



AGENDA

City Future Committee meeting Monday, 16 June 2025

I hereby give notice that a City Future Committee meeting will be held on:

Date: Monday, 16 June 2025

Time: 9.30am

Location: Tauranga City Council Chambers
Level 1 - 90 Devonport 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 – City Future Committee

Common responsibility 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 – City Future Committee

Membership

Chair	Cr Marten Rozeboom
Deputy chair	Cr Rod Taylor
Members	Deputy Mayor Jen Scoular Cr Hautapu Baker Cr Glen Crowther Cr Rick Curach Cr Steve Morris Cr Kevin Schuler Cr Hēmi Rolleston Mayor Mahé Drysdale (ex officio) Arthur Flintoff - Tangata Whenua Representative
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	Six weekly

Role

The role of the City Future 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.

- To review and determine the policy framework that will assist in achieving the desired strategic and operational priorities and outcomes for the city.

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 future strategic and growth-related projects including future strategic transport projects (i.e. projects where the project purpose definition, business case, and funding are yet to be in place).
- 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 wellbeings 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.
- Develop, review and approve policies, including as appropriate the development of community consultation material, the undertaking of community consultation, and the hearing of and deliberating on community submissions.
- Develop, review and approve bylaws to be publicly consulted on, hear and deliberate on any submissions and recommend to Council the adoption of the final bylaw. (The Committee will recommend the adoption of a bylaw to the Council as the Council cannot delegate the adoption of a bylaw to a committee.)

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.

Chair and Deputy Chair acting as Co-Chairs

- While the Chair and Deputy Chair of the Committee roles are separately appointed it is the intention that they act as co-chairs.
 - Only one person can chair a meeting at any one time. The person chairing the meeting has the powers of the chair as set out in standing orders and has the option to use the casting vote in the case of an equality of votes.
 - The rotation of the meeting chairs is at the discretion of the Chair and Deputy Chair and subject to their availability, however it is expected that they will alternate chairing meetings when possible.

- When the Deputy Chair is chairing the meeting, the Chair will vacate the chair and enable the Deputy Chair to chair the meeting. The Chair will be able to stay and participate in the meeting unless they declare a conflict of interest in an item, in which case they will not participate or vote on that item.
- The Chair and Deputy Chair will attend pre-agenda briefings and split any other duties outside of meetings, e.g. spokesperson for the Committee.
- The Chair and Deputy Chair will jointly oversee and co-ordinate all activities of the Committee within their specific terms of reference and delegated authority, providing guidance and direction to all members and liaising with Council staff in setting the content and priorities of meeting agendas.
- The Chair and Deputy Chair will be accountable for ensuring that any recommendations from the Committee are considered by the Tauranga City Council.

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1 OPENING KARAKIA

2 APOLOGIES

3 PUBLIC FORUM

3.1 Mr David Tank - Speaking to housing and a land assembly register

ATTACHMENTS

Nil

- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO ORDER OF BUSINESS**

7 CONFIRMATION OF MINUTES

7.1 Minutes of the City Future Committee meeting held on 5 May 2025

File Number: A18325148

Author: Anahera Dinsdale, Governance Advisor

Authoriser: Anahera Dinsdale, Governance Advisor

RECOMMENDATIONS

That the Minutes of the City Future Committee meeting held on 5 May 2025 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the City Future Committee meeting held on 5 May 2025



MINUTES

**City Future Committee meeting
Monday, 5 May 2025**

Uncontrolled

Order of Business

1	Opening karakia	3
2	Apologies	3
3	Public forum	3
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**MINUTES OF TAURANGA CITY COUNCIL
CITY FUTURE COMMITTEE MEETING
HELD AT THE BAY OF PLENTY REGIONAL COUNCIL CHAMBERS, 1 ELIZABETH STREET,
TAURANGA
ON MONDAY, 5 MAY 2025 AT 9.30AM**

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

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Alastair McNeill (General Manager: Corporate Services), Sarah Omundsen (General Manager: Regulatory & Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Andy Mead, (Manager: City Planning & Growth), Sarah Dove (Team Leader: Strategic Transport & Infrastructure), Claudia Hellberg (Team Leader: City Waters Planning), Wally Potts (Director: City Waters), Vicky Grant-Ussher (Policy Analyst), Jeremy Boase (Manager: Strategy & Corporate Planning), Clare Sullivan (Governance Advisor), Caroline Irvin (Governance Advisor).

Cr Rozeboom, on behalf of the Mayor, Councillors and staff of the Tauranga City Council, thanked the Chair, Councillors and staff of the Bay of Plenty Regional Council for their generosity in the use of their Council Chambers at 1 Elizabeth Street, since 2023.

1 OPENING KARAKIA

Tangata Whenua representative Arthur Flintoff opened the meeting with a karakia.

2 APOLOGIES

Nil

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 CONFIRMATION OF MINUTES

7.1 Minutes of the City Future Committee meeting held on 31 March 2025

COMMITTEE RESOLUTION CFC/25/3/1

Moved: Cr Marten Rozeboom

Seconded: Cr Hautapu Baker

That the Minutes of the City Future Committee meeting held on 31 March 2025 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 BUSINESS

9.1 Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - May 2025

Staff Andy Mead, Manager: City Planning & Growth
Sarah Dove, Team Leader: Strategic Transport & Infrastructure
Christine Jones, General Manager Strategy Growth & Governance

TIMESTAMP: 7:40

Tangata whenua representative Arthur Flintoff noted he was a land owner in Te Tumu.

Actions for staff

- Explain how community consultation will be managed in the report on Keenan Road.
- Distribute a table of delegations in relation to staff undertaking negotiations.

RECOMMENDATION

That the City Future Committee:

- (a) Receives the report "Quarterly Update – Growth, Land Use Planning and Transport Strategy Projects – May 2025

An amendment was proposed:

Moved: Cr Steve Morris

Seconded: Cr Rod Taylor

- (b) That staff report back to the committee with:
 - (i) An assessment of alternative transport and infrastructure connections to Te Tumu, including the Kaituna Link.
 - (ii) An assessment of alternative wastewater options.

- (iii) Consideration of costs, benefits, risks, and delivery timelines for each option.

With options for further direction from the committee.

CARRIED

An amendment was proposed:

Moved: Cr Hautapu Baker
Seconded: Cr Steve Morris

- (c) Requests that council consider investment through the 2025/26 Annual Plan process to enable Ohauti and Welcome Bay Transport planning and assessment to be undertaken.

In Favour: Crs Marten Rozeboom, Rod Taylor, Hautapu Baker, Glen Crowther, Rick Curach, Steve Morris, Kevin Schuler, Jen Scoular and Arthur Flintoff

Against: Mayor Mahé Drysdale

CARRIED 9/1

COMMITTEE RESOLUTION CFC/25/3/2

Moved: Cr Steve Morris
Seconded: Cr Rod Taylor

That the City Future Committee:

- (a) Receives the report "Quarterly Update – Growth, Land Use Planning and Transport Strategy Projects – May 2025
- (b) That staff report back to the committee with:
 - (i) An assessment of alternative transport and infrastructure connections to Te Tumu, including the Kaituna Link.
 - (ii) An assessment of alternative wastewater options.
 - (iii) Consideration of costs, benefits, risks, and delivery timelines for each option.
With options for further direction from the committee.
- (c) Requests that Council consider investment through the 2025/26 Annual Plan process to enable Ohauti and Welcome Bay Transport planning and assessment to be undertaken.

CARRIED

9.2 Government Reforms affecting Tauranga City Council

Staff Andy Mead, Manager: City Planning & Growth
Christine Jones, General Manager Strategy Growth & Governance

TIMESTAMP: 1:20:40

COMMITTEE RESOLUTION CFC/25/3/3

Moved: Cr Rod Taylor

Seconded: Cr Marten Rozeboom

That the City Future Committee:

- (a) Receives the report "Government Reforms affecting Tauranga City Council".

CARRIED

9.3 Carmichael Road Improvement Project: Planning Stage Update

Staff Claudia Hellberg, Team Leader: City Waters Planning
Wally Potts, Director: City Waters
Nic Johansson, General Manager Infrastructure

TIMESTAMP: 1:24:50

COMMITTEE RESOLUTION CFC/25/3/4

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the City Future Committee:

- (a) Receives the report "Carmichael Road Improvement Project: Planning Stage Update".

CARRIED

At 11:30 am, Mayor Mahé Drysdale left the meeting.

9.4 Approval of Lead Level of Service Policy

Staff Vicky Grant-Ussher, Policy Analyst
Jeremy Boase, Manager: Strategy & Corporate Planning
Christine Jones, General Manager Strategy Growth & Governance

TIMESTAMP: 2:02:00

Actions for staff

- That staff hold a workshop on the Lead Level of Service Policy.

COMMITTEE RESOLUTION CFC/25/3/5

The motion was put separately:

Moved: Cr Glen Crowther

Seconded: Cr Marten Rozeboom

That the City Future Committee:

- (a) Receives the report "Approval of Lead Level of Service Policy."

CARRIED

- (b) Approves the Lead Level of Service Policy (as per Attachment 1) for adoption with immediate effect.

In Favour: Crs Marten Rozeboom, Glen Crowther, Steve Morris and Kevin Schuler

Against: Crs Rod Taylor, Hautapu Baker, Rick Curach, Jen Scoular and Arthur Flintoff

LOST 4/5

9.5 Policies to Revoke

Staff Vicky Grant-Ussher, Policy Analyst
Christine Jones, General Manager Strategy Growth & Governance

TIMESTAMP: 2:37:43

COMMITTEE RESOLUTION CFC/25/3/6

Moved: Cr Rick Curach

Seconded: Cr Rod Taylor

That the City Future Committee:

- (a) Receives the report "Policies to Revoke".
- (b) Agrees to revoke the following policies:
- (i) Utilising Potable Water for Dust Control Policy 2016.
 - (ii) Handling Collection Policy 2009.
 - (iii) Sewerage – Private Sewer Pump Stations 1994.
 - (iv) Reimbursement and/or Contribution to Costs Connection of Private Stormwater Systems 1997.

CARRIED

10 DISCUSSION OF LATE ITEMS

Nil

11 CLOSING KARAKIA

Cr Hautapu Baker closed the meeting with a karakia.

The meeting closed at 12.12 pm.

The minutes of this meeting were confirmed as a true and correct record at the City Future Committee meeting held on 16 June 2025.

.....
Cr Marten Rozeboom
CHAIRPERSON

Unconfirmed

8 DECLARATION OF CONFLICTS OF INTEREST

9 BUSINESS

9.1 Status update on actions from prior City Future Committee meetings

File Number: A17966306

Author: Anahera Dinsdale, Governance Advisor
Anne Payne, Principal Strategic Advisor

Authoriser: Jeremy Boase, Acting General Manager: Strategy, Growth & Governance

PURPOSE OF THE REPORT

1. This report provides a status update on actions requested by this Committee during previous meetings, excluding actions arising directly from resolutions. This is the first recurring report.

RECOMMENDATIONS

That the City Future Committee:

- (a) Receives the report "Status update on actions from prior City Future Committee meetings".
- (b) Note that this is a recurring report, which will be provided to each subsequent meeting of this Committee.
- (c) Notes any requested improvements for this report.

BACKGROUND

2. In early December 2024, Elected Members agreed that non-resolution-related actions requested during Committee or Council meetings should be explicitly recorded in the meeting minutes.
3. From May 2025, a status update on actions requested by each of the Audit and Risk, City Delivery and City Future Committees will be reported to each subsequent meeting of that Committee; and actions from Council meetings will be reported to every second Council meeting.
4. Each report will include actions completed since the last report, but will not re-report previously completed actions. Previously completed and reported actions will be archived.

