



# **AGENDA**

## **Ordinary Council meeting Tuesday, 23 June 2026**

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

**Date: Tuesday, 23 June 2026**

**Time: 9:30 am**

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

**Marty Grenfell  
Chief Executive**

# Terms of reference – Council

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## Membership

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<b>Chair</b>	Mayor Mahé Drysdale
<b>Deputy Chair</b>	Deputy Mayor Jen Scoular
<b>Members</b>	Cr Hautapu Baker Cr Glen Crowther Cr Rick Curach Cr Steve Morris Cr Marten Rozeboom Cr Kevin Schuler Cr Rod Taylor Cr Hēmi Rolleston
<b>Quorum</b>	<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> .
<b>Meeting frequency</b>	Three weekly or as required

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## 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 statutory duties in regard to Council-controlled organisations, including reviewing statements of intent, with the exception of the Local Government Funding Agency where such roles are delegated to the City Delivery Committee. (Note that monitoring of all Council-controlled organisations' performance is undertaken by 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.

### **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).



## Order of Business

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

## **7 CONFIRMATION OF MINUTES**

### **7.1 Minutes of the Council meeting held on 26 May 2026**

**File Number: A20391846**

**Author: Caroline Irvin, Governance Advisor**

**Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services**

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### **RECOMMENDATIONS**

That the Minutes of the Council meeting held on 26 May 2026 be confirmed as a true and correct record.

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### **ATTACHMENTS**

#### **1. Minutes of the Council meeting held on 26 May 2026**



# **DRAFT MINUTES**

**Ordinary Council meeting  
Tuesday, 26 May 2026**

UNCONFIRMED

**Order of Business**

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**MINUTES OF TAURANGA CITY COUNCIL  
ORDINARY COUNCIL MEETING  
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS, L1, 90 DEVONPORT ROAD,  
TAURANGA  
ON TUESDAY, 26 MAY 2026 AT 9:00 AM**

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

**IN ATTENDANCE:** Christine Jones (General Manager: Strategy, Partnerships & Growth), Sarah Omundsen (General Manager: Regulatory & Community Services), Reneke van Soest (General Manager: Operations & Infrastructure), Craig Rice (Chief Operating & Financial Officer), Gareth Green (Head of Office - Manager of the Mayoral Office), Charlie Rahiri (Recovery Manager), Keren Paekau (Acting Head of Strategic Māori Engagement), Tuana Kuka (Kaiārahi Māori), Ben Corbett (Team Leader: Growth Funding), Nick Chester (Principal Strategic Advisor), Amanda Davies (Manager: Spaces and Places Project Outcomes), Karen Hay (Manager: Transport Strategy & Assurance), Sarah Holmes (Team Leader: Governance & CCO Support Services), Caroline Irvin (Governance Advisor)

**EXTERNAL:** Kylie Smallman and Hakopa Tapiata – Iwi representatives  
Doug Mason, Principal Engineering Geologist, WSP  
Gareth Francis, Principal Geotechnical Engineer, WSP

Timestamps are included beside each of the items and relate to the recording of the meeting held on 12 May 2026 on [Council's You Tube Channel - Part 1 and Part 2](#).

## **1 OPENING KARAKIA**

Cr Hautapu Baker opened the meeting with a karakia.

## **2 APOLOGIES**

Nil

## **3 PUBLIC FORUM**

### **3.1 Andre De Jong – Property Council NZ – Development Contributions Submitter**

- Mr De Jong emphasised the need to balance development contributions with affordability and feasibility for developers.
- He noted that development contributions were a cost that ultimately flowed through to housing purchasers and noted that while community infrastructure was important, there was an ongoing tension between funding infrastructure and maintaining viable development outcomes.
- Encouraging housing growth to expand the rate base was important, but it was acknowledged that rates covered costs rather than generated profit for Council.

**In response to questions**

Mr De Jong:

- Confirmed secondary dwellings should be included in development contributions.
- Supported the current two-part DC system as it spread costs and supported feasibility.
- Advised that development contributions were factored into land prices by developers.
- Supported looking at alternative funding sources alongside development contributions.

**3.2 Aaron Collier – Technical Advisor to Urban Task Force – Development Contributions Submitter**

- Mr Collier noted significant increases in city-wide development contributions and further proposed increases.
- He advised these costs are passed on to home buyers, impacting housing affordability.
- The link between growth and some city-wide infrastructure was questioned, particularly large facilities serving the whole city.
- Mr Collier recommended Council consider alternative funding mechanisms (e.g. targeted rates, sponsorship, user-pay), defer further increases until national reforms were clearer and reassess project scope and costs that were driving increases.

**In response to questions**

Mr Collier:

- Emphasised that costs should be fair and equitable across all residents, not heavily loaded onto new developments.
- Noted that wider factors (e.g. population change, use of existing housing) also drove infrastructure demand, not just new subdivisions.
- Advised Council should reconsider funding approaches and infrastructure investment decisions carefully.

**3.3 Jan Iles – Memorial Pools**

- Ms Iles opposed the demolition of the Memorial Pools, describing them as a significant heritage and a living war memorial.
- She raised concerns about a lack of consultation, particularly with iwi and the Returned Services Association.
- She felt the decision lacked adequate due diligence, noting reliance on outdated reports and poor maintenance influencing outcomes, and suggested a lower-cost alternative: refurbish the existing pools and build a smaller indoor facility alongside, rather than a new aquatic centre.
- Ms Iles emphasised strong community support for retaining the pools and concerns about unnecessary cost to ratepayers.

**In response to questions**

Ms Iles:

- Maintained that refurbishment was a viable and less costly option, based on comparable pool upgrades elsewhere.
- Did not accept that a new aquatic facility would adequately replace the memorial, stressing the heritage value should be retained in its original form.
- Confirmed she had spoken to Māori friends who agreed with her, however she was not sure if they were from local iwi.
- Reiterated concerns about lack of consultation with iwi and RSA, stating further engagement was required.
- Argued that maintenance issues were due to neglect, and not proof the pool should be demolished.

