



AGENDA

Ordinary Council meeting Monday, 3 March 2025

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

Date: Monday, 3 March 2025

Time: 9:30 am

Location: Bay of Plenty Regional Council Chambers
Regional House
1 Elizabeth Street
Tauranga

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell
Chief Executive

Terms of reference – Council

Membership

Chairperson	Mayor Mahé Drysdale
Deputy Chairperson	Deputy Mayor Jen Scoular
Members	Cr Hautapu Baker Cr Glen Crowther Cr Rick Curach Cr Steve Morris Cr Marten Rozeboom Cr Kevin Schuler Cr Rod Taylor
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	Three weekly or as required

Role

- To ensure the effective and efficient governance of the City.
- To enable leadership of the City including advocacy and facilitation on behalf of the community.
- To review and monitor the performance of the Chief Executive.

Scope

- Oversee the work of all committees and subcommittees.
- Exercise all non-delegable and non-delegated functions and powers of the Council.
- The powers Council is legally prohibited from delegating include:
 - Power to make a rate.
 - Power to make a bylaw.
 - Power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan.
 - Power to adopt a long-term plan, annual plan, or annual report.
 - Power to appoint a chief executive.
 - Power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
 - All final decisions required to be made by resolution of the territorial authority/Council pursuant to relevant legislation (for example: the approval of the City Plan or City Plan changes as per section 34A Resource Management Act 1991).
- Council has chosen not to delegate the following:
 - Power to compulsorily acquire land under the Public Works Act 1981.
- Make those decisions which are required by legislation to be made by resolution of the local authority.

- Authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council.
- Make appointments of members to the council-controlled organisation Boards of Directors/Trustees and representatives of Council to external organisations.
- Undertake all statutory duties in regard to Council-controlled organisations, including reviewing statements of intent and receiving reporting, with the exception of the Local Government Funding Agency where such roles are delegated to the City Delivery Committee. This also includes Priority One reporting.
- Consider all matters related to Local Water Done Well.
- Consider any matters referred from any of the Standing or Special Committees, Joint Committees, Chief Executive or General Managers.
- Review and monitor the Chief Executive's performance.
- Develop Long Term Plans and Annual Plans including hearings, deliberations and adoption.
- For clarity the Council will develop, review, undertake hearings of and deliberations on community submissions to bylaws as well as the adoption of the final bylaw.

Procedural matters

- Delegation of Council powers to Council's committees and other subordinate decision-making bodies.
- Adoption of Standing Orders.
- Receipt of Joint Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive.
- Other Delegations of Council's powers, duties and responsibilities.

Regulatory matters

Administration, monitoring and enforcement of all regulatory matters that have not otherwise been delegated or that are referred to Council for determination (by a committee, subordinate decision-making body, Chief Executive or relevant General Manager).

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1 OPENING KARAKIA

2 APOLOGIES

3 PUBLIC FORUM

3.1 Kevin Mayall and Gerald Grieg from the Papamoa Tennis Club

ATTACHMENTS

Nil

3.2 Brian Cavit on behalf of the Wairakei Community Centre Trust

ATTACHMENTS

Nil

4 ACCEPTANCE OF LATE ITEMS

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

6 CHANGE TO THE ORDER OF BUSINESS

7 CONFIRMATION OF MINUTES

Nil

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Decisions on Independent Hearings Panel Recommendations on Variation 1 (Tauriko West Urban Growth Area) to Plan Change 33 (Enabling Housing Supply)

File Number: A17498793

**Author: Alistair Talbot, Principal Planner (Structure Planner)
Andy Mead, Manager: City Planning & Growth
Richard Harkness, Project Leader: Urban Planning**

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

PURPOSE OF THE REPORT

- The purpose of this report is to seek decisions on the Independent Hearings Panel recommendations for Variation 1 (Tauriko West Urban Growth Area) to Plan Change 33 (Enabling Housing Supply).

RECOMMENDATIONS

That the Council:

- Receives the report "Decisions on Independent Hearings Panel Recommendations on Variation 1 (Tauriko West Urban Growth Area) to Plan Change 33 (Enabling Housing Supply)".
- Accepts all recommendations in section 9.2 of the report of the Independent Hearings Panel (IHP) on Variation 1 – Tauriko West Urban Growth Area provided in Attachment 1 in accordance with clause 101, Schedule 1 of the Resource Management Act 1991 (RMA) and adopts the reasons in the report.

OR

- Accepts all recommendations in section 9.2 of the report of the IHP on Variation 1 (Tauriko West Urban Growth Area) provided in Attachment 1 in accordance with clause 101, Schedule 1 of the RMA and adopts the reasons in the report, with the exception of the IHP recommendations set out in Table 1 below, which includes the reasons for rejecting recommendations, and any alternative recommendations in accordance with clause 101(1)(b), Schedule 1 of the RMA:

Table 1- Rejected IHP Recommendations

A	Recommendation rejected	Alternative recommendation (if any)
	Reason	

- Delegates to the Mayor the authority to sign and send a letter referring any rejected IHP recommendations, together with reasons for rejecting the recommendation and any alternative recommendations, to the Minister for the Environment in accordance with the resolutions of Council.
- Publicly notify the decisions of the Council as soon as practicable in accordance with clause 102, Schedule 1 of the RMA including any recommendations of the IHP that it accepts or that it rejects together with the reasons for doing so and any alternative

recommendation that it has provided for a rejected recommendation.

- (f) Notes that on public notification under clause 102, Schedule 1 of the RMA, all the recommendations of the IHP that are accepted by Council are incorporated into the Tauranga City Plan and are deemed approved under clause 17(1), Schedule 1 and become operative in accordance with clause 20, Schedule 1 of the RMA.
 - (g) That the General Manager: Strategy, Growth and Governance be delegated the authority to approve any minor editorial changes and consequential changes (if any) to the Variation under clauses 16 and 95(2)(o), Schedule 1 of the RMA.
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EXECUTIVE SUMMARY

2. On 26 February 2024, Council adopted proposed Variation 1 – Tauriko West Urban Growth Area to Plan Change 33 (the Variation) for public notification in accordance with Schedule 1 of the Resource Management Act 1991 (RMA). The Variation was publicly notified on 8 and 9 March 2024.
3. On 13 May 2024, Council resolved to appoint four independent hearing commissioners with expertise in planning, urban design, infrastructure and tikanga Māori as the Independent Hearings Panel (IHP) to hear all submissions on the Variation and make recommendations to Council.
4. The hearing for the Variation was held on 4 and 5 December 2024. The IHP has provided its Recommendations Report on the Variation in accordance with the requirements of the RMA. The IHP Recommendations Report and Recommended Provisions (clean and track change versions), Planning Maps and Urban Growth Plan are provided in Attachments 1 to 5 to this report.
5. The IHP largely accepted the Council officers' recommendations from the section 42A hearings report and Closing Statement. The key conclusions of the IHP which varied to that recommended by Council staff include:
 - (a) Minimum yield / density – the IHP recommend that the first 1,000 dwellings are delivered at minimum average 20 dwellings per hectare. Beyond 1,000 dwellings, the minimum average of 25 dwellings per hectare.
 - (b) The 'activity status' for out-of-sequence development (i.e. should a more or less restrictive resource consent activity status/classification be applied to applications to vary from the staging and sequencing requirements). The IHP recommend Discretionary activity status and additional policy direction to ensure that the full range of potential effects are considered and clear direction on how effects should be managed is provided.
6. Key other matters raised where the IHP agreed with Council and disagreed with submitters relate to the:
 - (a) Zoning of the Kainga Ora land adjacent to Cambridge Road – The IHP did not accept the requests of submitters for this part of the growth area to be zoned rural-residential. The recommendation is to zone the land Medium Density Residential Zone (MDRZ).
 - (b) Allocation of the 2,400 dwelling units between Area 1 (Main landowners) and Area 3 (Redwood Lane landowners) – The IHP did not accept the requests of submitters and maintained that the proposed allocation of the initial 2,400 dwelling units should be to Area 1 only (i.e. the Main landowner group).
7. In addition, the IHP recommend changes to clarify the intent of provisions (e.g. Schedule 12I which relates to staging and sequencing) and other minor editorial amendments.
8. In accordance with section 101 of Schedule 1 of the RMA, Council must decide whether to:
 - (a) Accept or reject each recommendation of the IHP; and

- (b) May provide an alternative recommendation for any recommendation that is rejected.
9. The Council decision is required to be notified to the Minister for the Environment who can then accept or reject the recommendations referred them.
 10. The Council's decision must be publicly notified under clause 102 of Schedule 1 of the RMA and IHP recommendations which are accepted by the Council will become operative automatically. Rejected recommendations will be subject to final decision-making by the Minister for the Environment.

BACKGROUND

RMA Process and Public Notification

11. The Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 required tier 1 territorial authorities (including Tauranga City Council) to notify changes or variations to their district plans to incorporate the Medium Density Residential Standards and give effect to the National Policy Statement – Urban Development. These changes or variations are an Intensification Planning Instrument (IPI) under section 80E of the Resource Management Act.
12. The Council notified PC33 as its IPI on 20 August 2022. Public notification of the Council's decision on IHP recommendations on PC 33 occurred on 19 June 2024. The provisions became operative on 26 June 2024 or 17 July 2024, depending on when final decisions were made. PC33 proceeded under the Intensification Streamlined Planning Process (ISPP), a process prescribed by Government to speed up the RMA plan making process.
13. Clause 95(2)(p) of Schedule 1 enables specified territorial authorities to initiate variations to an IPI at any time before approval under clause 17 of Schedule 1. The earliest date of deemed approval of PC33 under clause 17 of Schedule 1 was 19 June 2024.
14. The Council adopted the Variation for public notification on 26 February 2024 and it was publicly notified on 8 and 9 March 2024.
15. The timeframe for completion of the Variation is governed by Ministerial directions under s 80L of the RMA. A series of Ministerial directions allowed the Variation to be completed after the substantive part of PC33. Under clause 16A of Schedule 1 of the RMA, the ISPP process (which was followed for the substantive part of PC33) also applies to the Variation.
16. The directions currently in force require the Council to notify decisions on the IHP's recommendations for the Variation in accordance with clause 102 of Schedule 1 of the RMA by 31 December 2025. As foreshadowed above, public notices were included in newspapers on 8 and 9 March 2024. Letters were also sent to all landowners affected by the Variation.
17. In addition to public notices and letters being sent, a public open day was held on 25 March 2024, advertised online and through social media.
18. Submissions closed on 9 April 2024. Public notices of the availability of a summary of decisions requested were included in newspapers on 25 and 26 May 2024. Correspondence was sent to all submitters advising that the summary of decisions requested was available and that the further submission period was from 27 May to 10 June 2024.
19. A 'Friend of the Submitter' service was made available throughout the Variation process to provide independent advice to submitters.
20. A total of 52 submissions were received and a total of 9 further submissions were received.
21. Following the submission and further submission process, consultation was undertaken with various submitters through the preparation of the s42A report to clarify submission points and discuss options to resolve submission points.

22. In addition to public notification, consultation and engagement was undertaken to prepare the Variation and this is set out in the section 32 evaluation report¹ prepared for public notification.
23. On 13 May 2024, Council resolved to appoint four independent hearings commissioners with expertise in planning, urban design, infrastructure and tikanga Māori as the IHP to hear all submission on the Variation and make recommendations to Council.

Key aspects of the Variation

24. The Variation covers the following key aspects to enable between 3,500 to 3,900 homes within TWUGA:
 - (a) Rezone the majority of Tauriko West from Rural Zone to create the new MDRZ consistent with the National Planning Standards to:
 - i) Enable the MDRS as a permitted activity.
 - ii) Enable four or more dwellings as a restricted discretionary activity, non-notified.
 - (b) MDRZ provisions amended to:
 - i) Provide for 1 local commercial centre and 2 neighbourhood commercial centres through a restricted discretionary resource consent.
 - ii) Introduce provisions that control the scale and built form of commercial development.
 - (c) Amendments to Chapter 12 – Subdivision to:
 - i) Introduce objectives, policies and rules specific to Tauriko West relating to the provision of three waters and transport infrastructure including staging associated with this (e.g. a limitation on up to 2,400 homes being provided for by the Tauriko West Enabling Works transport improvements and the full build-out of Tauriko West being dependent on New Zealand Transport Agency – Waka Kotahi (NZTA) delivery of Stage 3 of the Tauriko Network Connections improvement²).
 - (d) Amendments to Chapter 6 – Natural Features and Landscapes to:
 - i) Introduce rules to manage development at the interface of the Wairoa River Important Amenity Landscape (i.e. 20m wide management area that includes a 5m building setback, building colour and reflectivity controls, visual permeability controls on fencing, and controls on the slope and retaining walls along the boundary).
 - (e) Flood risk:
 - (i) Managed through the provisions of Plan Change 27 (Flooding from intense rainfall); and
 - (ii) A new provision which requires the minimum building platform to be 500mm above the flood level for a 1% Annual Event Probability (AEP) rainfall event

¹ Section 32 Evaluation Report, Consultation and Engagement:
Appendix 5a - Record of Engagement and Consolidation of Feedback – Community and Stakeholders:
www.tauranga.govt.nz/Portals/0/data/council/city_plan/plan_changes/pc33/variation/s32-appendix-5a.pdf
Appendix 5b – Record of Engagement and Consolidation of Feedback – Tangata Whenua:
www.tauranga.govt.nz/Portals/0/data/council/city_plan/plan_changes/pc33/variation/s32-appendix-5b.pdf

² <https://www.nzta.govt.nz/projects/tauriko-network-plan/>

coinciding with a 5% AEP storm tide taking into account the effects of climate change on rainfall and sea level based on the Representative Concentration Pathway (RCP) 8.5+ median scenario as of the year 2130. This is higher sea level rise than Plan Change 27 as required in the Bay of Plenty Regional Policy Statement for greenfield development.

- (f) Amendments to the Planning Maps to:
 - (i) Rezone the part of the site that was formerly in the Western Bay of Plenty District Plan to be within the Tauranga City Plan.
 - (ii) Introduce Urban Growth Plan 11 – Tauriko West³ which sets out the location of key infrastructure and amenities to be delivered.
 - (iii) Rezone the majority of the Rural Zone to Medium Density Residential Zone, and keep the small area south of Redwood Lane as Rural Zone.
 - (iv) Introduce an Open Space Zone along the Wairoa River Margin.
 - (v) Extend the Conservation Zone along the bank of the Wairoa River.
 - (vi) Amend the extent of Wairoa River Important Amenity Landscape Area and introduce the Wairoa River Important Amenity Landscape Management Area.
 - (vii) Extend the extent of the NZTA Reverse Sensitivity Plan Area (i.e. a provision which manages reverse sensitivity effects adjacent to the State Highway).
- (g) The Variation does not introduce or amend any provisions of the City Plan that relate to parks and opens spaces, except to rezone the margin of the Wairoa River as Open Space Zone. The project relies on the development of an Open Space Masterplan to deliver the outcomes sought in the Open Space Zone, the Wairoa River corridor and reserves. The development of this masterplan is underway with the three main Tauriko West landowners and is intended to be confirmed in a Developers Agreement.

25. A public hearing on the Variation was held on 4 and 5 December 2024. On 21 February 2025, the IHP provided its Recommendation Report (provided as Attachment 1) on the Variation in accordance with the requirements of the RMA. The IHP Recommendations Report includes the following:

- (a) An introductory section.
- (b) An overview of the Variation.
- (c) Discussion of the:
 - (i) Procedural matters relating to the Variation.
 - (ii) Legal framework applying to the Variation.
 - (iii) Scope issues and matters associated with the Variation.
 - (iv) Council approach to growth.
- (d) Discussion of the key issues and other matters requiring determination by the IHP, these being:
 - (i) Minimum yield/density;
 - (ii) Cambridge Road area zoning;
 - (iii) Activity status;
 - (iv) Staging Prerequisites;
 - (v) Allocation of infrastructure capacity to Area 1 and Area 3;

³ Urban Growth Plan 11 – Tauriko West:

www.tauranga.govt.nz/Portals/0/data/council/city_plan/plan_changes/pc33/variation/closing-appendix-2b.pdf

- (vi) Schools;
- (vii) Size of local centre;
- (viii) Stormwater, flooding and natural hazards;
- (ix) Ecological offset stream; and
- (x) Visual mitigation buffer.
- (e) A statutory assessment
- (f) A summary of conclusions and recommendations
- (g) Appendices:
 - (i) Glossary of abbreviations
 - (ii) List of submitters and persons appearing (at the hearing)
 - (iii) PC33 Variation 1 Recommendation Provisions

IHP Recommendations report – Summary of Conclusions

- 26. The IHP largely accepted the Council officers’ recommendations from the section 42A report and closing statement.
- 27. The conclusions of the IHP that do not align with the Council officers’ recommendations set out in the closing statement and s.42A report are as follows:

- **Minimum Yield / Density**

Council officer recommendations to IHP	IHP conclusion
Recommend: <ul style="list-style-type: none"> • A stepped approach to achieving the target yield for Tauriko West Urban Growth Area which requires a minimum average nett yield of 22 dwelling units per hectare for the first 800 residential allotments and beyond that a minimum average nett yield of 25 residential allotments per hectare. • Consequential amendments to the relevant policies and rules to reflect the stepped approach. 	<ul style="list-style-type: none"> • A stepped approach to achieving the target yield for Tauriko West Urban Growth Area which requires a minimum average nett yield of 20 dwelling units per hectare for the first 1,000 residential allotments and beyond that a minimum average nett yield of 25 residential allotments per hectare. • Consequential amendments to the relevant policies and rules to reflect the stepped approach e.g. a subclause be added to Policy 12A.1.1.2.b to recognise the short-term market conditions, using the 3-year time frame required under the NPS – Urban Development Housing and Business Land cycle, as follows: <ul style="list-style-type: none"> <i>iii. Current and 3-year assessed housing market conditions.</i> • Reducing the step supports ‘jump-starting’ the development and is unlikely to unduly compromise the overall practically-achieved yield.

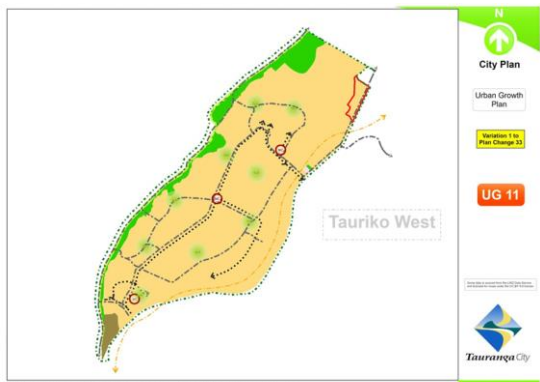
- **Activity Status for out-of-sequence development** (i.e. should a more or less restrictive resource consent activity status/classification be applied to applications to vary from the staging and sequencing requirements).