DISCUSSION

5. The first actions status update report for the City Future Committee is provided as **Attachment 1** to this report, and is summarised in the table below:

Status of actions	No. actions
Closed (completed since the last report)	9
Pending (waiting on something)	3
In progress	5
To be actioned	-
Total actions included in this report	17

ATTACHMENTS

1. **Actions from City Future Committee - status update 30 May 2025 - A18297440** [↓](#) 

City Future Committee				Actions status update as at: 30 May 2025			
Meeting Date	Item No.	Report Name	Action Required	Status Update <i>(incl anticipated / actual completion date)</i>	Status Summary	Date Closed	GM / CE Responsible
2025							
5 May 2025	9.1	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - May 2025	Cover how community consultation will be managed in the report on Keenan Road.	Will be addressed in next quarterly report or when Keenan is reported as a project - whichever is the soonest.	Pending		Christine Jones
5 May 2025	9.1	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - May 2025	Distribute a table of delegations in relation to staff undertaking development agreement negotiations.	A table outlining this information has been circulated to elected members	Closed	On / about 27 May 2025	Christine Jones
5 May 2025	9.4	Approval of Lead Level of Service Policy	Hold a workshop on Lead Level of Service	Request for briefing time submitted 6 May 2025. Workshop scheduled for 10 July.	Pending		Christine Jones
31 Mar 2025	9.3	Connecting Mount Maunganui - Project Update and Next Steps	Report back on why the difference in budget for 23/24 and 33/34	Explanation: The 2024-34 LTP included a budget of \$38m across the LTP period. In the draft future budgeting as reflected in the report, LTP budgeted funding in the 2032/33 and 2033/34 financial years at the later stages of the LTP was moved out a year (with the impact of 2033/34 funds moving outside of the 10 year LTP timeframe) in error. This has been addressed to ensure funding allocations across the 10 year period are consistent with LTP allocations.	Closed	5 May 2025	Nic Johansson
31 Mar 2025	9.9	City Future Committee Work Programme - April 2025 to March 2026	Add to the work plan a workshop on Strategic Direction.	Workshop request submitted 29 April. Agreed with EM's it would be after completion of the Annual Plan process. Workshop scheduled for 24 July.	In progress		Christine Jones
17 Feb 2025	8.1	Fifteenth Avenue to Welcome Bay Upgrade - Procurement Strategy	(f) Agrees to hold a workshop on the "Fifteenth Avenue to Welcome Bay Upgrade Project"	Workshop held on 1st April 2025.	Closed	1 Apr 2025	Nic Johansson

Meeting Date	Item No.	Report Name	Action Required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
17 Feb 2025	8.4	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - February 2025	Staff to provide information on infrastructure costs for Māori development.	Memo on Papakainga housing and infrastructure matters sent to EM's as part of Council Catchup 23 May 2025. Workshop to be scheduled to discuss and then report to a Committee.	In progress		Christine Jones
17 Feb 2025	8.4	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - February 2025	Staff to provide information on risks associated with deferring the collection of development contributions to the code of compliance saga.	Risks associated with DC deferral covered in EM Workshop 10 April 2025.	Closed	10 Apr 2025	Christine Jones
17 Feb 2025	8.6	2025/26 Development Contributions Policy - Growth Funding Opportunities	That a workshop be held once Central Government provides direction on the funding and financing tools.	Report with an update in the City Future 1/4ly Growth, Land Use and Transport Planning Report to 5 May 2025. Also addressed in the Government Reforms Affecting TCC report to 5 May 2025 City Futures meeting. Once further clarity on Central Government reform then a workshop can be scheduled.	Pending		Christine Jones
17 Feb 2025	8.8	Tauranga Wayfinding & Interpretation Signage Strategy for Parks and Reserves	That the costings and signage replacement information be sent to Elected Members.	Emailed to Elected Members from EM Requests on 1 May 2025	Closed	1 May 2025	Barbara Dempsey
2024 - Vision, Planning, Growth & Environment Committee							
14 Oct 2024	9.1	SmartGrowth Implementation and Funding Plan	A link to website be sent to Councillors for the development trends of population projections report.	Email sent CJ to EMs 14 October 2024.	Closed	14 Oct 2024	Christine Jones

Meeting Date	Item No.	Report Name	Action Required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
14 Oct 2024	9.2	Waste Infrastructure Programme Business Case development	To provide the Subregional waste infrastructure analysis.	The Subregional Waste Infrastructure Analysis, completed in mid-2024, has informed the Waste Infrastructure Plan, which will go to Council on 5 August 2025. An Executive review is scheduled for late June, with a workshop for Elected Members planned for mid-July to work through the options ahead of the August meeting.	In progress		Nic Johansson
14 Oct 2024	9.2	Waste Infrastructure Programme Business Case development	To provide the projections of waste contractor cost and actuals.	Service and infrastructure options will be finalised through the Waste Infrastructure Business Case process, aiming to reduce landfill waste per capita, increase resource recovery, and improve cost-efficiency while ensuring accessibility - going to Council for final decision in Dec 2025.	In progress		Nic Johansson
14 Oct 2024	9.2	Waste Infrastructure Programme Business Case development	To provide costings of the development of the Business Case. Including costs for external consultants.	To be finalised and taken to Council for decision in Dec 2025.	In progress		Nic Johansson
14 Oct 2024	9.3	Takitimu North Link Toll Proposal Submission	The smartlink webpage link be provided to Councillors	Link to the Takitimu Tolling included in the Council report where draft submission was reported.	Closed		Christine Jones
14 Oct 2024	9.4	Growth Funding and Growth Capex Workshop Session	To provide the on-balance sheet from the Tauriko West funding stack	The Tauriko West funding stack has been clarified through the report to Council on 15 May in relation to the Classic Group funding agreement	Closed	15 May 2025	Christine Jones
9 Sep 2024	8.2	Quarterly Update - Growth, Land Use Planning and Transport Strategy Projects - September 2024	Public Council reports from 2022 on Plan Change 33	Website updated, weblink is: https://www.tauranga.govt.nz/council/council-documents/tauranga-city-plan/operative-plan-changes/plan-change-33-key-documents	Closed		Christine Jones

9.2 Overview of Assessment of Alternative Transport Connections to Te Tumu

File Number: A18208178

Author: Brad Bellamy, Principal Planner (Structure Planning)
Andy Mead, Manager: City Planning & Growth

Authoriser: Jeremy Boase, Acting General Manager: Strategy, Growth & Governance

PURPOSE OF THE REPORT

1. To provide the Committee with an assessment of the alternative transport access options previously investigated for the Te Tumu Urban Growth Area, including consideration of the relative costs, benefits, risks, and indicative delivery timelines associated with each option, to support further direction from the Committee.

RECOMMENDATIONS

That the City Future Committee:

- (a) Receives the report "Overview of Assessment of Alternative Transport Connections to Te Tumu".
- (b) Notes the opportunities and challenges to the alternative Kaituna Link and Bell Road access options for Te Tumu as identified in the report.
- (c) Agrees, for the time being, to continue to progress with structure planning and work to support the rezoning of Te Tumu based on the decisions previously made that confirm that neither Bell Road nor Kaituna Link are necessary roading connections to enable development within Te Tumu but should remain to be provided for as possible future transport connections, and that work continues on the basis of enabling transport connections from Papamoa East / Wairakei.
- (d) Notes that staff will report back to Council on negotiations for access to Te Tumu from the west via Wairakei and the TK14 land (scheduled for the next quarter) and this reporting will include implications for other access options which will provide the opportunity to reconsider resolution (c) above if required.

EXECUTIVE SUMMARY

2. This item responds to a request from elected members for a report on the alternative access options for Te Tumu.
3. The Te Tumu structure planning process has included a comprehensive assessment of transportation options. The primary access strategy at this time is to deliver transporting connections via transport corridors from the west—linking Te Tumu with the Wairakei Urban Growth Area and Papamoa East Interchange. This approach supports infrastructure efficiency, integrated land use, and aligns with the Urban Form and Transport Initiative (UFTI) and the Connected Centres programme under SmartGrowth.
4. Due to physical constraints such as the coast, Kaituna River and the Tauranga Eastern Link (TEL) motorway there are limited other options for access to this growth area. Two alternative access options via Bell Road and the proposed Kaituna Link have also been identified and investigated over several years. Both present significant strategic, technical, and cost-related challenges.
5. Bell Road has been assessed as a potential secondary access route for Te Tumu, suitable only under higher population scenarios (20,000–25,000 residents) and assuming limited

external trip generation. Major constraints include flood risks, limited vertical clearance beneath the Kaituna River bridge on the TEL, infrastructure limitations, environmental and cultural sensitivities, and a high estimated upgrade cost exceeding \$100 million. Sole reliance on Bell Road would compromise integration with Wairakei, reduce urban form outcomes, and conflict with SmartGrowth and UFTI objectives. The New Zealand Transport Agency (NZTA) is unlikely to fund this route given its greenfield status, lack of inclusion in national or regional transport plans, and low likely benefit-cost ratio.

6. The Kaituna Link, involving a new bridge over the Kaituna River and construction of new and upgraded rural roads, was last formally reviewed by SmartGrowth in 2019. It showed low projected demand, high construction costs (approximately \$80 million at that time), and potential for significant environmental and cultural impacts. SmartGrowth resolved not to pursue the option further but supported it being future-proofed so that it could be delivered in future.
7. Overall, while Bell Road and the Kaituna Link offer long-term potential, neither is considered viable as a primary or initial access strategy. The preferred approach remains integration via existing western corridors, which aligns with current infrastructure planning, urban form objectives, and strategic transport priorities for the sub-region.
8. Access from the west relies on securing corridors through the Tumu Kaituna (TK) 14 Māori land block. Negotiations are well underway in this regard and staff anticipate reporting to Council for decision-making in the next quarter.
9. Staff recommend that at this time Council continues to focus on access options from the west. Should this be unsuccessful other access options could be reassessed at that time.

BACKGROUND

10. At its 5 May 2025 meeting, the Committee requested a report on alternative transport and infrastructure connections to Te Tumu, including the Kaituna Link, as well as alternative wastewater options. This report provides an overview of previous assessments of transport access alternatives, including the associated costs, benefits, risks and indicative delivery timeframes. A separate report on wastewater options will be presented in August 2025.
11. Structure planning for Te Tumu has involved a comprehensive assessment of options to ensure delivery of an integrated, multi-modal transport system. This has included consideration of the appropriate staging and sequencing of options to support a range of future land uses, housing densities and typologies planned for growth area.
12. A key outcome is to ensure the transport network in Te Tumu supports coordinated and efficient urban form that makes best use of infrastructure, promotes accessible travel by all modes and supports sustainable growth. In this regard Te Tumu is intended to align with the connected centres programme set out within the Urban Form and Transport Initiative (UFTI) under SmartGrowth.
13. The primary access strategy to achieving this outcome has been to plan for the integration of a future transport network with the adjacent Wairakei Urban Growth Area and Papamoa East Interchange. This also enables logical extensions of existing water, wastewater, electricity and fibre infrastructure from the west through Wairakei into Te Tumu via planned transportation corridors.
14. Over the course of several years other access options have also been investigated through technical assessments and strategic studies. In addition to the planned transport corridors from the west, alternative access options investigated have included a new connection at the eastern end of Te Tumu via a bridge crossing (“Kaituna Link”), and a new southern connection via an upgrade to Bell Road. These alternative access options are discussed in further detail below.

Strategic Road Network – Eastern Corridor

- 15. The coastal development strip is predominantly serviced by way of a Collector Road network. These in turn feed onto the Primary and Secondary Arterial network providing for strategic and inter-regional distribution of traffic movements. A finer grained transport network comprises the local roads which are principal providers of neighbourhood and property access.
- 16. Three key collector roads service the Wairakei and Papamoa East area that are planned to connect to Te Tumu. These transport corridors are Papamoa Beach Road (existing), The Boulevard (planned) and Te Okuroa Drive (planned and under construction) as shown in Figure 1.