#### 4 ACCEPTANCE OF LATE ITEMS

Nil

#### 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

#### 6 CHANGE TO THE ORDER OF BUSINESS

Nil

#### ACKNOWLEDGEMENT - MR MALCOM CAMPBELL

Cr Glen Crowther acknowledged the passing of Mr Malcom Campbell, making the following comments:

- Malcolm Campbell had been a significant local government leader, particularly for Kawerau and the Bay of Plenty.
- He noted his long service (27 years in local government, including 21 years as Mayor of Kawerau) and highlighted his strong leadership and mentoring, particularly his role in supporting emerging leaders.
- Mr Campbell's contribution to sustainability initiatives were significant and included the Kawerau industrial symbiosis model, describing it as globally recognised.
- He would be remembered as a major figure in regional leadership. Condolences went out to his family and his community.

Mayor Drysdale acknowledged Mr Malcolm Campbell's passing, recognising his service, and led the Council in paying respect with a moment of silence and extended condolences.

#### 7 CONFIRMATION OF MINUTES

Timestamp: 56 minutes

##### 7.1 Minutes of the Council meeting held on 21 April 2026

#### RESOLUTION CO/26/8/1

Moved: Mayor Mahé Drysdale  
Seconded: Cr Glen Crowther

That the Minutes of the Council meeting held on 21 April 2026 be confirmed as a true and correct record.

**CARRIED**

## 8 DECLARATION OF CONFLICTS OF INTEREST

Nil

## 9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

## 10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

## 11 BUSINESS

Timestamp: 1 hour and 40 seconds (part 1)

### 11.1 Draft Development Contributions Policy 2026/27 - public hearings

**Staff** Ben Corbett, Team Leader: Growth Funding

#### RESOLUTION CO/26/8/2

Moved: Cr Steve Morris

Seconded: Cr Marten Rozeboom

That the Council:

- (a) Receives the report "Draft Development Contributions Policy 2026/27 - public hearings".
- (b) Receives both the verbal and written submissions on the draft Development Contributions Policy 2026/27 (Attachments 1 and 2).

**CARRIED**

Timestamp: 1 hour and 18 minutes (part 1)

### 11.2 Tauranga City Council / Tangata Whenua Relationship Review Report

**Staff** Christine Jones, General Manager: Strategy, Partnerships & Growth

**External** Kylie Smallman and Hakopa Tapiata – Iwi representatives

#### Action Requested:

- That a project plan for the implementation of the themes and issues identified in the Tangata Whenua/ Tauranga City Council Review be prepared and circulated to Elected Members for comment and information.

**RESOLUTION CO/26/8/3**

Moved: Mayor Mahé Drysdale

Seconded: Cr Hēmi Rolleston

That the Council:

- (a) Receives the report "Tauranga City Council / Tangata Whenua Relationship Review Report".
- (b) Endorses the next steps of continuing to engage with Tangata Whenua on improving the Tauranga City Council / Tangata Whenua relationship, and completing the work required to progress the 'six shifts' contained in the review report through into implementation.
- (c) As part of developing the relationship agreement, works with our tāngata whenua partners to review all current structures and instruct officers to bring back a report to the 1 September 2026 Council meeting to review existing structures and processes used to engage with iwi, hapu and other Māori organisations to ensure they are fit for purpose, and map out the appropriate structure and touch points to better support positive engagement outcomes in the future.
- (d) Puts implementation plan actions into a delivery programme to ensure changes are delivered within 12 months.

**CARRIED**

At 11.40AM the meeting adjourned.

At 11.58AM the meeting resumed in open.

Timestamp: 2 hours and 29 minutes (part 1)

**11.3 Interim Mitigation Options to Reduce Impact on Adams Ave**

**Staff** Charlie Rahiri, Recovery Manager  
Nick Chester, Principal Strategic Advisor  
Amanda Davies, Manager: Spaces and Places Project Outcomes

**External** Doug Mason, Principal Engineering Geologist WSP  
Gareth Francis, Principal Geotechnical Engineer WSP

At 12.09pm the Chair advised the meeting would move into publicly excluded.

**RESOLUTION CO/26/8/4**

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the public be excluded from the following parts of the proceedings of this meeting, and that Doug Mason, Principal Engineering Geologist WSP and Gareth Francis, Principal Geotechnical Engineer WSP, be allowed to stay due to their knowledge of the item being discussed.

**For:** Crs Mahé Drysdale, Jen Scoular, Hautapu Baker, Steve Morris, Marten Rozeboom, Kevin Schuler, Rod Taylor and Hēmi Rolleston

**Against:** Crs Glen Crowther and Rick Curach

**CARRIED 8/2**

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<p><b>13.1 - Public Excluded Minutes of the Council meeting held on 21 April 2026</b></p>	<p>s6(a) - The making available of the information would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial</p> <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(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</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p><b>Confidential Attachment 1 - 11.3 - Interim Mitigation Options to Reduce Impact on Adams Ave</b></p>	<p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p>	<p>s48(1)(a) the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

At 12.48pm the meeting resumed in open.

#### RESOLUTION CO/26/8/5

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

- (a) Receives the report "Interim Mitigation Options to Reduce Impact on Adams Ave".
- (b) Note work currently underway to re-open Pilot Bay Boat Ramp
- (c) Instructs staff to prepare a new report to consider the implications of an option of leaving the current shipping containers in place (without ballast), or removing them entirely, with the ability for Adams Avenue to remain open to two way traffic, along with appropriate signage warning the public of any residual risk.
- (d) Attachment 1 can be released into public when the Quantitative Landslide Risk Assessment (QLRA) is publicly released.

**CARRIED**

Timestamp: 26 minutes (part 2)

#### 11.4 Appointment of Tangata Whenua Members as Alternate Member to SmartGrowth Leadership Group

**Staff** Christine Jones, General Manager: Strategy, Partnerships & Growth

#### RESOLUTION CO/26/8/6

Moved: Cr Hautapu Baker

Seconded: Cr Glen Crowther

That the Council:

- (a) Receives the report "Appointment of Tangata Whenua Members as Alternate Member to SmartGrowth Leadership Group".
- (b) Appoints Riki Nelson, nominated by Te Kahui Mana Whenua o Tauranga Moana / Combined Tāngata Whenua Forum, as an alternate Tangata Whenua Representative of the SmartGrowth Leadership Group.

