



AGENDA

City Future Committee Open Workshop Thursday, 12 June 2025

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

Date: Thursday, 12 June 2025

Time: 1:30 PM

**Location: Tauranga City Council Chambers
L1 90 Devonport Road
Tauranga**

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

**Marty Grenfell
Chief Executive**

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1.1 City Future Committee Workshop - Cameron Road Stage 2 Delivery Options -
Memorandum to Introduce Options and Drawings..... 4

1 BUSINESS

- 1.1 City Future Committee Workshop - Cameron Road Stage 2 Delivery Options - Memorandum to Introduce Options and Drawings**

ATTACHMENTS

- 1. Memorandum to Introduce Options and Drawings - A18357970** [!\[\]\(4c660a3c4ce1da3313488b7854f55083_img.jpg\)](#) 

Memorandum

To: City Futures Committee (CFC)

From: Richard O'Kane – Major Projects SPM

Subject: Cameron Road Stage 2 – Progression Options

Date: 6th June 2025

Purpose: To inform the City Futures Committee of concept options to progress the Cameron Road Stage 2 project in alignment with the IAF / IFF / DC funding stack, in accordance with a previous Committee resolution.

Outcome: For the Committee to provide feedback on emerging options to inform a subsequent report to the August 2025 City Futures Committee meeting.

EXECUTIVE SUMMARY

1. The Cameron Road Stage 2 (CRS2) project seeks to upgrade the strategically important Cameron Road arterial corridor from Seventeenth Avenue to Barks Corner, which is a key enabler for continued city growth in the Western Corridor and planned intensification of the Te Papa peninsula.
2. The project was planned and budgeted in Councils 2024-34 Long Term Plan (LTP) subject to approval of co-funding from NZ Transport Agency Waka Kotahi (NZTA). NZTA have subsequently confirmed that project co-funding will not be prioritised or supported in this 2024-27 National Land Transport Programme (NLTP), resulting in a funding shortfall of between \$88m and \$110m against the original business case scope.
3. The project has approval of Crown grant funding from the Infrastructure Acceleration Fund (IAF) to a value of \$56.6m. \$20m of funding is also proposed via the Infrastructure Funding and Finance (IFF) levy, along with \$20m of developer contributions (DCs).
4. Following development of a reworked Detailed Business Case (DBC) in February 2025, the City Futures Committee considered a progression options report on 17th of February 2025, with the following resolutions being adopted:
 - (a) Asks for a report on continuing with Cameron Road Stage 2, delivering a project within the envelope of IAF+IFF+DCs that delivers the outcome of value for money with priority on enabling Housing intensity and roading throughput, and:
 - (b) Explores opportunities to reallocate planned IAF and IFF funding to alternative eligible projects.
5. This memorandum outlines indicative options for delivering a viable transport network upgrade within the existing \$96.6m funding stack in accordance with the cost efficiency/value engineering process that is ongoing.
6. Four viable delivery options have been identified:
 - (i) Full length upgrade providing provision for 4-lane carriageway through the full corridor, but with no material improvements for cycling (\$78m-\$95m)

- (ii) Full length upgrade providing provision for 4-lane carriageway through the full corridor and a full route cycling corridor via off-road shared paths and on-road cycle lanes (\$92m-\$114m)
 - (iii) Full length flexible layout largely retaining existing kerblines, prioritising alternative transport modes incl. PT and cycling and retaining 'place' function of the Greerton Town Centre (\$57-\$72m)
 - (iv) Upgrade only from Seventeenth Avenue to Cornwall Street in accordance with the previous Detailed Business Case preferred option (\$75m-\$99m)
7. The alternative option would be to place the project 'on-hold' pending a future application for inclusion within the 2027-2030 NLTP, potentially foregoing the current \$56.6m Infrastructure Acceleration Fund (IAF) crown grant funding.
 8. Waters works along this corridor are separately budgeted and are required to be completed. Subject to the preferred option for CRS2 opportunities to integrate waters delivery will be further assessed.
 9. The CRS2 project is a top regional priority in the Transport System Plan (TSP), and an upgrade of this corridor will be required at some stage. The key consideration is 'when' rather than 'if' it is required.

