mayor Jen Scoular, Cr Rod Taylor, Mayor Mahé Drysdale

APOLOGIES: Cr Scoular

LEAVE OF ABSENCE: Cr Sydney

IN ATTENDANCE:

Marty Grenfell (Chief Executive), Christine Jones (General Manager: Strategy, Growth & Governance), Barbara Dempsey (General Manager: Community Services), Alastair McNeill (General Manager: Corporate Services), Paul Davidson (Chief Financial Officer), Gareth Wallis (General Manager: City Development & Partnerships), Sarah Omundsen (General Manager: Regulatory and Compliance), Nic Johansson (General Manager: Infrastructure), Andrew Mead (Manager: City Planning & Growth), Janine Speedy (Team Leader City Planning), Sarah Dove (Team Leader: Strategic Transport & Infrastructure), Jason Spencer (Transport Programme Manager – Major Projects), Chris Barton (Senior Project Manager – Transport Major Projects), Coral Hair (Manager: Democracy & Governance Services), Anahera Dinsdale (Acting Team Leader: Governance Services), Caroline Irvin (Governance Advisor), Aimee Aranas (Governance Advisor)

EXTERNAL: NZTA – David Speirs, Jess Andrews, Ben McPherson

1 OPENING KARAKIA

Cr Baker opened the meeting with a karakia.

2 APOLOGIES

APOLOGY

COMMITTEE RESOLUTION VPG1/24/1

Moved: Cr Hautapu Baker

Seconded: Cr Kevin Schuler

That the apology received from Cr Scoular be accepted.

Notes that Cr Sydney is on Leave of Absence.

CARRIED

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO ORDER OF BUSINESS

Nil

7 DECLARATION OF CONFLICTS OF INTEREST

Nil

8 BUSINESS

8.1 Vision, Planning, Growth & Environment Committee Draft Programme

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

Key Points

- Staff presented the proposed work plan programme for the Committee and noted that the work plan included the key areas that related to the terms of reference for the Committee. These were Growth, Transport, Environment & Other and within that these were arranged in key areas that would occur over time.
- It was noted that workshops were highlighted in red in the work programme. Some matters would be presented at a workshop and then to the Committee for the decision making process.
- Also included in the work programme were matters that would need to be reported to the Committee but due to different reasons, the timing of these reports being presented were unconfirmed.
- It was noted that Councillors did not have a lot of material relating to the projects included in the work programme.
- Projects included in the work programme were informally indicated by Councillors and picked up by staff.

In response to questions

- In response to a query, staff noted that “three waters planning” crossed over and would fall under both Environment and Growth headings.

COMMITTEE RESOLUTION VPG1/24/2

Moved: Cr Glen Crowther

Seconded: Cr Rod Taylor

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.

CARRIED

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

Staff Andy Mead, Manager: City Planning & Growth

Janine Speedy, Team Leader: City Planning

Sarah Dove, Team Leader: Strategic Transport & Infrastructure

Christine Jones, General Manager: Strategy, Growth & Governance

Key Points

- A quarterly update on all initiatives included in the Growth, Land Use Planning and Transport Strategy Projects was provided by staff to the Vision, Planning, Growth & Environment Committee.
- Once projects had been defined, it would move out of this report and be reported on through the Transport Major Projects Update or removed from the list due to completion.
- Staff identified the key current issues in the report and provided an update and included a comprehensive schedule with every initiative in the scope, key matters and a timeline of upcoming initiatives.
- It was noted that other matters that were currently not on the report could be included at the request of Councillors.
- The report was in the context of Tauranga City's high growth environment and the challenges around housing affordability and supplying sufficient housing and business land capacity.
- The report focussed on the progress made by staff over the past three months. It was noted that this progress had been quite significant with projects moving forward at a fast pace.

In response to questions

- PC33 was to provide the medium density zone across the city and more intensification around the CBD and along Te Papa Peninsular. This was fully operative and provided 350,000 plan enabled development capacity units. It was noted that though the capacity would not be met, the intensification area would help meet the urban development and housing needs of the city.
- The industry was responding with development already under way across the city.
- The PC33 project was now finished and no further report would be presented to the Committee unless there were changes made to planning rules by Central Government around intensification.
- Staff had expected Kainga Ora to play a significant role in delivering intensification but with

the new Government's direction, this was unlikely to be the case, as Central Government were more focused on the community housing sector.