Figure 1: Papamoa East Road Network

- 17. Te Okuroa Drive is a designated corridor being delivered by TCC. The Boulevard is a transport corridor being delivered by Bluehaven Group as part of The Sands development that is planned to connect to the boundary of Te Tumu. Cost sharing for this corridor includes a proportion attributed to Te Tumu and is subject to a development agreement between Bluehaven and TCC.
- 18. The form and function of The Boulevard and Te Okuroa Drive within Te Tumu has been the subject of significant discussion between TCC staff, NZTA, Bay of Plenty Regional Council and the Te Tumu landowners to reach agreement. Extending transportation corridors from the west into Te Tumu requires these to cross the Tumu Kaituna 14 (TK14) block. Two corridors are proposed to cross this Māori land block and provide for not only access but also reticulated services and utilities. Negotiations are actively underway with the trustees of TK14 and other landowners. Staff anticipate reporting back to Council in the next quarter of 2025 for Council decisions.
- 19. In addition to these existing and planned transport corridors the only other existing access to Te Tumu comes from Bell Road which provides access from the south.

Bell Road – Access Considerations

20. Bell Road is a rural local road located within the Western Bay of Plenty District Council (WBOPDC) area that extends from the Te Puke Highway passing under the Tauranga Eastern Link to the boat ramp at the Kaituna River. There is no wastewater reticulation located within Bell Road and only a small 100mm watermain. A right of way extends from the boat ramp into Te Tumu over a narrow causeway bridge that serves several properties within the growth area as shown in Figure 2.



Figure 2: Eastern extent of Bell Road

21. Transport related investigations have been undertaken which consider utilising Bell Road to service Te Tumu. These investigations carried out by Beca in 2018 considered a range of matters including new connecting roads and roading upgrades to support future growth in Te Tumu.¹ This investigation was not conducted on the basis of Bell Road being the sole or first access point to Te Tumu, but rather as an additional, or secondary access route to those planned via the Wairakei Growth Area.
22. These investigations concluded that only in instances where higher population scenarios (20,000 – 25,000 people) were to occur within Te Tumu would there be a need to utilise Bell Road. In addition, it was identified that even in the event that a 20,000 population scenario, use of Bell Road could be avoided if a high percentage of trips are internalised through land use planning, and/or a high sustainable transport mode share was achieved (i.e. more people cycling or using public transport).

Alignment Options and Constraints

23. It was identified for this access to service future urban growth and provide a suitable level of service that a number of improvements would be required. There were several key constraints identified that would impact on the ability to improve this connection to service Te Tumu. These were identified as follows.
- The need for a series of realignments at the road's eastern end in order to avoid areas of archaeological, ecological and cultural significance located within Te Tumu.
 - The existing Bell Road alignment is within the Kaituna River flood area and influenced by sea level rise, as such any road upgrades would need to consider the impact on the hydrodynamics of the catchment.
 - The vertical clearance from Bell Road to the underside of the Kaituna River bridge (TEL) is 4.60m. Any increase in the seal level of the road to avoid flood risk would lessen this clearance to potentially a non-compliant height. For example, a typical concrete truck height is 3.60m. Current seal level is approx. 1.8m to 2m above sea level.
 - Widening of Bell Road under the Kaituna River bridge structure is restricted (approx. 26m) and unlikely to support additional lanes without compromising the provision of footpath and/or cycleway widths due to the bend radius of the road.

¹ Bell Road Link – Options Report, Beca Limited, July 2018

24. Several alignment options were considered through these investigations, particularly in terms of the possible entry point into Te Tumu at the eastern end of Bell Road (see Figure 3). An evaluation process was undertaken to assess the range of entry point alignments. The preferred alignment (Option B) that was chosen was costed at the time (2018) against a high-level concept design at approximately \$7.9M. These costs excluded land acquisition costs noting that the preferred option would cross land at the southern end of the Tumu Kaituna 14 block presenting the need for support from the TK14 Trust, its beneficial landowners and the Māori Land Court.
25. An alternative alignment to Option B included following the route of the existing right-of-way across the narrow causeway bridge (Option C). Although this was identified as having the least impact on Māori land a number of other significant limitations were identified including:
- environmental and ecological impacts
 - ground conditions and geotechnical challenges
 - infrastructure and earthworks considerations
 - impacts on traffic flow and operational efficiency
 - cultural and archaeological considerations.
26. The alignment shown as option C was not the preferred location identified in the 2018 assessment. The engineering and planning constraints that were identified for this option were far greater than those identified for the other two options and concept designs for this alignment were not progressed.

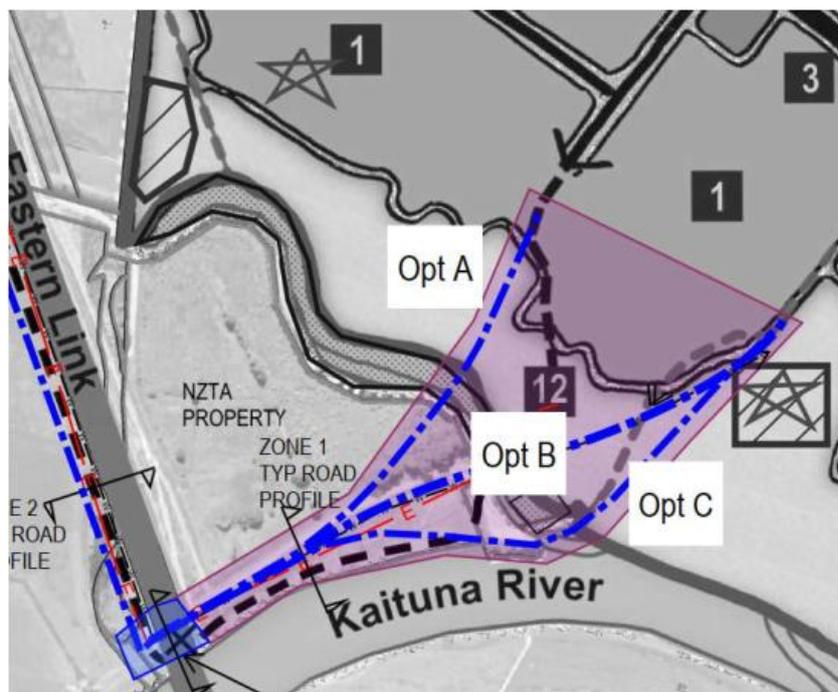


Figure 3: Alignment options at eastern end of Bell Road

27. The alignment options at the eastern end of Bell Road were only one component of a broader investigation into the upgrades need to support Te Tumu via Bell Road as a secondary access option. At the time, total upgrade costs were estimated at over \$100M, including a potential southern connection to the Papamoa East Interchange but excluding land acquisition for road widening. If the Bell Road fast-track proposal proceeds, it will likely trigger some of these upgrades, including the southern connection.
28. Urban development in Te Tumu accessed solely via Bell Road would require significant corridor upgrades, likely similar to those identified in the 2018 investigation. While a fast-track development proposal could potentially trigger some of these upgrades, including the southern connection to the PEI, this alone would not resolve the engineering and environmental constraints identified at the eastern end of Bell Road. In addition, NZTA is

unlikely to co-fund this due to the project's absence from the Regional Land Transport Plan (RLTP) and National Land Transport Programme, broader funding constraints, a general policy against funding greenfield projects, and the likelihood of a benefit-cost ratio below 1.

29. Even with a southern connection to the Papamoa East Interchange, relying solely on Bell Road would result in a less direct and less efficient connection to the Wairakei town centre and the core of Papamoa East. This is likely to lead to lower-density development, greater car dependency, and poor public transport, walking and cycling options. These are outcomes that are inconsistent with the strategic intent of UFTI and the Transport System Plan. These limitations reinforce the unsuitability of Bell Road as the sole access for Te Tumu and are factors that would further reduce the likelihood of NZTA investment.
30. As noted, there is currently no wastewater reticulation within Bell Road and no assessment has been undertaken to consider servicing Te Tumu from this location. Installation of a rising main in Bell Road to connect to TCC's reticulated network would need a route to be secured (i.e. requiring land acquisitions) to enable connection to the Wairakei wastewater pump station site which would add approximately 1.5km of additional pipeline in comparison to what has currently been planned via the Boulevard and Te Okuroa Drive corridors. This additional length of pipeline would bring operational issues with odour and corrosion in addition to larger pumps, which all lead to much higher whole of life costs and as such this option is not preferred. It is noted that there are current capacity issues in the existing eastern corridor wastewater network and this option would not overcome this needing to be addressed.
31. The previous investigations into upgrades to Bell Road were focused on supporting connectivity for Te Tumu in the event of higher population scenarios. The challenges associated with this access option (including cost) remain the same and become potentially more significant if this location was to become either the initial or primary access point to serve Te Tumu. The Bell Road upgrade option has therefore remained a 'future proof' option to support the primary access strategy for Te Tumu being via existing corridors in the west.
32. Should the Bell Rd connection be prioritised (and assuming funding was available) it would take at least 5 years to deliver (probably more) as it is a large-scale project requiring significant consenting, designation, land acquisition, design iterations, procurement and construction.

Kaituna Roding Link – Access Considerations

33. The Kaituna Roding Link (Kaituna Link) is a potential road linking the eastern end of Te Tumu to the Tauranga Eastern Link at the Rangioru Business Park Interchange. The link would involve a new bridge across the Kaituna River and the construction of new roads and upgrading of existing rural roads also located in the WBOPDC area (approximately 3.75km in total). The Kaituna Roding Link has been extensively investigated over the years with a number of reports prepared by engineering and planning consultancy Beca Ltd covering engineering, costing and RMA related matters.²
34. Formal reporting on the Kaituna Link went to SmartGrowth Leadership Group in November 2018 which provided a full assessment against a number of considerations, informed by the



² Beca Report, June 2006 – Kaituna Link Scoping Study; Beca Report, January 2007 – Kaituna Link Study No. 2; Beca Report, November 2017 – Te Tumu Structure Planning, Kaituna Roding Link Assessment.

independent assessments completed by Beca. In March 2019 following further investigations on whether there was protection of a route for the Link within the WBOPDC area it was determined that this was the case via zoning and existing District Plan provisions and as such the matter was not taken any further at that time. The matters considered in the assessment to SmartGrowth are set out and described in further detail below.

Transport Demands

35. Modelling undertaken at the time of these assessments indicated relatively low projected usage of the Kaituna Link, even with full development of Te Tumu and Rangiuru. Daily traffic volumes on the Link were estimated to be between 6,400 and 10,100 vehicles, significantly lower than other key east-west connections in the area such as The Boulevard (10,500–13,100) and Te Okuroa Drive (15,600–19,100), depending on the growth scenario. The modelling also showed that once the population of Te Tumu exceeds 15,000 people, levels of service at the PEI begin to decline unless additional capacity is provided. However, under all scenarios assessed, transport modelling indicated that the Kaituna Link would not provide sufficient network relief to meaningfully address these declining service levels. It should be noted that the PEI has been future proofed to allow for increased capacity, and the separate connection to Bell Road (as noted earlier in this report) has been identified as a potential future upgrade to provide additional access.
36. Transport modelling has not been undertaken on a scenario where the Kaituna Link is the only connection into Te Tumu. It has always been assumed that access would also come from the west through Wairakei.

Connectivity

37. The Kaituna Link would improve local network integration within the eastern corridor. However, the existing and planned infrastructure, particularly the PEI, already provides strong connectivity to key destinations including Te Puke, Rangiuru and the wider region via the Tauranga Eastern Link.
38. Future connectivity would also be strengthened through a planned secondary road connection between Te Tumu and Bell Road, which would further support movements between Te Tumu and Te Puke. If needed in the future, connectivity across the Kaituna River could also be enhanced through a dedicated walking and cycling bridge rather than a full vehicular crossing. Importantly, the Kaituna Link was not identified as a "now or never" opportunity. Should future community or land use patterns justify this connection, it could still be planned and delivered at that appropriate time in the future.