BACKGROUND

10. The Cameron Road Stage 2 project is a key enabler to continued city growth, particularly as a connector for development of the western corridor and planned intensification of the Te Papa peninsula.
11. There is a significant housing shortfall and affordability crisis in Tauranga and the wider sub-region. Moving forward at pace to deliver serviced and zoned land is critical to increasing supply which in turn will improve affordability.
12. The Urban Form and Transport Initiative, Te Papa Indicative Business Case and Spatial Plan, SmartGrowth Strategy and Transport System Plan are all key planning documents which provide direction on the future housing and business land supply to sufficiently accommodate the projected growth in the sub-region, along with supporting transport infrastructure required to enable housing intensification of existing urban areas and new greenfield areas.
13. Cameron Road is one of Tauranga's main arterial corridors, providing an important connection to the city centre for people within and beyond the corridor. It is an important route and a destination for many with the city centre, primary and secondary schools, businesses, public spaces, and the hospital located along it. Over the next 30 years, it is anticipated that more than 35,000 people will be living on Te Papa Peninsula.
14. More broadly, the wider Western Bay of Plenty region is planning for an extra 200,000 people living in the region over the next 30 to 50 years. Tauranga needs to transform into a place where more people can live, work, study, and provide more sustainable ways to move around.
15. The Cameron Road Stage 1 project from Harrington Street to Seventeenth Avenue has now been completed. Cameron Road Stage 2 connects this and the future planned upgrades from Tauriko to Barks Corner along the State Highway 29a, and is required to realise the full corridor benefits for the wider community.
16. The Te Papa Indicative Business Case (prepared alongside the Te Papa Spatial Plan), a joint business case prepared by NZTA, TCC and Bay of Plenty Regional Council, was approved by NZTA alongside the Urban Form and Transport Initiative Programme Business Case in 2020.

17. Both the Urban Form and Transport Initiative and the Te Papa Indicative Business Case provide for an integrated land use transport strategy supporting significant intensification within the Te Papa corridor, located around the Cameron Road spine.
18. Plan Change 33 has recently been completed which significantly increases the housing density along the Cameron Road Stage 2 corridor enabling intensification up to eight storeys. The 'Feasible and Reasonably Expected Development Capacity Assessment' undertaken as part of the plan change process shows that over the next 30 years, an additional 16,500 dwelling units (including apartments) could be reasonably expected along the corridor. In addition, it is estimated that intensification along the corridor will support growth of the city centre and surrounding commercial area of up to 15,000 more jobs over 30 years.
19. The Te Papa Indicative Business Case and Spatial Plan is also strongly aligned with Government Policy Statement on Land Transport 2024, particularly the Strategic Priority for Economic Growth and Productivity. The economic analysis for the indicative business case, which included Cameron Road stages 1 and 2 as key components, identified significant benefits relating to safety, travel time savings, congestion reduction, productivity gains and emissions reduction.
20. There have been a number of larger scale apartment developments delivered along and in vicinity of Cameron Road over the past few years, with significant future development opportunity also existing in the Gate Pā area where Accessible Properties Limited (recently identified by Government as a strategic partner for delivery of community housing) owns approximately 120 parcels within walking distance to Cameron Road.
21. Investment in movement within the Te Papa area and along Cameron Road corridor, including potential for T2, T3, public transport, walking and cycling provision, is both a necessity to respond to reasonably expected growth and network capacity challenges, as well as providing a catalyst for future private investment. This aligns with both the existing National Policy Statement on Urban Development and envisaged future amendments to this policy, which provide for a focus to enable "more people to live in, and more businesses and community services to be located in, areas of an urban environment ... well-served by existing or planned public transport".
22. Cameron Road is also a key component of the broader SH29 Tauriko Network Connections long-term improvement plan, which is designed to link future growth in the western corridor to the city centre and Port of Tauranga. The Tauriko Network Connections project will enhance freight and vehicle access while facilitating development of an additional 1,600 homes in Tauriko West, complementing the 2,400 homes already planned. Over the longer term, it will also support housing growth in potential western corridor areas, such as Keenan Road, unlocking the potential for up to 25,000 new dwellings, as well as supporting expansion of the Tauriko Business Estate, which is expected to unlock 6,000-plus new jobs. Cameron Road will play a key role providing transport alternatives to connect the western corridor with the city centre over this time.
23. The CRS2 project is planned to integrate with and deliver significant upgrades and renewals to water and wastewater infrastructure along the Cameron Road corridor. Upgrades to the water and wastewater networks are also key enablers to planned intensification and growth.
24. The initial Cameron Road Stage 2 DBC was completed in January 2024. This was rejected by NZTA in July 2024.
25. A reworked DBC that focused strategic alignment to the 2024 Government Policy Statement on Land Transport priorities was commenced in August 2024, with completion in February 2025.