- It was noted that Accessible Housing Ltd in Tauranga owned most of the ex-Housing NZ housing stock and staff were working closely with them.
- There were some issues around alignment with investment in public transport (cycling, walking) which were not aligned with Government Policy Statement (GPS) direction for transport investments.
- Tauriko Business Estate (TBE) was an extension of industrial land area for up to 100ha over the next 10 years.
- An Independent Hearings Commissioner had completed these hearings and a report with the recommendations would go to Council on 16 September 2024.
- The Tauriko Enabling Works were under construction and these would allow for half of the area to be developed. The second half would be reliant on further investment.
- The Variation 1 - Tauriko West Urban Growth Area was a variation to PC33. The submissions had been completed and staff were completing documentation for a December 2024 hearing. The Plan Change would enable 4,000 homes to become operative in mid 2025.
- In terms of the Western corridor, it was noted that the Keenan Road project was running behind Tauriko West. Staff were currently in the structure planning phase and determining the over all bones of how development would be delivered with infrastructure, zones, housing and schools.
- A workshop would be scheduled with Councillors to provide further information before going out to the community in early 2025.
- Kainga Ora were leading the investigation for a Specified Development Project (SDP) under the urban development legislation for the broader Western Corridor area which included future potential growth areas with the Western Bay of Plenty District Council. The area along Upper Belk Road could enable 25,000 homes and possible business land. This was a long term project 30-50 years.
- Council staff were awaiting a decision from the Minister of Local Government regarding the SDP which was a planning and implementation mechanism to deliver outside of the Resource Management Act and to bring together a range of existing planning tools into one piece of legislation.
- There was a Private Plan Change for around 500 homes in Ohauti which would be heard late October 2024. The report to establish the Independent Hearings Panel would be presented to the Council meeting on 16 September 2024.
- Te Tumu was a large greenfield area that was currently in planning. It was noted that it had on-going challenges for a long period of time. Access was a key issue and staff were working with Māori Land Owners to establish access into Te Tumu through the TK14 Maori Land Block. A report would be presented to Council before the end of 2024 on this issue.
- SmartGrowth had adopted the SmartGrowth Strategy, including by all partners, partner councils, Government Agencies and tangata whenua. Staff were working on the implementation plan which included more detail on how Council would deliver and implement the Strategy.
- The Implementation Plan was currently being workshopped by SmartGrowth and would then be endorsed by them in October 2024, with the final implementation plan being reported back to this Committee.
- Central Government's Fast Track Approvals Bill sought to move developments and projects faster through the regulatory approval process. TCC had made applications for four projects to be listed in that legislation, including the Pōteriwahi sports field and housing project, Pāpāmoa East Interchange Surplus Land Development Project, Turret Road/15 Avenue Transport Improvement and the Kaituna Storm Water Overflow in Pāpāmoa East/Te Tumu.
- Staff were involved in a range of capacity across Central Government's entire reforms program through unofficial relations and through formal working groups. It was noted that this would also provide opportunity for staff to submit and be heard by Select Committees on the

various reforms.