Natural Hazard Evacuation

39. The development of Te Tumu is required to achieve a low level of risk from natural hazard events in accordance with the Bay of Plenty Regional Policy Statement. Technical assessments confirm that this risk level can be met across a full range of hazard types, including tsunami, storm surge, river and stormwater flooding, sea level rise, liquefaction, lateral spread, groundwater rise and coastal erosion. The currently planned access network, comprising the PEI and the future Bell Road connection, is considered sufficient to provide evacuation routes if required. In a major event, the preferred strategy may in fact be to initially shelter in place, supported by the level of resilience that can be built into the Te Tumu landform.

Project costs and funding considerations

40. In 2017, the Kaituna Link base cost was estimated at approximately \$80 million (excluding debt servicing). Significant cost escalation for transport projects has occurred since this time. The project has a number of high-cost elements including a bridge span over the Kaituna River and associated wetlands of approximately 370m. To put this in context the span of the Tauranga Harbour Bridge is between 450m and 500m.

41. As with the Bell Road option, funding the project is likely to be difficult for several reasons including its high cost, low likelihood of NZTA co-funding and lack of TCC fiscal capacity.

Planning constraints & other servicing considerations

42. Planning constraints created a further layer of complexity to this alternative access option. The proposed alignment of the Kaituna Link as previously assessed is likely to intersect with several areas of cultural, heritage and archaeological significance. These values were identified through independent planning advice obtained as part of the original investigation for this option. It was concluded that the potential impact on these values would make it difficult to secure resource consent or obtain a designation under the RMA, based on the information currently available. Staff have not assessed alternative planning pathways like Fast Track Approvals and it is too early to assess the implications of Resource Management reform on a proposal such as this.
43. The assessments completed on the Kaituna Link to date have only considered the roading implications of this option. There has been no consideration given to the implications of servicing Te Tumu with water, wastewater, electricity and fibre via the Kaituna Link, although it has been identified through strategic infrastructure assessments that a future water supply connection at this end of Te Tumu directly from the Waiari Treatment plant would provide further resilience to the overall water network in the long-term.

Kaituna Link and Te Tumu Structure Planning

44. To date, TCC has been progressing with structure planning based on the decisions made by SmartGrowth in 2019. These decisions were that the Kaituna Link was not a transport connection necessary to enable the development of Te Tumu and the delivery of the wider SmartGrowth Settlement Pattern for the eastern corridor. This decision did however support the inclusion of the Kaituna Link as an indicative possible future connection and that this should be recorded on the Te Tumu structure plan. This recognised that such a project could still occur, but that provision would not be made for funding and delivery in relevant partner council's future Long-term Plans and other council documents including infrastructure strategies or the RLTP.
45. Staff have continued to work with affected Te Tumu landowners to ensure that structure planning continues to future proof for this link in line with this earlier decision and the relevant landowner's aspirations to deliver such a connection.
46. Should the Kaituna Link connection be prioritised (and assuming funding was available) it would take at least 5 years to deliver (probably more) as it is a large-scale project requiring significant consenting, designation, land acquisition, design iterations, procurement and construction.

STATUTORY CONTEXT

47. Te Tumu has been a long-standing growth area and remains a core component of the SmartGrowth strategic growth strategy including the connected centres programme under UFTI. Its implementation is supported through urban growth policies within the operative Regional Policy Statement and is part of the solution to addressing Tauranga's housing shortage.
48. Tauranga City Council, as a Tier 1 local authority, must satisfy the requirements of the National Policy Statement on Urban Development (NPS-UD) with respect to providing sufficient development capacity within the city to meet the expected demand for housing in existing and new urban areas in the short term, medium term, and long term.
49. The NPS-UD also requires planning decisions to contribute to well-functioning urban environments that, among other things: enable a variety of homes that have good accessibility for all people between housing, jobs, community services, natural spaces, and open spaces, including by way of public or active transport; support reductions in

greenhouse gas emissions; and are resilient to the likely current and future effects of climate change.

50. An integrated and efficient transport network is clearly a key contributor to the delivery of a well-functioning urban environment under this national direction.

STRATEGIC ALIGNMENT

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

	Contributes
We are an inclusive city	<input type="checkbox"/>
We value, protect and enhance the environment	<input type="checkbox"/>
We are a well-planned city	<input checked="" type="checkbox"/>
We can move around our city easily	<input checked="" type="checkbox"/>
We are a city that supports business and education	<input type="checkbox"/>

52. Structure planning is an important part of design and planning of greenfield growth areas. Enabling development that achieves a well-functioning urban environment includes consideration and investigation of a range of options including infrastructure and land uses for an area. The work done to date on the Te Tumu structure plan has considered a range of transportation related options to serve a future community and has sought to future proof options where these may not currently be needed.

OPTIONS ANALYSIS

53. The options set out below relate to the access arrangements identified within this report which have previously been assessed under separate investigations. The options identified are:

- (a) Continue to progress with structure planning and work to support the rezoning of Te Tumu based on previous decisions made by SmartGrowth. Specifically that neither Bell Road nor the Kaituna Link are necessary roading connections to enable development within Te Tumu, but should remain to be provided for through structure planning as possible future transport connections, and that work continues on the basis of enabling transport connections from Papamoa East and Wairakei ('Recommended' option).

The key implications of this option are

- i. Planning work can continue to finalise the staging and sequencing of the key transport corridors within Te Tumu coming from the west to inform the plan change.
- ii. The Bell Road and Kaituna Link corridors continue to be future proofed through the Te Tumu structure plan as is currently the case; and
- iii. Work can continue with the Trustees of the Tumu Kaituna 14 land block to secure the corridors through their land to enable the delivery of transport and critical infrastructure.

- (b) Revisit the previous technical assessments for both the Kaituna Link and Bell Road including potential funding and consenting / deliverability for these projects on the basis that these could be prioritised over the extension of existing corridors from Papamoa East and Wairakei or in place of those corridors should they not be secured.

The key implications of this option are:

- i. Additional budget and resource being spent on this reassessment diverting funding and resource from other project workstreams considered necessary to

completing the structure planning and advancing the plan change – noting that a review of the previously completed technical work does not indicate that there has been any significant change in circumstance that would warrant the need for a different approach at this time. No funding is allocated in the 2025/26 budget.

- ii. The need to report back through the SmartGrowth partners given the change in approach.
- iii. Timing for delivery of these projects is uncertain and may not speed up delivery of housing within Te Tumu given the need to acquire land (including additional Māori land for Bell Road) and/or to secure necessary consenting and construction of significant infrastructure i.e. bridge structures, water and wastewater reticulation.

54. Staff are currently working on the assumption that access to Te Tumu will be available from the west through Wairakei and the TK14 land block in Te Tumu. Negotiations are underway in this regard and expected to be reported to Council for decisions in the next quarter. Should access not be available from the west in an appropriate timeframe our view is that it would be appropriate to revisit other access options for Te Tumu at that point in time rather than now. As such, staff recommend that Option A is adopted.

FINANCIAL CONSIDERATIONS

55. Each of the options previously investigated require substantial financial commitments to be made. TCC has previously identified the risk of becoming the key funder of an expensive project (such as the Kaituna Link) that may not have a strong business case or strong evidence based functional need especially given council's balance sheet and revenue constraints.
56. Continuing to progress with structure planning on the basis of 'future proofing' these corridors allows for these access options to be further advanced at a later time if considered necessary. Progressing further investigations now would require additional unbudgeted expenditure.

LEGAL IMPLICATIONS / RISKS

57. No legal implication or risks have been identified.

TE AO MĀORI APPROACH

58. The primary access strategy for Te Tumu avoids areas of cultural or historic significance. Discussions continue to progress with the trustees of the Tumu Kaituna 14 land to ensure that future corridors through this whenua align with trustee and landowner aspirations for this block.
59. TCC is aware of strong interest by iwi and hapu regarding future rezoning and subsequent development of Te Tumu. Recent discussions with many of these iwi groups have been limited due to a request for engagement to pause to allow Māori land matters to be addressed. Staff are currently working to restart discussions with iwi and hapu on the wider rezoning work and to understand all views and perspective on this project.
60. TCC is a member of Te Maru o Kaituna River Authority, a co-governance partnership with the responsibility to restore, protect and enhance the environmental, cultural and spiritual health and well-being of the Kaituna River. As a member, TCC must ensure structure planning and a future plan change aligns with the vision, objectives and desired outcomes set out within the Kaituna River Document (Kaituna, he taonga tuku iho – a treasure handed down). Engagement with Te Maru o Kaituna is anticipated as further details on the plan change is developed.
61. The current approach of extending transport corridors from the west aligns is a well-established element of the structure plan, as is the 'future proofing' of other access options

as noted in this report. Previous engagement on the structure plan with tangata whenua has been based on this version of the draft structure plan.

CLIMATE IMPACT

62. Structure planning for Te Tumu has had regard to the impacts of climate change and in particular the influence of this on natural hazards. A key component of structure planning in this area has been and continues to be the identification of hazard areas and methods to ensure the risks of natural hazard on a future community are minimised.
63. As noted in this report, planning for an integrated, multi-modal transport system to serve a range of land uses is also important to enabling safe, efficient, and accessible travel by all modes. Work has focussed on prioritising a transport network that encourages a range of housing densities with good quality public transport, walking and cycling options and less car dependency and associated emissions.

CONSULTATION / ENGAGEMENT

64. Engagement on the Te Tumu structure plan began around 2017 but has been less frequent in recent years due to the uncertainties created by changes in national policy direction and Māori land issues. Despite this, the primary access arrangements for Te Tumu have remained consistent, with Bell Road and Kaituna Link options referenced only as potential future connections.
65. Future engagement on Te Tumu and the proposed rezoning will be required. Any departure from the current access approach would be carefully integrated into the broader engagement programme for the plan change as it progresses.

SIGNIFICANCE

66. 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.
67. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the issue.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
68. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the issue of access to Te Tumu is of high significance because it remains a critical issue to unlocking the large scale growth potential in this location, however the decisions proposed in this report are of low significance as they address access options at a strategic level, are consistent with previous decisions, and do not commit council to significant capital expenditure.

ENGAGEMENT

69. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.
70. As noted earlier in the report engagement is underway for access into Te Tumu from the West with the relevant landowner and other affected parties. Previous engagement also identified significant support for the Kaituna Link access options from some Te Tumu landowners but not others.

NEXT STEPS

71. Should the staff recommendations be adopted the next steps are:

- (a) To progress negotiations around access from the west through the TK14 whenua and report to Council for decisions in the next quarter
- (b) To include implications for other potential access options in that reporting.

ATTACHMENTS

Nil

9.3 Matua Sculpture Trail Update

File Number: A18303121

Author: Greg McManus, Director of Arts, Culture & Heritage

Authoriser: Barbara Dempsey, General Manager: Community Services

PURPOSE OF THE REPORT

1. To give councillors an update of the proposed sculpture trail for the Matua foreshore.

RECOMMENDATIONS

That the City Future Committee:

- (a) Receives the report "Matua Sculpture Trail Update" and supports Park2Park's progression to the Public Art Fund application stage.

EXECUTIVE SUMMARY

2. Park2Park, a Matua-based sculpture trust, aims to install ten sculptures along the foreshore between Kulim and Fergusson Parks. Engagement with Tauranga City Council (TCC) began several years ago but was sporadic until renewed collaboration began in 2023 with the appointment of new Arts and Culture leadership. In parallel, TCC adopted the Public Art Framework (2023) and established the Public Art Fund (2024), providing a formal mechanism for supporting public art initiatives like Park2Park.