Council officer recommendations to IHP	IHP conclusion
Recommend: <ul style="list-style-type: none"> • Non-compliance with the 	<ul style="list-style-type: none"> • Both activities i.e., out of sequence development and development exceeding 2,400 dwellings, to be

<p>transport staging and sequencing requirements can be adequately dealt with as a Restricted Discretionary activity; and Subdivision and land use beyond 2,400 dwelling units be adequately dealt with as a Discretionary activity; by refusing consent (if there are unacceptable effects on the transport network) or imposing conditions of consent.</p>	<p>accorded a Discretionary activity status.</p> <ul style="list-style-type: none"> • In terms of out of sequence development there are a number of variables in play, and therefore the nature and scale of effects may not be able to be fully anticipated in advance of an application. • Discretionary activity status will ensure that all potential effects, appropriate to the nature and scale of any departure from the provision, can be fully assessed by the decision-maker. • Strengthen the policy framework by adding a subclause to Policy 12B.1.3.1 as follows: <ul style="list-style-type: none"> <i>ab. Discourage subdivision (and its consequential development and/or, land use) which:</i> <ul style="list-style-type: none"> <i>i. is not in accordance with the staging and sequencing requirements in Appendix 12I.1; or</i> <i>ii. exceeds 2,400 residential allotments;</i> <p><i>unless the effects of such, including cumulative transport effects, can be appropriately addressed.</i></p>
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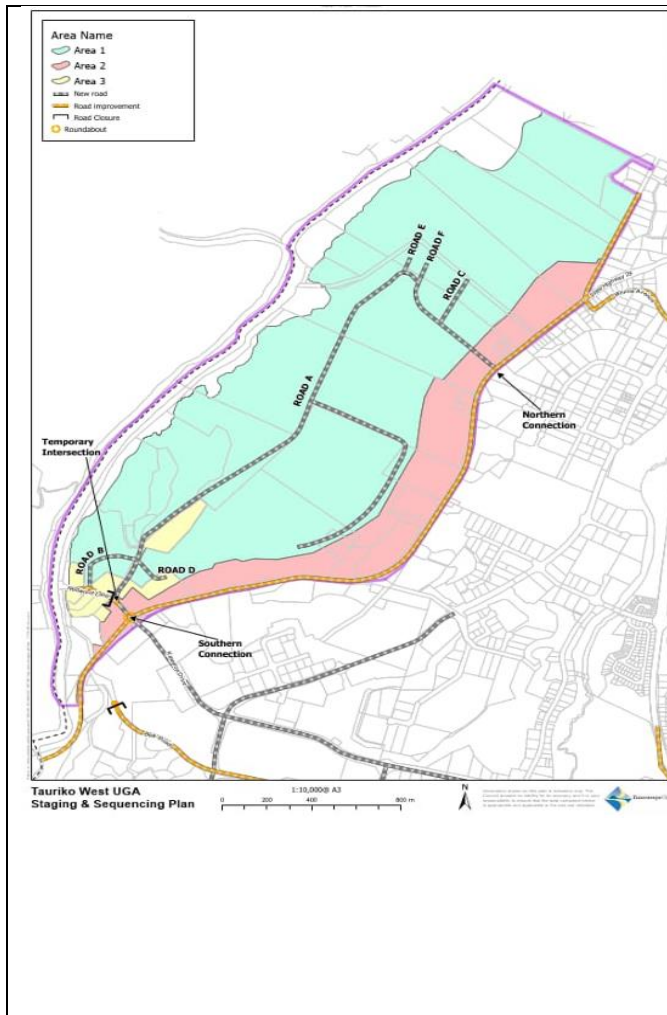
28. Other key contentious topics where the IHP disagreed with submitters and agreed with the Council officer recommendation include the following:

- **Zoning of Kainga Ora land adjacent to Cambridge Road**

Topic	IHP conclusion
<p>That the land adjacent to Cambridge Road, identified in Figure 1 shown in red, be zoned MDRZ.</p>  <p><small>Figure 1: Location of land adjacent to Cambridge Road</small></p>	<p>The IHP did not accept the requests of some submitters for this part of the growth area to be rural-residential zoned, finding that MDRZ was appropriate and that:</p> <ul style="list-style-type: none"> • Structure planning has confirmed the land is suitable for residential development; and • Traffic safety matters will be resolved by the Tauriko West Enabling Works improvements.

- **Allocation of the initial 2,400 dwelling units between Area 1 and 3**

Topic	IHP conclusion
<p>That the allocation of the initial 2,400 dwelling units is to Area 1 (Main landowners) and not to Area 3 (Redwood Lane landowners). Area 1 and 3 are identified on the figure below.</p>	<p>The IHP did not accept the requests of some submitters and maintained that the proposed allocation of the initial 2,400 dwelling units should be to Area 1 only (i.e. the Main landowner</p>



group), noting:

- The Area 1 landowners funding commitments and responsibilities towards external and internal infrastructure (including provision), the lack of an arrangement on cost-sharing between landowners for required infrastructure, and there being no Development Contribution Policy or provision in the 10-year plan for servicing Area 3 (Redwood Lane) land; and
- That a discretionary activity consenting pathway exists should Area 3 landowners wish to develop their land in the first stage.

A number of other issues raised by various Redwood Lane Landowners such as rates increase, and the timing of the Redwood Lane upgrade were determined to be out of scope of the RMA process by the IHP which aligns with staff’s position.

29. The IHP also recommend the following amendment which was determined to be ‘within scope’ to clarify the intent of Schedule 12I and link the pre-requisite infrastructure to residential activity commencing.

• **Appendix 12I: Tauriko West Urban Growth Area Infrastructure Statement and Staging and Sequencing Schedule**

Council officer recommendations to IHP	IHP conclusion
<p>Recommend:</p> <ul style="list-style-type: none"> • An amendment to Appendix 12I.1 so that it refers to “residential activity commencing” rather than “land use commencing”. 	<p>We accept that it is appropriate to make this amendment as it will clarify the meaning of the term, and for the reasons we have already set out in our findings in the related scope section (i.e. the change is ‘on’ the Variation, it is minor and clarifying in nature, and those with an interest are likely those who submitted or participated in the plan change).</p>

30. There are also some minor editorial amendments that have been recommended by the IHP.

31. The IHP Recommendations Report has been released publicly ahead of this Council meeting. This has included providing the IHP Recommendations report on the Council website and notifying by email all those who made a submission to the Variation.

STRATEGIC ALIGNMENT

32. 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	✓
We are a well-planned city	✓
We can move around our city easily	✓
We are a city that supports business and education	✓

33. The Variation aligns with many of the key strategic outcomes being sought for the City.

34. In 2013, the SmartGrowth Strategy was reviewed and updated to address the appropriate staging of urban growth as part of the Western Corridor Strategy Study. Through the assessment and feasibility analysis, Tauriko West was identified by the SmartGrowth Implementation Committee in 2016 as the next area appropriate for urban development in the Western Corridor. The Settlement Pattern Review process showed why additional greenfield residential land supply was required to address a projected shortfall in development capacity, establishing that without it, there would be no more residential greenfield land available in the Western Corridor by 2026.

35. To address the need for greater integration of land use planning and transport solutions, SmartGrowth established the Urban Form and Transport Initiative (UFTI) in 2019. UFTI produced its final report in 2020 which proposed a ‘Connected Centres’ Programme; and which identified Tauriko West as one of the ‘planned urban growth areas’.

36. Tauriko West is identified as a Priority Development Area through SmartGrowth partnerships with local authorities, tangata whenua and government departments in the SmartGrowth Strategy 2024-74 as an urban growth area that will commence its development in the short-term.

37. The National Policy Statement – Urban Development requires Council to meet certain housing supply obligations for the short, medium and long term as a tier 1 urban environment. Tauriko West can help deliver much needed housing over the short to medium term but is not sufficient in-of-itself, to resolve the City’s acute housing supply challenges.

38. Depending on the final landform established by the developers, and the density of development, as well as housing typology provided, Tauriko West’s yield could likely range from 3,500 dwellings to 3,900 dwellings – this being based on the assumptions that developable land extent could be around 136ha to – 152ha out of 333ha; and the density of urban development achieving around 25 dwellings per hectare.

TE AO MĀORI APPROACH

39. Consultation with relevant hapu and iwi was undertaken throughout the development of the Variation, as required by the RMA. Consultation was also undertaken by the Council prior to notification and prior to appointment of the IHP.

CLIMATE IMPACT

40. The Variation has been prepared with consideration to the effects of climate change on the use and development enabled through this proposal. Specifically, the Variation has considered the effects of climate change in respect to assessing flooding and other natural hazard risk, stormwater management, and infrastructure to support transport mode choice. Stormwater modelling has been undertaken using the latest parameters for climate change. These matters have been considered as part of the preparation of the recommendations by the IHP.

OPTIONS ANALYSIS

41. **Option 1:** Accept all the IHP recommendations without amendment. Any recommendations that are accepted are incorporated into the City Plan and made operative.

Advantages	Disadvantages/Risks
<ul style="list-style-type: none"> • Makes the Variation operative in full and would bring it into full effect with the greatest speed and certainty. • Prevents any delay or uncertainty that comes with referral of rejected recommendations to the Minister. 	<ul style="list-style-type: none"> • Does not enable the Council to provide alternative recommendations to the Minister if there are parts of the IHP recommendations which do not align with Councils own assessment of the relevant considerations and evaluation of the submissions and other evidence that was available to the IHP.

42. In accepting the IHP recommendations, the Council is also accepting the reasoning and weighting of evidence applied by the IHP in coming to its recommendations.

43. **Option 2:** Reject some of the IHP’s recommendations on the provisions. Any recommendations that are rejected are sent to the Minister for the Environment for decision-making. Council must set out why the Council rejects a recommendation of the IHP and the reasons for doing so, and may provide an alternative recommendation.. The Minister can choose whether to accept or reject the recommendations referred to them.

Advantages	Disadvantages/Risks
<ul style="list-style-type: none"> • Allows the Council to assess the considerations taken into account by the IHP and evaluate the submissions or other evidence that was available to the IHP. 	<ul style="list-style-type: none"> • Any new provisions associated with the rejected recommendations will not be operative until the Minister notifies a decision. There are no timeframes for the Minister to make a decision on those recommendations that are rejected. • The Minister may prefer the IHP recommendation over the Councils alternative recommendation. • There is a risk that Ministerial decision-making will extend beyond 30 June 2025 creating challenges for Infrastructure Acceleration Fund (IAF) and developer funding agreements which require the plan change to be operative no later than 30 June.

FINANCIAL CONSIDERATIONS

44. There are no direct financial considerations associated with the matters covered in this report except the risk around infrastructure funding agreement noted directly above.
45. Re-zoning Tauriko West for urban development is aligned to other decisions by Council to support this outcome. These include past and potential future decisions associated with investing in enabling services and infrastructure (e.g. water, wastewater, stormwater, transport, community facilities) to support the development of Tauriko West.
46. The re-zoning of Tauriko West is also aligned with:
- (a) Decisions of others including New Zealand Transport Agency (Waka Kotahi) who have invested (e.g. in the Enabling Works) and are currently considering further investments

(e.g. Tauriko Network Connections) in significant projects to improve the transport network and enable the urban development of Tauriko West and growth planned for the wider Western Corridor.

- (b) Investments made by the private sector (e.g. landowners and developers in the Western Corridor and at Tauriko West) to deliver urban development and housing in Tauriko West. This has included cost sharing associated with developing the Variation and the infrastructure and services to deliver urban development at Tauriko West.
- (c) Funding agreements with parties (e.g. through the Infrastructure Acceleration Fund) to enable urban development in Tauriko West.
- (d) Decisions made by Council in terms of financial responsibility of financing infrastructural investment until such time as funding from other parties flows when specific conditions have been met.

LEGAL IMPLICATIONS / RISKS

- 47. The Variation has been prepared and notified to meet the legislative requirements under the RMA.
- 48. In accordance with clause 101, Schedule 1 of the RMA, Council is required to decide whether to accept or reject each recommendation of the IHP and may provide an alternative recommendation for any recommendation that it rejects.
- 49. In accordance with the Direction of the Minister for the Environment, Council must notify decisions on the recommendations of the IHP by 31 December 2025. If decisions are not notified by this date, Council will be in breach of this direction.
- 50. In making decisions on the IHP recommendations, Councillors must not consider any submission or other evidence unless it was made available to the IHP before the panel made its recommendations.
- 51. There are no rights of appeal against any decision or action of the IHP, the Council or the Minister. However, their respective decisions are potentially subject to judicial review in the High Court. Such proceedings examine the decision-making process but do not generally allow the High Court to revisit the merits of a decision under review.

SIGNIFICANCE

- 52. 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.
- 53. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
- 54. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of high significance due to the level of public interest and potential for impact of the re-zoning on a wide range of people.






ENGAGEMENT

55. The Council's decision must be publicly notified under clause 102 of Schedule 1 of the RMA. Under clause 101(4)(a) of the Schedule 1 of the RMA, the Council is not required to consult any person or consider submissions or other evidence from any person before making its decision.

NEXT STEPS

56. Refer to the Minister for the Environment any IHP recommendations that are rejected if relevant.
57. Publicly notify the decisions made by Council on the Variation.
58. Serve notice of the public notice on every person who made a submission on the Variation.
59. Make a copy of the public notice and the decisions publicly available on the Council's website and in physical form in all libraries.

ATTACHMENTS

1. **Attachment 1: Variation 1 IHP Recommendation Report - A17584762 (Separate Attachments 1)** 
2. **Attachment 2: Appendix 3 - Recommended Provisions - Clean copy - A17584766 (Separate Attachments 1)** 
3. **Attachment 3: Appendix 3 - Recommended Provisions - Track change copy - A17584767 (Separate Attachments 1)** 
4. **Appendix 4: Appendix 3 - Recommended City Planning Maps - A17584846 (Separate Attachments 1)** 
5. **Appendix 5: Appendix 3 - Recommended Urban Growth Plan 11 - A17584845 (Separate Attachments 1)** 

11.2 Private Plan Change 39 (Upper Ohauti Land Rezoning) - Request to approve and make operative

File Number: A17473082

Author: Brad Bellamy, Project Leader: Urban Planning

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

PURPOSE OF THE REPORT

1. The purpose of this report is to approve and make operative Private Plan Change 39 (Upper Ohauti Land Rezoning) to the Operative Tauranga City Plan.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Request to make operative Private Plan Change 39 (Upper Ohauti Land Rezoning) - Request to approve and make operative".
- (b) Pursuant to Clause 17(1) of Schedule 1 of the Resource Management Act 1991, approves Private Plan Change 39 – Upper Ohauti Land Rezoning – and authorises the Mayor and Chief Executive to affix the seal of Council to the plan change documents in accordance with Clause 17(3) of Schedule 1 of the Resource Management Act 1991 (see Attachment 1).
- (c) Pursuant to Clause 20(2) of Schedule 1 of the Resource Management Act 1991, notifies that Plan Change 39 as approved shall become operative on 17 March 2025.

EXECUTIVE SUMMARY

2. Private Plan Change 39 was heard by an Independent Hearing Commissioner (IHC) in November 2024. The Commissioner's recommendation on the plan change was adopted by Council on 10 December 2024. The decision was publicly notified on 20 December 2024 with the appeal period closing on 24 February 2025.
3. No appeals to this plan change have been lodged. The plan change is now required to be made operative in accordance with the Resource Management Act 1991 (RMA).

BACKGROUND

4. The Operative Tauranga City Plan is a statutory document that guides the Council in managing the effects of subdivision, use, and development under section 31 of the RMA. As a dynamic document, it can be updated through the plan change process, allowing adjustments to address resource management issues outside of a full plan review.
5. Plan Change 39 is a private plan change initiated by Landsdale Development Ltd to rezone two parcels of land at 120 and 125 Upper Ohauti Road. The proposal seeks to establish a 23.5 hectare Medium Density Residential Zone (MDRZ), enabling the development of up to 470 homes over the next 10–15 years. The proposed MDRZ is split between an eastern block (stage 1 – 125 Upper Ohauti Road) and a western block (stage 2 – 120 Upper Ohauti Road).
6. The plan change was heard by an Independent Hearings Commissioner (IHC), whose recommendation to approve it was adopted by Council on 10 December 2024. The decision was notified on 20 December 2024, and no appeals were lodged with the Environment Court.

7. As no appeals have been lodged, the plan change is now required to be approved in accordance with clause 17(1) of Schedule 1 of the RMA. This approval necessitates a Council resolution, public notification, and amendments to the City Plan text and maps to give effect to the decision. The remaining steps constitute an administrative process.

STATUTORY CONTEXT

8. As no appeals have been lodged, Council is required to approve the plan change in accordance with clause 17(1) of Schedule 1 of the RMA. Pursuant to clause 17(3), the Mayor and Chief Executive are authorised to affix the Council’s seal as formal evidence of approval. Plan Change 39 will then be made operative under clause 20(2) of Schedule 1 of the RMA.

STRATEGIC ALIGNMENT

9. 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 checked="" 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"/>

10. Private Plan Change 39 aligns with many of the key strategic outcomes being sought for the city.
11. The recommendations of the IHC, as adopted by Council, confirm that Plan Change 39 is consistent with the city’s key strategic outcomes. The plan change facilitates residential development while safeguarding the natural environment through the protection and enhancement of wetlands and freshwater bodies.
12. The plan change provides land for housing, supported by open spaces and neighbourhood amenities, to enable a well-functioning urban community. It also ensures that development is contingent upon appropriate transport infrastructure, including upgrades to the local road network immediately adjoining the plan change site and the provision of internal roading that supports transport choice and public transport accessibility.
13. Wider transport related effects have been carefully considered in this plan change. Subdivision and development of the entire plan change area (for up to 470 homes) will require specific upgrades to State Highway 29A (SH29A) to mitigate traffic impacts.
14. Development within the eastern block (stage 1, 110 – 145 homes) may proceed without the SH29A upgrades. However, further development in the western block will require these upgrades to be in place. If they are not completed at the time of development beyond stage 1, a resource consent will be required to address the traffic impacts.
15. At this stage, NZTA has no confirmed investment plan for the required SH29A upgrade, and its delivery timeline remains uncertain in relation to the timing of the full development of this land.

OPTIONS ANALYSIS

16. There have been no options identified as the RMA requires this process to occur now that the appeal period has ended, and no appeals received.

FINANCIAL CONSIDERATIONS

17. The remaining costs are only associated with the preparation and release of the public notice and process of updating the City Plan and maps. These are covered with the existing budget for the plan change.

18. Development of the land requires investment in infrastructure both on-site and off-site. TCC is working through development agreement and development contributions policy processes to ensure these costs are met by the developer, not the wider community.

LEGAL IMPLICATIONS / RISKS

19. There are no legal implications / risks involved in approving and then making Plan Change 39 operative given that the plan change has been through all necessary statutory processes, including the opportunity for appeals by the public.

TE AO MĀORI APPROACH

20. This was considered through the earlier phases of the plan change process, including the applicant having undertaken consultation with relevant hapu representatives and consultation by Council prior to notification of the plan change and the appointment of the IHC.

CLIMATE IMPACT

21. Matters associated with climate impact were considered as set out within the recommendations of the IHC for this plan change, notably the effects of climate change in relation to assessing flooding and other natural hazard risk, stormwater management, and infrastructure to support transport mode choice.

CONSULTATION / ENGAGEMENT

22. Consultation is not necessary at this point. The release of the public notice will be for information purposes only and to satisfy the statutory requirements set out under the RMA.

SIGNIFICANCE

23. 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.
24. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
25. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

26. 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.

NEXT STEPS

27. In accordance with Clause 20 of Schedule 1 of the RMA, Council must publicly notify the date on which Plan Change 39 will become operative. This notice must be issued at least five working days prior to the operative date, which is proposed as 17 March 2025. Submitters to this plan change will be provided with a copy of this notice and when the plan change will be made operative.

28. Following this, the City Plan will be updated to formally incorporate the approved provisions of the plan change. In accordance with the RMA, a copy of the plan change will then be provided to specified persons including the tangata whenua of the area.
29. As noted in the financial section, further actions are underway on infrastructure funding in line with Council's growth pays for growth philosophy.

ATTACHMENTS

1. **PC39 - Plan Change Provisions and Plan Maps for Approval - A17523455** [↓](#) 

Guide to understanding the changes to the City Plan

Terms that are defined in the City Plan in Chapter 3 are shown in blue text and include any new or amended definitions proposed by Proposed Plan Change 39. Note that there are no new or amended definitions proposed in this plan change or being recommended.

Where changes to the content of the City Plan are proposed these are shown as either a ~~strike out~~ for deleted text or underlined for additional text.

Red font text provides drafting instructions.

Chapter 12 – Subdivision, Services and Infrastructure

Amend 12B.1.2 Objective – Stormwater Management within the Smiths Farm Urban Growth Area as follows:

12B.1.2 Objective – Stormwater Management within the Smiths Farm and Ohauiti South Urban Growth Areas

Stormwater run-off generated by subdivision and development within the Smiths Farm and Ohauiti South Urban Growth Areas is managed in an integrated way that maintains and enhances the health and wellbeing of water bodies, freshwater ecosystems and receiving environments.

Insert new 12B.1.2.2 Policy – Stormwater Management within the Ohauiti South Urban Growth Area as follows:

12B.1.2.2 Policy – Stormwater Management within the Ohauiti South Urban Growth Area

Require subdivision and development within the Ohauiti South Urban Growth Area (UG12, Section 6, Urban Growth Plans, (Plan Maps, Part B)) to manage stormwater run-off (including hydrologic and water quality impacts) to meet the requirements of any relevant approved stormwater discharge consent and any relevant stormwater management plan, using a stormwater system that is designed and constructed to:

- a. Incorporate low impact stormwater design practises that:
 - i. Utilise existing site elements such as topography, soil type, and drainage patterns to inform subdivision and development layout.
 - ii. Adopt a treatment train approach that includes stormwater management systems that are located, sized, and designed to manage stormwater related effects; and
 - iii. Are managed in an integrated way and minimise the degradation of rivers and natural inland wetlands.
- b. Ensures that stormwater network elements are appropriately sized, designed and constructed to achieve positive stormwater management outcomes in the long term.
- c. Manage and mitigate the risk of flooding.
- d. Ensures that stormwater infrastructure manages the cumulative effects associated with stormwater run-off from subdivision and development on receiving environments.

Insert new Controlled Activity – Standards and Terms Rule 12B.3.1.19 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area as follows:

12B.3.1.19 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

- a. Any subdivision or permanent land use activity in the Medium Density Residential Zone within the Ohauiti South Urban Growth Area must provide infrastructure identified on UG12, Section 6, Urban Growth Plans, (Plan Maps, Part B).