- In response to a question, it was noted that Central Government was currently undertaking amendments around the Intensification Policies as it related to housing and making the Medium Density Residential Standards (MDRS) Optional. MDRS was not applicable in Mount North. Government was currently making amendments to the National Policy Statement for Urban Development (NPS-UD) along transit roads to encourage more intensification and more height.
- The changes to the National Policy Statement (NPS) would be notified for submissions at the end of 2024 and these would be supported by the Resource Management Act Amendment Bill. It was expected that these changes would be operative by mid 2025 which would be the appropriate time to re-assess the Mount North Area in PC33.
- It was recommended that Council wait until Central Government made the amendments to MDRS and NPS-UD before making changes to PC33, so that no work was made redundant.
- Staff were currently fielding information request from various parties on PC33.
- In response to a query, it was noted that the draft changes to NPS-UD and RMA Amendment Bill relating to the housing supply would be available early next year and these would be reported at a Committee meeting.
- A Welcome Bay and Ohauti planning study was conducted by staff in 2020 based on the broader urban growth potential in that part of the city. It was identified that there was significant urban development potential in this area but was constrained by the transport network and would require a second road access in and out of Welcome Bay.
- It was determined that it was cost prohibited to undertake development of 500 homes in the Welcome Bay area. The outcome of the planning study were to focus on the smaller Ohauti area and to bring more amenities and retail to this area of the city. There was an investigation into a supermarket in Welcome Bay but this had not eventuated at this stage. These would be progressed through Plan Change 38 (PC38).
- A primary school in Ohauti was accepted by Ministry of Education who were exploring options but due to budget constraints, progress was slow.
- There were no easy answers to improving the transport network in Welcome Bay Ohauti. The capacity constraints were largely on the State Highway 29A network and particularly the intersections of Poike Rd and Oropi Rd. These were part of roading that NZTA were not progressing at this stage but they would be considered by the Independent Hearings Panel established by Council.
- Qualifying matters in the Mount North area were set within the legislation where council may limit height or density and there was a prescribed list of when council could use a qualifying matter. A range of qualifying matters were investigated in Mount North area. These included natural hazards. Flooding was a known issue in this area.
- Council proposed to have new cultural and landscape qualifying matters added to the Plan. The Mount Maunganui Plan had a Coastal Environment that had limited height of 11m. This applied from Hopukioré to the base of Mauao, Pilot Bay to the Main Mount Beach, along Marine Parade to Pāpāmoa. An application was considered a discretionary activity and non-compliant if the height limit was proposed to be exceeded.
- No height had changed within this location as a landscape assessment had been completed in 2014, which identified height limits to protect view shaft. In response to submissions made for PC33, there were two landscape assessments undertaken, one for Mount North area and one for all of Council's coastal area.
- Matters would be considered in consultation with local iwi and hapū if the height limit was exceeded.
- The map issued by Minister Chris Bishop identified where there were qualifying matters that limited heights. Not all cases limited the height to MDRS. Some areas within the map allowed for some areas to go to four stories but these were limited by the view shaft.
- PC33 was a unique plan change in which the legislation was specifically written through the Enabling Housing Supply Amendment Act. Every Tier 1 Council had a clear direction where Council had to make a decision by June 2024.
- In response to a query on whether Council had received a report back from NZ Health

regarding their business case on the future of Tauranga Hospital, it was noted that it was the hospitals process to do a Business Case. Staff understood that the timeline had been extended and no formal written correspondence had been received by Council on the likely timing of completion.

- The lease for the Tauranga Racecourse was being managed by staff in the Spaces & Places team. There was a clear understanding that if a decision was made by Health NZ that they did need the land site for a hospital, then Council would enter a long term lease for the hospital and discussions and negotiations would take place on the transition. If Health NZ did not need the site for a hospital, a 15 year lease term would be offered to Racing Tauranga.
- The work on the needs for sports fields in the city was updated every three years, looking at each sporting code, its growth, the population growth, the location and then projects how many sports fields were required and where they needed to be located.
- In response to a question on growth paying for growth, it was noted that development contributions was the key tool used to ensure growth pays for the infrastructure cost associated with providing for growth. Development contributions and where they should be used versus other funding tools like rates, staff had to consider the why for the investment and who benefited.
- Staff had been informally involved in amending the Development Contributions legislative framework to ensure growth pays for growth better than it currently does.
- Council's Development Contributions Policy was reviewed annually and adjustments could be made to charges then. The issue was when consent applications were made, the development contributions charge was locked in for that development over the lifetime of that development.
- Council wrote to the Ministry for the Environment requesting time extensions on PC33 to 30 June 2024 and Variation 1 for Tauriko West was extended to 31 December 2025, due to the complexity of the submissions made and what they sought in terms of the technical work required primarily around landscape matters and economic assessment around the commercial centres.
- In response to a query around Council's recommendation to NZTA to construct a four-lane bridge over Omanawa Stream rather than the proposed replacement twolane bridge, it was noted that NZTA's decision was that it would remain two lanes and future proofed for four lanes. Staff had requested that they receive a copy of the design for the future proofing and would provide feedback whether the proposal would be sufficient for the projected growth for that corridor. Staff had not formally received a response from NZTA as yet.
- As per the SmartGrowth Strategy, Council was working towards the housing shortfall over the next 30 years. Staff were aiming for 4,000 homes in Tauriko West with another possible 8,000 being provisionally allocated across Keenan Road, Upper Belk Road and a proposed Eastern town within the Western Bay of Plenty District.
- Council modelled for a 100 year flooding event and effects were added due to climate change. This was a requirement of the Regional Policy Statement set by Bay of Plenty Regional Council.
- Staff were aware of how many properties were affected by Plan Change 27. It was a significantly greater exercise to then determine how many of the properties that were not affected might be developed.