BACKGROUND

3. Park2Park is a sculpture trust, based in Matua, with a mission to commission and gift ten significant sculptures along the foreshore between Kulim and Fergusson parks.
4. For some years Park2Park has engaged with TCC about this project, with slow progress for a range of reasons.
5. Engagement with Park2Park was restarted in earnest and regular meetings have been held over the past year.
6. Significant effort has been made by Spaces & Places and Arts & Culture staff to identify and assess suitable sites for Park2Park to consider for its sculpture trail, with three sites being offered in the first instance.
7. A map was produced (**Attachment 1**), followed by assessments of the three proposed sites (**Attachment 2-4**). These assessments identify the advantages and limitations of each site and specify the approvals Park2Park need to obtain in order to progress their project. These approvals include consents from TCC and BOPRC, as well as sign off from mana whenua and Heritage NZ.
8. Parallel to the work of Park2Park to advance its project, TCC adopted the Public Art Framework in 2023 and the Public Art Fund in 2024. Discussions have been ongoing with Park2Park about applying to the Fund for assistance with its first sculpture and it is anticipated an application will be made to the fund early in the new financial year (July 2025).
9. Park2Park has also undertaken fundraising of its own and the intent has always been to augment any funding received from the Public Art Fund with its own funds and fundraising efforts.

10. In preparation for making an application to the Fund, Park2Park is currently undergoing its own selection process to select an artist and artwork for the first site in Kulim Park. The organisation appointed an independent Curatorial Panel and put out a call for proposals from artists which resulted in a large number of proposals.
11. Their Curatorial Panel has narrowed the proposals down to a short list of four artists who have been commissioned to prepare more detailed concept designs. Once a final decision has been made on an artist and concept, Park2Park will prepare an application to the Public Art Fund.
12. As noted in 7 above, before Park2Park can apply to the Public Art Fund it will be required to obtain written support from mana whenua for the work to be installed in the proposed location, as well as approval from Heritage NZ given the sensitive nature of the area which has a range of archaeological sites and features in the vicinity.
13. In the meantime, Arts and Culture staff are in regular communication with Park2Park Trustees to help guide them through the process of preparing to make an application to the Fund and to connect them with the relevant parties needed to obtain consent and sign off.

STRATEGIC ALIGNMENT

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

	Contributes
We are an inclusive city	<input checked="" type="checkbox"/>
We value, protect and enhance the environment	<input checked="" type="checkbox"/>
We are a well-planned city	<input checked="" type="checkbox"/>
We can move around our city easily	<input type="checkbox"/>
We are a city that supports business and education	<input type="checkbox"/>

15. The proposed sculpture trail will enhance the environment of the area between Kulim and Fergusson Parks, adding points of interest for the community and visitors to the city. By working closely with Park2Park, TCC can ensure the trail is well-planned and consistent with the amenity values of the public areas.

FINANCIAL CONSIDERATIONS

16. Any funding provided to this project will be through the Public Art Framework and will be within the existing budget of the Public Art Fund.

TE AO MĀORI APPROACH

17. A requirement of any application to the Public Art Fund is a demonstration of consultation with the appropriate mana whenua authorities for the area under consideration.

CLIMATE IMPACT

18. There is no anticipated climate impact as a result of the installation of artworks or sculptures in the designated locations.

CONSULTATION / ENGAGEMENT

19. A requirement of any application to the Public Art Fund is a demonstration of consultation with the appropriate mana whenua authorities for the area under consideration. In addition, consultation will be required with Heritage New Zealand as the area under consideration has a number of significant archaeological sites and features which must be protected. Park2Park has conducted significant engagement with the local community surrounding the areas under consideration to ensure local support for the project. It is expected that the results of this engagement will be highlighted in any application to the Public Art Fund.

SIGNIFICANCE

20. 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.
21. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
22. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

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

NEXT STEPS

24. Staff will continue to work with Park2Park to advance their project and assist with the preparation of an application to the Public Art Fund for their first installation.

ATTACHMENTS

1. **Matua Art Sculpture Trail proposal - Options 16.10.24 - A18303926**  
2. **Matua Art Sculpture Trail proposal - Corner Otumoetai and Beach Road - A18303876** 
3. **Matua Art Sculpture Trail proposal - Kulim Park west - A18303952**  
4. **Matua Art Sculpture Trail proposal - Shaw Place Reserve - A18303937**  



Park2Park Art & Sculpture Trail proposal:
Opportunities and Constraints

Prepared by Clinton Bowyer, Senior Landscape Architect at Tauranga City Council

Draft for Park2Park Consultation



Plate 1: Park2Park will be series of artworks at locations along the Matua foreshore.

The opportunities for public art along the Matua foreshore are extensive (see Plate 1). The question will be finding the appropriate location for the type of art selected.

Artworks could be low and fit in the rock revetment at a place where pedestrians can linger and read or study them (see Plate 2).



Plate 2: A poem on the Wellington waterfront nestled amongst the rocks.

Some artworks encourage people to interact by touching them (see Plate 3).



Plate 3: Art and play often intersect and offer photo opportunities.

The size of the artwork will be determined somewhat by location (see plates 4 and 5)



Plate 4: Solace in the Wind on the Wellington waterfront needs to be well anchored as it leans over the water so it cannot be too large.



Plate 5: Larger sculptures need more space around them and well anchored.

Space and length are also considerations determining the location of an artwork (see Plate 6 and 7)



Plate 6: An artwork that requires a large space needs to be located with other features around it to keep it in scale with its surroundings.



Plate 7: Long artworks work well with the coastal edge but may be more expensive than singular pieces.

Currently some parts of the walkway are under construction or still too narrow and requiring an upgrade. Initially it is probably easiest to consider sites that are likely to remain in place in the longer term and do not affect local residents too much, particularly in relation to views from residences.

Some of the options worth considering at this stage (assuming the first artwork will be large enough to have impact on the community) would include the following (see blue circles in Plates 8, 9, 10 and 11).



Plate 8: The western entrance to Kulim Park. This has been documented in a previous report.



Plate 9: The corner of Otumoetai Road and Beach Road. This is visible from the coastal walkway and traffic approaching down Otumoetai Road

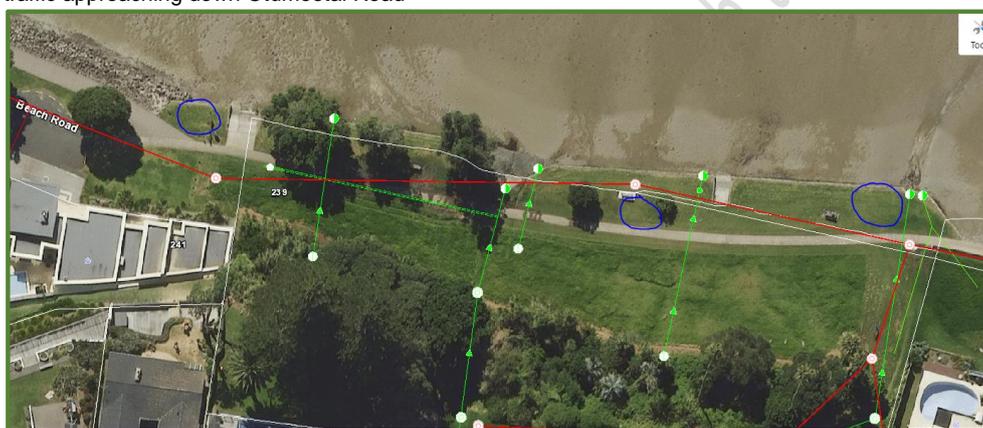


Plate 10: Shaw Place Reserve at the end of Beach Road west has a number of opportunities to locate an artwork.

Any artwork may have the following considerations:

1. Any proposal must be discussed and agreed upon with local hapu. While the main hapu here is Ngai Tamarawaho, consideration must also be given to Ngati Tapu and Ngai Tukairangi.
2. Consultation with local residents is advised.
3. The landowner must be consulted for permission to site the artwork. Different parts of the coastal walkway are owner by different departments within TCC and some are in Crown ownership.
4. All consents, both building consent and resource consent must be obtained before the installation can commence. A planner should be engaged to check these
5. Excellent site lines so that it is visible from a distance.
6. Or be visible only from an intimate distance to offer a pleasant and unexpected surprise.
7. Be of durable materials, given the marine environment.

8. Fit within the local environment and consider the archaeology of the site, particularly given the sensitive nature of the Otumoetai Pa. An archaeological Authority will be required from Heritage NZ before installation can proceed.
9. Be in a safe place. Consider where those taking photographs of the artwork might stand.
10. Underground services must be located and avoided.
11. Overland flow paths for stormwater flowing to the harbour must not be blocked.

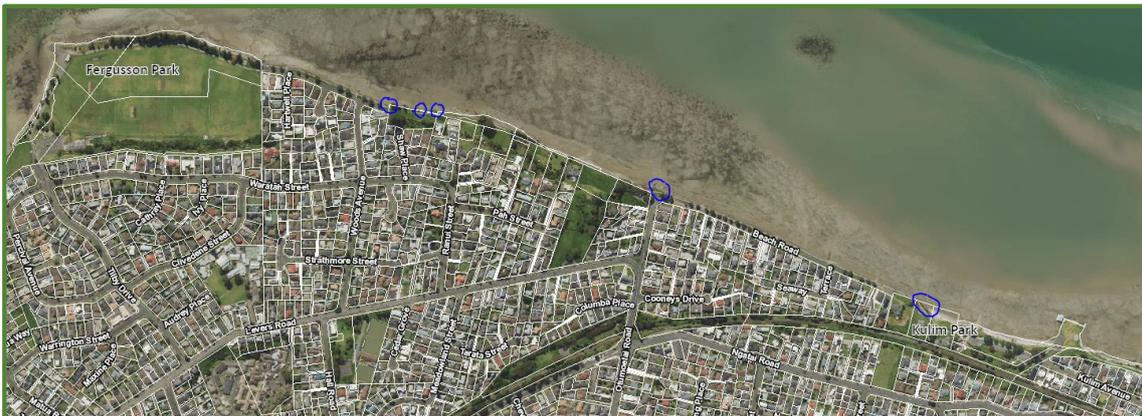


Plate 11: Blue circles show the locations proposed for one of the first artworks.

Draft for Park2Park consultation



Art & Sculpture Trail proposal:

SITE: Corner Otumoetai Road and Beach Road

Opportunities and Constraints

Prepared by Clinton Bowyer, Senior Landscape Architect at Tauranga City Council

The PARK2PARK Art and Sculpture Trail committee have been looking at options to place artwork along the Matua Coastal Pathway. One of the options being explored is corner of Otumoetai Road and Beach Road (see Plates 1 and 2).

This paper highlights the opportunities and constraints that this site offers.



Plate 1: The proposed site for an artwork at the intersection of Otumoetai Road and Beach Road.



Plate 2: The site at the intersection of Otumoetai Road and Beach Road.

Opportunities for artwork location on the site.

There are excellent site lines to proposed location from both the western and eastern approach along the coastal pathway but also from Otumoetai Road when travelling down the hill from Levers Road (see Plates 3 and 4).



Plate 3: The view of a potential site for a sculpture from the Otumoetai Road approach.



Plate 4: The view of the same site from the Matua Coastal Pathway heading east.

Constraints to the use of the site may include the following:

- a. Requirements for an Archaeological Authority (see Plate 5) from Heritage NZ – Contact Rachel Darmody (RDarmody@heritage.org.nz). A Heritage NZ Archaeological Authority will be required and most likely an archaeologist and iwi monitoring representative will need to be present during all site ground works.



Plate 5: Tauranga is full of archaeology. A previous midden discovery is close by, as is the Otumoetai Pa site.

- b. Locate all underground services (see Plate 6). Always use an approved contractor who will locate all underground services before beginning to dig.



Plate 6: Underground wastewater pipe (red line) stormwater pipe (green line) and water pipe (blue line) indicate approximate location only. Other services may exist but not be shown on any plan).