26. The reworked DBC incorporated a design philosophy that prioritised a 4-lane route wide layout that provides future flexibility for multi modal infrastructure.
27. The City Futures Committee considered a progression options report based on the reworked DBC scope and 30% design on 17th of February 2025, with the following resolutions being adopted:
 - (a) Asks for a report on continuing with Cameron Road Stage 2, delivering a project within the envelope of IAF+IFF+DCs that delivers the outcome of value for money with priority on enabling Housing intensity and roading throughout, and:
 - (b) Explores opportunities to reallocate planned IAF and IFF funding to alternative eligible projects.

FINANCIAL CONSIDERATIONS

Funding

28. The 2024-2034 LTP budget beyond the DBC phase is \$294.8m for the CRS2 project includes a combination of transport and waters components.
29. This memorandum focuses on the Transport scope from a Cost Efficiency/Value Engineering perspective excluding the budgeted NZTA 51% FAR subsidy. The revised funding stack of \$96.6m is comprised of:

Current Available Funding Stack (\$M)		Notes
IAF	\$ 56.6	Total apportioned to CRS2 from Te Papa budget
IFF	\$ 20.0	Only leaves 10m in the IFF pot for any other projects (CMM/Area a or Area B projects)
DCs	\$ 20.0	Finance confirmed work to this at present
Total	\$ 96.6	

Table 1 – Current/Revised available funding stack.

Infrastructure Acceleration Fund (IAF)

30. The IAF contribution is dependent on achieving the intended 'outcome' of facilitating housing intensification and the project being delivered to the current programme.
31. The project team presented the current cost efficiency/value engineering process to funding partners on 4 April 2025 with feedback being positive from both IAF and IFF representatives that the current project direction detailed within this paper is still suitable for funding, subject to final ministerial approval.
32. In response to the 17th February resolution regarding the potential transfer of IAF funding from CRS2 to an alternative project. This was confirmed in the 4th April 2025 presentation meeting that this would not be considered by Kainga Ora (IAF).
33. Should the project be placed 'on hold', there is a significant risk that IAF funding would be lost, subject to a Ministerial decision.

Infrastructure Funding and Financing (IFF)