Discussion points raised

- Additional resolutions (b) and (c) were added to reflect discussions to enable the Mayor and Councillors to fulfill their statements during the election period and the comments received by residents of Mount Maunganui with the implementation of the recommendation of PC33.
- Resolution (c) was reflective of Council being given an opportunity to explore options to reduce the burden on ratepayers.

COMMITTEE RESOLUTION VPG1/24/3

Moved: Cr Steve Morris

Seconded: Cr Rick Curach

That the Vision, Planning, Growth & Environment Committee:

- (a) Receives the report "Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - September 2024".
- (b) Request staff present an issues and options paper on a plan change relating to permitted building height limits and zoning in Mount Maunganui North in early 2025.
- (c) Request staff present an issues and options paper on charging all development contributions at the time of subdivision and the ability to levy a targeted rate at the time of rezoning in early 2025.

CARRIED

At 11.18am the meeting adjourned.

At 11.28am the meeting reconvened.

8.3 Transport Major Projects Update

Staff Jason Spencer, Transport Programme Manager – Major Projects

Chris Barton, Senior Project Manager – Transport Major Projects

Nic Johansson, General Manager: Infrastructure

Marty Grenfell, Chief Executive

Power point presentation

Key Points

- The five major projects were Cameron Road Stage 2, Hewletts Sub Area, Pāpāmoa East Interchange, 15th Ave/Turret Road and Tauriko West.
- It was noted that due to the scale of these five projects, a separate entity was established called T5. Additionally, an oversight group was established to provide advice to Council.
- The five major transport projects were grouped together because they represent the five largest transport projects with Council's partner NZTA, two of which were currently under construction.

15th Ave/Turret Road

- It was noted that the 15th Avenue/Turret Road project total funding secured was low. Council had approved a Business Case to go to NZTA for a decision in October 2024. NZTA had allocated funds in their National Land Transport Programme (NLTP) budget for this project.

In response to questions

- As part of the delivery for the project, staff had looked at speeding up delivery to minimise the disruption to residents. Project leaders looked at three shifts over 24 hours, 7 days a week.
- It was noted that the corridor was constrained and the widening was mainly happening across the bridge.
- It was noted that bailey bridges were taken into consideration to help aid access during construction.

- Clarification sought on funding amounts for 15th Avenue/Turret Road, it was noted that as per page 6 of the presentation, the total funding required was \$156m, the total funding secured was \$4m, the total committed cost was \$1m and the amount paid to date was \$4m with a remaining budget of \$152m.

Cameron Road Stage Two

Key Points

- It was noted that this project was important and a carry on from Cameron Road Stage One. This project had come to a halt due to funding.
- The Cameron Road Stage Two Business Case (CRS2) was presented to NZTA's Value, Outlook and Scope (VOS) Committee and then to the NZTA Board, which declined the business case as it did not fully align with the Government Policy Statement (GPS). Staff were currently working on a new business case for CRS2 which aligned with the GPS and that would go to the VOS Committee in early 2025.
- Staff had a contract with GHD Ltd to do scheme design of the concept and engagement with the community.
- The cost of the project and the risk was currently on Council. Staff took the risk with the understanding that NZTA would approve the Business Case.

In response to questions

- Council had currently paid to date \$2.4m and contractual commitments were up to \$5.8m. It was noted that the contract was currently under review due to NZTA declining the Business Case.
- Committed costs and work on the ongoing business case could come from external funding. Staff would go through the re-negotiation process of the fundamentals of those agreements.

Pāpāmoa East Interchange

Key Points

- The Pāpāmoa East interchange project was being delivered by HEB with \$62m worth of work. The project was on time and to budget.
- It was noted that challenges with working close to the State Highway had all been overcome to date.
- There was a minor delay in piling work which could impact completion date. Staff were in discussion with the contractor to look at minor tweaking of the contract and noted it would be in the best interest of the contractor to meet 10 piles a day, which they were currently not doing.

In response to questions

- In response to a query, staff responded that Council could enable access to service the southern side which would need a new road. It was noted that it was possible but would be costly.
- The project was 51% funded by NZTA and the remaining 49% was funded by TCC.

Tauriko West Enabling Works

Key Points

- It was noted that this was the biggest project by Council which was a relatively high risk and highly complex project with the purpose to enable housing supply.
- This project was delivered by NZTA on behalf of TCC.
- There was an unresolved program extension which was currently under negotiation.