**CARRIED**

Timestamp: 27 minutes (part 2)

### 11.5 **Recommendatory Report from the Tangata Whenua - Tauranga City Council Committee meeting on 22 April 2026 - Māori Wards**

**Staff** Christine Jones, General Manager: Strategy, Partnerships & Growth

#### **RESOLUTION CO/26/8/7**

Moved: Cr Rod Taylor

Seconded: Cr Hautapu Baker

That the Council:

- (a) Receives the report "Recommendatory Report from the Tangata Whenua - Tauranga City Council Committee meeting on 22 April 2026 - Māori Wards".
- (b) Considers the recommendations made by the Tangata Whenua - Tauranga City Council Committee as part of its response to government's 'Head Start pathway' for its Simplifying Local Government reforms, including any decision on retention or disestablishment of the Te Awanui Māori ward.

**CARRIED**

Timestamp: 33 minutes (part 2)

### 11.6 **Transport Resolution Report No.61**

**Staff** Karen Hay, Manager: Transport Strategy & Assurance

#### **RESOLUTION CO/26/8/8**

Moved: Deputy Mayor Jen Scoular

Seconded: Cr Kevin Schuler

That the Council:

- (a) Receives the report "Transport Resolution Report No.61".
- (b) Resolves to implement the proposed traffic and parking controls for general safety, operational, or amenity purposes as detailed in Appendix A - including Attachments 1, 7.1, 7.2, 7.9, 7.16, 7.21 (subject to resolution D below).
- (c) Approves these changes taking effect on or after 03 June 2026, subject to the installation of appropriate signs and road markings where necessary.
- (d) Resolves the above with the exception of Rita Street and Macville Park Lane East Side and South Side, to be reviewed prior to further recommendations.

**CARRIED**

## **12 DISCUSSION OF LATE ITEMS**

Nil

### **13 PUBLIC EXCLUDED SESSION**

The meeting moved into public excluded at 12.09pm during item 11.3: Interim Mitigation Options to Reduce Impact on Adams Ave.

### **14 CLOSING KARAKIA**

Cr Hautapu Baker closed the meeting with a karakia.

**The meeting closed at 1.41pm.**

**The minutes of this meeting were confirmed as a true and correct record at the Council meeting held on 23 June 2026.**

UNCONFIRMED

**8 DECLARATION OF CONFLICTS OF INTEREST**

**9 DEPUTATIONS, PRESENTATIONS, PETITIONS**

- 9.1 Ngāi Tukairangi and Ōtamataha Trust - speaking to the report 'Development of a Cultural Facility on Cliff Road Courts, Cliff Road Green and Robbins Park'**

**ATTACHMENTS**

**Nil**

- 9.2 Tauranga Astronomical Society**

**ATTACHMENTS**

**Nil**

**10 RECOMMENDATIONS FROM OTHER COMMITTEES**

Nil

## 11 BUSINESS

### 11.1 Development of a cultural facility on Cliff Road Courts, Cliff Road Green and Robbins Park

**File Number:** A20222771

**Author:** Emma Joyce, Open Space and Community Facilities Planner  
Ross Hudson, Manager: Strategic Planning and Partnerships, Spaces and Places

**Authoriser:** Reneke van Soest, General Manager: Operations & Infrastructure

#### PURPOSE OF THE REPORT

1. To progress the development of a cultural facility on Cliff Road Courts, Cliff Road Green and Robbins Park (the area).

#### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Development of a cultural facility on Cliff Road Courts, Cliff Road Green and Robbins Park".
- (b) Acknowledges that the current recreation reserve classification for Cliff Road Courts, Cliff Road Green and Robbins Park would not provide for a cultural facility and signals its intention to consider a change of use and classification of some or all of the reserve to enable the development of a cultural facility.
- (c) Requests that staff provide non-financial support to enable the completion of an initial strategic and business case for the development of a cultural facility prior to reporting back to Council on options for potential reserve reclassification.
- (d) Agrees to progress the development of a masterplan and staged implementation plan for the culture and heritage precinct in partnership with mana whenua and key stakeholders.

#### EXECUTIVE SUMMARY

2. The Ōtamataha Trust (the Trust) (representing Ngāti Tapu, Ngāi Tamarāwaho and Te Materawaho) have reached out to Council for support to progress the development of a cultural facility on Cliff Road Green, Cliff Road Reserve and Robbins Park. This facility will enable hapū to (re)establish a visible presence on the Te Papa Peninsula.
3. The desire for a cultural facility in the area is reflected in an action in the City Centre Action and Investment Plan (CCAIP) as part of the broader cultural and historical precinct. The management statements for Cliff Road Courts and Cliff Road Green contained in the Tauranga Reserves Management Plan (TRMP) foreshadows a future 'development plan' in conjunction with the wider city centre development programme. However, there is at this stage a limited understanding of the exact nature of the facility proposed by the Trust, in particular the bulk and scale of any building(s), the amount of reserve required to enable the development and any future funding requirements. There is potential that development on the area will result in the loss of parking, the rose gardens and tropical display house.
4. The area is currently classified as recreation reserve under the Reserves Act 1977 (the Act). This means that the primary purpose of the area is to provide space for the "recreation and sporting activities and the physical welfare and enjoyment of the public". Council, as the

administering body for the reserve, can enter into a process to change that classification for any reason where the classification no longer reflects the intended purpose of the reserve. While the Trust has suggested a change of classification to historic reserve, a historic reserve classification is not necessarily enabling of a building. It may be more appropriate to reclassify the area to a local purpose reserve. However, prior to entering into a reserve reclassification process, it is necessary to have a robust understanding of the intended scale and purpose of the facility and the amount of reserve required for the facility.

5. As the reserve classification process assumes that the future purpose of the area is well understood, it is recommended that staff first work with the Trust to resolve questions around the purpose of the facility, the size and scale of the facility, the amount of reserve space required and any other relevant matters through the completion of an initial strategic and investment case process. This would take around six months.
6. A reserve reclassification process may follow subject to the investment case process. A reserve reclassification process can take up to 18 months factoring in statutory consultation and notification processes.
7. In addition, reserve reclassification does not confer tenure on an organisation. This can only be done via a lease or license to occupy in accordance with relevant provisions of the Act. There are also costs to reserve reclassification placed on council including staff time, undertaking a formal survey and other relevant technical investigations, and managing the public notification process.
8. This report recommends that Council acknowledge the current reserve reclassification does not enable a cultural facility and request staff support the completion of an initial strategic and investment case process ahead of potential reserve reclassification and other statutory processes. It also recommends the development of a masterplan for the cultural and historical precinct and a staged implementation plan.