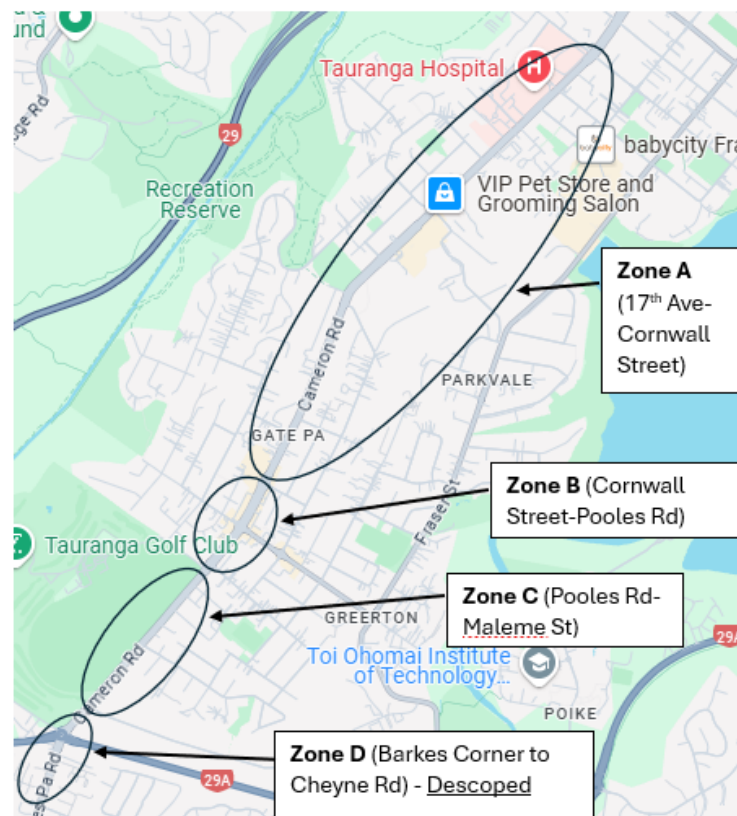
34. The IFF is a compulsory charge levied almost on all properties in Tauranga over a 30-year period from 1 July 2024. The IFF Transport Levy funds and finances capital

expenditure of approximately \$175m to fund up to 13 transport projects including Cameron Road Stage 2.

35. The current distribution of this IFF fund has resulted in a balance of \$30m being available for these 13 projects.
36. Currently, \$20m has been assigned to the CRS2 project, with a potential to increase this by up to a further \$10m, which would utilise the full IFF funding stack available to TCC.
37. Should the CRS2 project be placed on hold, the IFF funding could be reassigned to one of the other 12 transport projects.

OPTIONS ANALYSIS

38. In accordance with resolutions from the City Future's Committee, staff commenced a 'Value for Money' options identification process.
39. Four potential options for the CRS2 project have been identified and assessed through the Cost Efficiency/Value Engineering process.
40. For reference within options the project has been split geographically into four zones:



41. **Option 1 – Value Engineering (VE):** 4-lane carriageway through the full corridor incorporating all CE/VE initiatives and utilising as much existing infrastructure as possible whilst achieving transit and movement objectives. Scope overview:
 - (a) 4-lane carriageway through the full corridor. Transit (PT/T3 lane) peak hour clearways for outer lanes, potential parking in off-peaks.