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Provisions and Plan Maps for Approval

- b. The minimum average **nett yield** in the Medium Density Residential Zone in the Ohauiti South Urban Growth Area must be 15 dwellings per hectare of **nett developable area**.
- c. All transportation, water, and **wastewater infrastructure** and open space must be delivered in accordance with *Appendix 12J.1: Infrastructure and Open Space Requirements Schedule*.
- d. Any **subdivision** or permanent land use **activity** in the Medium Density Residential Zone within the Ohauiti South Urban Growth Area must only access Upper Ohauiti Road via the roundabout identified on *UG12, Section 6, Urban Growth Plans, (Plan Maps, Part B)* and constructed in accordance *Appendix 12J.1: Infrastructure and Open Space Requirements Schedule*.
- e. Any **subdivision** within Area 2 (West Block) shown on *Appendix 12J.2: Transportation Infrastructure Plan*, must provide for the extension of the internal road network as an unformed legal road that extends to the **boundary** of the **urban growth area** as shown in *Appendix 12J.2: Transportation Infrastructure Plan*.
- f. Any **subdivision** or permanent land use **activity** in the Medium Density Residential Zone within the Ohauiti South Urban Growth Area must include an engineering assessment prepared by a suitably qualified and experienced person that considers the capacity of **Council's** water supply and **wastewater** networks to serve the proposal. The assessment must consider the following network upgrades and whether there is a requirement for these to be constructed to serve the proposal and expected demands across the growth area:
- i. Harrisfield Drive gravity trunk sewer main (from Awaiti Place to Ila Place Wastewater Pump Station)
 - ii. Awaiti Place gravity trunk sewer upgrade (between Awaiti Place and Poike Road)
 - iii. McFetridge Lane gravity trunk sewer upgrade (between MH86356 and Awaiti Place)
 - iv. Ila Place Wastewater Pump Station upgrade.
- g. Any **subdivision** or permanent land use **activity** that proposes the creation of a **reserve** for the purpose of protecting and preserving **historic heritage** must include information that addresses the following matters in relation to that **reserve**:
- i. The design and **construction** of the **reserve** to ensure the landform is appropriate for its intended use.
 - ii. The management and maintenance programme and associated costs.
 - iii. The outcome of discussions with Heritage New Zealand Pouhere Taonga, and **iwi** and **hapu** regarding the **reserve**; and
 - iv. Compliance with requirements set out in *Appendix 12E: Performance Standard, Reserves*.
- h. Any **subdivision** of land containing an existing gas transmission pipeline, or that is to contain a relocated gas transmission pipeline, as identified on *UG12, Section 6, Urban Growth Plans, (Plan Maps, Part B)* must provide for the following:
- i. An easement in gross in favour of the **network utility** operator with a minimum width of 16 metres over the existing or relocated gas transmission pipeline.
 - ii. Where the existing or relocated pipeline will have an alignment through **reserve** land that is intended to be vested in **Council** then the easement must meet the requirements of the Reserves Act 1977.
 - iii. A **consent notice** on the records of title of all **residential allotments** subject to the easement in gross or adjacent to a **reserve** which is subject to the easement in gross to advise owners of the following:
 1. The location of the nearby gas transmission pipeline, and
 2. That any **childcare** facility, **home based childcare**, **community facility**, **health centre**, **rest home**, **retirement village**, **school**, **tertiary education premises**, or **visitor accommodation** must not be established on the new allotments.
- i. For any **subdivision** that includes the creation of an allotment to accommodate a future Neighbourhood Centre, the allotment must be located generally as shown on *UG12, Section 6, Urban Growth Plans (Plan Maps, Part B)* and must not exceed 2,000m² in area.

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Insert new Controlled Activity – Standards and Terms Rule 12B.3.1.20 – Specific Urban Growth Area Requirements – Stormwater Management in the Ohauiti South Urban Growth Area as follows:

12B.3.1.20 Specific Urban Growth Area Requirements – Stormwater Management in the Ohauiti South Urban Growth Area

- a. Any subdivision or permanent land use activity in the Medium Density Residential Zone within the Ohauiti South Urban Growth Area must include a stormwater management assessment prepared by a suitably qualified and experienced person(s) with expertise in the field of stormwater management.
- b. The stormwater management assessment must demonstrate that stormwater run-off is managed in general accordance with the Integrated Stormwater Management Plan (prepared by Harrison Grierson, reference R004-A2111686-ISMP, dated January 2024), meets the requirements of any relevant approved stormwater discharge consent and any relevant stormwater management plan, and addresses options for managing stormwater run-off effects, including the following:
- i. Managing all hydrologic and water quality effects on-site, or in combination with existing off-site infrastructure;
 - ii. Utilising low impact stormwater design practises through a treatment train approach to minimise the generation of stormwater run-off volumes and contaminants;
 - iii. The use of inert exterior building materials (e.g., no unpainted zinc or copper products that would result in soluble metals becoming entrained in stormwater) unless additional treatment is provided to avoid off-site effects;
 - iv. Siting, sizing, and engineering design of all stormwater management devices, including maintenance and operational requirements, and details of outfall scour protection;
 - v. Protection and enhancement of on-site wetlands, streams, areas of open space and receiving environments; and
 - vi. The requirements set out in Appendix 12B: Performance Standard, Stormwater.
- c. Having regard to the matters set out in b. above, and the matters listed in Table 9 of the Integrated Stormwater Management Plan (prepared by Harrison Grierson, reference R004-A2111686-ISMP, dated January 2024), the assessment must demonstrate how the proposed stormwater management system is the best practicable option for preventing or minimising the adverse hydrologic and water quality effects of the proposal on the environment.
- d. A subdivision or permanent land use activity which complies with a. – c. above is not required to meet clause c. vi. of Appendix 12B: Performance Standard, Stormwater.

Insert new Controlled Activity – Matters of Control and Conditions Rule 12B.3.2.13 Specific Urban Growth Requirements – Ohauiti South Urban Growth Area as follows:

12B.3.2.13 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

In addition to Rule 12B.3.2 - Controlled Activities – Matters of Control and Conditions, in considering any subdivision or permanent land use activity within the Ohauiti South Urban Growth Area on UG 12, Section 6, Urban Growth Plans, (Plan Maps, Part B) the Council reserves control over the following matters:

- a. Implementation of the applicable infrastructure in accordance with UG12, Section 6, Urban Growth Plans (Plan Maps, Part B) and Appendix 12J.1: Infrastructure and Open Space Requirements Schedule.
- b. The outcomes set out within the infrastructure capacity assessment required by Rule 12B.3.1.19 e. - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area and the capacity of water and wastewater infrastructure in the local catchment to accommodate expected demands within the Ohauiti South Urban Growth Area.

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- c. The safe and efficient operation and maintenance of the gas transmission pipeline in accordance with the assessment required by Rule 12B.3.1.19 g - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area.

Stormwater Management

- d. The implementation of stormwater management measures to ensure compliance with the relevant approved stormwater discharge consent and any stormwater management plan, and any other mitigation measures set out within the stormwater management assessment prepared in accordance with Rule 12B.3.1.20 – Specific Urban Growth Area Requirements – Stormwater Management within the Ohauiti South Urban Growth Area.

Amend Restricted Discretionary Activity Rule 12B.4 Restricted Discretionary Activity Rules as follows:

12B.4 Restricted Discretionary Activity Rules

The following are Restricted Discretionary Activities:

- g. Any subdivision or permanent land use activity in the Medium Density Residential Zone within the Ohauiti South Urban Growth Area that does not comply with Rule 12B.3.1.19 c. - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area in relation to clause 2. a. of Appendix 12J.1: Infrastructure and Open Space Requirements Schedule.

Insert new Restricted Discretionary Activity – Standards and Terms Rule 12B.4.2.3 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area as follows:

12B.4.2.3 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

Any application for subdivision or permanent land use activity must be accompanied by an integrated transport assessment prepared by a suitably qualified transport engineer.

Insert new Restricted Discretionary Activity – Matters of Discretion and Conditions Rule 12B.4.3.6 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area as follows:

12B.4.3.6 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

In considering any application made under Rule 12B.4 g. - Ohauiti South Urban Growth Area, the Council restricts the exercise of its discretion to:

- a. Whether the following intersections can operate safely and efficiently:
 - i. State Highway 29A / Poike Road
 - ii. Poike Road / Hollister Lane
 - iii. Poike Road / Ohauiti Road
- b. The adverse effects on the transport network for the intersections set out in Rule 12B.4.3.6 a. – Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area above, and any measures to avoid, remedy or mitigate these; and
- c. Any recommendations of the integrated transport assessment.

Amend Discretionary Activity Rule 12B.5 Discretionary Activity Rules as follows:

12B.5 Discretionary Activity Rules

The following are Discretionary Activities:

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- g. Any subdivision that does not comply with the requirements of Rule 12B.3.1.19 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area, and Rule 12B.3.1.20 - Specific Urban Growth Area Requirements – Stormwater Management in the Ohauiti South Urban Growth Area, other than those activities identified in Rule 12B.4 – Restricted Discretionary Activities.

Insert new Controlled Activity – Standards and Terms Rule 12D.3.1.7 Specific Urban Growth Area Requirements - Ohauiti South Urban Growth Area as follows:

12D.3.1.7 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

In addition to the requirements of Rules 12D.3.1.1 – 12D.3.1.6, any subdivision must comply with the applicable standards and terms set out in Rule 12B.3.1.19 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area, and Rule 12B.3.1.20 - Specific Urban Growth Area Requirements – Stormwater Management in the Ohauiti South Urban Growth Area.

Insert new Controlled Activity – Matters of Control and Conditions Rule 12D.3.2.10 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area as follows:

12D.3.2.10 Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area

In addition to the matters of control and conditions specified in Rule 12D.3.2 – Controlled Activities – Matters of Control and Conditions, the Council also reserves control over how the design, construction and location of infrastructure and services to, and within the subdivision is in accordance with the Ohauiti South Urban Growth Area on UG12, Section 6, Urban Growth Plans (Plan Maps, Part B).

Amend Discretionary Activity Rule 12D.5 – Discretionary Activities as follows:

12D.5 Discretionary Activities

The following are Discretionary Activities:

- e. Any subdivision that does not comply with Rule 12D.3.1.7 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area.

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Insert new Appendix 12J: Ohauiti South Urban Growth Area – Infrastructure and Open Space Requirements

Appendix 12J: Ohauiti South Urban Growth Area – Infrastructure and Open Space Requirements

Appendix 12J.1: Infrastructure and Open Space Requirements Schedule

Transportation Infrastructure

1. For Area 1 (East Block) as shown in *Appendix 12J.2: Transportation Infrastructure Plan*:
 - a. The upgrade of Upper Ohauiti Road, between Boscabel Drive and the southern extent of Area 1, to a collector road status that includes the street design elements in *Diagram UD102 – Upper Ohauiti Road of Appendix 12J.3: Transportation Network Street Design Diagrams*; and
 - b. The construction of a roundabout on Upper Ohauiti Road, in the location identified in *Appendix 12J.2: Transportation Infrastructure Plan*, that is sized to provide a turnaround facility for buses.
 - c. The construction of an internal road network that includes the street elements in *Diagrams UD101 – Local Street and UD103 – Minor Road (Cul-De-Sac) of Appendix 12J.3: Transportation Network Street Design Diagrams*.
2. For Area 2 (West Block) as shown in *Appendix 12J.2: Transportation Infrastructure Plan*:
 - a. The two-laning of State Highway 29A between Poike Road and Oropi Road in the westbound direction; and
 - b. The transportation upgrades set out in 1. a. and 1. b. of *Appendix 12J.1: Infrastructure Requirements Schedule* (unless delivered through development of Area 1); and
 - c. The upgrade of Upper Ohauiti Road, between the southern extent of Area 1 (East Block) and the southern extent of Area 2 (West Block), to a collector road status that includes the street design elements in the *Diagram UD102 – Upper Ohauiti Road of Appendix 12J.3: Transportation Network Street Design Diagrams*.
 - d. The construction of an internal road network that includes the street elements in *Diagrams UD100 – Neighbourhood Street, UD101 – Local Street and UD103 – Minor Road (Cul-De-Sac) of Appendix 12J.3: Transportation Network Street Design Diagrams*.

Wastewater Infrastructure

3. For Area 1 (East Block) and Area 2 (West Block) shown in *Appendix 12J.4: Water and Wastewater Infrastructure Plan*:
 - a. A new 225mm wastewater gravity main from a new manhole to be installed at the proposed roundabout on Upper Ohauiti Road (constructed in accordance with 1. b. of *Appendix 12J.1: Infrastructure and Open Space Requirements Schedule*) extending to the existing gravity main in Ohauiti Road (manhole WW77866) shown in *Appendix 12J.4: Water and Wastewater Infrastructure Plan*; and
 - b. The upgrade of the existing 150mm diameter wastewater gravity main located between manholes WW86356 (Ohauiti Reserve) and WW77866 to a minimum 225mm diameter gravity main shown in *Appendix 12J.4: Water and Wastewater Infrastructure Plan*.

Water Infrastructure

4. For Area 2 (West Block) shown in *Appendix 12J.4: Water and Wastewater Infrastructure Plan*:
 - a. The upgrade of the existing 200mm water main within Upper Ohauiti Road extending from fitting WS95227 along the entire length of the Western Block Upper Ohauiti Road frontage (approx. 590m) to a 250mm (internal diameter) main or provide an additional 150mm (minimum internal diameter) rider main to achieve the same capacity outcome.

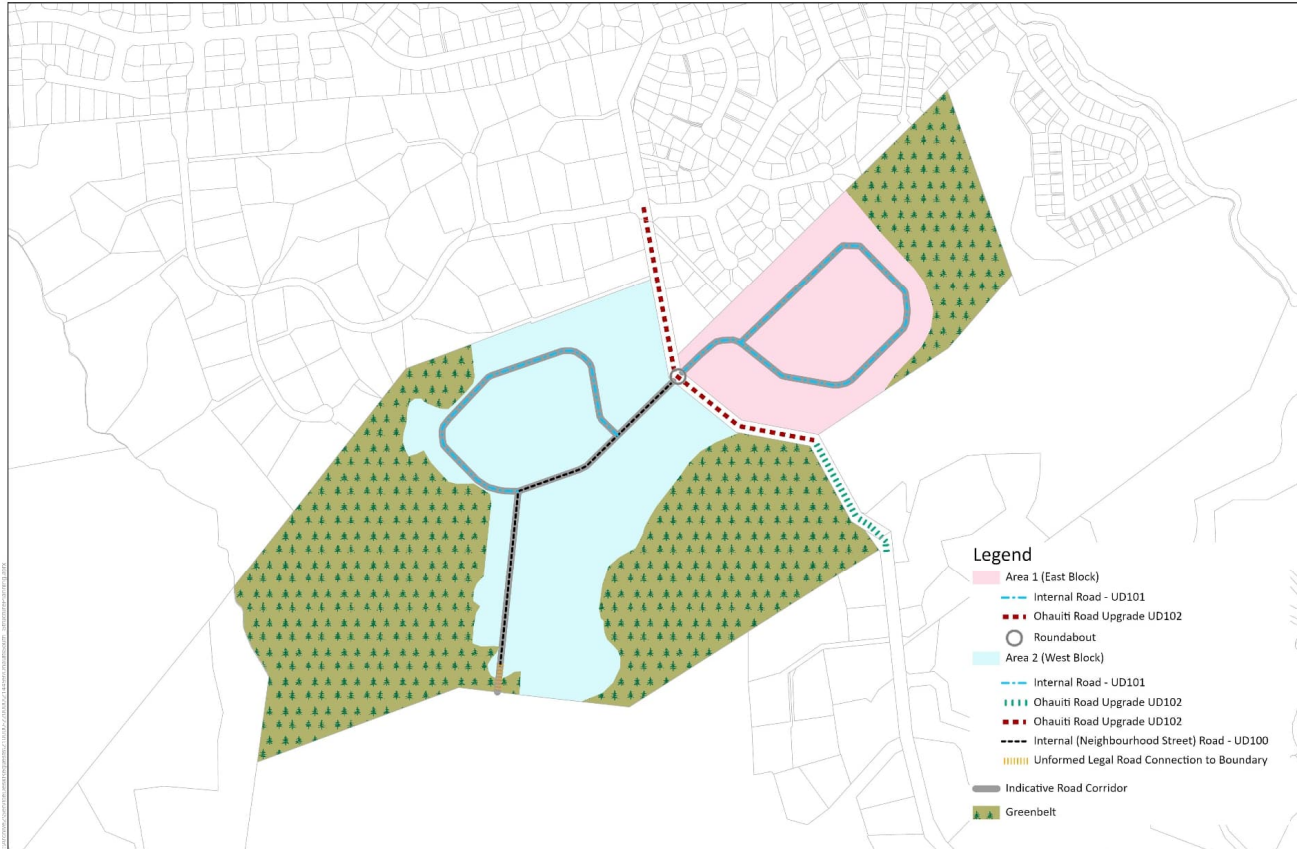
Open Space

5. That open space must be provided for on Area 1 (East Block) and Area 2 (West Block) as indicatively shown in *Appendix 12J.5: Indicative Open Space Plan*.

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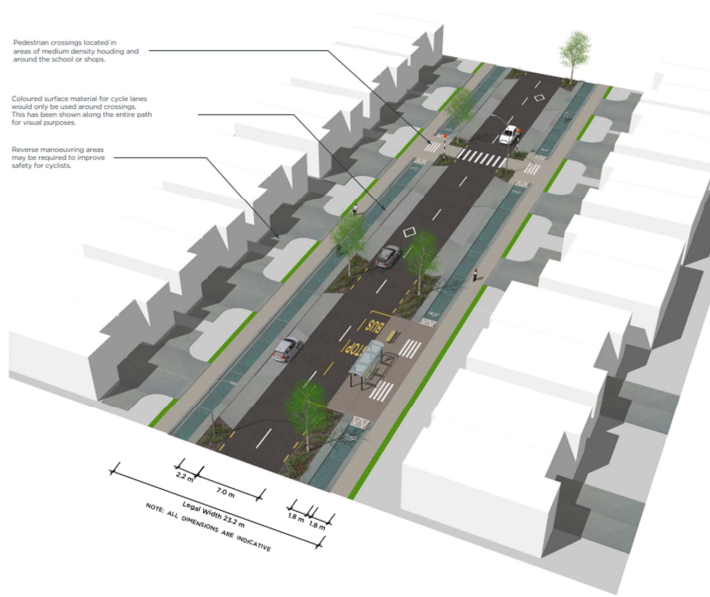
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Appendix 12J.2: Transportation Infrastructure Plan



Appendix 12J.3: Transportation Network Street Design Diagrams

Diagram UD100 – Neighbourhood Street



TAURANGA STREET DESIGN TOOL

Activity Selection:

- Located within 500m of a school.
- Bus route & cycle route provided.
- Medium density with vehicle access on one side of the street.

Link Elements:

- One lane in each direction, with centreline.
- Wider lane for truck or bus (overwidth lane).
- Footpath on both sides of the street.
- Protected or buffered cycle lane.
- Bus stop with shelter (associated with school and/or local shops).
- 40km/h design speed.
- Overland flow path along kerb and channel.
- Stormwater treatment (such as raingardens/tree pits/swales).

Place Elements:

- Formal car parks.
- Pedestrian crossing.
- Planting at intersections.
- Special footpath surfaces.
- Street trees.
- Planting in berms.

Note: This table shows indicative selections. The Street Design Tool and IDC would be utilized at the time of subdivision and resource consent application stage to determine the exact range of elements, their layout and their dimensions.

Diagram UD101 – Local Street



TAURANGA STREET DESIGN TOOL

Activity Selection:

- Low density residential on both sides of the street, both with vehicle access to properties.
- Potential Primary School on one side.

Link Elements:

- One lane in each direction, without centreline.
- Potential bus route (one direction).
- Footpath on both sides of the street.
- Shared path (associated with primary school, one side only).
- Traffic calming.
- 30km/h design speed.
- Overland flow path along kerb and channel.
- Stormwater treatment (such as raingardens/tree pits/swales).

Place Elements:

- Formal car parks.
- Pedestrian crossing.
- Special footpath surfaces.
- Street trees.

Note: This table shows indicative selections. The Street Design Tool and IDC would be utilized at the time of subdivision and resource consent application stage to determine the exact range of elements, their layout and their dimensions.

Plan Change 39 - Upper Ōhauti Land Rezoning

Provisions and Plan Maps for Approval

Diagram UD102 – Upper Ohauti Road



KEY PLAN

TAURANGA STREET DESIGN TOOL

Activity Selection:

- Low density residential on both sides of the street.
- Limited vehicle access to properties is required.
- Road corridor is existing and has a constrained width of 20.1m.

Link Elements:

- One lane in each direction, with centreline.
- Potential bus route in both directions.
- Footpath on both sides of the street.
- Cycle path on both sides of the street.
- 40km/h design speed.
- Overland flow path along kerb and channel.

Place Elements:

- Pedestrian crossing.
- Special footpath surfaces.
- Street trees.

Note: This table shows indicative selections. The Street Design Tool and SDC would be utilized at the time of subdivision and resource consent application stage to determine the exact range of elements, their layout and their dimensions.