## BACKGROUND

### *Background on the reserve*

9. The area is currently classified as recreation reserve under the Act. This reflects that the primary purpose of the area is for the general enjoyment of the public. The area provides significant green space and amenity within the wider city centre area and includes the rose gardens and tropical display house.
10. The area contains significant archaeology of the Ōtamataha Pā and military activities associated with the Monmouth Redoubt. The area has national significance as a site of Māori occupation prior to colonisation and the historical events from the 1820s to 1900s. Some work to identify archaeological sites was undertaken during investigations in the possibility of locating a museum on the site. The current recreation reserve classification requires this archaeology and any other historical feature to be preserved and protected.
11. There are two buildings on the reserve. While the bookable building currently managed by Bay Venues is due to be demolished in early 2027, the other building is owned by the Bay of Plenty Vintage Car Club, which has a land lease that expires this year. The remaining area is used as a car park.

### *Background on the proposal from Ōtamataha Trust*

12. As part of the development of the CCAIP, hapū reiterated their desire to establish a visible presence on the Te Papa Peninsula. This is partly reflected in the action "Support investigation into a cultural centre in the Robbins Park area".
13. The Trust presented a proposal to the Crown Commission to develop a cultural facility on the area. It is understood that while the Commissioners were supportive of the concept, there were concerns about the bulk and scale of the building(s), the amount of reserve land required, and the relationship between the (then proposed) Civic Whare and Museum.

14. The Trust recently met with Council to introduce the proposal and outline suggested next steps to secure tenure of the area. This included reclassification of the area and a change of zoning under the City Plan. The Trust noted that no other Council funding is anticipated.

#### *Moving the proposal forward*

15. The current recreation reserve classification does not align with the intent of the area to provide for a cultural facility. The Trust have suggested that a change of classification to 'historic reserve' will enable the facility and that doing so will make the area available to the Trust.
16. Council can enter into a reclassification process for any reason. However, as reserve classification speaks to the purpose of a reserve, it is important that prior to commencing a reclassification process that the new intended purpose is well-understood. A robust and well-understood purpose also enables the public to better understand the proposal as part of the required public notification process. Reserve reclassification does not automatically make the land available to the Trust. This would be subject to a separate lease process.
17. Staff can work with the Trust to address some of the questions that may arise through a public notification process. These questions include –
  - What is the scope, scale and purpose of the proposed facility?
  - How much reserve is required to enable the proposed facility?
  - What geotechnical constraints are there to locating a facility on this reserve?
  - What is the future of the rose garden and tropical display house?
  - What is the future of the Vintage Car Club building?
  - How will the facility support the museum and other cultural and historical sites in the city centre and wider Tauranga area?
18. The Trust acknowledges that any cultural facility on this area should be considered as part of the wider cultural and historical precinct. There is interest in progressing this facility as part of a wider master plan development for the precinct that considers improved wayfinding and signage, protection of heritage and archaeology and appropriate infrastructure. This would be overseen by a working group including mana whenua and heritage experts.
19. The development of a masterplan would enable a staged approach to the implementation of the cultural and heritage precinct and provide a basis for the potential future allocation of budgets.

## **STATUTORY CONTEXT**

### *Reserves Act 1977*

20. The TRMP is the statutory document for the management of reserves in Tauranga prepared as a requirement of the Act. The management statement for the area foreshadows a future facility by stating that a development plan will be "prepared for the site in conjunction with wider city centre development work". It also outlines the criteria to be considered prior to approving a building on the reserve. This includes consideration of natural values, potential effects on reserve amenity, the necessity of locating the building on the reserve, and the outcome of community consultation (amongst other criteria at Part B 9.4 of the TRMP).
21. Both reserves are currently classified as recreation reserve under the Act.

### *Reserve reclassification (section 24 of the Act)*

22. Council, as the administering body for the reserve, can enter into a reclassification process for any reason. The process requires public notification (and hearings if necessary). The table below provides a brief explanation of the three possible reserve classifications

Classification	
Recreation Reserve (current classification)	Buildings permitted generally only where associated with a sport and recreation activity (eg. Toilets, club rooms, storage) Historic features are required to be protected under this classification
Historic Reserve	Reserve classification primarily where the only desire for the area is to protect historic and archaeological features. (eg. Puketoromiro Pā, Ōtūmoetai Pā Reserve) Not necessarily enabling of a building
Local Purpose reserve	Can be for any purpose as determined by the administering body In Tauranga, local purpose reserves are generally used for community buildings or for waters infrastructure and management.

- 23. As noted above, reserve reclassification does not confer tenure on an organisation. This can only be achieved through a lease or other agreement under the Act.
- 24. Reserve revocation is also possible. However, the Minister of Conservation is required to approve any revocation of reserve status.

*City Plan (Resource Management Act) matters*

- 25. The area is currently zoned passive open space with a heritage overlay under the City Plan. A resource consent may be required if the proposed facility does not meet the permitted activity standards for buildings in the passive open space zone.
- 26. National planning standards include provision for a “Māori purpose zone”. This is a special purpose zone used predominantly for a range of activities that specifically meet cultural needs including but not limited to residential and commercial activities. Council is unable to process plan changes at this time. Private plan changes are still able to proceed should the Trust consider a plan change the preferred option, however, all costs of a private plan change are borne by the requestor.

**STRATEGIC ALIGNMENT**

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

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	☐
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

- 28. The CCAIP includes an action to “support investigation into a cultural centre in the Robbins Park area”. The proposed facility is noted in the CCAIP as a key piece of the planned cultural and historical precinct that includes the museum and The Elms.

**OPTIONS ANALYSIS**

- 29. Council could choose to either approve in principle the development of a cultural facility on the reserve subject to an initial strategic and investment case and completion of relevant

statutory processes alongside the development of a masterplan for the entire precinct OR commence a reserve reclassification process.