- (b) Resurfacing of Zone A and B only, partial resurface of zone C.
 - (c) No cycle/footpath upgrades – Existing path/berms retained where possible therefore some areas of footpath narrowing.
 - (d) Stormwater treatment reduced to a wetland facility only.
 - (e) Zone C – No flush median in order to fit 4 lanes, side roads all converted to Left In/Left Out arrangement.
 - (f) [Option 1 layout drawings](#)
42. **Option 1 High level cost and programme:**
- (a) P50 forecast outturn cost: **\$78m** (uninflated – Andy to provide inflated)
 - (b) P95 forecast outturn cost: **\$95m** (uninflated)
 - (c) Programme – 1.5/2-year implementation
43. **Option 2 – Value Engineering Plus (VE+):** 4-lane carriageway through the full corridor incorporating a good proportion of the CE/VE initiatives and utilising partial existing infrastructure with additional reconstruction works to facilitate improved transit, movement and active mode facility outcome. Scope overview:
- (a) 4-lane carriageway through the full corridor. Transit (PT/T3 lane) peak hour clearways for outer lanes, potential parking in off-peaks.
 - (b) Full route road resurfaced and remarked.
 - (c) Existing paths widened to create shared cycle/paths or on road cycle facility where space is restricted.
 - (d) Stormwater treatment reduced to a wetland facility only.
 - (e) Zone C full width flush median to facilitate turning in and out of side roads at the expense of reducing west side shared path/berm.
 - (f) [Option 2 layout drawings](#)
44. **Option 2 High level cost and programme:**
- (a) P50 forecast outturn cost: **\$92m** (uninflated)
 - (b) P95 forecast outturn cost: **\$114m** (uninflated)
 - (c) Programme – 2-year implementation
45. **Option 3 – Value Engineering Balanced within existing kerblines (VEB)** - flexible layout retaining existing kerblines to reduce cost (no services relocation required) whilst ensuring alignment with SmartGrowth, UFTI and Te Papa Spatial Plan intensification goals, by providing alternative transport modes whilst facilitating the current general traffic layout. This option aims to provide a balance between movement (vehicle and PT/T3 priority along with safe pedestrian and cycle movements) and 'place' function of Greerton town centre.
- (a) 4-lane carriageway where there is available space between existing kerblines. Transit (PT/T3 lane) peak hour clearways for outer lanes, parking in off-peaks. Bus gates / queue jumps providing priority through sections with no dedicated Transit/Bus Lane (2 lane corridor). 3 lane areas to provide peak direction PT/T3 lane within existing kerbs.

- (b) Dedicated and separated 'on-road' bi-directional cycle route from Seventeenth Avenue to Cornwall Street/Greerton (2.5km), and shared path south of Greerton to Barkes Corner. Retaining existing footpath and widening where required and affordable within berm area.
 - (c) Retain existing 2-lane carriageway layout through Greerton town centre, focusing on the place function of the village, and at Gate Pa Pukehinahina due to a carriageway pinch point, and having PT/T3 lanes merge with general traffic for these short sections.
 - (d) Full route road resurfaced and remarked.
 - (e) Areas of reduced flush median width or no flush median. In order to fit Bus/T3 lanes and cycle route.
46. [Option 3 layout drawings](#)
47. **Option 3 High level cost and programme:**
- (a) P50 forecast outturn cost: \$56.5m (uninflated)
 - (b) P95 forecast outturn cost: \$72m (uninflated)
 - (c) Programme – 1.5 - 2-year implementation
48. **Option 4 – Zone A Only:** Full scope from the 2023 Detailed Business Case preferred option, between 17th Avenue and Cornwall Street ensuring alignment with growth and intensification objectives as per SmartGrowth, UFTI and Te Papa Spatial Plan. This scope provides a balance between movement (vehicle and PT/T3 priority along with safe ped and cycle movements) and place functions of the Gate Pa key developing centre:
- (a) 4-lane carriageway through the majority of the corridor with exception of Gate Pa/Pukehinahina. Transit (PT/T3 lane) peak hour clearways for outer lanes, potential parking in off-peaks. Bus gates / queue jump providing priority through Gate Pa/Pukehinahina section where no dedicated Transit/Bus Lane proposed (2 lane corridor).
 - (b) Dedicated and separated cycle route for 2.5km of the route.
 - (c) Road fully resurfaced and remarked.
 - (d) Full path rehabilitation for route.
 - (e) Full Stormwater infrastructure upgrade for route, as per 2023 Business Case
 - (f) Remaining Zones B and C would be postponed and pending an application for inclusion within the 2027-2030 GPS.
 - (g) [Option 4 layout drawings](#)
49. **Option 4 High level cost and programme:**
- (a) P50 forecast outturn cost: **\$75m** (uninflated)
 - (b) P95 forecast outturn cost: **\$99m** (uninflated)
50. Programme – 1.5 / 2-year implementation
51. **Option 5 – Place the project 'on hold' and prepare project for potential inclusion within the 2027-37 LTP and 2027-30 NLTP funding programme.**