Diagram UD103 – Minor Road (Cul-De-Sac)



TAURANGA STREET DESIGN TOOL

Activity Selection:

- Low density on both sides of the street, both with vehicle access.

Link Element Selection:

- Shared lane.
- Footpath shared with carriageway or acceptable on one and both sides.
- Cyclists sharing the carriageway.
- Traffic calming.
- 20km/h design speed.
- Overland flow path along kerb and channel.

Place Element Selection:

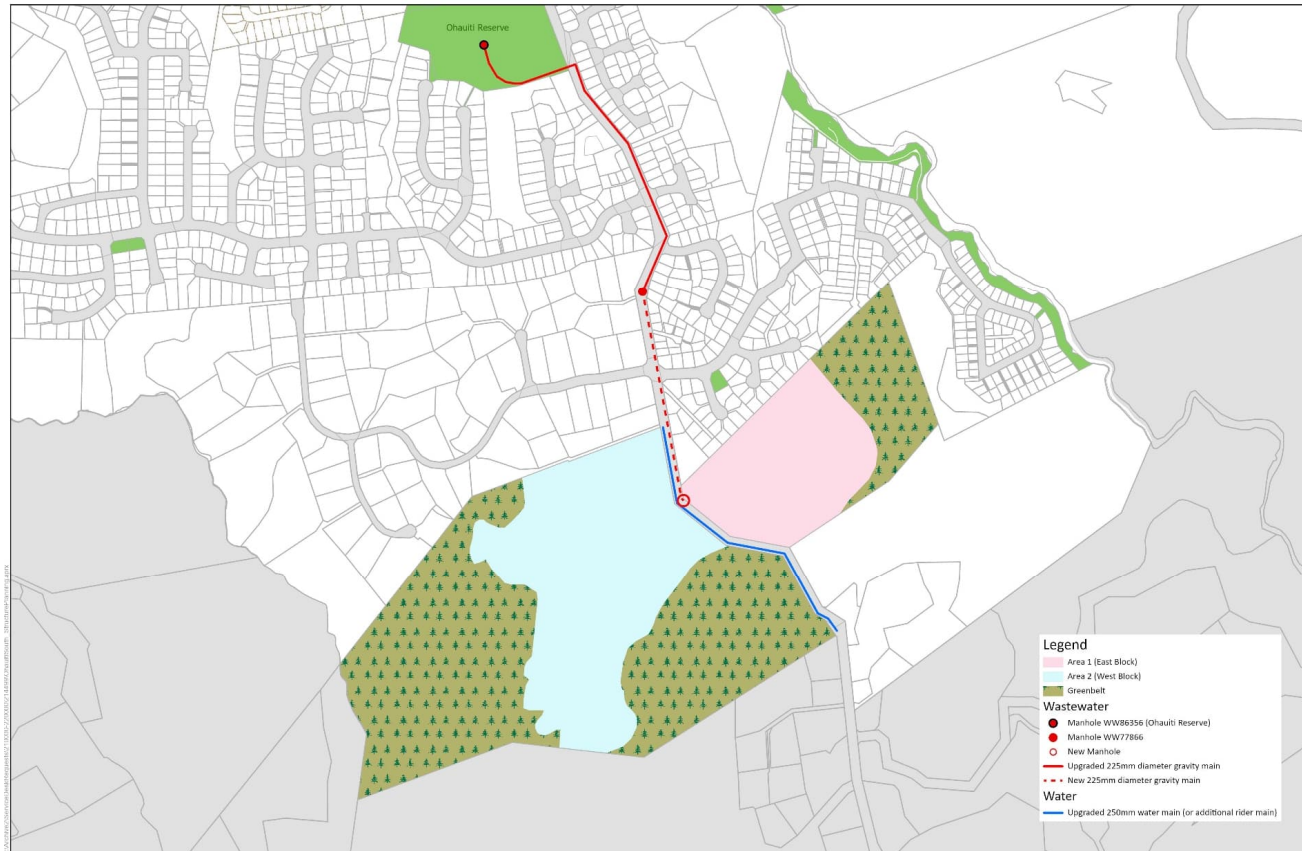
- Layout of vehicle crossings.
- Street trees.

Note: This table shows indicative selections. The Street Design Tool and SDC would be utilized at the time of subdivision and resource consent application stage to determine the exact range of elements, their layout and their dimensions.

Plan Change 39 - Upper Ōhauti Land Rezoning

Provisions and Plan Maps for Approval

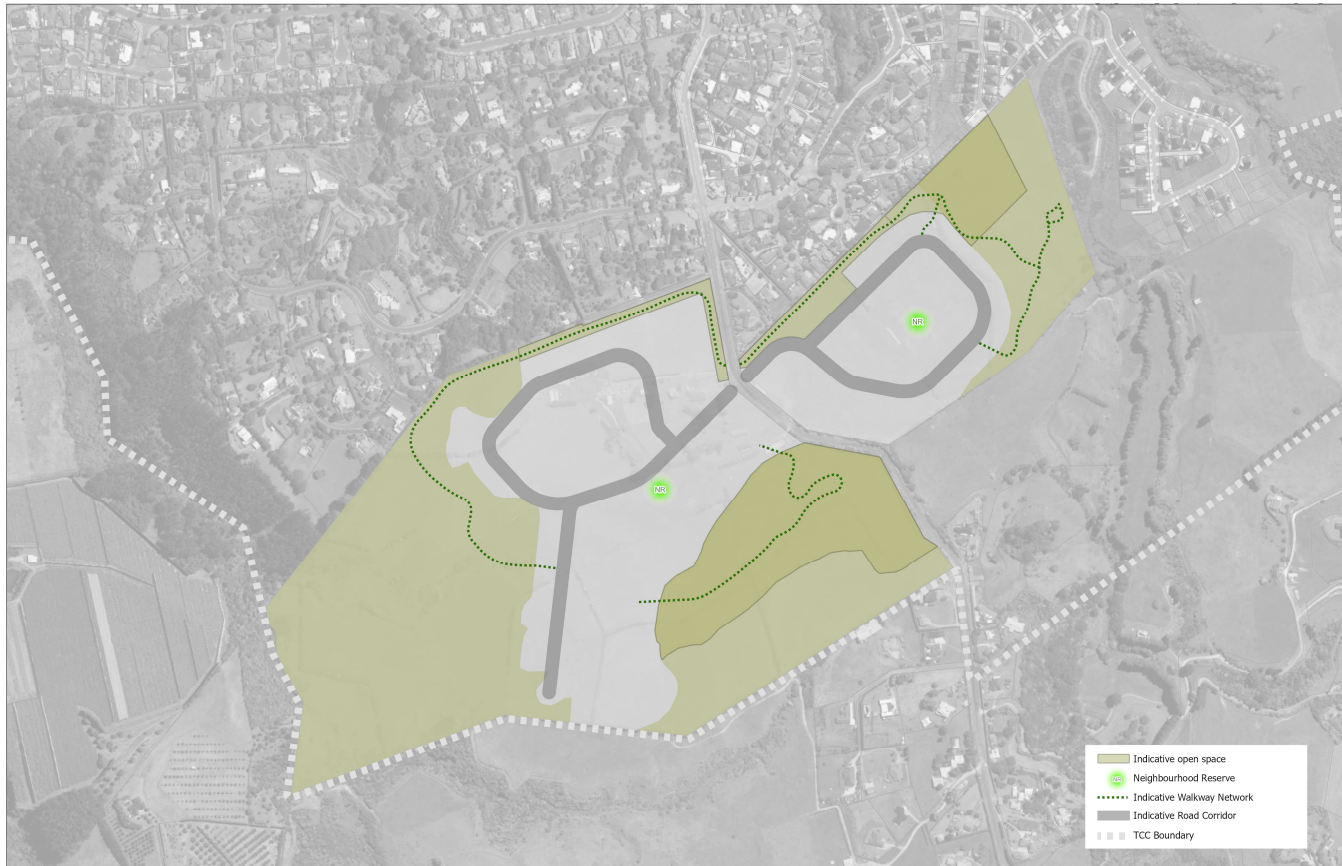
Appendix 12J.4: Water and Wastewater Infrastructure Plan



Plan Change 39 - Upper Ōhauti Land Rezoning

Provisions and Plan Maps for Approval

Appendix 12J.5: Indicative Open Space Plan



Plan Change 39 - Upper Ōhauiti Land Rezoning

Provisions and Plan Maps for Approval

Chapter 14 – Residential Zones

Amend Rule 14B.2.17 – Specific Urban Growth Area Requirements as follows:

14B.2.17 Specific Urban Growth Area Requirements

Activities within an urban growth area must ensure compliance with the following:

....

- i. Rule 12B.3.1.19 - Specific Urban Growth Area Requirements – Ohauiti South Urban Growth Area; and
- j. Rule 12B.3.1.20 - Specific Urban Growth Area Requirements – Stormwater Management in the Ohauiti South Urban Growth Area.

Amend Rule 14B.31 – Discretionary Activity Rules as follows:

14B.31 Discretionary Activity Rules

The following are Discretionary Activities:

.....

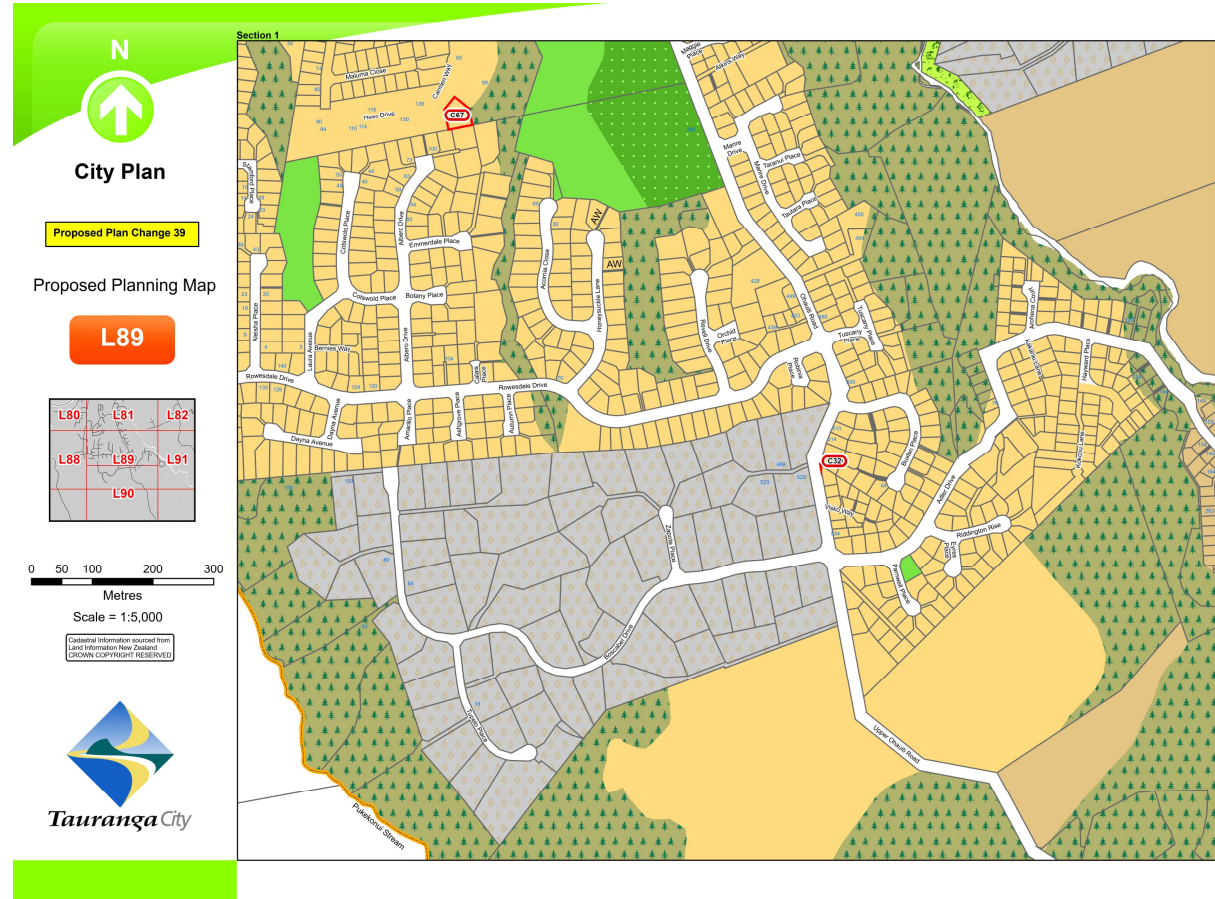
- k. Any activity that does not comply with Rules 14B.2.17 i. and j. - Specific Urban Growth Area Requirements.

Plan Change 39 - Upper Ōhauti Land Rezoning

Provisions and Plan Maps for Approval

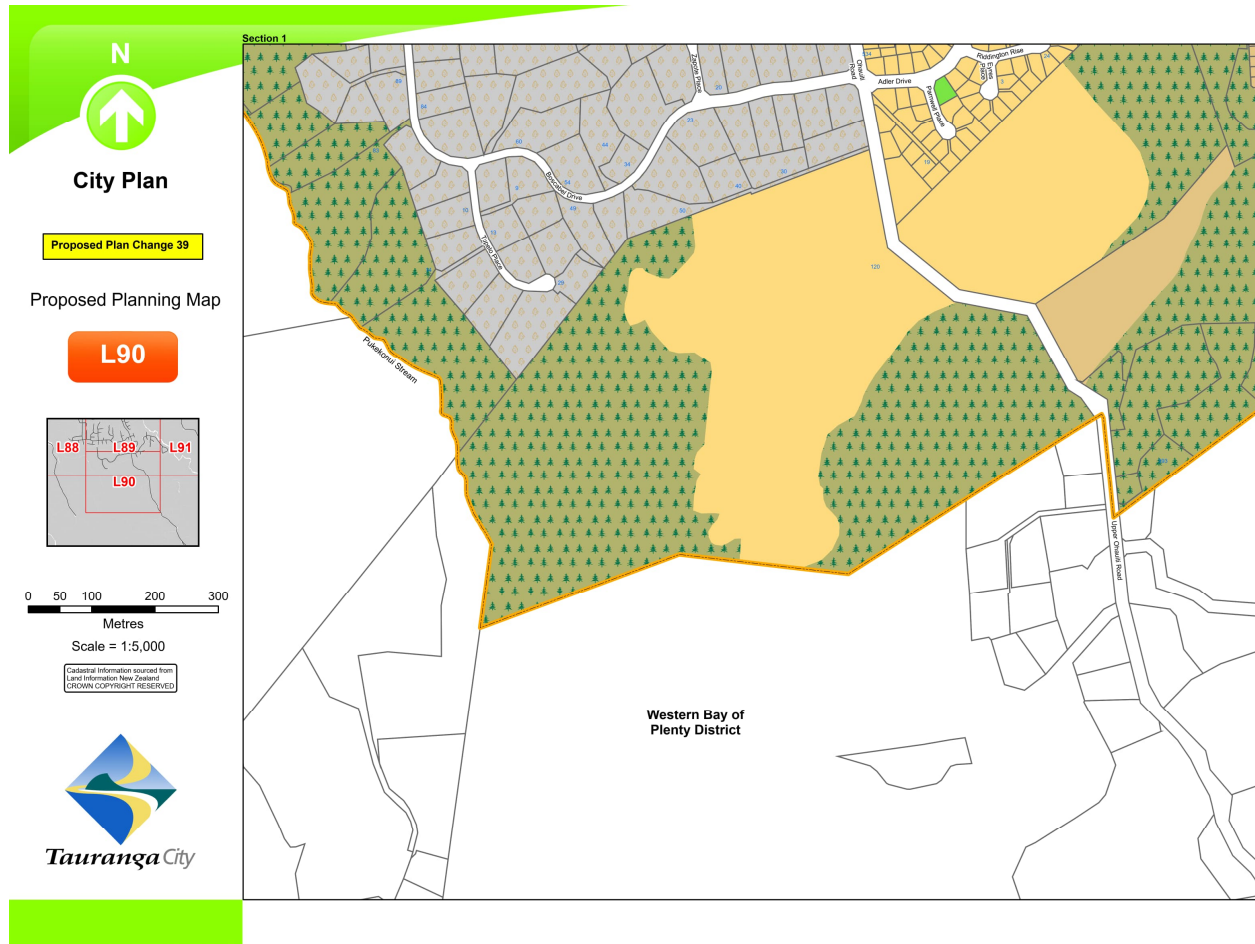
Part B - Plan Maps

Amend Section 1 Left: Map 89 and Left: Map 90 by replacing Maps L89 and L90 as follows:



Plan Change 39 - Upper Ōhauti Land Rezoning

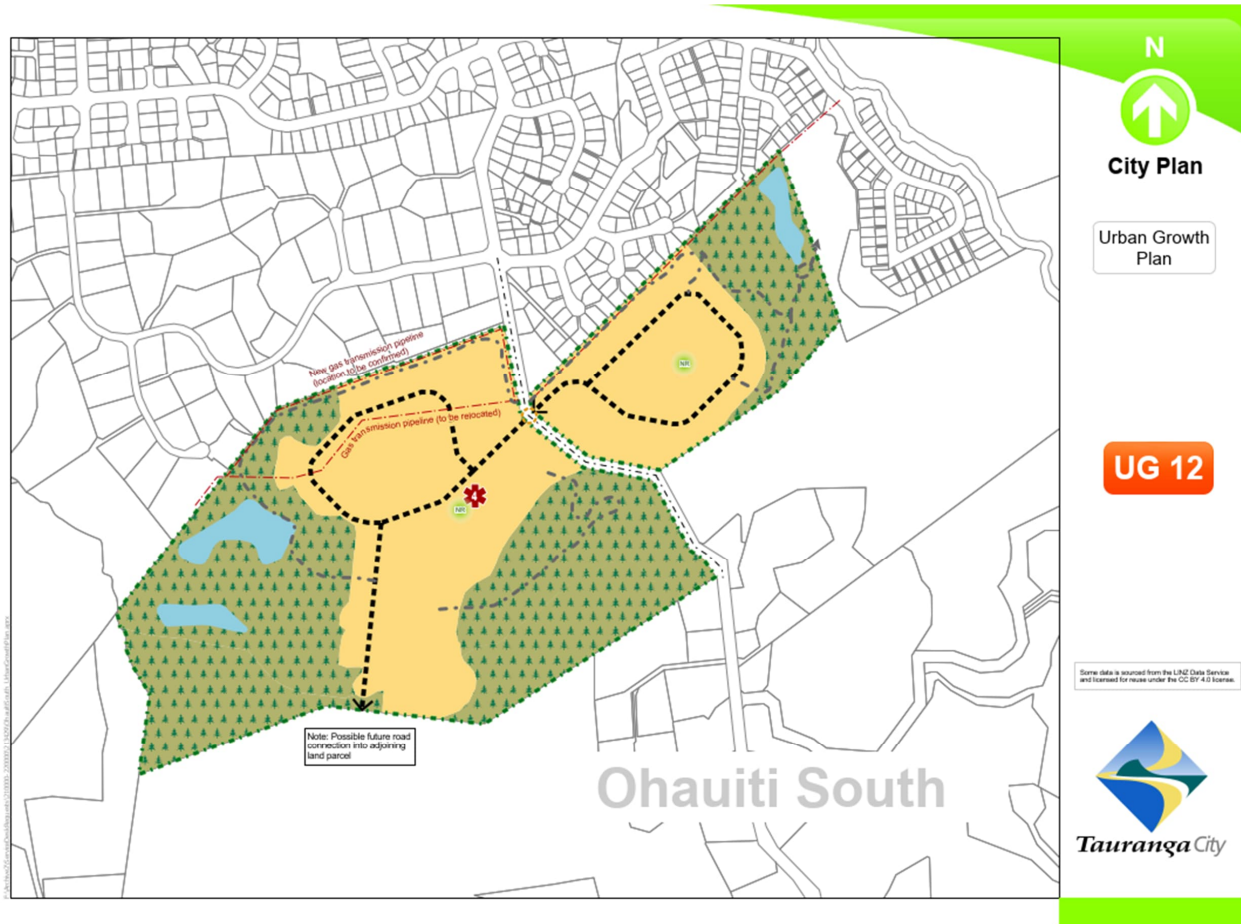
Provisions and Plan Maps for Approval



Plan Change 39 - Upper Ōhauiti Land Rezoning

Provisions and Plan Maps for Approval

Insert new Urban Growth Plan – UG12, Section 6, Urban Growth Plans (Plan Maps, Part B)



11.3 Temporary Road Closures for Events April - June 2025

File Number: A17472846

Author: Jenna Quay, Events Facilitation Manager
Lindsay Cave, Team Leader: Corridor Access & Temporary Traffic Management

Authoriser: Nic Johansson, General Manager: Infrastructure

PURPOSE OF THE REPORT

1. To seek Council approval of temporary road closures for upcoming events.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Temporary Road Closures for Events April - June 2025".
- (b) Pursuant to Clause 11(e) of the Tenth Schedule of the Local Government Act 1974, grants approval to close the roads listed in Attachment A of this report to ordinary vehicular traffic on the dates and during the hours stated for the purposes of facilitating safe and successful operations during the identified events in Attachment A.