30. The table below outlines the advantages and disadvantages of each option.

Option	Advantages	Disadvantages
<p><b>1 Support a brief initial strategic and investment case prior to a reserve reclassification process (recommended)</b></p>	<p>Robust and well-understood proposal may enable better conversations with the public as part of any public notification process.</p> <p>Better understanding of any risks arising from building on the area by allowing time for technical investigations</p> <p>Recognises that council resolution provides some assurance of Council support for the proposal</p> <p>Provides for the proposal to be considered alongside other plans for the cultural and historical precinct</p> <p>Acknowledges existing strategic support for the project in the CCAIP and aligns with the TRMP.</p>	<p>May not provide assurance to the Ōtamataha Trust that the reserve is available for their facility.</p> <p>May result in the loss of green space in the city centre, the rose and tropical display house, and a cheaper parking option for commuters</p> <p>May require reallocation of staff time and opex for consultancy costs related to required technical investigations (survey, geotechnical, archaeology)</p>
<p><b>2 Develop a masterplan for the cultural and historical precinct including a staged implementation plan (recommended)</b></p>	<p>Ensures that a cultural facility fits within the wider cultural and historical precinct</p> <p>Provides a focus for allocation of future budget</p> <p>Aligns with the CCAIP</p>	<p>May require reallocation of staff time and opex for consultancy costs related to required technical investigations (survey, geotechnical, archaeology)</p> <p>May result in the loss of green space in the city centre, the rose and tropical display house, and a cheaper parking</p>
<p><b>3 Commence a reserve reclassification without completion of an initial strategic and investment case or master plan process for cultural and heritage precinct</b></p>	<p>May provide some assurance to the Ōtamataha Trust of Council's support for a cultural facility</p> <p>Recognises existing strategic support for the project in the CCAIP and partially aligns with the TRMP.</p>	<p>Limited understanding of the proposal means there is potential to incorrectly classify the reserve making a future lease process more challenging</p> <p>Reserve reclassification process does not secure tenure of the site for the Ōtamataha Trust</p> <p>Does not acknowledge that other hapū with interest in the city centre may be interested in the future use of the area</p> <p>Does not acknowledge public support for existing rose garden and tropical display house</p> <p>May require reallocation of staff time and opex for consultancy costs related to</p>

			<p>required technical investigations (survey, geotechnical, archaeology)</p> <p>May result in the loss of green space in the city centre, the rose and tropical display house, and a cheaper parking</p>
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**FINANCIAL CONSIDERATIONS**

- 31. Both options will require redirection of staff time to this project. There are costs to council (as the administering body requesting reserve reclassification) to progress reserve reclassification, for example, ensuring a formal survey of the area(s) to be reclassified and managing the public notification process.
- 32. Development of the masterplan is likely to require some allocation of existing budgets for any necessary survey work, geotechnical, archaeological or other investigations.
- 33. Current indications from the Trust are that no Council funding (other than provision of land) is required for the development of the facility.
- 34. There is capital funding of approximately \$11 million over ten years for implementation of the cultural and historical precinct included in the current LTP. This would support implementation of any actions arising from a cultural and historic precinct masterplan, subject to any reprioritisation through the long-term plan.
- 35. During the period 1 July 2025 to the beginning of June 2026, the Cliff Road car park generated just under \$240,000 in revenue. While removal of car parking from this area will see the loss of this revenue, this may result in users choosing to use a different (higher priced) car park within the city centre.

**LEGAL IMPLICATIONS / RISKS**

- 36. Previous investigations into the potential for a museum on the area noted the need to understand the geotechnical risks of building at this location.
- 37. There is a potential reputational risk if future development results in the loss of the tropical display house, rose garden, and car parking. Council is currently undertaking a resource consent process to extend the car parking for a further five years (or until alternative plans for the area are confirmed).
- 38. The existing lease to the Bay of Plenty Vintage Car Club has a final expiry date of 30 November 2026. However, the club owns their building and this will need to be considered as part of any development plan for the area.

**TE AO MĀORI APPROACH**

- 39. Re-establishing a visible presence on the Te Papa peninsula is a longheld aspiration for mana whenua. The Trust have long identified the area for a potential cultural facility with previous plans discussed with the Council commission. At the time, Commissioners supported the proposal in principle but had questions around the bulk and scale of the proposed facility, funding availability, and how it would align with the then planned museum and civic whare.
- 40. The Trust have subsequently met with Councillors to discuss the proposal recommending reserve reclassification as the first step to securing the area for a future cultural facility.
- 41. Staff met with the Trust to discuss the draft report and recommendations. The Trust supported the recommendations and requested that reference be made to hapū Te

Materawaho as a hapū represented by the Trust (alongside Ngāi Tamarāwaho and Ngāti Tapu).

42. Staff also contacted both hapū to provide the opportunity to provide additional or separate feedback on the proposal from the Trust. No response was received.
43. Ngāi Tukairangi also have an interest in the city centre. Feedback from the hapū encouraged Council to be aware of the multiple interests in the city centre and specific agreements made between Tauranga Moana iwi and hapū through treaty settlement processes, in particular with regards to the area concerned. Ngāi Tukairangi have requested to be involved in all processes and discussions around the future of the area.

### CLIMATE IMPACT

44. There are no climate impacts arising from the recommendations in this report.
45. Long-term the development of a building on this area provides an opportunity to consider sustainable design principles (eg. energy efficiency, low embedded carbon).

### CONSULTATION / ENGAGEMENT

46. Staff have reached out to the Bay of Plenty Vintage Car Club to discuss the references to their lease and building included in this report. The car club expressed interest in being kept informed and involved about development plans for the area that may impact their club.
47. No other consultation has been undertaken for the purposes of producing this report. Public and stakeholder engagement was undertaken as part of the development of the CCAIP and TRMP.
48. Previous plans for the development of a museum building on this reserve have garnered strong community interest, particularly from adjacent residents.
49. As noted above, reserve reclassification or revocation requires public notification.

### SIGNIFICANCE

50. 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.
51. 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.
52. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance. However, the development of any facility on the area will be of medium to high significance.

### ENGAGEMENT

53. 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 on this report. Any reserve reclassification process requires public notification.

**NEXT STEPS**

54. Subject to decision at this meeting, staff will work with the Ōtamataha Trust to gain clarity of their proposal and undertake an initial business and feasibility case, including an assessment against the TRMP. This initial assessment is likely to take up to six months.
55. If Council prefers to enter into a reserve reclassification process without an investment case, a report will be brought to the next Council meeting commencing the process as set out in the Act. The reclassification process could take up to 18 months allowing time for approval of the reclassification process to be requested from Department of Conservation and public notification (including hearings if necessary).