- c. Check for overland flow path(s) on site (see Plate 7)

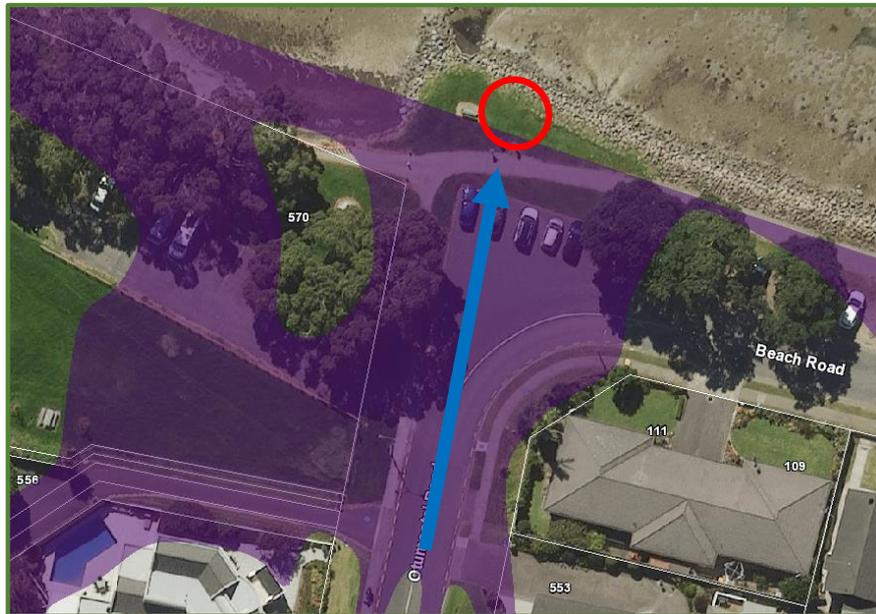


Plate 7: Area prone to harbour inundation and flooding from rainfall (from TCC City Plan). Blue arrow indicates an overland flow (purple area) path to harbour at this site.

- d. Consult with Mana whenua regarding the artwork and location.

The site lies within the rohe of three hapu (see Plate 8), Ngai Tamarāwaho, Ngāti Tapu and Ngāi Tukairangi, with interest also from Te Whānau ā Tauwhao of Rangiwaea Island (this hapu is located within the Western Bay of Plenty district). Contact is Lee (Ngaraima) Taingahue (tauwhao@gmail.com).



Plate 8: The rohe of Ngai Tamarawaho (light green), Ngati Tapu (stripes) and Ngai Tukairangi (bright green) overlap on this site.

- e. Consult with the local community regarding the artwork and location.

Experience from the recent development of Kulim Park shows that there is an active community interest in any development along this Matua Coastal Pathway. The community should be consulted about any proposed artwork to be located within the road reserve.

- f. Check TCC City Plan for Road Reserve requirements.

A planner should be engaged to check all TCC Transport Department requirements of the site.

- g. Is a Resource Consent required?

A planner should be engaged to investigate whether a Resource Consent is required for the installation of any proposed artwork. This site is within close to Mean High Water Springs. Check with the BOP Regional Council for requirements of the BOP Regional Coastal Plan and the NZ Coastal Policy Statement, particularly regarding earthworks consent.

- h. Services required for the artwork.

Currently there is no power or water supply located near this site. There is likely to be a significant cost bringing either or both to the site.

Draft for Park2Park consultation with the public



Art & Sculpture Trail proposal:

SITE: Kulim Park Western Entrance

Opportunities and Constraints

Prepared by Clinton Bowyer, Senior Landscape Architect at Tauranga City Council

The PARK2PARK Art and Sculpture Trail committee have been looking at options to place artwork in the garden at the western end of Kulim Park (see Plates 1 and 2).

This paper highlights the opportunities and constraints that this garden site offers.



Plate 1: The proposed site for an artwork-somewhere along the western entrance garden.



Plate 2: The garden site at the western entrance to Kulim Park (looking east)

Opportunities for artwork location on the site.

There are excellent site lines to the western end of the garden, especially approaching from Beach Road (see Plates 3 and 4).



Plate 3: The view of a potential site for a sculpture from the Beach Road shared path.



Plate 4: The view of the same site from the Kulim Park shared path heading to the west.

Constraints to the use of the site may include the following:

- a. Requirements for an Archaeological Authority (see Plate 5) from Heritage NZ – Contact Rachel Darmody. (RDarmody@heritage.org.nz)



Plate 5: Site (shown in yellow) requires a Heritage NZ Archaeological Authority and most likely an archaeologist needing to be present during all site ground works.

- b. Locate all underground services (see Plate 6).

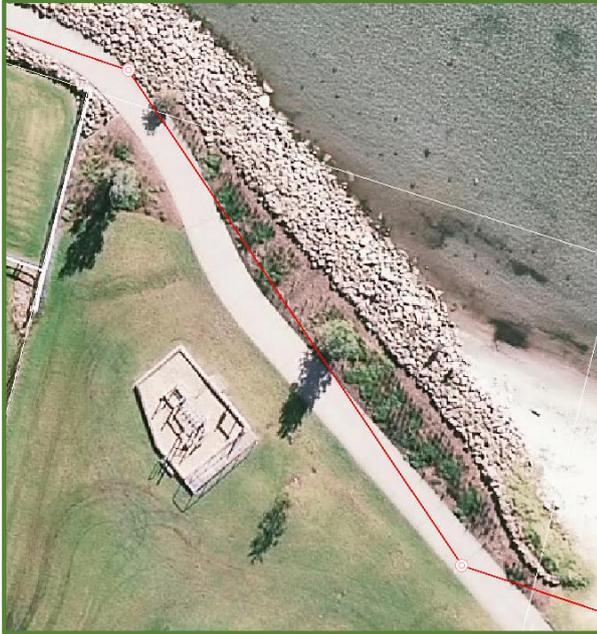


Plate 6: Underground wastewater pipe (red line indicates approximate location only. Other services may exist but not be shown on any plan).

- c. Keep clear of overland flow path(s) on site (see Plates 7 to 10)

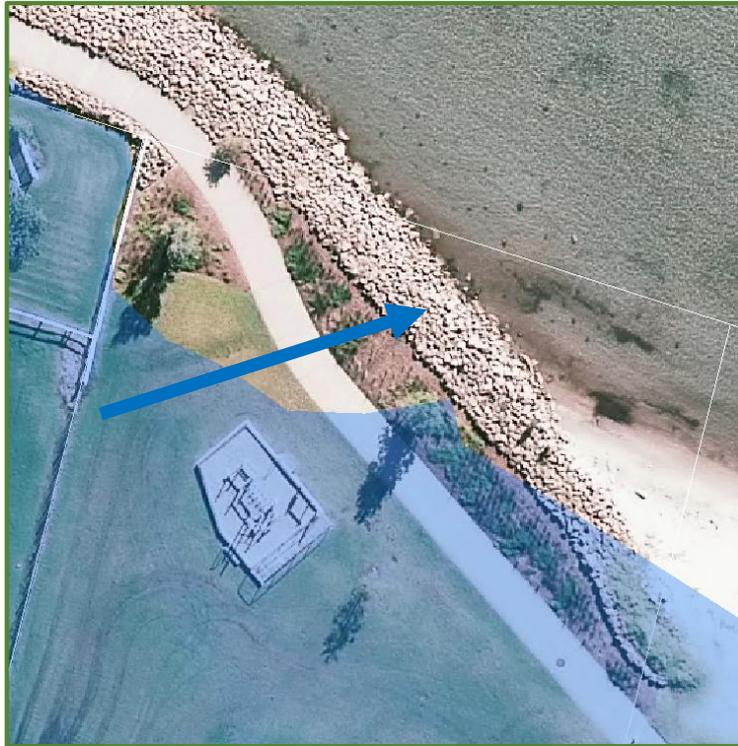


Plate 7: Area prone to harbour inundation and flooding from rainfall (from City Plan). Blue arrow indicates an overland flow path to harbour.



Plate 8: The overland flow path during a period of moderate rainfall.



Plate 9: The overland flow path during a period of sustained heavy rainfall.



Plate 10: The consequences of a blockage to the overland flow path. Any structure in this area would only add to the impediment of water flow to the harbour.

- d. Consult with Mana whenua regarding the artwork and location.

The site lies within the rohe of three hapu (see Plate 11), Ngai Tamarāwaho, Ngāti Tapu and Ngāi Tukairangi, with interest also from Te Whānau ā Tauwhao of Rangiwaea Island (this hapu is located within the Western Bay of Plenty district). Contact is Lee (Ngaraima) Taingahue (tauwhao@gmail.com).



Plate 11: The rohe of Ngai Tamarawaho, Ngati Tapu and Ngai Tukairangi overlap on this site.

- e. Consult with the local community regarding the artwork and location.

Experience from the recent development of Kulim Park shows that there is an active community interest in any development within this reserve. The community should be consulted about any proposed artwork to be located within the reserve.

- f. Check TCC City Plan for Active Open Space requirements (see Plate 12).

A planner should be engaged to check all TCC City Plan requirements of the site. Note that the TCC City Plan boundaries for planning map overlays do not include part of the path and garden at the western entrance to the reserve (see area circled in Plate 12) because this land was reclaimed after the City Plan became operational. However, planning advice should be sought for all of the garden area as reclaimed land is likely to have the same constraints as the adjacent zoning requirements.



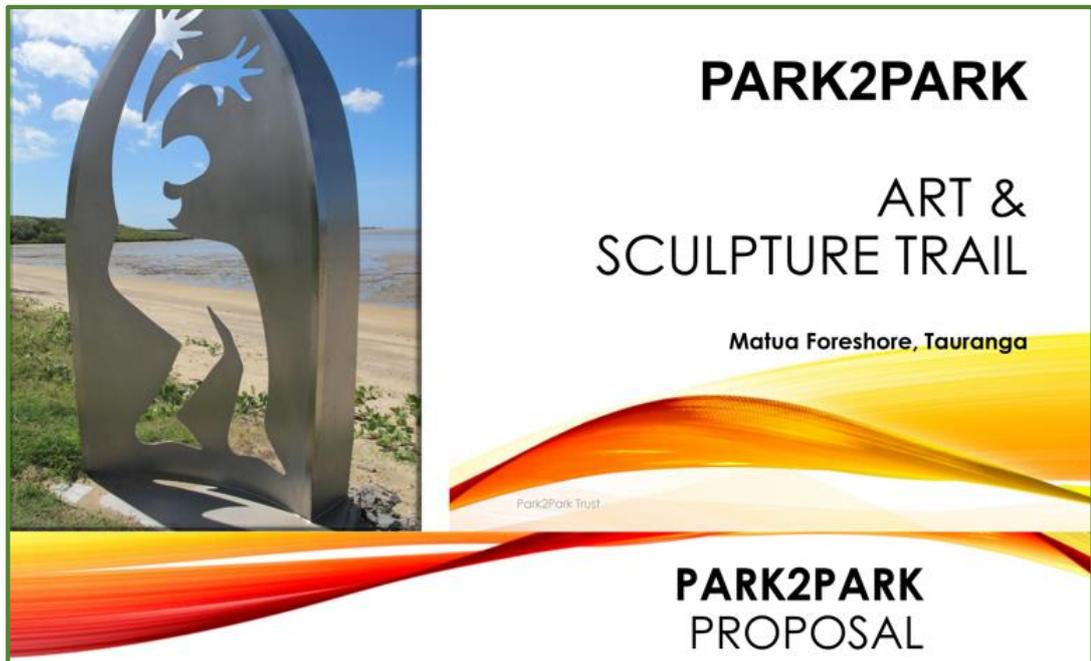
Plate 12: The City Plan zoning is Active Open Space. The circled area is likely to have similar requirements to the adjacent zone.

- g. Services required for an artwork.

Currently there is no power or water supply located near this garden. There is likely to be a significant cost bringing either or both to the site.

- h. Is a Resource Consent required?

A planner should be engaged to investigate whether a Resource Consent is required for the installation of any proposed artwork. This site is close to the Mean High Water Springs. Check with the BOP Regional Council for requirements of the BOP Regional Coastal Plan and the NZ Coastal Policy Statement, particularly regarding earthworks consent.



Art & Sculpture Trail proposal:

SITE: Shaw Place Reserve

Opportunities and Constraints

Prepared by Clinton Bowyer, Senior Landscape Architect at Tauranga City Council

The PARK2PARK Art and Sculpture Trail committee have been looking at a number of options to place artwork along the pathway at the Shaw Place Reserve (see Plates 1 for sites SPR-A, SPR-B and SPR-C).