EXECUTIVE SUMMARY

2. Pursuant to Clause 11(e) of the Tenth Schedule of the Local Government Act 1974 this report seeks the Council approve the temporary road closures associated with the three upcoming events outlined in Attachment A.
3. The road closures aim to provide safe and well-organised events for public to attend, protect competitors, manage the transport network, and minimise impacts to residents and businesses while events are taking place.
4. The organiser of each event will:
 - Undertake engagement with affected residents and businesses prior to the event occurring.
 - Submit a detailed temporary traffic management plan to the Corridor Access & Temporary Traffic Management Team for approval as part of Councils overall event approval process. This plan stipulates all traffic signage indicating sections of roads or carparks closed, alternative detours and, any other appropriate signage for traffic control and advance warning of road closures in accordance with the Code of Practice for Temporary Traffic Management (CoPTTM).

BACKGROUND

5. Staff work to coordinate a calendar of events with event organisers and affected stakeholders across the city. Event planning meetings are held in advance of events with representation from various Council teams, city stakeholders and the organisers. Traffic management and road closures play an important role in supporting the safety of event participants and the public and support a well-planned transport network while events are taking place.

6. Road closures allow for safe access to, during and from events by creating separation of vehicles from pedestrians. The wider event approval process led by the Event Facilitation Team assists in managing the impacts of events on residents and ensures event activities are managed within Councils regulatory requirements such as noise management, building consents, liquor licences and communication plans for example.

STATUTORY CONTEXT

7. Pursuant to Clause 11(e) of the Tenth Schedule of the Local Government Act 1974 this report seeks the Council to approve the temporary road closures.

STRATEGIC ALIGNMENT

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

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

9. Council has the authority to close roads under the powers of the Local Government Act 1974 – Clause 11(e) of Schedule 10.

FINANCIAL CONSIDERATIONS

10. None.

LEGAL IMPLICATIONS / RISKS

11. The formal approval of road closures by the Council is part one of a two-part approval process. In addition to seeking this approval from the Council under the Act, part two requires a warranted Site Traffic Management Supervisor (STMS), usually a traffic management company engaged by the event owner to submit a traffic management plan (TMP) to Tauranga City Council.
12. The Corridor Access team has delegated authority as a Traffic Management Coordinator (TMC) to review and approve a TMP in accordance with the Code of Practice for Temporary Traffic Management (CoPTTM).
13. The traffic management contractor engaged by the event owner has a duty to ensure so far as reasonably practicable the safe and efficient movement of all road users through and around the working space. This requires a risk assessment to be completed before the implementation of a traffic management operation.

TE AO MĀORI APPROACH

14. No Te Ao Māori implications. This is a regulatory requirement.

CLIMATE IMPACT

15. No climate implications. This is a regulatory requirement.

CONSULTATION / ENGAGEMENT

16. Temporary road closures must be publicly notified allowing a period for the public to submit comments. Any objections must be considered by the Council before deciding on the requested temporary road closures.

- (a) The temporary road closures for the Mount Maunganui Triathlon and Papamoa Matariki event were publicly notified on 17 January 2025 in the Bay of Plenty Times, with the consultation period ending on 7 February 2025. No objections were received.
- (b) The temporary road closures for the National Jazz Festival event were publicly notified on 6 February 2025 in the Bay of Plenty Times, with the consultation period ending on 27 February 2025. Staff to advise if any objections received at the Council meeting.

SIGNIFICANCE

17. 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.
18. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
19. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

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

ATTACHMENTS

1. **Attachment A - Temporary Road Closure Report for Events April - June 2025 - A17471569** [↓](#) 

Attachment A – Temporary Road Closure Report for Events April – June 2025**Mount Maunganui Triathlon**

Marine Parade from Grace Avenue to Pacific Avenue

From 4am Friday, 4 April to 6pm Saturday, 5 April 2025

Marine Parade	from Adams Avenue to Grace Avenue
Marine Parade	from Pacific Avenue to Oceanbeach Road
Oceanbeach Road	from Marine Parade to Yale Street
Yale Street	from Oceanbeach Road to Maranui Street
Maranui Street	from Yale Street to Papamoa Beach Road
Papamoa Beach Road	from Maranui Street to Hartford Avenue

From 4am - 12 Noon on Saturday 5 April 2024

Note: Roads may open earlier depending on progress of the event.

National Jazz Festival Tauranga

The Strand from Harington Street to Devonport Road (excluding the roundabout)

From 5am Friday 18 April - 9pm on Sunday 20 April 2025

Papamoa 'Light up the Waterway' Matariki

Santa Monica Drive from Gravatt Road to Sandspit Way

From 4pm to 11pm on Friday, 20 June 2025

11.4 160 Devonport Road - Land Purchase and Development

File Number: A16662359

Author: Phil Kai Fong, Team Leader: Commercial Property Services
Andrew Hough, General Counsel
Shawn Geard, City Centre Infrastructure Lead
Fiona Nalder, Principal Strategic Advisor

Authoriser: Paul Davidson, Chief Financial Officer

PURPOSE OF THE REPORT

1. This report summarises past decisions made in relation to the purchase and development of 160 Devonport Road.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "160 Devonport Road - Land Purchase and Development".

EXECUTIVE SUMMARY

2. The previous owners of 160, 168 and 176 Devonport Road (160 Devonport Road) made an unsolicited approach to Council in 2022 as they had secured alternative accommodation and were looking to sell the property.
3. Council owned little city centre property at that time (with the exception of the Willow Street site), and 160 Devonport Road offers significant development potential which could have been lost via a sale to the open market. For these reasons Council decided to purchase the site as a strategic acquisition (see Attachment 1 for past recommendations and Council decisions and Attachment 2 for the 12 December 2022 Council report).
4. A sale and purchase agreement was entered into on 1 May 2023 and settled on 20 June 2023 for a total of \$10 million.
5. In July 2023 Council decided to develop the site as a carpark and construction commenced in October 2023. Construction was completed in August 2024 at a forecast final cost of \$1.83m. The completed carpark provides 101 standard bays, 3 mobility bays and 24 bike parks, and has been operational since 1 September 2024.

BACKGROUND

Strategic land purchases by Council

6. Council owns land across the city for a range of operational and strategic purposes. Many of Council's activities and services require land, often in excess of the size provided by individual land parcels.
7. As the city continues to grow, Council needs to plan to meet future needs, including in brownfield areas. However, securing sizeable land blocks, especially in brownfield areas, is becoming more challenging and suitable land can be difficult to acquire. For these reasons Council may purchase strategically located and sized land parcels ahead of an identified need, or with only a high-level intent.
8. This type of purchase typically fulfils one of several future purposes:

- It may be developed to deliver a core Council activity – e.g. a public space or facility, or other infrastructure such as roading or water.
 - It may be leveraged by Council to deliver on strategic outcomes – e.g. land owned by Council, known as Smiths Farm, was provisionally purchased for sports fields. However, when Council identified it was no longer needed (for sports fields or any other Council purpose) it was able to leverage the sale of the land to provide needed housing for the city, including the delivery of affordable housing and increased density.
 - It may facilitate the acquisition and development of land elsewhere, either via a land swap or by providing a valuable asset which can be sold to fund another land purchase. For example, this can occur when Council buys land in a greenfield area that is not yet developed. As Council's needs become clearer over time, the purchased land may not be fit for purpose. However, it provides Council with leverage, and can be a useful asset when negotiating with other landowners in the area.
9. Additionally, land is an appreciating asset over time, and although values may fluctuate over the short-term, in the medium to long-term land prices increase. This means that acquiring land in anticipation of a future need can be a prudent financial move for Council, especially when a large land parcel becomes available, as sizeable blocks can be particularly difficult and costly to secure.

The rationale for purchasing 160 Devonport Road

10. The previous owners of 160, 168 and 176 Devonport Road (160 Devonport Road) made an unsolicited approach to Council in 2022 as they had secured alternative accommodation and were looking to sell the property.
11. At the time Council owned little in the way of landholdings in the city centre (apart from the civic precinct site and reserve land). As discussed above, landholdings are of value to Council, as they enable future service delivery and the delivery of strategic outcomes.
12. 160 Devonport Road offers significant development potential as it is a sizeable land parcel (consisting of several separate land holdings grouped together). However, that potential would be diminished or lost if the land was sold off as individual parcels to separate purchasers or, once sold, land-banked indefinitely without activation.
13. Priority One's Tauranga CBD Blueprint talks to the potential of the 160 Devonport Road and the aspirations of the previous owners, identifying the site as suitable for quality office and retail space, ideally suited to larger corporate businesses who desire a strong-inner city presence.
14. Council resolved on 12 December 2022 to proceed with the purchase of 160 Devonport Road for the reasons outlined in points 10-13 above. Additional information regarding Council's purchase rationale can be found in points 8-14 and 17-28 of the 12 December Council report *CBD – Strategic Property Purchase* (see Attachment 2).
15. Note that the recommendation to Council sought approval of up to \$11m for the purchase of 160 Devonport Road. The final resolution approved up to \$14.5m, however this amount was for the purchase of 160 Devonport Road *and* the purchase of 134 Durham Street (this report focuses solely on 160 Devonport Road).

The purchase of 160 Devonport Road

16. Council completed thorough pre-purchase due diligence prior to its purchase of 160 Devonport Road. This included obtaining:
 - An independent valuation for the properties (Telfer Young), as well as a peer review of that valuation.
 - Independent advice on geotechnical and planning issues relating to the properties.

- Independent legal advice.
 - Building reports, including asbestos testing (Note: while the pre-purchase asbestos testing detected limited asbestos in the buildings, more was discovered during the deconstruction process).
17. The Council paid \$10 million to purchase the properties. The sale and purchase agreement was entered into on 1 May 2023 and the purchase settled on 20 June 2023. The purchase cost was debt funded.
18. This due diligence collateral and the sale and purchase agreement have been reviewed and released to the public (with redactions if necessary). Note that the pre-purchase legal advice has been withheld under s7(2)(g), Local Government Official Information and Meetings Act 1987 (LGOIMA).

Development of 160 Devonport Road as carparking

19. On 3 July 2023 Council decided to terminate the remaining leases at 160 Devonport Road, demolish the buildings, and construct an at-grade carpark on the site (see Attachment 10). The use of the site for carparking in the short-medium term was assessed as:
- Contributing towards the demand for carparking in the city centre by providing approximately 100 carparks (charged at hourly and day rates).
 - Providing a revenue stream for Council.
 - Decreasing holding costs to Council.
20. The return on the existing buildings on site was minimal with a gross return of 2.5% and a net return of 1.4% noting two sites were vacant. Total rental per annum was \$226,149.

It was estimated that as a car park annual income would be \$246k per annum whilst also providing needed car parks for the city. This estimate was based on 80% occupancy and actual usage of this car park is high with many days being fully occupied.

Income from this car park has averaged \$15k including the first month of operation which would indicate an annual income conservatively of \$180k. As users become more aware to this carpark occupancy has continued to build and is now often 100% occupied on Tuesday to Thursday.

Two predominant factors have resulted in lower income than the initial plan to date:

1. The initial setup year can be expected to be less than future years
2. The estimated average income for the original estimate was taken over five years, assuming regular increases in parking fees over this time

21. While the operational costs of Devonport Carpark is not accounted for separately in the parking cost structure we can estimate that the Devonport Rd component is approximately \$5-\$10k, predominantly owing to operational equipment and transaction costs as the new infrastructure has minimal maintenance/ renewal costs. Development of the site commenced in October 2023 and included the following works:
- Demolition of the existing buildings on the site.
 - Regrading and resurfacing the site with asphalt and line marking.
 - Installation of approximately 100 metres of concrete kerbing.
 - Installation of bike parking facilities.
 - Installation of a stormwater system to collect and discharge water through kerbside outlets with proprietary treatment devices.
 - Installation of utility services to support new lighting and pay machines. =
 - Installation of 40 metre x 1.6 metre masonry block wall.

- Removal of existing vehicle crossings and reinstatement of public kerb and footpath.
22. The pre-purchase construction estimate for these works was \$1.43 million. The forecast final cost is \$1.83m. This excludes civil contractor extension of time claims of \$54k which have now been resolved. The demolition cost was higher than anticipated due to the discovery of additional asbestos in the existing buildings (some of this was detected by building reports in the due diligence phase, but not all). This accounted for an additional cost of approximately \$215k. Other cost variations were due to:
- The addition of internal lights, landscaping works, seat and concrete pad, relocation of the bus shelter, bollards and wheel lights. The additional cost of approximately \$104k.
 - The upgrade from a chipseal surface to 30mm of asphalt at an additional cost of \$66k.
 - Increasing the size of the block wall to the neighbouring property and enabling work for the waterproofing the neighbour’s wall at an additional cost of \$2.5k.
23. The parking facility consists of 101 standard parking spaces, 3 mobility spaces and 24 bike parks. Construction was completed late August 2024 and the facility opened for use on 1 September 2024.

Attachments, other available information and redactions

24. The following tables itemises the attachments to this report, and other information which is available on request (or by visiting Council’s LGOIMA response webpage and searching for Devonport Road). The tables also identify when and why information contained within the attachments and other documents has been withheld.
25. The Council report from 12 December 2022 was public excluded but has since been reviewed and released publicly as part of a 10 May 2024 LGOIMA response. The 3 July 2023 Council report was also public excluded but was transferred into open upon conclusion of lease negotiations as per resolution CO11/23/4 (e)⁴.

Table 1 – Attachments to this report

Attachment	Description	Information withheld / LGOIMA reference
1	Acquisition and development timeline, including past Council decisions	None
2	Council report “13.3 CBD – Strategic Property Purchase (12 December 2022)”	None

Table 2 - Information available on request (or by visiting Council’s LGOIMA response webpage)

Report	Description	Information withheld / LGOIMA reference
1	Telfer Young’s valuation for TCC (December 2022)	The following information has been withheld/redacted from this document in reliance on s7(2)(b) and s7(2)(c): - Passing income summary and tenancy summary at page 17. - Retail rental evidence at pages 21, 22, and 23. - Passing vs market rent analysis at page 24. - Investment sales analysis at pages 25, 26, 27, 28.

⁴ <https://econtent.tauranga.govt.nz/data/bigfiles/public-excluded-reports/2024/190924carpark.pdf>

		- Land sales analysis at pages 29, 30, 31 and 32.
2	Letter of advice from the Property Group re: planning due diligence (10 March 2023).	Information has been withheld under s7(2)(a).
3	160, 168, and 176 Devonport Road – Building Reports (21 February 2023).	Information has been withheld under s7(2)(a).
4	Tonkin and Taylor Ground contamination assessment – PSI (May 2023).	Information has been withheld under s7(2)(a).
5	Tonkin and Taylor Prepurchase Assessment Report 160 to 176 Devonport Road (1 March 2023).	Information has been withheld under s7(2)(a). There is no final copy, the draft document was used.
6	LIMs for 160, 168, 176 Devonport Road.	None
7	A copy of the sale and purchase agreement (1 May 2023).	The following information has been withheld/redacted from this document in reliance on s7(2)(h): - the tenancy schedule - personal names have been redacted under 7(2)(a)
8	Council report “13.4 Construction of Car Parks 160-176 Devonport Road (3 July 2023)”	None
9	Preston Rowe Paterson’s valuation for Upper Devonport LP (March 2022)	Information has been withheld under s7(2)(a).
10	Property Solutions Peer Review Report (January 2023)	Information has been withheld under s7(2)(a).

STATUTORY CONTEXT

26. The Attachments to this report and the information and reports in Table 2 above contain information which has been redacted and withheld for one or more of the following reasons under section 7 of LGOIMA:

- 7(2)(a) – the withholding of the information is necessary to protect the privacy of natural persons.
- 7(2)(b)(i) – the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret.
- 7(2)(b)(ii) – The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
- 7(2)(c)(i) – the withholding of the information is necessary to protect information which is subject to an obligation of confidence where the making available of that information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.
- 7(2)(g)- maintain legal professional privilege.
- 7(2)(h) – the withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, commercial activities.

STRATEGIC ALIGNMENT

27. Council’s purchase of 160 Devonport Road and its subsequent development for carparking 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 type="checkbox"/>
We are a city that supports business and education	<input type="checkbox"/>

28. The timely acquisition of land contributes to the successful delivery of Council’s strategic and operational objectives. The development of 160 Devonport Road for carparking over the short-medium term provides additional carparking, contributing to the vibrancy of the city centre.

FINANCIAL CONSIDERATIONS

29. Council funded the \$10 million purchase of 160 Devonport Road and the \$1.83m of development costs via additional borrowing, at an interest rate of 4.8%. Additional financial analysis is provided in the 12 December 2022 and 3 July 2023 Council reports.

LEGAL IMPLICATIONS / RISKS

- 30. Council noted a potential conflict of interest with staff members involved with this transaction. These potential conflicts were clearly notified to Council prior to the commencement of this transaction.
- 31. This conflict of interest was noted and recorded, and arrangements were put in place to ensure this conflict of interest was managed throughout the transaction. This included ensuring any staff who had a potential conflict had no involvement in any communications or dealings with this transaction.
- 32. The approach has been reviewed by Councils Internal Auditor as well as a further independent review by Tompkins Wake. The outcomes of these reviews were that the potential conflict of interest had been notified and that there was no evidence to suggest that any improper actions had been taken with this transaction.
- 33. It was noted that system access had not been restricted for staff with a potential conflict however no access to any documents had occurred until after the agreement was signed. Council will undertake further steps in the future to restrict system access where a conflict is notified.

TE AO MĀORI APPROACH

- 34. Mana whenua blessed 160 Devonport Road prior to the demolition of the buildings previously onsite. The carpark at 160 Devonport Road does not incorporate te reo Māori or cultural design elements. This approach was taken as the use of the site for carparking purposes is a short-medium term measure (not a permanent use of the site).
- 35. If Council chooses to sell 160 Devonport Road in the future, this will occur in accordance with Council’s Property Acquisitions and Disposals Policy (2023), which includes a right of first refusal for mana whenua to buy land classified as surplus at its assessed market value.

CLIMATE IMPACT

36. This report is for information purposes, and the recommendation (to receive the report) has no climate impacts. The development of 160 Devonport Road as an at-grade carpark negatively impacts on Tauranga’s ability to (a) adapt to a changing climate, (b) reduce emissions, and (c) enhance nature and biodiversity. This is because it supports private

vehicle use, provides limited opportunities for vegetation, and is constructed with a largely impervious surface (asphalt).

CONSULTATION / ENGAGEMENT

37. This report is for information purposes, so does not require consultation. Neither the purchase of 160 Devonport Road nor its subsequent development into a carpark were consulted on.
38. Purchase – the purchase of 160 Devonport Road was an unscheduled acquisition that was assessed in the report of 12 December 2022 as being of high significance as the purchase cost was unbudgeted. However, the acquisition was considered to be time-sensitive and not consulted on for this reason. Additionally, the 12 December 2022 report noted that the decision to purchase 160 Devonport Road was easy to reverse, as the property could be on-sold by Council. A limited time window was available with the vendor to conclude this transaction.
39. Carpark development – the 3 July 2023 report assessed the development 160 Devonport Road for carparking purposes as being of low significance, and no consultation occurred.

SIGNIFICANCE

40. 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.
41. 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, this report
 - (c) The capacity of the local authority to perform its role, and the financial and other costs of doing so.
42. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that this report is of low significance.

ENGAGEMENT

43. Taking into consideration the above assessment, that 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

44. None

ATTACHMENTS

1. **Past Recommendations and Resolutions - 160 Devonport Road - A16779471** [↓](#) 
2. **Council Report 13.3 CBD - Strategic Property Purchase - 160 Devonport Road - A16769983** [↓](#) 

Attachment 1: Past Council recommendations and resolutionsKey

- Plain text – recommended and resolved as per recommendation (i.e. no changes between recommendation and final decision).
- Strike Through – recommendation which was not passed.
- Italics – resolution which differs from the recommendation (i.e. shows the final decision, which differed from the decision recommended by the report).