**ATTACHMENTS**

**Nil**

## 11.2 Adoption of the 2026-27 Annual Plan

**File Number:** A20378866

**Author:** Kathryn Sharplin, Head of Finance  
Josh Logan, Team Leader: Policy & Corporate Planning  
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Carmen Norris, Corporate Planner

**Authoriser:** Craig Rice, Chief Operating and Financial Officer

### PURPOSE OF THE REPORT

1. This report presents the 2026-27 Annual Plan for adoption.

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### RECOMMENDATIONS

That Council:

- (a) Receives the report "Adoption of the 2026-27 Annual Plan".
- (b) Adopts the 2026-27 Annual Plan (Attachment 1)
- (c) Approves borrowing of \$492m for the 2026/27 financial year in line with the approved Annual Plan debt levels.
- (d) Authorises the Chief Executive to make any necessary minor drafting or presentation amendments to the Annual Plan 2026/27 prior to final printing.

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### EXECUTIVE SUMMARY

2. The Local Government Act 2002 (LGA) requires Council to adopt an Annual Plan for each financial year to set the budget, outline any variations from the Long-term Plan (LTP), and ensure accountability to the community.
3. The Annual Plan 2026/27 has been developed through a series of Council workshops and meetings held between October 2025 and June 2026. As the differences from Year 3 of the LTP 2024–34 are not significant or material, Council was not required to undertake public consultation and on 10 February 2026 resolved not to do so.
4. On 2 June 2026 Council approved the Annual Plan financials and the revised capital programme subject to some further changes to operating expenditure and water by meter volume assumptions. Growth was estimated at 0.5% subject to confirmation once the revised valuation information had been updated in the District Valuation Role.
5. The completed Annual Plan is now presented for adoption, with an overall rates increase of 7.2% after growth of 0.8%. The rates increase for the median ratepayer is as follows:
  - (a) residential 6.9%
  - (b) commercial 6.8%
  - (c) industrial ratepayer 6.4%.
6. The overall rates increase in the 2026/27 Annual Plan is lower than year 3 of the LTP 2024–34 by \$18m. This equates to a 7.2% average increase after growth, which is more than 3% less than the after-growth estimate for the year forecast in the LTP. This has been achieved by the continuation of the previous year's organisational reset and other focused cost

reduction initiatives, along with using rates surpluses from the 2026/27 financial year to fund expenditure.

7. The Annual Plan remains broadly consistent with the LTP and Council's financial strategy. However there have been some updates to key financials. Total revenue is lower than forecast in the LTP, primarily due to reduced capital subsidies and slightly lower operating revenue. This has been partially offset by lower operating expenditure. The balanced budget position is forecast at 96.4%, compared to 117.1% in the LTP, primarily reflecting the reduction in subsidies, exclusion of development contribution revenue that funds growth interest and loan funding of the water organisation establishment. It is expected that the balanced budget metric will move favourably in the early years of the LTP as capital subsidies are increased.
8. Forecast closing debt in the Annual Plan is based on an opening debt at 1 July 2026 of \$1.51 billion increasing to \$1.736 billion at 30 June 2027 (including LGFA borrower notes of \$57m). Total borrowing requirements for the year are \$492m, including funding for capital investment and refinancing of existing debt.

## BACKGROUND

9. The LGA requires Council to adopt an annual plan for each financial year, prior to commencement of that year. The annual plan's purpose includes setting the proposed budget, identifying variations from the LTP, providing for integrated decision making, and providing accountability to the community.
10. Council considered and provided direction on issues related to the content and development of the draft Annual Plan 2026/27 through a series of meetings from October 2025 to June 2026. The reports, agendas and minutes relating to these annual plan meetings can be found on Council's website (<https://www.tauranga.govt.nz/council/meetings-agendas-and-minutes>).
11. If there are no significant changes between the Annual Plan and what was proposed in the LTP, Council is not required to undertake public consultation. As there were no significant changes for the 2026/27 Annual Plan, Council resolved on 10 February 2026 not to consult with the community.
12. Council met on 2 June 2026 to make decisions on the content of the final annual plan. The final Annual Plan 2026/27 (**Attachment 1**) incorporates these decisions and is presented for adoption by Council.

## Key financial indicators and consistency with LTP and financial strategy

13. The table below summarises the financials for 2026/27 to be adopted with a comparison to the same metrics in year 3 of the LTP. The full financial statements are included in Section 3 of the final Annual Plan 2026/27 document at **Attachment 1**.

**Key Financials for 2027 Annual Plan**

	2026 Annual Plan \$m	2027 LTP \$m	2027 Annual Plan \$m	Variance 2027 AP to LTP 2027
<b>Capital and Debt Summary</b>				
Capital Programme <sup>1</sup>	425	497	378	(119)
Operational Expenditure of a Capital Nature <sup>2</sup>	78	68	54	(14)
Total Capital	503	565	432	(133)
Net Council Debt <sup>3</sup>	1,648	1,813	1,736	(77)
Net Debt including IFF	1,750	2,046	1,844	(202)
Debt to revenue ratio (LGFA compliance, excludes IFF)	260%	241%	280%	39%
Financial Limit on Borrowing (debt to revenue ratio - bespoke)	330%	280%	330%	50%
<b>Operational Summary</b>				
Total revenue including all asset development revenue	638	773	656	(117)
Capital subsidies <sup>4</sup>	61	140	45	(95)
Total operating revenue <sup>5</sup>	532	580	535	(45)
Total operating expenditure including losses and provisions	591	615	602	(13)
Balanced budget (LGFA requirement)	100.2%	117.1%	96.4%	(20.8)%
<b>Rates Revenue</b>				
Rates Revenue (Excluding WBM)	325	366	351	(14)
Water by Meter revenue	43	51	47	(4)
Rates Revenue (Including WBM)	368	417	399	(18)
<b>Year on Year Rates Increases</b>				
Total rates Increase Excluding WBM (net growth & penalties) %	9.9%	10.4%	7.2%	(3.2)%
Water by Meter revenue increase %	8.8%	14.6%	10.5%	(4.1)%
Water by Meter unit rate (\$m <sup>3</sup> incl GST)	\$3.87	\$4.29	\$4.16	\$(0.13)

<sup>1</sup> Net of land sales, vested assets, and new capital investment funded by Bay Venues Ltd.