52. The project includes upgrades to the transport, water, wastewater, and partial stormwater networks. It is currently anticipated that if the overall project is delayed by 2-3 years that waters infrastructure works would defer in accordance with overall project delivery timeframes, however if the project is further delayed some water infrastructure upgrades and renewals may be required to progress in advance of transportation works.
53. City Waters possess 'stand-alone' budgets for the full delivery of proposed Water infrastructure upgrade works that does not rely on the Transport scope funding stack.
54. All four Transport scope progression options detailed in this memo align with the Waters infrastructure upgrade projects and would be coordinated accordingly.
55. The current draft 2025/26 Annual Plan does not provide sufficient funding in the 2025/26 and 2026/27 FY's to progress next stages of the CRS2 project, with most funding deferred to the 2027/28 financial year. To progress the project would require prioritising and bring forward funding, particularly into the 2026/27 FY.

OPTIONS ANALYSIS - BENEFITS AND COMPROMISES

56. The below table provides a brief overview of the benefits and compromises of the options being presented:

CRS2 EMERGING OPTIONS - BENEFITS AND COMPROMISES					
Element	Option 1 - VE	Option 2 - VE+	Option 3 - VE Balanced	Option 4 - Zone A Only	Option 5 - Do Nothing
Strategic Case					
Alignment with Te Papa Spatial Plan	No	Partial	Yes	Yes	N/A
Alignment with UFTI Connected Centres	No	Partial	Yes	Yes	N/A
Alignment with SmartGrowth	No	Partial	Yes	Yes	N/A
Financial					
P50 -< \$96.6m budget	Yes	Yes	Yes	Yes, but requires further funding to complete corridor	N/A
P95 Contingency	Yes \$18m	P95 est exceeds \$96.6m	Yes \$43.5m	Yes \$16m	N/A
IAF funding Retained	Likely	Very Likely	Very Likely	Likely	No
Road/Pavement Facility					
4-Lane Carriageway Full Route (noting 2 lanes peak hour bus/T3)	Yes	Yes	Partial	Partial (zone A only)	No
Full route right turning 'flush median'	No	Yes	No	Yes	N/A
Full route resurfacing	Yes	Yes	Yes	No (Zone A only)	N/A
Full-depth pavement rehab (or Mill and Fill surfacing)	Resurfacing only	Partial where kerb moved. Resurfacing elsewhere	Resurfacing only	Full depth pavement rehab through Zone A	N/A
Retain existing kerb alignment	Yes - Partial in Zone A only	Yes - Partial in Zone A and C	Yes	No - full removal and rework	N/A
Loss of parking	Yes, some provision to retain	Yes, some provision to retain	Yes - less than Options 1 & 2	Yes, minimal parking retained	N/A
Retain adequate footpath facility	Partial - Pinch points in Zone B (Greerton)	Partial - Pinch points in Zone B (Greerton) and short section West side opposite Bunnings	Yes	Yes	N/A
Public Transport and Cycling					
Full route length Bus/Transit lane (peak period)	Yes	Yes	Partial	Partial	N/A
Bus 'gates' for bus priority	Not required	Not required	Yes	Yes	N/A
Full route separated cycle facility	No	Partial route - but 'on-road' and separation tbc	Partial - fully separated	Majority - fully separated	N/A
Shared cycling/walking path facility	As existing	Partial	Partial (where not separated)	Partial (where not 'separated')	As existing
Environmental					
Stormwater treatment	Yes - By Wetland Only	Yes - By Wetland Only	Yes - By Wetland Only	Zone A maximum scope (as per original DBC)	N/A
Stormwater infrastructure upgraded	Zone B (Greerton) only	Zone B and West side of Zone C only	Zone B (Greerton) only	Zone A only	N/A
Loss of existing street trees	Less than Option 2	Minimal	Less than Option 2	Highest quantum from options (as per original DBC)	No