Council report “13.3 CBD – Strategic Property Purchase” (12 December 2022)

CO23/22/19 – that the Council

- (a) Receives the report "CBD - Strategic Property Purchase".
- (b) Resolves as follows:
 - ~~i. Approves the purchase of the properties at 160, 168 and 176 Devonport Road, for an amount up to \$11,000,000 as non-budgeted loan funded expenditure.~~
 - i. Approves the purchase of the properties at 160, 168 and 176 Devonport Road and 134 Durham Street, for an amount up to \$14,500,000 as non-budgeted loan funded expenditure.*
 - ii. Delegates authority to the Chief Executive to complete due diligence, negotiate and execute the agreements required to purchase the properties.
 - iii. Notes that a further report will be presented to Council to discuss redevelopment options or a potential joint venture/development agreement to fully activate the site.
 - iv. Notes that a review of Council's Property Acquisition and Disposal policy will be initiated together with a comprehensive report on the treatment of future strategic and tactical property purchases.
 - ~~v. Approves a \$11m increase to the borrowing resolution for the 2022/23 financial year to enable debt funding of this purchase.~~
 - v. Approves a \$14.5m increase to the borrowing resolution for the 2022/23 financial year to enable debt funding these purchases.*
 - vi. Retains resolution (b)(i) and (b)(v) and Attachment A in confidential, with resolution (b)(i) and (b)(vi) to remain in confidential until such time as settlement occurs. Attachment A to remain in the confidential section indefinitely.

Council report “13.4 Construction of Car Parks 160-176 Devonport Road” (3 July 2023)

CO11/23/4 - That the Council:

- (a) Receives the report "Construction of Car Parks 160-176 Devonport Road".
- (b) Provides notices of termination with respect to all existing tenancies on 160-176 Devonport Road.
- (c) Approves construction of 97 car parks on 160-176 Devonport Road for a total unbudgeted estimated cost of \$1.43 million excl. GST for the 2023/2024 financial year to be funded from the parking activity.
- (d) Approves a \$1.43 million increase to the borrowing resolution for the 2023/24 financial year to enable debt funding of this purchase.
- (e) Transfers the report and resolutions into the open upon conclusion of the lease negotiations.

13.3 CBD - Strategic Property Purchase

File Number: A14262004

Author: Gert van Staden, Senior Strategic Advisor
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 Paul Davidson, Chief Financial Officer
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Authoriser: Paul Davidson, Chief Financial Officer

Section under the Act	The grounds on which part of the Council or Committee may be closed to the public are listed in s48(1)(a) of the <i>Local Government Official Information and Meetings Act 1987</i> .
Sub-clause and Reason:	s7(2)(b)(ii) and s7(2)(i) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information and The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

PURPOSE OF THE REPORT

1. To approve the purchase of 160 – 176 Devonport Road, comprising three separate titles for the purpose of strategic property investment.
2. To signal a review of Council’s Property Acquisition and Disposal policy, to potentially make provision for purchases such as the above property, which currently fall outside of the scope of the Strategic Acquisition Fund.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "CBD - Strategic Property Purchase".
- (b) Resolves as follows:
 - (i) Approves the purchase of the properties at 160, 168 and 176 Devonport Road, for an amount up to \$11,000,000 as non-budgeted loan funded expenditure.
 - (ii) Delegates authority to the Chief Executive to complete due diligence, negotiate and execute the agreements required to purchase the properties.
 - (iii) Notes that a further report will be presented to Council to discuss redevelopment options or a potential joint venture/development agreement to fully activate the site.
 - (iv) Notes that a review of Council’s Property Acquisition and Disposal policy will be initiated together with a comprehensive report on the treatment of future strategic and tactical property purchases.
 - (v) Approves a \$11m increase to the borrowing resolution for the 2022/23 financial year to enable debt funding of this purchase.
 - (vi) To retain resolution (b)(i) and (b)(v) and Attachment A in confidential, resolution (c)(i) and (c)(vi) to remain in confidential until such time as settlement occurs. Attachment A to remain in the confidential section indefinitely.

EXECUTIVE SUMMARY

3. Council has been approached by the owner of 160 – 176 Devonport Road, with the intent to gauge Council's interest in acquiring the properties, outside of a competitive market process.
4. The properties front Devonport Road as well as Second Avenue and is effectively the gateway into the inner CBD. The properties are tenanted and returns approximately 2.5% (gross) per annum, minimising holding costs, however, there is still a deficit of approximately \$411,000.00 per annum to be funded. There is scope to lower the holding costs, by reviewing the current rental amounts, leasing out two vacancies (currently on the market) as well as potential to create some on-grade carparking to increase the total return generated by the properties. The intention is that these options will be developed to maximise the return of the site to minimise any funding shortfall.
5. The properties are earmarked for commercial/mixed use redevelopment in Priority One's CBD blueprint, which forms part of Council's City Centre Action and Investment Plan.
6. With this property becoming available, staff have identified several facets of the Strategic Acquisition Fund which does not enable it to be used efficiently for acquisitions of this nature. Staff will review this policy, to enable it to be used more strategically and flexibly, while still retaining appropriate checks and balances.
7. Staff recommend that the acquisition be approved, debt-funded, as it represents an opportunity to secure prime landholdings, in line with the CBD redevelopment strategy.

BACKGROUND

8. Council has been provided the opportunity to secure a prime landholding within the CBD, outside of a competitive market process. The properties are located at 160, 168 and 176 Devonport Road, approximately 180 metres South of the Regional Council building, and 250 metres South of the site for the new City Council offices.
9. Priority One has the site earmarked for quality office and retail space, ideally suited to larger corporates who desire a strong inner-city presence. The blueprint indicates that it can potentially offer around 4,000 square metres of space.
10. The current owners of the premises no longer require the property, as they have secured alternative accommodation, and wish to divest of this asset.
11. The property represents a prime opportunity for Council to obtain a significant landholding at a time where it finds itself with hardly any noteworthy inner-city property assets.
12. The current vendor has indicated that there are high level plans available to redevelop the property into a carpark, as a short-term holding option. As an alternative, the majority of the tenants are willing to stay on, meaning that there is an immediate return on investment minimising holding costs while redevelopment of the site is considered more fully.
13. Securing the property enables Council access to a prime piece of real estate. Should this go to the open market, there is real risk that the properties could be sold off as individual parcels to separate purchasers, compromising the overall level of potential redevelopment. There is also a risk that the properties, once sold, could be land banked indefinitely without any activation which is contrary to Council's City Centre Action Investment Plan, with these properties being identified as a catalyst development.
14. It is intended that there will be a reasonable due diligence period, to allow Council to properly assess this purchase and the opportunities it represents, prior to settlement taking place.

Funding

15. This land purchase will not be funded from the strategic acquisition fund due to its quantum so will be loan funded outside of the current borrowing programme approval limits. The current borrowing resolution for the 2022/23 financial year as approved by council on 25 July

2022 is for \$184m. This land purchase will require an \$11m increase to this approved level for a borrowing limit of \$195m which would increase total gross debt to \$934m.

16. There is a likelihood of this amount being adjusted lower, as we are still awaiting our independent property valuation report.

STRATEGIC / STATUTORY CONTEXT

17. Council is working towards the community outcomes of a well-planned city (Tauranga Tātai Whenua) and a city that supports business and education (Tauranga a Te Kura). Delivering on these outcomes requires efficient use of land with intensification of uses around town and neighbourhood centres, with a specific focus on areas in and around the CBD.

Strategic Property

18. Property is a key enabler to the delivery of Council's strategy and objectives.
19. A significant driver for the acquisition of this property is to enable Council to have access to the right property at the right time. What is especially relevant is that these properties are situated in the CBD and supports the vision of a vibrant and attractive city centre.
20. It is imperative that Council have access to landholdings, both to provide for future need and to enable Council to operate in the property sector as a landowner, providing us with opportunities to influence and drive outcomes identified in our key policies and strategies, like the City Centre Action Investment Plan, which identified 160 – 176 Devonport Road as a catalyst development.
21. The subject properties can be utilised for a myriad of uses, which include redevelopment (potentially through a joint venture or development agreement) into office blocks or mixed commercial use.
22. The locale of the site directly supports Council's Urban Form and Transport Initiative (2020), in that its redevelopment will intensify existing urban areas, connect and strengthen the neighbourhood and provide for employment/housing in centralised locations. Intensification of existing areas also provides the community with more and/or alternative transport choices, which could lead to a greater uptake of public or alternative transport, easing congestion and the City's carbon footprint.
23. In line with the City Centre Action Investment Plan, the community's aspirations for the City can be supported by the redevelopment of this site, specifically the aspirations for increased housing choice, to see the City's potential realised and a supported city centre business community.
24. What makes the acquisition more attractive is that it currently returns approximately 2.5% (gross) per annum, minimising holding costs. There is also an opportunity to explore short to medium term carparking as a holding option, while redevelopment of the site is considered in more detail by the various Council Activities.

Sub Regional Strategy

25. Council Urban Form and Transport Initiative (UFTI) (2020) sets out objectives for the sub-region, which include delivering on a connected centres programme. This work focuses on:
 - a. Intensifying existing urban and new growth areas
 - b. Encouraging strong local centres and connected neighbourhoods, through concentrating the provision of services, housing and employment in centralised locations across the city.
26. One of UFTI's objectives is to enable and shape a sustainable, vibrant, efficient, and more liveable urban form. The subject properties are strategically located, maximising the use of urban land and enhancing the vibrancy of the CBD.

Government Direction

27. The National Policy Statement-Urban Development requires Council to enable density by removing restrictive planning rules, with the intent of enabling intensification surrounding centres and major public transport routes.
28. The Devonport Road properties have a proposed height limit of 48 metres in Plan Change 33, situated within the City Centre Business Zone, making it a prime candidate for redevelopment.

Strategic Acquisition Fund (SAF)

29. The SAF enables Council to act expeditiously on acquisitions as they arise, allowing us to compete with the market, and even sometimes offer an early purchase option to vendors without the need to go to market. This competitive advantage has enabled us to secure properties on short notice and with a high level of efficiency.
30. This specific property falls outside of the scope of the SAF, as there is time to prepare a Council report to authorise the purchase and budget to go with it. The quantum of this purchase also requires separate treatment as it is excess of the amount contained in the SAF.
31. To provide for a more flexible use of the SAF, staff recommend that it be reviewed, to potentially make it a viable source of funding for these types of acquisitions. This will also offer increased budgeting capabilities for the SAF.
32. It is intended that the review will lead to two budget or funding streams, one for high-value landholding acquisition, like the subject of the report, and the other to serve as a funding source for more operational or tactical acquisitions, funded by Council's major activities through the Annual Plan or Long-Term Plan. Funding has been adjusted in the 2022/23 Annual Plan to reflect this approach within current budget constraints and a paper will be presented to Council in the new year outlining this approach in greater detail.

160 – 176 Devonport Road

33. The subject site is well-located and a strategically sound purchase, as indicated by the above assessment against key documents and national direction. The properties have a cumulative Capital Valuation of \$15,200,000, with the vendor's valuation report indicating a market value of \$10,500,000. Council's valuers are progressing an independent valuation report which will guide Council's negotiation strategy for this acquisition, if approved.
34. A Geotechnical Investigation Report has been commissioned for this site, based on a 1,500sqm office building, basement carparks and a two-storey carpark building. It was noted that the sea-facing cliff to the east of the site does not provide any slope stability risk.
35. There are numerous options for redevelopment, some which include short-term holding options, while detailed design is considered more fully. There are also alternative options, one which is to purchase the site, and then on-sell to a developer who is amenable to activate the site in terms of Council's strategy for a vibrant and attractive CBD. Attachment A contains concept drawings for an office block.
36. The properties are currently tenanted, with three of the four agreements being monthly arrangements, with the final agreement expiring 31 July 2023. When assessed against the market valuation, the gross return on investment is approximately 2.5%, which excludes the two vacancies. Net return is around the 1.4% mark.
37. The buildings have been assessed to be in average condition, considering their use and age, without any significant maintenance requirements.
38. Taking into account the nature of the properties, the immediate rental return mitigating holding costs as well as the redevelopment options, staff recommend acquiring the properties subject to Council being satisfied with due diligence.

OPTIONS ANALYSIS

Option 1

Approve the purchase of 160 – 176 Devonport Road (recommended).

Key risks: Increased expenditure and holding costs. Holding costs are mitigated by the current rate of return.

Financial impact: \$11m increase in debt costs, annual opex costs of \$125,000 and a return of 2.6% gross per annum. After interest and depreciation expense are included an annual deficit of \$411,000 is generated, which will require rates funding in the absence of alternative funding being explored to minimise this deficit.

Advantages

Provides an opportunity to:

Obtain strategic property in the heart of the CBD.

Acquire property without the uncertainty and potential competition associated with an auction or tender.

Ability to intensify use of key properties, as opposed to the private sector which may landbank indefinitely or deliver outcomes not in line with Council's strategy.

Disadvantages

Additional borrowing costs and impact on debt.

Rates increase to cover the funding of 0.2% however it is expected that this will reduce based on increased tenancies, parking charges, etc

Option 2

Reject the acquisition of the properties.

Key risks: No ability for Council to acquire the properties in one transaction, potential of the properties being parcelled off individually at auction and not being activated or activated contrary to Council's strategy for the CBD.

Financial impact: No financial impact

Advantages

No additional funding required

Disadvantages

A dwindling stock of strategic properties within the CBD

No guarantee that the properties may come to market again or be developed appropriately if sold to the private market.

Land banked indefinitely by the private market.

FINANCIAL CONSIDERATIONS

39. Council intends to fund this purchase by additional borrowing, which for new debt is set at 4.8%.
40. Taking into account the estimated operational expenditure, including rates, depreciation and interest, the properties return around 1.4% net, meaning that some rates funding is required, in the amount of \$411,775 per annum (representing the elements which are rates funded).
41. The financial impact currently shows a deficit of the site to cover holding costs. Further work will be undertaken to look for rental return from the two vacancies and rates payable by all of the tenants, together with a total transaction cost for the properties closer to the valuation amount, the rates funded deficit can be lowered to 0.106%, or approximately \$244,825.00 per annum. This increases the gross return to approximately 3.5% and the net return to 2.8%. At grade parking will also be investigated given the added advantage of increased parking stock together with increased revenue.
42. As part of the due diligence process, the lease terms and estimated operational expenditure will be confirmed to gauge the viability of the acquisition in the short term, along with options for the site's redevelopment, feedback to Commissioners will be provided on an ongoing basis.
43. Funds in the Strategic Acquisition Fund is not sufficient to cover the purchase costs, nor is the policy associated with this fund set up for acquisitions of this nature. There is no budget which can be brought forward from other activities, as the intention is to hold the property for a yet to be determined final purpose.
44. The asset will be held by Council's Strategic Property Activity, until such time as it can be transferred to another Council activity, like Spaces and Places or City Redevelopment and Partnerships, who will then reimburse the Strategic Property Activity, with funding coming from the Activity to which the asset is transferred.
45. The amount proposed to be raised in the resolution is based on the valuation report obtained by the vendor, however, our valuers are in the process of delivering an independent report which will guide Council's negotiation strategy for this acquisition.

LEGAL IMPLICATIONS / RISKS

46. Should Council decide to not pursue this purchase, there is a likelihood that the risks mentioned in Option 2 may come to pass. This is especially likely given the low confidence in the development industry at present, the EBOSS 2022 Construction Industry Confidence Report shows confidence has dropped significantly with 59% of builders and 46% of architects predicting the sector to deteriorate — almost double 2020 figures.
47. Considering the strategic location and size of the property, coupled with the overall low risk of property purchases (can be on-sold in future years if required), an acquisition of this site aligns with future vision and plans for the CBD.

CONSULTATION / ENGAGEMENT

48. The proposed purchase is for properties identified in Council's City Centre Action and Investment Plan, which has been consulted on. It forms part of Priority One's blueprint for the CBD as a catalyst redevelopment.
49. Additionally, Council's recently adopted Long Term Plan Amendment specifically notes that the city centre is transitioning from being a traditional retail/service centre to becoming the major civic, cultural, business, educational, residential and commercial hub of our region. This purchase represents an opportunity for Council to play an active role in seeing the strategic direction for the City become a reality.
50. In terms of the net financial impact, while the purchase is loan funded, the revenue associated with the holding costs minimises the total financial impact to Council. However, it does acquire an amendment to the borrowing resolution to fund the acquisition.

SIGNIFICANCE

51. 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.
52. 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.
53. In assessing the matter against the policy, officers are of the opinion that it is of High significance, taking into account the value of the proposed purchase price.
54. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of high significance, based on the above assessment.

ENGAGEMENT

55. Taking into consideration the above assessment, that the decision is of high significance, engagement and consultation is required under Council's Significance and Engagement Policy.
56. However, the nature of the decision renders consultation impractical and/or inappropriate, based on the timeframes within which the vendor requires an offer to be made. Should engagement and consultation take place, there is a high likelihood that the properties would have been sold by the time that engagement/consultation concludes, leading to a missed opportunity.
57. Officers are therefore of the opinion that paragraph 5.7 of the Significance and Engagement Policy applies, particularly that maintaining confidentiality is of paramount importance so as not to prejudice Councils negotiating position.
58. Additionally, the rate of return offered by the properties offsets a fair portion of the rates-funded elements of the purchase with minimal impact to ratepayers.
59. It should also be noted that the properties can also be on-sold, making the decision relatively easy to reverse and that a thorough due diligence will identify any potential issues with the acquisition, mitigating the risks associated with the decision.
60. Councils Property Acquisition and Disposal Policy makes provision for unscheduled acquisitions and is defined as "an acquisition that either is not contemplated by and in accordance with the long-term plan or annual plan or occurs ahead of the financial year within which it was planned and budgeted for".
61. It also states that unscheduled acquisitions allow council to acquire property on a proactive and efficient basis, ensuring that council can take advantage of market opportunities. Unscheduled acquisitions support council to:
 - i. Deliver improved economic, environmental, social or cultural outcomes; and
 - ii. Meet its future operational requirements, by allowing for the advantageous purchase of property not anticipated for in the current financial year.
62. Based on the reasons above, staff consider that despite the decision being of high significance, that it is not appropriate to consult and that the Significance and Engagement Policy provides adequate direction for the decision to forego engagement and consultation.

NEXT STEPS

Public Excluded Council meeting Agenda

12 December 2022

63. Negotiate a sale and purchase agreement.
64. Undertake due diligence and investigate feasibility of redevelopment and/or holding options.

ATTACHMENTS

1. **Attachment A - renders - A14262966**

11.5 Draft Annual Plan 2025/26 - value-for-money options

File Number: A17514539

Author: Jeremy Boase, Manager: Strategy & Corporate Planning
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Authoriser: Marty Grenfell, Chief Executive

PURPOSE OF THE REPORT

1. To consider potential changes to the draft 2025/26 Annual Plan and budget identified through organisation-wide efforts to reduce costs, reduce rates increases, and maximise value-for-money.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Draft Annual Plan 2025/26 - value-for-money options".
- (b) Approves the following approach in the draft Annual Plan 2025/26 to the matters listed below:
 - (i) Issue 1 – New Year’s Eve events – Option ...(*no staff recommendation*)
 - (ii) Issue 2 – SmartTrip consultancy budget – Option 2D – Remove the \$500,000 budget from 2025/26 and reconsider through the next long-term plan
 - (iii) Issue 3 – City Centre Development Fund – Option 3B – Reduce the \$500,000 budget in 2025/26 by 50%
 - (iv) Issue 4 – Kerbside rubbish and recycling rates – Option 4A – Retain the kerbside rates for 2025/26 at the same level as 2024/25
 - (v) Issue 5 – Removal of public-place recycling stations – Option 5C – Re-label all public-place recycling and glass bins for general waste, reducing 2025/26 budget by \$252,486
 - (vi) Issue 6 – Charity waivers for waste disposal – Option 6A – Status Quo – retain the \$50,000 budget in 2025/26
 - (vii) Issue 7 – Proactive management of illegal dumping – Option 7A – Status Quo – retain the \$50,000 budget in 2025/26
 - (viii) Issue 8 – Nature and biodiversity expenditure: delivery of community focused programmes – Option 8B – Reduce the budget by a further \$200,000 to \$610,000 in 2025/26
 - (ix) Issue 9 – Urban development planning budget for Pōteriwahi – Option 9B – Remove the \$300,000 budget from 2025/26.
- (c) Requires that, while all the above decisions are subject to the consultation process, Issues (*to be determined*) are specifically addressed in the draft Consultation Document to be prepared for adoption by Council on 24 March 2025.
- (d) Requests staff to establish a programme of work to identify potential further savings in 2026/27 and future years, and to report back to council on that programme.