- Staff sought clear separation of financial reporting between the Tauriko project and the new Omanawa Bridge addition within the overall project.
- It was noted that there was various funding sources and the total cost for the project was \$237m.
- The Chief Executive noted that prior to advancement of this project, the previous Council commissioned an independent risk assessment of the funding position of the three developers, the Infrastructure Acceleration Fund and the liability that rests with Council. The comprehensive report on this would be provided to Councillors.

In response to questions

- The Plan Change provided for 2,400 dwellings in this area. There were no technical assessments that could enable 4,000 dwellings based on the enabling works.

In response to questions

- It was noted that the Pāpāmoa East Interchange was partially funded through additional targeted rates which impacted Pāpāmoa East residents. Tauriko West or 15th Ave/Turret Road residents were not paying targeted rates in the same way Staff responded that only the Pāpāmoa East Interchange was partially funded by targeted rates but it was not the project capital it was the cost of capital, meaning the interest accumulating on the debt.
- Construction start date for Cameron Road Stage Two was currently scheduled for February 2026.
- In response to a query about whether the construction for Cameron Road Stage Two could be brought forward to 2025 given that there were other major projects scheduled for 2026 that could cause major traffic disruptions across the city, staff noted that it would be very challenging to bring the project forward given the circumstances with funding on Cameron Road Stage Two.
- Traffic flow analysis was still being worked through with the arterial routes project.

COMMITTEE RESOLUTION VPG1/24/4

Moved: Cr Glen Crowther

Seconded: Cr Rick Curach

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.

CARRIED

Attachments

- 1 Presentation - Transport Major Projects Update

8.4 Connecting Mount Maunganui - Project Update

Staff Chris Barton (Senior Project Manager – Transport Major Projects)

Nic Johansson, General Manager: Infrastructure

External David Speirs, Regional Director, NZTA
Jess Andrews, Regional Manager System Design, NZTA
Ben McPherson, Project Manager Connecting Mount Maunganui, NZTA
Ben Peacey (via Teams)

Power point presentation

Key Points

- The Urban Form and Transport Initiative (UFTI) connected blue print was a land use plan, but also indicated the future demand for transport. The Transport System Plan (TSP) was then developed which included the programme of interventions. These were prioritised alongside partner councils and NZTA.
- There was a focus on understanding how traffic flowed across the Tauranga harbour when UFTI and TSP were created.
- One of the key movements was traffic flow across the existing Tauranga bridge and the connection with State Highway 29A and included Totara St, Hull Road and Maunganui Road.
- A survey was conducted during community engagement to understand the needs for transport in the Mount Maunganui area. From this, a list of 107 ideas were put together which was then narrowed down to a short list of key interventions.
- A multi-criteria analysis was used to assess and rank each option from the short list to understand how they would perform against a range of criteria in order to come up with the preferred option.
- The preferred option hugely improved the performance and allowed traffic and freight through to Mount Maunganui to keep moving.
- This project looked to grow Totara Street from two lanes to four lanes between Hull Road and Hewletts Road. The current width on the road allowed for this growth. A fly-over from Totara Street to the harbour bridge was also being explored. This project looked to be delivered in five stages due to budget and constructability constraints.
- There were benefits in converting the bus lane along Hewletts Road to a T3 Lane. It was noted that the implementation of the T3 lane was relatively simple and would need to go for community engagement first.

In response to questions

- A cost estimate had been undertaken with the NZTA 'cost estimation manual', and the project was estimated to cost \$292m. This was not the Council portion of the cost. The implementation and cost share had not yet been finalised as the project was still in the early stages. NZTA noted that the early estimated cost share of Council was around \$140m.
- The project team had had discussions with Port of Tauranga around exploring alternate routes like Tasman Key, but due to health and safety risks and impacts, were found not to be long term viable options.

Discussion points raised

- Chair thanked NZTA for their attendance today.

COMMITTEE RESOLUTION VPG1/24/5

Moved: Cr Glen Crowther

Seconded: Cr Rick Curach

That the Vision, Planning, Growth & Environment Committee:

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

CARRIED

Attachments

- 1 Presentation - Connecting Mount Maunganui - TCC Council Meeting

9 DISCUSSION OF LATE ITEMS

Nil

10 CLOSING KARAKIA

Cr Baker closed the meeting with a karakia.

The meeting closed at 1:07pm.

The minutes of this meeting were confirmed as a true and correct record at the Vision, Planning, Growth & Environment Committee meeting held on 14 October 2024.

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Cr Marten Rozeboom
CHAIRPERSON