This paper highlights the opportunities and constraints that these sites offer.



Plate 1: The proposed site(s) for an artwork-somewhere along the Shaw Place Reserve pathway.

Opportunities for artwork location on the site.

There are excellent site lines to the reserve, when approaching from Beach Road or Kulim Park (see Plates 2, 3, and 4).



Plate 2: The proposed site(s) for a low to medium size artwork at the Beach Road end of the Shaw Place Reserve pathway.



Plate 3: The proposed site(s) for a low to medium size artwork at the middle of the Shaw Place Reserve pathway. This option would create an element of surprise to the viewer.



Plate 4: The proposed site(s) for an medium to large size artwork at the Kulim Park end of the Shaw Place Reserve pathway.

Constraints to the use of the site may include the following:

- a. Requirements for an Archaeological Authority (see Plate 5) from Heritage NZ – Contact Rachel Darmody. (RDarmody@heritage.org.nz)



Plate 5: Site (shown in yellow) requires a Heritage NZ Archaeological Authority as it is surrounded by known archaeological sites. During all site ground works iwi monitoring and an archaeologist will need to examine the site.

b. Locate all underground services (see Plate 6).



Plate 6: Underground wastewater pipe (red line indicates approximate location only. Other services may exist but not be shown on any plan).

- c. Keep clear of overland flow path(s) on site (see Plates 7)

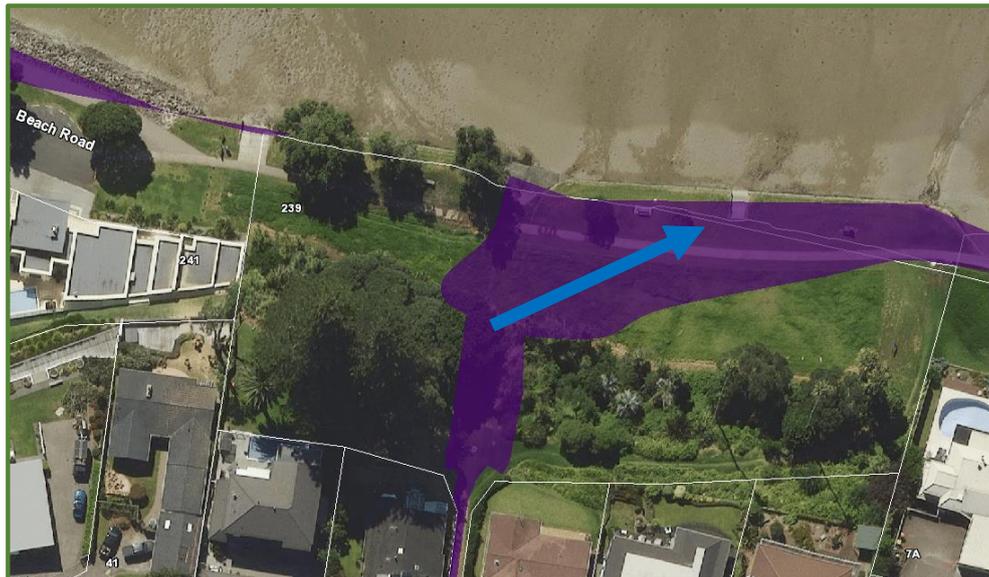


Plate 7: Area prone to harbour inundation and flooding from rainfall (from City Plan). Blue arrow indicates an overland flow path to harbour.

- d. Consult with Mana whenua regarding the artwork and location. The site lies within the rohe of three hapu (see Plate), Ngai Tamarāwaho, Ngāti Tapu and Ngāi Tukairangi, with interest also from Te Whānau ā Tauwhao of Rangiwea Island (this hapu is located within the Western Bay of Plenty district). Contact is Lee (Ngaraima) Taingahue (tauwhao@gmail.com).

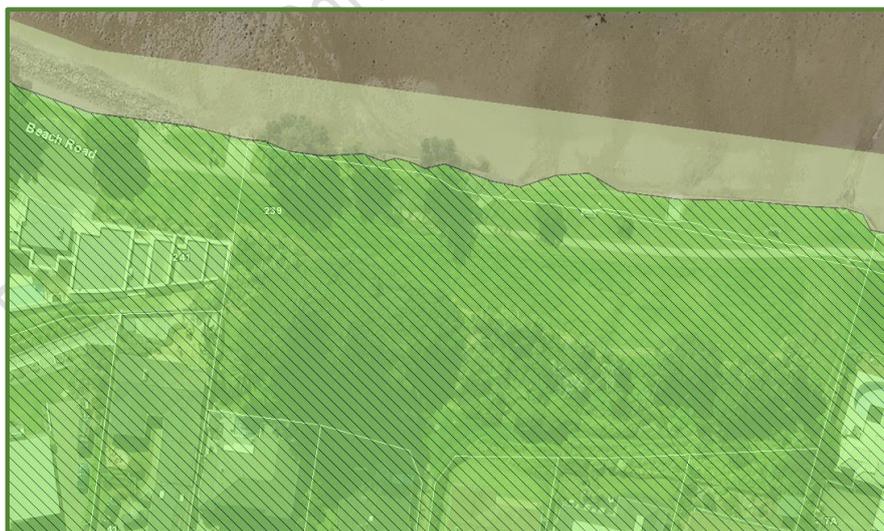


Plate 8: The rohe of Ngai Tamarawaho (light green), Ngati Tapu (stripes) and Ngai Tukairangi (bright green) overlap on this site.

- e. Consult with the local community regarding the artwork and location.

Experience from the recent development of Kulim Park shows that there is an active community interest in any development along this Matua Coastal Pathway. The community should be consulted about any proposed artwork to be located within the road reserve.

- f. Check TCC City Plan for Road Reserve requirements.

A planner should be engaged to check all TCC Transport Department requirements of the site.

- g. Is a Resource Consent required?

A planner should be engaged to investigate whether a Resource Consent is required for the installation of any proposed artwork. This site is within close to Mean High Water Springs. Check with the BOP Regional Council for requirements of the BOP Regional Coastal Plan and the NZ Coastal Policy Statement, particularly regarding earthworks consent.

- h. Services required for the artwork.

Currently there is no power or water supply located near this site. There is likely to be a significant cost bringing either or both to the site.

Draft for Park2Park consultation with the public

9.4 Bay of Plenty Housing Equity Fund

File Number: A18224723

Author: Fiona Nalder, Principal Strategic Advisor
Sheree Covell, Treasury & Financial Compliance Manager

Authoriser: Jeremy Boase, Acting General Manager: Strategy, Growth & Governance

PURPOSE OF THE REPORT

1. This information-only report provides an overview of the Bay of Plenty Housing Equity Fund, and background regarding Council's decision to invest in the fund.

RECOMMENDATIONS

That the City Future Committee:

- (a) Receives the report "Bay of Plenty Housing Equity Fund".

EXECUTIVE SUMMARY

2. This report provides an overview of Tauranga City Council's investment in the Bay of Plenty Housing Equity Fund (**HEF**), a regional initiative aimed at addressing housing needs across the Bay of Plenty. The HEF is a collaborative, impact-driven investment fund focused on delivering affordable and sustainable housing outcomes for those who are under-served by the current housing market. It is an innovative model, the first of its kind in New Zealand, and has the potential to deliver significant housing benefits for Tauranga and the wider Bay of Plenty.
3. The Council's \$20 million investment into the HEF was funded through the sale of its elder housing portfolio. Council's (the Commissioners') decision to invest in the HEF was preceded by community consultation. Out of the 67 submissions received by Council, 70% supported the use of elder housing sale proceeds for housing outcomes, and 89% of those were in favour of investing in the HEF.
4. The HEF is structured as an open-ended fund and managed by New Ground Capital, with founding shareholders including Tauranga City Council, BayTrust, TECT, Trust Horizon, Rotorua Trust, and NZ Green Investment Finance (NZGIF). Founding shareholders have contributed a combined \$60 million in equity. This capital will be leveraged to raise additional debt funding, expanding the HEF's reach and impact. The HEF targets a long-term return of CPI + 4% (pre-tax, net of fees).
5. Council's investment can only be used to deliver housing projects within Tauranga, i.e. it is geographically ring-fenced. It is intended to reinvest Council's returns into the HEF, ensuring that over time Council's investment grows and continues to deliver increasing housing benefits for Tauranga.
6. The structure of the HEF minimises day-to-day involvement of shareholders, with investment decisions made by a Board and Investment Committee chosen for their professional skills and knowledge.

7. To date, four housing projects in Tauranga have been approved under the HEF (see below) with a further two projects under consideration but not yet approved. The approved projects are:
 - Tauranga Community Housing Trust (TCHT), Devonport Road: 20 public housing units for residents aged 55+, offering high social impact.
 - Veros, Frazer Street: 8 affordable homes for sale or rental, providing quick capital turnover.
 - Smiths Farm: 21 homes integrated into a broader development, with a \$5 million Council investment linked to this project.
 - Papamoa: 15 rental homes for older adults and people with disabilities, pending final approval.
8. The HEF engages on an ongoing basis with mana whenua, as delivery of Papakāinga and Iwi/Hapū initiated projects are a focus area for the fund (one Papakāinga project has been approved for delivery so far, located in the Eastern Bay of Plenty).
9. Financially, \$1.007 million of the Council's committed \$20 million has been called, with a further \$5.85 million expected to be paid to the HEF in the FY2026. Regular updates on Council's involvement in the HEF will be provided in the quarterly growth updates to this committee.

BACKGROUND

Past investment decisions

10. Council's investment in the Bay of Plenty Housing Equity Fund (the **HEF**) has been funded by proceeds from the sale of Council's elder housing portfolio. The relevant sale decisions are provided as Attachment 1 and a summary of the proceeds from the elder housing sales is provided in the Financial Considerations section of this report.
11. In July 2022 Council (the Commissioners) (CO14/22/1):
 - Authorised staff to work collaboratively with BayTrust on a co-design model for a proposed Regional Bay of Plenty Housing Equity Fund (HEF), based on a possible Tauranga City Council investment of \$20 million plus.
 - Approved the completion of further work investigating the establishment processes, costs, governance, and potential return on investment of setting up an independent entity versus investing alongside others, such as investment into the proposed HEF.
12. In May 2023 Council (the Commissioners) consulted on using the remainder of the sale proceeds to deliver housing outcomes for the city. Note, some of the sale proceeds had already been allocated towards Development Contribution grants for registered community housing providers and Papakāinga housing, and to the relocation of the Tauranga Women's Refuge.
13. Specifically, Council consulted on investing an initial \$10 million into a Housing Equity Fund being established for the Bay of Plenty region (the HEF), with remaining sale proceeds to be invested into either the Housing Equity Fund or alternative affordable/social/elder housing projects within Tauranga.
14. The 1 May 2023 Council report provides additional background information on the HEF and the full range of investment options considered by Council. This report was released from public excluded on 10 August 2023 and can be found on [Council's website](#).
15. Council received 67 responses, and 70% of these supported Council using the sale proceeds for housing outcomes. Of this 70%, 89% supported investment into the HEF. A small number of respondents wished to see the sale proceeds spent on elder housing outcomes specifically (rather than affordable housing more generally).