EXECUTIVE SUMMARY

2. Consistent with its focus on efficiency, delivery, value-for-money and appropriate resourcing, Council has previously resolved to consider draft Annual Plan budgets that limit overall rates rises to not exceeding 12.5% (using the adopted Long-term Plan figure as a baseline) and, alternatively, not exceeding 10%.
3. Work done and reported under separate cover has identified savings that meet the baseline target.
4. This report covers nine issues identified by the organisation which may contribute to meeting the second target. Each of these issues requires a formal direction from Council as to what to include in the draft Annual Plan. For each issue, regardless of whether or not change is proposed in the draft Annual Plan, further direction is required as to whether that issue should form a specific consultation item in the Annual Plan consultation document.
5. This report also recognises that the organisation has identified a number of further cost-saving or value-for-money initiatives that are not able to be progressed substantively for the draft Annual Plan process. Direction is sought to prepare a programme of future such works and to report back to Council on that programme.
6. Within the nine issues covered by this report:
 - (a) two relate to **services provided directly to the wider public** (Issue 1 – New Year’s Eve, and Issue 5 – public-place recycling). For New Year’s Eve, savings options include reducing the scope or number of community events and fireworks. No management recommendation is included on this item. For public-place recycling, savings options include removing all public-place recycling bins and re-purposing to rubbish bins (which is recommended), or removing general recycling bins and re-purposing to glass-only bins. Public-place recycling bins are a highly visible commitment to recycling but suffer high contamination rates meaning that a large amount of their contents go to landfill.
 - (b) two relate to **budgets for consultancy services** (Issue 2 – SmartTrip, and Issue 9 – Pōteriwahi) which would provide staff with the funding to commission additional external work on these matters during the 2025/26 year. Both budgets provide organisational flexibility to respond to future decisions that may be made by Council or central government. However, it is feasible that neither budget will be necessary in 2025/26. As such, it is recommended that these budgets be removed from the 2025/26 budget.
 - (c) two relate to **budgets for a programme of works which may be considered scalable** (Issue 3 – City Centre Development Fund, and Issue 8 – nature and biodiversity expenditure). Both budgets have the potential to deliver strong public good in their areas and are backed by relevant and consulted-on strategic documents. However, in the interests of Council’s stated priorities, both budgets can be scaled down and that is the recommendation of this report. Note though, that the City Centre Development Fund is largely loan-funded and as such the immediate rates saving is only a proportion of the reduction in expenditure.
 - (d) one relates directly to the **level of rates levied** rather than the expenditure that those rates fund (Issue 4 – kerbside rubbish and recycling rates). The historic level of rates funding is more than the costs of this activity. As such, annual surpluses have been recorded in this activity and have been held in reserves to enable future rates increases to be smoothed out when planned major expenditure occurs. The recommendation in this paper is that rates charged in the 2025/26 year are held at the same level as 2024/25, though there is a separate option that would reduce those rates below the 2024/25 level and provide a direct short-term saving to ratepayers.
 - (e) two relate to relatively **small budgets in the waste activity** (Issue 6 – charity waivers, and Issue 7 – illegal dumping). The charity waivers budget allows for certain charities

to dispose of waste to landfill (often 'donated' to them) at reduced cost. Removal of the waiver is likely to increase costs to those charities unless they can find ways to reduce the amount of landfill waste that they generate or potentially access central government funds. The illegal dumping budget provides for the quick removal of illegally dumped waste. An alternative approach might see an increased focus on investigations and enforcement of illegal dumping though that itself may require additional resources. For both of these issues, while cost savings are possible, the report recommends the status quo approach in 2025/26.

7. The maximum budgetary impact on rates of the nine issues covered by this report is \$2.74m (noting that within two of these matters, rates-savings of over \$1.1m have already been actioned as part of the baseline budget). The recommended approach for the eight items where there is a management recommendation would lead to further rates-savings in 2025/26 of \$1,264,986.

BACKGROUND

Baseline operating budget

8. The 2024-2034 Long-term Plan ("LTP") adopted by the then-Council in early 2024 projected a total rates increase of 12.5% for the 2025/26 year.
9. As noted in a report to the 24 February Council meeting, early drafts of the 2025/26 budget included significant additional cost increases not anticipated when the LTP was adopted. These included Council's decision to fund (through rates) all depreciation expenses other than the portion of transport renewals covered by NZTA, as well as unexpected expenditure on the water regulator as part of the government's Local Water Done Well initiatives, additional depreciation expenses in the transportation and spaces and places activities, and a reduction in the property growth assumption.
10. These increases meant that significant budgetary savings were needed to be identified to ensure that the operating budget remains within the maximum 12.5% rates increase stipulated by Council.
11. The Chief Executive has led an organisation-wide reset process that seeks to:
 - identify and create efficiencies within the organisation
 - review how council delivers activities
 - balance expenditure needs with value-for-money imperatives
 - reduces resourcing needs and therefore costs to the community.
12. Initial results from this work have ensured that council's baseline budget for 2025/26 can remain within the maximum 12.5% rate increase stipulated by Council and consistent with the LTP.
13. Work on the reset process is ongoing and further details on savings are expected, both in regard to initiatives that can be implemented through the 2025/26 budget and in regard to savings that will take longer to activate but which will have positive impacts in subsequent financial years.

Further savings sought

14. At its meeting of 9 December 2024, Council resolved that it:

Directs staff to develop the draft 2025/26 Annual Plan for consideration in February 2025 with options to ensure that:

- (i) *The total rates increase does not overall exceed 12.5% net of growth*
- (ii) *The total rates increase does not overall exceed 10% net of growth.*

15. The second part of this resolution effectively requires staff to identify potential cost (and rates) savings beyond those savings already identified in the baseline budget as described in the previous section of this report.
16. This report responds in part to that requirement.
17. The remainder of this report is structured into two sections:
 - the consideration of specific proposals to identify savings in the draft 2025/26 Annual Plan and budget.
 - a brief discussion on an ongoing programme of work to consider other matters that may be fully implementable in a further one or two years.

DISCUSSION AND OPTIONS – IMMEDIATE ISSUES

18. This section explores nine issues where a formal decision is required on Council’s proposed approach for the draft Annual Plan. A tenth issue is included as a public-excluded attachment to protect the privacy of directly-affected staff members currently delivering that service.
19. For each issue, a brief description is provided alongside options for Council’s consideration. These options are for the purposes of preparing Council’s draft Annual Plan. Due to time constraints, detailed analysis of all potential options has not been possible for all issues. Where there are issues where a more detailed analysis is required before final decisions are made by Council, that can be undertaken during deliberations on draft Annual Plan submissions in May 2025 before adoption of the final Annual Plan for 2025/26.

Issue 1: New Year’s Eve events

20. Opportunity: To reduce expenditure on council-run New Year’s Eve events.
21. Discussion. Council currently runs five community-focused public events on New Year’s Eve, that run from 6:00pm to 9:30pm at:
 - (a) Tauranga Racecourse in Greerton,
 - (b) Blake Park in Mount Maunganui,
 - (c) Gordon Spratt Reserve in Papamoa,
 - (d) Fergusson Park in Matua (including a low-sensory accessible event from 5:00pm – 6:00pm),
 - (e) Waterfront in the Tauranga city centre.
22. On 31 December 2024, all events concluded at 9.30pm, four with fireworks and one with a laser light show (due to the proximity of horses at the racecourse) along with a fifth fireworks launch from the Waimapu Estuary. These five launch locations had fireworks again at midnight and are designed for a large number of residents across the city to be able to view at least one display.
23. These community-focussed events and fireworks were progressively introduced from 2017 as a planned approach after the cancellation of the Mount Maunganui New Year’s Eve celebrations in 2016. Elected Members at the time supported a shift in approach to create a behavioural change to the way the city celebrated New Year’s Eve due to ongoing disorder issues with the Mount Maunganui events.
24. This staged approach saw two community events and fireworks introduced in 2017 at the Tauranga Waterfront and Gordon Spratt Reserve, with Fergusson Park introduced in 2018, Greerton in 2019 and Mount Maunganui in 2020. Attendance at the 2024 events was estimated at 16,500 (approximate attendance numbers for each event below).

Community events	Approx attendance
Papamoa	5,000

Matua	5,000
Mount Maunganui	2,500
City Centre	2,000
Greerton	2,000
Total	16,500

- 25. New Year’s Eve events are fully rates-funded.
- 26. There is no statutory obligation for council to provide New Year’s Eve events.
- 27. Options

Option description and financials	Advantages	Disadvantages & risks
<p>Option 1A: status quo</p> <ul style="list-style-type: none"> • Five events delivered & 10 fireworks launches. • Total budget: \$513,275 	<ul style="list-style-type: none"> • Current events are popular with the community and well attended/growing. • Ensures a community-driven approach that is accessible to a wider range of people in the city and builds community cohesion. 	<ul style="list-style-type: none"> • No cost reduction from existing budget • Community may start to question environmental impact of fireworks.
<p>Option 1B: Eliminate community events and only deliver five fireworks displays at 9.30pm and midnight with four promoted viewing points across the city.</p> <p>Total budget: \$200,500</p>	<ul style="list-style-type: none"> • Cost reduction of approx. \$312,755 	<ul style="list-style-type: none"> • No community events throughout the city, which means residents will lack organised opportunities to celebrate together • There is an unknown risk around crowd control at the viewing locations which could cause public disorder • Events may require a rebrand and wider communication to ensure a behaviour change within the community • Community start to question environmental impact of fireworks
<p>Option 1C: Replace five events with one event in the city centre along with fireworks in 1-2 city centre locations at 9.30pm and midnight (i.e. Waterfront, Tauranga Domain)</p> <p>Total budget: \$245,400</p>	<ul style="list-style-type: none"> • Cost reduction of approx. \$267,875 • Enables a focus on improving vibrancy in the city centre and attracting people to the city centre for events 	<ul style="list-style-type: none"> • Unknown risk around whether the community will travel out of their local community to attend the event • No events or fireworks displays in other locations (Greerton, Matua, Papamoa, Mount Maunganui) –Loss of

		<p>popular events for the community</p> <ul style="list-style-type: none"> • Unknown budget cost if resource consent is required.
<p>Option 1D: Do not run any New Year's Eve events or fireworks.</p> <p>Total budget: \$0</p>	<ul style="list-style-type: none"> • Cost reduction of approx. \$513,275 	<ul style="list-style-type: none"> • Loss of popular events the community. • Missed opportunity to promote vibrancy in the city centre through a planned event. • Reputational risk to TCC of having any Council led events on New Years Eve.

Issue 2: SmartTrip consultancy budget

28. Opportunity: to remove the SmartTrip consultancy budget
29. Discussion: A variable road pricing (time-of-use) ‘proof of concept’ study was undertaken jointly by TCC and NZTA during 2023/4, resulting in the ‘SmartTrip’ concept. The scheme aimed to understand issues and options associated with road pricing funding to invest in the road network locally and reduce congestion through variable road toll charges across Tauranga’s roading network.
30. During the 2024-2034 Long-term Plan process, the then-Council consulted on the concept of variable road pricing for some of Tauranga’s roads in the future. As a result of that consultation process, plans to develop a full business case for variable road pricing were not proceeded with by Council. However, at the same time, Council resolved to:
 - (a) *Investigate key areas of community feedback received, including the cost of road pricing charges, the quality and available of alternative transport modes, location and time of charge, equity concerns and wider network impact (particularly diversion impacts).*
 - (b) *Engage with NZTA-Waka Kotahi, the Ministry of Transport, and other interested councils including Auckland Council / Auckland Transport to explore nationally consistent approaches to road pricing.*
 - (c) *Includes a budget of \$1.5m spread evenly over the first three years of the LTP (with timing reviewed at the next Annual Plan) and requires staff to apply for any applicable subsidy or external funding to reduce the cost to the ratepayer.*
31. At present, the budgets for further SmartTrip investigations in the LTP have not been used, and work is paused due to the work being overtaken in time by new direction from the government.
32. The National / Act Coalition Agreement (November 2023) included the following action “*Work with Auckland Council to implement time of use road charging to reduce congestion and improve travel time reliability.*” In June 2024 Auckland Transport reported on analysis completed and presented options on time of use charging to Auckland Councils Transport and Infrastructure Committee for endorsement.
33. In December 2024, the government presented the Land Transport Management (Time of Use Charging) Amendment Bill. The draft bill is currently being considered by the government, and consultation is likely to occur over the next few months.
34. It is therefore considered not sensible for TCC to undertake any further studies in the next financial year until final legislation is adopted. Furthermore, consultation on the SmartTrip

concept indicated limited community support and identified areas for further analysis, with the community feedback consistent with other cities worldwide considering schemes. It is likely some of those community issues will be considered at a national level or in an Auckland context.

35. Options

Option description and financials	Advantages	Disadvantages & risks
<p>Option 2A: Status Quo - Retain the budget for SmartTrip for the next annual plan.</p> <ul style="list-style-type: none"> Total budget: \$500,000 in 2025/26 (rates funded), \$1m in future years 	<ul style="list-style-type: none"> Enables council to start scoping studies that would investigate concerns around road pricing that were raised through the LTP consultation. Provides flexibility to respond to government actions within the 2025/26 year 	<ul style="list-style-type: none"> Retains \$500,000 of rates requirement in 2025/26 and \$1m in future years. Risks of spending on a project where the final position of central government in unclear. Risks of spending on matters which may be addressed through central government processes.
<p>Option 2B: Reduce the budget for SmartTrip by half for the next annual plan.</p> <p>Total budget: \$250,000 in 2025/26 (rates funded), \$1m in future years</p>	<ul style="list-style-type: none"> Removes \$250,000 from rates requirement in 2025/26 Provides (reduced) flexibility to respond to government actions within the 2025/26 year Enables council to start scoping studies that would investigate concerns around road pricing that were raised through the LTP consultation (at a reduced rate from Option 2A) 	<ul style="list-style-type: none"> Retains \$250,000 of rates requirement in 2025/26 \$1.25m of rates requirement over 3 years Risks of spending on a project where the final position of central government in unclear.
<p>Option 2C: Retain the SmartTrip budget, but push out to 2028 or beyond</p> <p>Total budget: \$0 in 2025/26, \$1.5m in future years</p>	<ul style="list-style-type: none"> Removes \$500,000 from rates requirement in 2025/26 Retains high flexibility to respond to government position once this is finalised. 	<ul style="list-style-type: none"> Retains \$1.5m in the long-term budget Removes ability to undertake any scoping or investigatory work around road pricing in 2025/26
<p>Option 2D: Remove the budget for SmartTrip from the annual plan, and reconsider at next LTP</p> <p>Total budget: \$0 in 2025/26, \$1m in future years</p> <p>RECOMMENDED</p>	<ul style="list-style-type: none"> Removes \$500,000 from rates requirement in 2025/26 Retains an ability to respond to government position once finalised. 	<ul style="list-style-type: none"> Retains \$1m in the long-term budget Removes ability to undertake any scoping or investigatory work around road pricing in

		2025/26
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36. While changes to only the 2025/26 budget are covered by the above options, if the government-led project continues as is, it is likely that the 2026/27 and 2027/28 budgets will also be able to be significantly reduced or fully removed.

Issue 3: City Centre Development Fund

37. Opportunity: to reduce discretionary expenditure with a proportional reduction in rates.
38. Discussion. The City Centre Development Incentive Fund (the Fund) was approved by Council in June 2021 as part of the 2021-2031 Long-term Plan. It was originally approved for a 3-year period at \$500k per annum (opex), to be 50% funded through the commercial rate and 50% funded through the general rate. The original purpose of the Fund was *'to facilitate an increase in the supply of residential accommodation by supporting feasibility assessments of residential accommodation development in the Tauranga City Centre.'*
39. In April 2023 Council approved broadening the scope of the City Centre Development Incentive Fund to enable a wider range of initiatives that will support the ongoing growth and development of the city centre, specifically to:
- attract and incentivise the development of residential and in particular, student accommodation;
 - support short- to medium-term tactical parking interventions that will increase the availability of car parking;
 - generate initiatives that will support city centre businesses that are severely impacted by the current period of construction disruption; and
 - support increased activation and vibrancy.
40. The City Centre Development Incentive Fund and its associated budget (\$500k) was approved for a further 3 years via the 2024-2034 Long-term Plan process.
41. It has funded the following initiatives since its establishment.
- A city centre based Safety and Engagement Advisor role.
 - Secure bike parking facility utilising a vacant shopfront.
 - Feasibility Study for the development of student accommodation in Spring Street.
 - Development of a City Revitalisation Strategy.
 - Relief for city centre hospitality businesses by discounting Licence to Occupy fees.
 - Development of a vacant window strategy aimed at creating a more pleasant experience in the city and making people stay longer.
 - Funding towards city centre public art installations – FONT and Kowhai Grove (prior to the establishment of the new Public Art Fund).
 - Funding a report to provide vacant shopfront data, enabling the team to report the progress of transformation work in revitalising the city centre and monitor business and investor attraction.
 - A comprehensive and ongoing programme of activations. These include: Paper Pals - a shopfront sculpture display to create more ambience in the city by filling vacant shops; a light and arts trail to bring people into the city in winter; beautification of eight vacant windows with artwork inspired by the museum collection to reimagine the city centre; the Little Big Markets; Pocket Sized Play; Kiwi Art Trail; Pop-Up cinema; the Tauranga Big Band Christmas Concert;

opening event for the new waterfront playground and other significant openings; event marketing and promotion; waterfront mini golf; International Buskers Day Out; the Street Art Festival; Childrens' Day; and, the Jazz Festival

42. Whilst originally funded via rates, the City Centre Development Fund is currently loan-financed and repaid through rates over a multi-year period. This is because this expenditure is intended to retain vibrancy and interest in the city centre, offsetting any issues created by the ongoing programme of capital works and therefore a direct consequence of that expenditure. As such, the immediate impact on rates is approximately 5% of the amount of budgeted expenditure – exact amounts detailed below.

43. Options

Option description and financials	Advantages	Disadvantages & risks
<p>Option 3A: status quo</p> <ul style="list-style-type: none"> • Retain the full budget • Total budget: \$500,000 • Rates impact in 2025/26: \$25,000 	<p>Continues work to revitalise the City Centre.</p> <p>Shows commitment and confidence in the city centre.</p> <p>Supports the City Centre Capital programme.</p> <p>Provides events and experiences for residents and visitors.</p> <p>The high-profile nature of the city centre gives more "bang for buck"</p> <p>Allows TCC to be agile in activations when opportunities arrive given the flexibility of the fund.</p>	<p>Does not deliver savings.</p> <p>Other areas of the city do not receive the same level of support</p> <p>May build reliance amongst city centre businesses on this support continuing.</p>
<p>Option 3B: retain part of the budget.</p> <ul style="list-style-type: none"> • Reduce the full budget by 50% • Total budget: \$250,000 • Rates impact in 2025/26: \$12,500 (and therefore \$12,500 saving) <p>RECOMMENDED</p>	<p>Allows some of the work to continue.</p> <p>Shows commitment to reducing spending.</p> <p>Continues to give a level of flexibility to be agile and responsive.</p>	<p>Limits number of initiatives. Specifically, Council will no longer be able to provide:</p> <ul style="list-style-type: none"> • The City Centre Safety Advisor - work in making businesses feel safer and moving on homeless people • Support for larger activations such as lights on Tauranga, Buskers Festival or Kiwi art trail • The same level of support for events like the opening of capital projects • Support for the

		<p>engagement and implementation of the City Centre Revitalisation strategy</p> <p>Reduces public perception of confidence in the city centre.</p> <p>Discourages others to invest in the city if TCC are showing reduced commitment.</p>
<p>Option 3C: fully remove the budget</p> <ul style="list-style-type: none"> Remove \$500,000. Total budget: zero Rates impact in 2025/26: \$zero (and therefore \$25,000 saving) 	<p>Cost savings and ability to put money elsewhere or save.</p> <p>Treats the City Centre like every other part of the city.</p>	<p>No activations, city centre safety initiatives or support for city centre businesses (unless funded elsewhere).</p> <p>Lowers public perception of the City Centre and City Centre projects.</p> <p>Slows the revitalisation of the City Centre.</p> <p>Reduces flexibility to respond to the changing nature of the City Centre.</p>

Issue 4: Kerbside rubbish and recycling rates

- 44. Opportunity: to reduce the targeted waste collection rate.
- 45. Discussion. In July 2021, Council introduced a rate-funded kerbside rubbish and recycling service. Rates for this service were set based on expected and modelled uptake by the community. Actual uptake, particularly of the opt-in garden waste service, has been higher than was expected and modelled. As a result, the service has been generating financial surpluses. Those accumulated surpluses are expected to total approximately \$4 million by 30 June 2025.
- 46. Rates have been gradually increased annually since 2021. Accumulated surpluses have been retained in a reserve and are expected to be used to smooth out future rates increases when significant cost increases occur within the activity, for instance due to the planned developments at the Te Maunga transfer station site.
- 47. As part of the savings required to get to the 12.5% rate increase in the baseline budget for 2025/26, the proposed annual increase in the waste collection rate for 2025/26 was halted. This decision was intended to reduce costs to the community and will result in a slower accumulation of the reserve fund. This reduced the budgeted rates impost from \$15,077,123 to \$14,150,545, a saving to the community of \$926,578. This is now considered ‘status quo’ for the 2025/26 year.
- 48. This status quo position is still expected to generate a surplus in 2025/26. As such, a further option is to reduce the rates impost further so that no new surpluses are generated.
- 49. Options