<sup>2</sup> Including Tauriko West network connections (delivered by NZTA) \$35m and digital investment in software as a service \$16m.

<sup>3</sup> Net debt is total borrowing less cash deposits. In this table LGFA borrower notes of \$57m, which are an asset to Council, have not been netted off. The Net Council Debt does not include the existing Transportation Infrastructure Funding and Financing loan (IFF). IFF debt is also paid for by ratepayers. That is shown in the debt including IFF line. In the LTP comparator IFF is larger as it also included an IFF arrangement for the Te Manawataki o Te Papa capital programme. This borrowing is now in the Net Council Debt balance.

<sup>4</sup> Best estimates based on expected delivery of NZTA approved business cases.

<sup>5</sup> Includes infrastructure funding and financing for the Transport System Plan programme of works

**Borrowing Resolution**

- Appendix two of Council’s Treasury Policy requires total borrowing to be approved through a borrowing resolution based on approved annual plans or Long-term Plans.

15. The forecast closing debt for the 2025/26 financial year is \$1.51b and the approved closing debt in the 2026/27 Annual Plan is \$1.736b. Council's total external borrowing requirement for 2026/27 is \$492m comprising \$226m of new borrowing for projects and \$266m of refinancing maturing debt for the 2026/27 financial year.

**STATUTORY CONTEXT**

16. The LGA requires local authorities to prepare and adopt an Annual Plan for each financial year. This report is in relation to the 2026/27 financial year, which is the third year of the Long-term Plan 2024-34 (LTP). Consultation on the annual plan is only required if there are changes that are significantly or materially different from the LTP.

**STRATEGIC ALIGNMENT**

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

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

18. The Annual Plan covers the activities and budget for all Council activities and projects which, taken together, contribute to all of the community outcomes.

**OPTIONS ANALYSIS**

**Option 1: Adopt the Annual Plan 2026/27**

19. This option would adopt the Annual Plan 2026/27 as presented in **Attachment 1**.

Advantages	Disadvantages
An annual plan is adopted for the 2026/27 financial year before 1 July 2026 in compliance with the LGA s95(3).	None

Recommended? Yes

**Option 2: Amend or do not approve the Annual Plan 2026/27**

20. This option would not approve the Annual Plan 2025/26 which has been developed with Council.

Advantages	Disadvantages
None	Council would be at risk of not adopting an annual plan prior to the financial year to which it relates and not complying with the requirements of the LGA s95(3).  Late adoption may affect Council's ability to lawfully and efficiently set and collect rates from 1 July of the 2026/27 financial year.

Recommended? No

## LEGAL IMPLICATIONS / RISKS

### The role of the Annual Plan

21. The Annual Plan is Council's resource-allocation document for the year ahead.
22. Legally, the purpose of the Annual Plan is set out in section 95(5) of LGA as being to:
  - (a) *contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and*
  - (b) *identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and*
  - (c) *provide integrated decision making and co-ordination of the resources of the local authority; and*
  - (d) *contribute to the accountability of the local authority to the community.*
23. The Act also requires, at section 95(6), that the Annual Plan be prepared in accordance with the principles and procedures that apply to the LTP.

## TE AO MĀORI APPROACH

24. The Annual Plan represents resourcing to include the outcomes agreed by Council. The outcomes are addressed through decisions on activities, capital expenditure and services. These should align with Council's Te Ao Māori approach. The level of resourcing for the Annual Plan should have regard to the agreed outcomes and deliverables the expenditure aims to achieve.

## CLIMATE IMPACT

25. The Annual Plan includes both operating and capital expenditure to adapt to a changing climate, reduce emissions and enhance nature and biodiversity. These initiatives are included in the Groups of Activity information.

## SIGNIFICANCE

26. 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.
27. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, and 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.
28. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the Annual Plan 2026/27 is of high significance.

## CONSULTATION/ENGAGEMENT

29. Taking into account the above assessment, the Annual Plan 2026/27 is considered to be of high significance. As there were no material differences between the Annual Plan and what was proposed for Year 3 of the LTP that would require consultation, officers consider that no further engagement is necessary before Council makes its decision.

**NEXT STEPS**

30. Following Council adoption, the Annual Plan 2026/27 will form the basis of the Council's budget and workplan for the 2026/27 financial year (1 July 2026 – 30 June 2027).
31. The finalised Annual Plan document will be published on the Council's website and made available to the public.

**ATTACHMENTS**

1. **Attachment 1 - Annual Plan 2026/27 - A20507482** [↓](#) 



2026/2027

# Annual Plan



# What is an Annual Plan?

Every three years we develop a long-term plan (LTP) in consultation with our community. This sets our vision, direction, budgets and work plans for each of the next 10 years.

Our current LTP was finalised in April 2024. The (LTP) is our 'lead' document and should be the first port of call if you require detailed information about our plans.

An annual plan is produced in the two years between each LTP being developed. It shows any changes to the LTP proposals for that year.

If there are no significant changes in the annual plan from what was proposed in the LTP, then we are not required to

consult with our community. As there were no significant changes to the annual plan for 2026/27, the mayor and councillors chose not to consult.

The rest of this document will outline the changes that have been made to our budgets and work plans compared with the LTP for the year starting 1 July 2026.

## Annual report

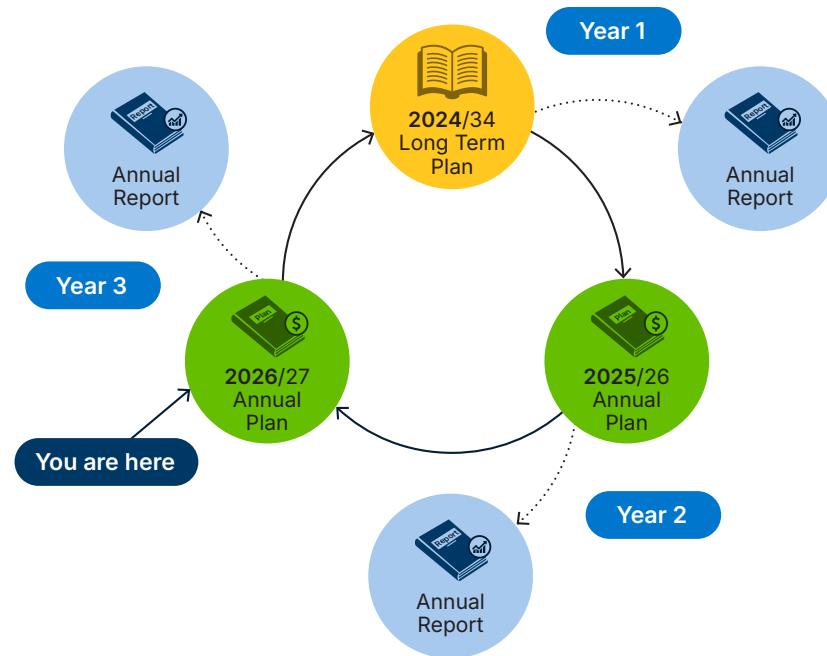
Every year we also produce an annual report.