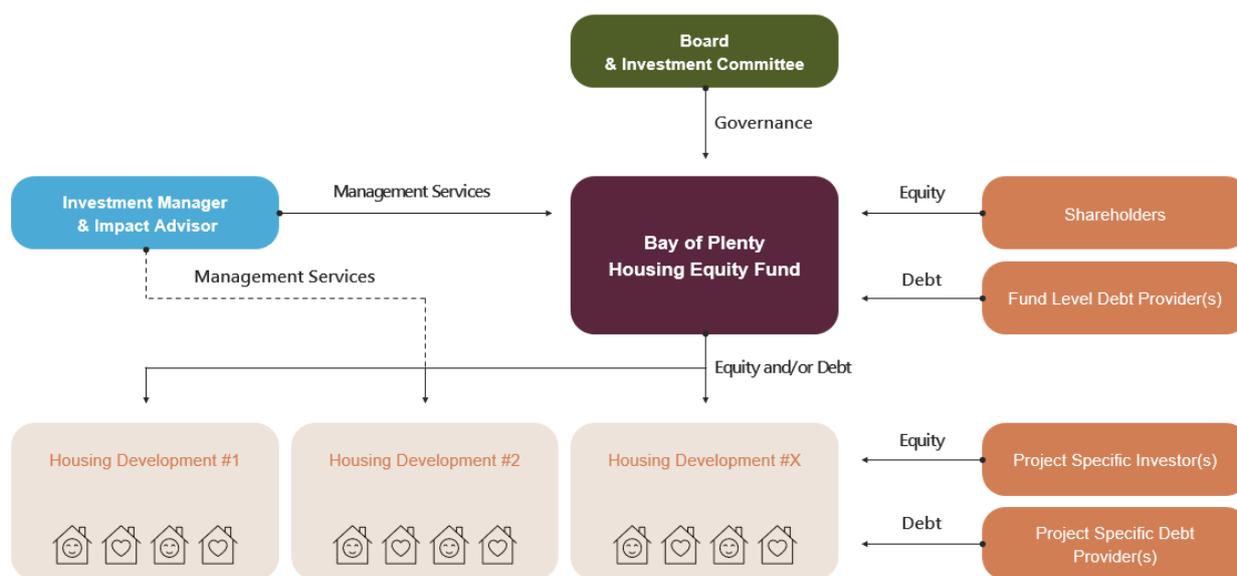
16. On 14 August 2023 Council (the Commissioners) decided to invest an initial \$10 million of the elder housing sale proceeds into the HEF, alongside a further \$3 million towards Development Contribution grants for registered community housing providers and Papakāinga housing (CO13/23/3).
17. In September 2023 Council (the Commissioners) approved an additional \$5 million to be invested in the HEF, conditional upon the HEF purchasing at least \$13 million of land and housing on Smiths Farm (CO17/23/3).
18. In March 2024 Council (the Commissioners) approved a further \$5 million investment into the HEF, taking Tauranga City Council's total investment into the HEF to the \$20 million originally anticipated in July 2022 (CO4/24/15).

The Bay of Plenty Housing Equity Fund (HEF)

19. The [HEF](#)'s purpose is to deliver housing outcomes across the Bay of Plenty region, with a focus on delivering housing options that are not currently being provided by the market, and on providing affordable housing for those most in need.
20. The HEF seeks to generate a commercially acceptable long-term target return of Consumer Price Index (CPI) + 4% (pre-tax, net of fees). The management structure of the HEF supports this target return by minimising tax implications for investors and providing liquidity options, and is open-ended, allowing the HEF to raise additional equity over time. New Ground Capital is the fund manager.
21. The Founding Shareholders of the HEF are:
 - Tauranga City Council - \$20 million
 - BayTrust - \$10 million
 - TECT Community Trust (TECT) - \$10 million
 - Trust Horizon (covers part of the Eastern Bay of Plenty region, including Whakatane) - \$5 million
 - Rotorua Trust - \$5 million
 - NZGIF (New Zealand Green Investment Finance) - \$10 million
22. This initial \$60 million of equity capital will be used to raise additional debt capital to increase the scale and outcomes of the HEF. Founding Shareholders have the right to elect (collectively) up to four Directors to the Board of the HEF. Council's investment into the HEF can only be used to fund Tauranga projects, i.e. it is geographically ring-fenced.
23. Whilst shareholders can withdraw their returns from the HEF, the intention is to reinvest Council's returns into the HEF. This will result in the impact of the original investment growing over time, delivering ongoing and increasing benefits to Tauranga. An additional attraction is the involvement of local partners BayTrust and TECT, who both have significant impact investment experience.
24. The HEF's innovative model is a first for New Zealand and has the potential to deliver notable and ongoing housing benefits for Tauranga and the wider Bay of Plenty. The HEF's primary impact objectives are to:
 - Significantly increase housing availability in sectors underserved by the market and government.
 - Boost the provision of affordable housing, ensuring long-term affordability.
 - Provide healthy, secure accommodation for those struggling to find decent accommodation in the region.
 - Enhance the living standards of the region's most disadvantaged groups.
 - Grow the HEF's impact and reach by drawing in further investment.

FUND STRUCTURE

25. The HEF is structured so that shareholders have minimal to no involvement in investment decisions. Instead, investment decisions are made by the Board and Investment Committee, who have been chosen for their professional expertise. Each proposed investment goes through an impact assessment prior to proceeding to the next steps, which include further financial due diligence and consideration by the Board.
26. As Council is a Founding Shareholder, Council staff are provided the opportunity to review impact assessments for proposals located in Tauranga and share feedback (along with BayTrust and TECT). This feedback is considered as part of a range of information which informs decision making. Feedback on impact proposals has a quick turnaround, within 5 working days or less, making it impractical to formally seek feedback from Elected Members.
27. The structure of the HEF is shown by the diagram below.



TAURANGA INVESTMENTS

28. Four projects in Tauranga have been approved, and Council has made initial financial contributions for two of these projects (more detail on this is provided in the Financial Considerations section of this report).
 - TCHT, Devonport Road: 20 homes for 55+ year olds, public housing (i.e. tenants qualify for income related rent). This project scores highly from an impact perspective.
 - Veros, Frazer Street: 8 homes to be sold to market. If not sold, will be retained for rental. This project has a lower impact score but increases the stock of affordable housing to market and provides relatively quick capital turnaround, enabling future investments.
 - Smiths Farm: 21 new homes, with target cohort to be determined closer to the delivery of the homes. This project ensures affordable housing is delivered as part of the wider Smiths Farm development and is linked to Council providing the HEF with an additional \$5 million of funding (see paragraph 17 of this report).
 - Papamoa: 15 new rental homes in Papamoa (to be leased by a local community housing provider), targeted at those in need in the 55+ age bracket as well as those with disabilities (note that this approval is conditional). This project scores highly from an impact perspective.
29. A further two projects in Tauranga are in the assessment stage but have not received final approval.

STATUTORY CONTEXT

30. Investing in delivering housing outcomes for the city aligns with local governments' responsibility under the Local Government Act 2002 to promote the social, economic, environmental, and cultural well-being of their communities.

STRATEGIC ALIGNMENT

31. This contributes to the promotion or achievement of the following strategic community outcome:

	Contributes
We are an inclusive city	<input checked="" type="checkbox"/>
We value, protect and enhance the environment	<input type="checkbox"/>
We are a well-planned city	<input type="checkbox"/>
We can move around our city easily	<input type="checkbox"/>
We are a city that supports business and education	<input type="checkbox"/>

32. Council is committed to addressing housing needs in the city as a strategic priority. The investment made by Council into the HEF, together with the recycling of returns back into HEF, ensures that the elder housing sale proceeds will deliver long-term and ongoing housing benefits for Tauranga residents (versus a one-off allocation of funding).

FINANCIAL CONSIDERATIONS

33. To date, the HEF has called \$1.007m of its \$20m committed capital. There is a further \$5.85 expected to be called during the 2026 financial year, this relates to the TCHT (Devonport Road) and Veros (Fraser Street) projects mentioned in paragraph 28 above.
34. Table 1 below provides a summary of all transactions relating to the sale of the Elder Housing Villages, expenditure incurred in relation to the relocation of some tenants, legal and valuation fees, grants paid to Papakāinga and registered community housing providers (CHPs) and the investment to date into the HEF. Also provided is the expected net remaining proceeds after all committed investment and budgeted grants have been paid out.

Table 1: Proceeds versus Expenditure (elder housing sale)

Summary of transactions to date	\$m
Sales proceeds	36.9
Net expenditure (relocation, legal fees, valuations, R&M, interest revenue)	(0.9)
Investment in HEF	(1.0)
Grants to community housing providers & Papakāinga	(1.6)
Net proceeds	33.4
Future transactions	
Investment in HEF	(19.0)
Grants to community housing providers & Papakāinga	(9.8)
Remaining proceeds	4.6

35. It should be noted that there is one village yet to be sold. Hinau Street Village was under a conditional contract which did not proceed. Any future proceeds for the sale of this village have not been included in the figures above, but are in principle committed (via previous Council resolution) for reinvestment into delivering housing outcomes for the city.

LEGAL IMPLICATIONS / RISKS

36. Council's involvement in the HEF is governed by legal agreements, including a Subscription and Shareholder Agreement and a Constitution, and supported by an agreed upon Statement of Investment Policy and Objectives.

TE AO MĀORI APPROACH

37. Council's investment into the HEF contributes to the Te Ao Māori principle of Tūmanako by contributing to housing outcomes. Te Rangapū Mana Whenua o Tauranga Moana Partnership was invited to provide feedback on Council's proposed investment into the HEF as part of Council's consultation processes.
38. Engagement with mana whenua is one of the impact criteria considered by the HEF for each project. The HEF engages with Iwi and Hapū across the Bay of Plenty region, including Tauranga, on an ongoing basis. A project delivering Papakāinga has been approved for delivery in Eastern Bay of Plenty. While no Tauranga projects delivering Papakāinga / involving Iwi/Hapū partnership have been approved, this is an active area of ongoing focus for the HEF.

CLIMATE IMPACT

39. NZGIF (New Zealand Green Investment Finance) are one of the HEF's Founding Shareholders and are specifically seeking to leverage their investment into delivery of environmentally sustainable housing across the Bay of Plenty. Energy efficiency provisions and/or Homestar rating are considered as part of the impact assessment completed for each potential project.

CONSULTATION / ENGAGEMENT

40. Consultation on Council's proposed investment into the HEF occurred in May 2023 and the results were reported back to Council (the Commissioners) in August 2023. Council received 67 responses, and 70% of these supported Council using the sale proceeds for housing outcomes. Of this 70%, 89% supported investment into the HEF.

SIGNIFICANCE

41. 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.
42. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
43. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance.
44. Council's investment into the HEF was assessed as of medium significance and consulted on in May 2023. As this report is for information purposes only, the matters in this report are assessed as of low significance.

ENGAGEMENT

45. Taking into consideration the above assessment, that the matter is of medium significance, and the content of this report is of low significance, officers are of the opinion that no further engagement is required prior to Council receiving this report.

NEXT STEPS

46. Information on Tauranga projects approved by the HEF will be provided in the quarterly growth updates to this committee.

ATTACHMENTS

1. **Attachment 1 - Past decisions: sale of elder housing - A18249878** [↓](#) 

ATTACHMENT 1: KEY DATES FOR THE SALE OF THE ELDER HOUSING PORTFOLIO

Date	Reference	Decision
June 2018	M18/43.13	<ul style="list-style-type: none"> - To divest of the elder housing portfolio (nine elder housing villages across the city). - To ring-fence the sale proceeds into an 'elder or social housing' specific reserve until an application for the sale proceeds was decided upon.
June 2021	CO12/21/1	<ul style="list-style-type: none"> - To separate Pitau Road Village and Hinau Road Village from the elder housing portfolio and sell these villages for private redevelopment. - To set aside the resulting sale proceeds of these two properties in an 'elder or social housing' specific reserve, together with the elder housing portfolio sale proceeds.
October 2021	CO18/21/21	<ul style="list-style-type: none"> - To sell the elder housing portfolio (seven villages) to Kāinga Ora: Homes and Communities, for continued use as public housing.
March 2022	CO5/22/13	<ul style="list-style-type: none"> - To include a Pooles Road property, adjacent to one of the villages, as part of the sale to Kāinga Ora.
July 2022	CO14/22/24	<ul style="list-style-type: none"> - To sell Pitau Road Village to the Sanderson Group.

Note: Hinau Street Village has not yet been sold, but once sold, its funds are also earmarked for investment into housing outcomes for the city.

10 DISCUSSION OF LATE ITEMS

11 CLOSING KARAKIA