Option description and financials	Advantages	Disadvantages & risks
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<p>Option 4A: Status Quo – Retain rubbish and recycling targeted rates at same level as 2024/25.</p> <p>Total revenue budget: \$14.15m</p> <p>RECOMMENDED</p>	<p>Rates ‘saving’ compared to LTP of \$926,578 already banked</p> <p>Contributes to ongoing surplus to smooth out future rates increases likely to be needed to fund upgrades to waste infrastructure in the future</p>	<p>No further rates reduction created</p>
<p>Option 4B: Reduce rubbish and recycling targeted rates below 2024/25 figures and such that no surplus is generated in 2025/26</p> <p>Total revenue budget: \$13.30m</p> <p>Additional rates saving to community of \$853,000</p>	<p>Creates a further \$853k savings on rates for 2025/26.</p>	<p>Temporarily reduces overall contribution to fund reserve, reducing ability to contribute to smooth future rates increases when waste infrastructure projects are implemented</p> <p>Reduces contingencies in budgets for any kerbside related costs.</p>

Issue 5: Removal of public-place recycling stations

- 50. Opportunity: to reduce the cost of public litter bins by removing public-place recycling bins.
- 51. Discussion. There are currently 55 public recycling and glass stations in the city to collect recycling alongside general waste at high use locations such as reserves. There have been such stations in place in Tauranga since 2017.
- 52. The recycling bins create a highly visible commitment to recycling, and contribute to all three goals in the Waste Management and Minimisation Plan, and a number of objectives including:
 - (a) Objective 1: Promote a shift up the waste hierarchy to avoid and reduce resource use that generates waste. Focus on reusing, recycling, and recovering resources
 - (b) Objective 2: Reduce the total quantity of waste sent to landfill
 - (c) Objective 8: Influence and empower the community to take responsibility for their waste
- 53. However, there is a very high contamination rate resulting from waste incorrectly being put into recycling bins, meaning a large quantity has to go into general waste.
- 54. The exception is glass, which has low contamination rates of about 5%, and can be more easily recycled from public glass bins.
- 55. There is an opportunity to reduce costs by removing public recycling and glass bins, or both.
- 56. Options

Option description and financials	Advantages	Disadvantages & risks
<p>Option 5A: status quo. Continue to offer public recycling and glass bins</p> <p>Total budget: \$ 344,489</p>	<ul style="list-style-type: none"> • Continue to provide a visible commitment to recycling • Contributes to the goals and objectives of the WMMP 	<ul style="list-style-type: none"> • No rate savings • Contamination rates means that this recycling often has to go to general waste anyway.
<p>Option 5B: Continue to offer glass recycling bins,</p>	<ul style="list-style-type: none"> • Increased capacity for general waste as bins are converted to 	<ul style="list-style-type: none"> • No savings created, as re-labelling bins and glass

<p>but re-label recycling bins for general waste.</p> <p>Total budget:\$ 344,489</p>	<p>general waste</p> <ul style="list-style-type: none"> • Continue to provide a visible (but reduced) commitment to recycling • Glass recycling has low contamination rates and can be successfully recycled • Frees up contractors to focus on other services including - asset maintenance, serving public litter bins, reactive illegal dumping and litter collections. • Provides opportunities for a more targeted approach to recycling in public places and to focus on bespoke projects and campaigns 	<p>processing costs will cancel out any saving.</p> <ul style="list-style-type: none"> • Reputational risk that council is reducing commitment to recycling and lead to a loss of public confidence in recycling efforts overall. • Reduction in recycling rate – not meeting commitments in WMMP • Perception of denying a service to people in the community who use the recycling bins correctly • There is an associated costs with the relabelling of recycling bins • Potential over capitalisation of litter bins in parts of the city – this change would increase public litter bins (rubbish only) in parts of the city. • Recycling market volatility: if the market for co-mingled glass is reduced, glass would go to landfill.
<p>Option 5C: Re-label all recycling and glass bins for general waste.</p> <p>Total budget: \$92,002</p> <p>RECOMMENDED</p>	<p>Creates a savings of \$252,486</p> <ul style="list-style-type: none"> • Increased capacity for general waste as bins are converted to general waste • Frees up contractors to focus on other services including - asset maintenance, serving public litter bins, reactive illegal dumping and litter collections. • Provides opportunities for a more targeted approach to recycling in public places and to focus on bespoke projects and campaigns 	<ul style="list-style-type: none"> • Reputational risk that council is reducing commitment to recycling and lead to a loss of public confidence in recycling efforts overall. • Perception of a reduction in recycling rate and not meeting commitments in WMMP • Perception of denying a service to people in the community who use the recycling bins correctly • There is an associated costs with the relabelling or removal of recycling bins • Potential over capitalisation of litter bins in parts of the city – this change would increase public litter bins (rubbish only) in parts of the city

Issue 6: Charity waivers for waste disposal

57. Opportunity: to remove or reduce waste disposal waivers currently provided to charities.

- 58. Discussion. Since 2002, Tauranga City Council has been providing financial relief to various charity stores and organisations across the city to help cover some of their waste disposal costs.
- 59. The intention of the programme was to assist the charity stores with costs associated with disposing of large volumes of donated goods, including illegally dumped items that could not be sold, reused, or recycled. This was also in part due to a lack of a resource recovery centre or inorganic collection in Tauranga to help collect or divert bulky household items, which increased pressure or need for charity stores.
- 60. There are currently 15 charity organisations that receive a monthly tonnage allocation. The 2024/25 budget for this is \$50k.
- 61. In the last financial year these charity stores and organisations disposed of 317.39 tonnes of waste to landfill using the waiver which cost TCC \$59,440.
- 62. A full review is currently underway to ensure the programme’s relevancy and effectiveness, and alignment with the Waste Management and Minimisation Plan. The review will help inform whether TCC will continue to offer the programme or redefine it based on new criteria.
- 63. Options

Option description and financials	Advantages	Disadvantages & risks
Option 6A: status quo Retain the full budget Total budget: \$50,000 (funded through rates) RECOMMENDED	<ul style="list-style-type: none"> • Continue to provide a service to support charities who are often the recipients of illegal dumping • Allows time for the programme to be fully reviewed and assessed for effectiveness. • Supports WMMP objectives and actions 	<ul style="list-style-type: none"> • No reduction of costs • Reduces likelihood of increased illegal dumping.
Option 6B: Remove waiver of disposal fees but support charities with waste minimisation efforts via waste levy funding. Total budget: \$50,000 (funded through waste levy, therefore this is a \$50k rates saving)	<ul style="list-style-type: none"> • Provides support for hard to recycle items. • Reduces cost pressures on charity stores • Community goodwill. • Supports WMMP objectives and actions 	<ul style="list-style-type: none"> • Relies on Waste Levy funding, and criteria that will allow this funding to be used. In the event that there are changes at central govt level this funding may be reduced or mean this type of waste is ineligible. • Potentially increase illegal dumping and increases costs on TCC • Removal of direct support to local charities, and associated reputational risk
Option 6C: fully remove the budget Total budget: \$0 in 2025/26 (\$50k rates saving)	<ul style="list-style-type: none"> • Removal of cost to council 	<ul style="list-style-type: none"> • Removal of service to local charities, and associated reputational risk • Likely increase in illegal dumping.

Issue 7: Proactive management of illegal dumping

- 64. Opportunity: to reduce expenditure on proactive management of illegal dumping.
- 65. Discussion. Illegal dumping (the disposal of waste in an unauthorised or non- dedicated area) is an acknowledged issue in the Waste Management and Minimisation Plan. This is typically the disposal of household waste or items in public spaces across the city.
- 66. Council currently takes a proactive approach to managing illegal dumping. This involves removing waste promptly as it is identified by contractors who work around the city on a regular basis.
- 67. This proactive approach aims to keep the city as clean and tidy as possible. Council could take a more reactive approach, which would be to leave illegally dumped waste until such time as a complaint was received, which would make contractors less responsible and able to direct time and resources elsewhere but would also leave illegally dumped waste in place for longer before disposal. Safeguards would still need to be in place around any illegally dumped waste that posed immediate risks to public health.

68. Options

Option description and financials	Advantages	Disadvantages & risks
Option 7A: status quo Retain the full budget for proactive management of illegal dumping Total budget: \$50,000 (rates funded) RECOMMENDED	<ul style="list-style-type: none"> • Illegally dumped waste is collected and disposed of promptly • No reduction in customer satisfaction • Does not require more resources that are likely with an enforcement-based approach. 	<ul style="list-style-type: none"> • No reduction in costs • More contractor time is spent on proactive reinforcement • Current approach limits the Bylaws team from undertaking meaningful investigations and issuing infringements.
Option 7B: Establish tighter controls around proactive illegal dumping collections, including changes to reporting requirements, allowing collections in certain areas and excluding others and developing additional KPIs. Total budget: \$20,000 (rates funded)	<ul style="list-style-type: none"> • Maintains high customer satisfaction levels • Potential for improved service efficiency • Potentially reduces carbon emissions by reducing truck movements • Maintains established contract relationships. • Frees up contractor resources to focus on – asset maintenance, serving public litter bins, reactive illegal dumping etc 	<ul style="list-style-type: none"> • Increase in administrative workload • More complex model for the contractor
Option 7C: Cease proactive management of illegal dumping Total budget: \$0 (rates funded)	<ul style="list-style-type: none"> • Frees up contractor resources to focus on – asset maintenance, serving public litter bins, reactive illegal dumping etc • Allows Bylaws team to conduct meaningful investigations and issues infringements. • Opens different opportunities to educate the public and run campaigns. 	<ul style="list-style-type: none"> • Illegal dumping sits uncollected for longer periods. • A likely decline in customer satisfaction • May have a negative impact on contractor relationships; contractor may dispute this change and seek a

	<ul style="list-style-type: none"> • Opportunity to take a more enforcement-based approach which would require additional resources. 	<p>variation.</p> <ul style="list-style-type: none"> • Is likely to require greater resourcing to enforce. • Current systems are not setup to monitor illegal dumping KPIs/performance.
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Issue 8: Nature and biodiversity expenditure: delivery of community focused programmes

69. Opportunity: To reduce spending on nature and biodiversity, specifically the delivery of programmes focused on building community capacity and understanding.
70. Discussion. If the budget for the Nature and Biodiversity AIP⁵ work stream is reduced, there will be a corresponding reduction in support for community environmental projects and/or programmes, resulting in a slower implementation of initiatives and slower positive change for the city.
71. Specifically, there would be reduced capacity to deliver:
- an increase in resourcing and support to deliver existing education programmes that promote the enhancement of nature and biodiversity for community well-being.
 - improved support for community initiatives to restore indigenous biodiversity, including community-based pest plant and animal control, planting, and species management.
 - community conservation partnerships to adopt a mountain-to-sea approach to the creation and improvement of ecological corridors.

72. Options

Option description and financials	Advantages	Disadvantages & risks
<p>Option 8A: status quo.</p> <ul style="list-style-type: none"> • Retain the full budget • Total budget: \$810,000 <p>(Note: the original budget for this initiative was \$1,000,000, and a \$200,000 reduction has already occurred)</p>	<ul style="list-style-type: none"> • Enables Council to deliver on community-focused actions in the Nature and Biodiversity AIP. • Builds the capacity and ability of the community to care for their surrounding environments. 	<ul style="list-style-type: none"> • Does not deliver a budget saving for the 2025-2026 Annual Plan. • Would make it more difficult for Council to potentially reach a total rates increase that does not overall exceed 10% net of growth
<p>Option 8B: retain part of the budget.</p> <ul style="list-style-type: none"> • Decrease the current budget by a further \$200,000 • Total budget: \$610,000 <p>RECOMMENDED</p>	<ul style="list-style-type: none"> • Delivers further budget savings for the 2025-2026 Annual Plan, whilst still allowing some of the planned work to progress. • Contributes towards Council potentially reaching a total rates 	<ul style="list-style-type: none"> • Reduces Council’s ability to deliver on community-focused actions in the Nature and Biodiversity AIP. • Limits increases in the capacity and ability of the community to care

⁵ <https://www.tauranga.govt.nz/council/council-documents/strategies-and-plans/action-investment-plans-aips/nature-and-biodiversity-action-investment-plan>

	increase that does not overall exceed 10% net of growth	for their surrounding environments.
<p>Option 8C: fully remove the budget.</p> <ul style="list-style-type: none"> Remove the current budget Total budget: zero 	<ul style="list-style-type: none"> Delivers maximum budget savings for the 2025-2026 Annual Plan. Contributes towards Council potentially reaching a total rates increase that does not overall exceed 10% net of growth 	<ul style="list-style-type: none"> Removes Council’s ability to deliver on community-focused actions in the Nature and Biodiversity AIP. Does not deliver any increases in the capacity and ability of the community to care for their surrounding environments.

Issue 9: Urban development planning budget for Pōteriwhi

73. Opportunity: to remove a planning budget as it is potentially not needed.
74. Discussion. Council acquired the Pōteriwhi (Parau Farms) site in 2000 as part of future planning for the provision of active reserves in the network. The property is currently zoned Active Open Space in the Tauranga City Plan.
75. Between 2022 and the end of 2024 Council consulted and resolved to use Pōteriwhi for a mix of open space uses and housing, in recognition of Tauranga’s housing shortage and pending the inclusion of Pōteriwhi in the Fast-track Approvals Bill, that was later unsuccessful.
76. Current budgets. There is \$300,000 currently allocated in the draft 2025/26 Annual Plan to progress planning for the delivery of housing on the site.
77. There is also \$8.9m in the current 24-34 LTP for delivery of recreational facilities and reserves at Pōteriwhi. There are no offsite infrastructure costs included for wastewater connections, water supply upgrades or on site roading for open space or housing outcomes. These costs would be significantly higher to enable housing outcomes than they would be for open space only.
78. Additional investment over the \$8.9m currently included in the LTP period will be required to enable the recreational, reserves and housing outcomes. Spaces & Places’ Active Reserves programme budget is available to allocate to the delivery of the recreational and reserve outcomes, and the required supporting infrastructure, if a decision is made to use the site solely for recreational facilities and open space.
79. The current LTP also contains the expected revenue to be gained from the sale of the residential portion of the site. If the residential land is not divested there will be \$17.75m of expected revenue removed from the asset realisation reserve fund and Council balance sheet. However, the costs of developing/progressing the site, which would be required to secure the projected \$17.75m of expected revenue, have not been included in the LTP (i.e. projected costs are not included, but subsequent projected revenue is included).
80. The revenue expected from the divestment of the residential land differs depending on the stage of development the site is progressed to. Additional outlay brings greater returns and adds additional balance sheet capacity to Council over the longer term but would create a cashflow challenge in the interim. Additionally, there are advantages to Council and the community if the site is used fully for active reserves as there is unmet existing need in the west of the city, plus forecast need due to population growth. If Council does not use Pōteriwhi to meet this need, land would need to be purchased by Council elsewhere.

81. Note. This report is focussed only on the \$300,000 budget allocated to progress planning for housing on the site. It does not seek a decision regarding how the site should be used. The considerations relating to this decision are complex and will be explored in detail in separate reports to Council at a later date.
82. In the meantime, Council could choose to remove the \$300,000 of planning budget (for the purposes of housing development on the site) and if needed, reinstate this at a later point. Removing the \$300,000 budget does not commit Council to either option.
83. Options

Option description and financials	Advantages	Disadvantages & risks
Option 9A: status quo <ul style="list-style-type: none"> • Retain the full budget • Total budget: \$300,000 	<ul style="list-style-type: none"> • Retains maximum flexibility for Council to progress planning for housing delivery on the site, depending on future decisions. 	<ul style="list-style-type: none"> • Does not deliver savings in 2025/26 • The \$300,000 may not be needed.
Option 9B: fully remove the budget <ul style="list-style-type: none"> • Remove the full budget • Total budget: zero (one-off budget savings of \$300,000 in 2025/26) RECOMMENDED	<ul style="list-style-type: none"> • Delivers savings of \$300,000 in 2025/26. • Still retains the potential for Council to either reinstate the \$300,000 in 2025/26 or to defer the expenditure till later. 	<ul style="list-style-type: none"> • May require Council to reinstate the \$300,000 for 2025/26 at a later point, which could create difficulties given Council's tightly constrained financial position.

LONGER-TERM ISSUES

84. As part of the wider 'reset' project and the ongoing drive to both demonstrate and deliver value-for-money and a focus on Council's priorities, a number of issues have been identified that cannot be fully explored and implemented by the commencement of the 2025/26 financial year. These matters may take 6, 12, or 24 months to bring to fruition if Council decides to pursue them. Examples of such matters include:
- consideration of the various relationship and funding implications of the provision of services and facilities across the Tauranga / Western Bay of Plenty ("WBoP") boundary including:
 - facilities and services provided in Tauranga benefitting WBoP communities, and
 - facilities and services provided in the WBoP partially-funded by Tauranga ratepayers
 - consideration of the potential for 'back office' shared services between Council and some or all of its council-controlled organisations
 - consideration of the structure, role and scope of some or all of Council's council-controlled organisations
 - consideration of cross organisational efficiencies, including changes in corporate wide processes.
85. This report seeks support for the development of a programme of work to further investigate these and similar issues, with progress to be reported back to Council in Quarter 2 2025 for further direction, and then on an ongoing basis as the initiatives evolve. This is covered by recommended resolution (d).

STATUTORY CONTEXT

86. There are no specific statutory requirements related to any of the issues addressed above.

STRATEGIC ALIGNMENT

87. These various issues contribute to the promotion or achievement of the following strategic community outcome(s):

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

88. Impacts on the community and community outcomes are addressed in each issue as relevant.

OPTIONS ANALYSIS

89. Options for each issue addressed by this report are outlined in the Discussion and Options section above.

FINANCIAL CONSIDERATIONS

90. Financials relevant to each issue addressed by this report are outlined in the Discussion and Options section above.

LEGAL IMPLICATIONS / RISKS

91. There are no legal implications relating to this paper. Risks of various options within issues are outlined in the Discussion and Options section above.

TE AO MĀORI APPROACH

92. The issues covered by this report with most relevance to the principles in Council’s Te Ao Māori Approach are Issue 7 (proactive management of illegal dumping) and Issue 8 (nature and biodiversity expenditure) both of which have a direct or indirect impact on the natural environment and the principle of kaitiakitanga, or the stewardship of that natural environment.

93. The overall intent of this report, to reduce costs, reduce rates increases, and maximise value-for-money is consistent with the principle of tūmanako, meaning the objectives of the community, particularly as it relates to whai rawa/ōhanga (financial sustainability and economic health).

CLIMATE IMPACT

94. The issues covered by this report with most relevance to climate impact are:

(a) Issue 2 – SmartTrip consultancy budget

Transport, particularly land transport, is the biggest cause of emissions in Tauranga. Any moves to reduce traffic will likely have a positive impact on emissions. However, because the work originally envisaged to be undertaken under this budget has largely been picked up at a national level by the government, it is not expected that the removal of the budget as recommended will have a material impact on emissions.

(b) Issue 8 – Nature and biodiversity expenditure

The Nature and Biodiversity Action & Investment Plan includes 40 specific actions. Ten of these actions are identified as also contributing to the goals of Council's Climate Action & Investment Plan, nine within the 'vegetation cover' section and one within the 'protecting existing biodiversity'. All are actions which were proposed to be funded through year 2 of the Long-term Plan (i.e. 2025/26). A reduction in funding for the wider nature and biodiversity programme is likely to have impacts on the delivery of these actions.

CONSULTATION / ENGAGEMENT

95. A number of the matters covered by this report have been subject to public engagement in the past.
96. Council's New Year's Eve events (Issue 1) are consistent with the Events Action & Investment Plan which was consulted on in 2021.
97. The SmartTrip concept (Issue 2) was consulted on through the 2024-2034 Long-term Plan, after which the immediate business case was not proceeded with but the consultancy budget was established. The Kerbside rubbish and recycling rates (Issue 4) were consulted on in concept through the 2018-2028 Long-term Plan, with the original level of those rates set through the 2021-2031 Long-term Plan process.
98. The three other waste management matters (Issues 5, 6 and 7) are consistent with the Waste Management and Minimisation Plan 2022-2028 which was consulted on in 2022.
99. The Nature and Biodiversity Action & Investment Plan, which links to the budget discussed in Issue 8, was developed with the assistance of external stakeholders and then formally consulted on in 2023.

SIGNIFICANCE

100. 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.
101. 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 decisions.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
102. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decisions in this report are collectively of medium significance.

ENGAGEMENT

103. Taking into consideration the above assessment, that the decisions are collectively of medium significance, officers are of the opinion that public consultation should occur through the draft Annual Plan process.
104. Depending on the direction provided by Council on its preferred options on the nine issues, some items could be highlighted in the Consultation Document and specific feedback sought from the community.
105. Staff seek guidance from Council on which those items should be – see recommended resolution (c) that addresses this.

NEXT STEPS

106. Decisions made on the issues raised by this report will be incorporated into the draft Annual Plan budgets (proposed to be adopted by Council on 11 March 2025) and in the draft Annual Plan Consultation document (proposed to be adopted by Council on 24 March 2025).

ATTACHMENTS

Nil

12 DISCUSSION OF LATE ITEMS

13 PUBLIC EXCLUDED SESSION

Nil

14 CLOSING KARAKIA