This is our main 'accountability' document. It shows our financial situation, how we performed against the LTP and annual plan, what key decisions we made, and whether we provided the services we said we would.

## Quarterly and six-monthly reporting

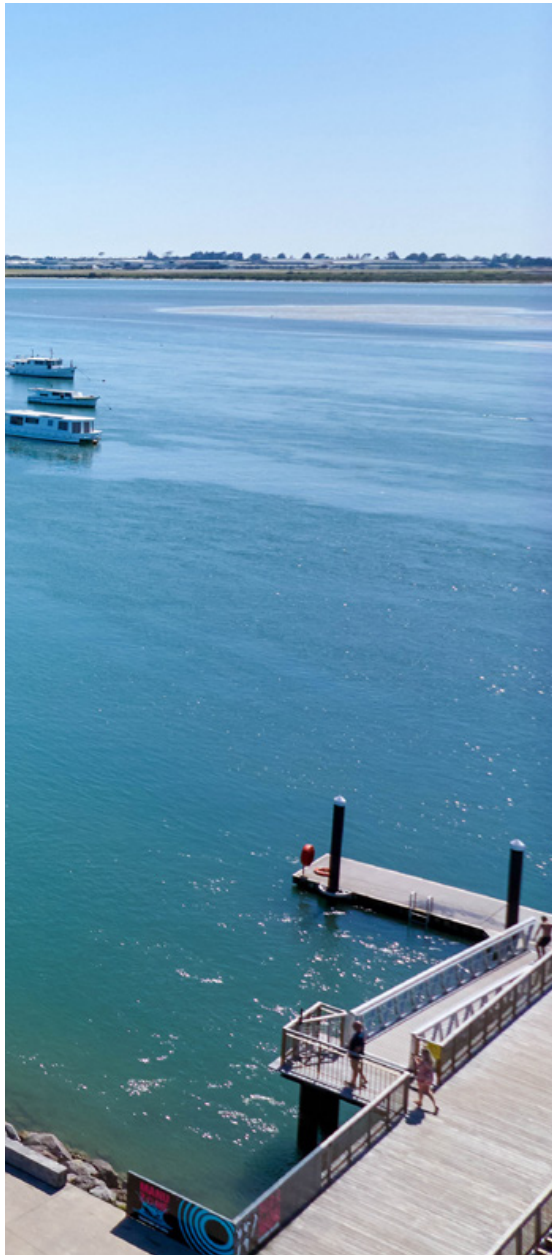
We also produce quarterly reports to track our progress against budgets and a six-monthly report to track our progress against non-financial performance targets.

## Council planning and reporting cycle



All these documents are available on the 'Council' section of our website at [www.tauranga.govt.nz](http://www.tauranga.govt.nz)





**Kia ora**

## **Welcome to our Annual Plan 2026/27.**

This document outlines our budget and work programme for the year starting 1 July 2026 and identifies how these have changed from the proposals outlined for Year 3 of our Long-term Plan 2024-34 (LTP).

This year's annual plan has been developed with a strong focus on affordability. We have prioritised reducing expenditure, identifying efficiency savings, and reviewing work programmes to limit the impact on rates, while largely maintaining current levels of service.

The annual plan sets our direction for the year, responding to current challenges while providing transparency and accountability for our community.

# A message from the Mayor and Councillors

**Tauranga City Council's Annual Plan 2026/27 reflects our sustained focus on getting the balance right – keeping rates as affordable as possible while continuing to invest in the infrastructure, services and facilities our growing city needs.**

This has meant some tough choices for the year ahead.

At the core of this Annual Plan is financial discipline, value for money and long-term sustainability. We know households continue to face cost-of-living pressures, so we've worked hard to identify savings and make careful decisions about service levels. As a result, we have reduced the proposed median residential rates increase to 6.9% for 2026/27, down from the earlier Long-term Plan forecast. The overall rates budget increase after growth in the Long-term Plan was 10.4%. We have reduced that to 7.2% after growth.

At the same time, we need to respond to rising costs, the need to maintain and renew existing assets, debt servicing pressures, and the ongoing investment required to support a fast-growing city.

We also need to respond to a changing environment happening at a nationwide level – including water and wider local government reform, potential future rates constraints, and wider economic uncertainty. Like other councils across New Zealand, we're facing ongoing infrastructure demands and increasing expectations to do more with less. All of these factors affect how we plan ahead and the choices available to us.

This Annual Plan reflects a balanced and pragmatic response. It continues investment in the infrastructure and services our city relies on, while also making targeted savings. That includes internal cost savings, scaling back some community programmes,

reducing financial grants for community organisations, and lowering rates funding for events, while protecting core services and long-term priorities.

Community feedback has also played a key part, with decisions shaped by what people told us leading up to the setting of this plan. A good example is Sunday opening hours for Otūmoetai Pool and the Pāpāmoa and Greerton libraries. We'd planned to close these from 1 July to save costs, but after hearing how important they are to our community, we've kept the existing hours in place and will find the savings internally in the organisation.

Our focus now is on delivery – making sure we implement this plan carefully, efficiently and with discipline. We'll keep looking for ways to improve how we work, reduce unnecessary costs, and target investment where it matters most. We know people expect us not only to set a responsible budget, but to follow through.

Nearly two years into this Council term, we're starting to see changes come to fruition. We expect to deliver under budget in 2026 and remain below forecast debt levels for both 2026 and 2027. Debt, including off-balance-sheet debt related to the TSP Infrastructure Funding and Financing (IFF), was previously forecast to reach \$2.046 billion by the end of 2027, and is now expected to be \$1.844 billion.

Our role is also to position Tauranga for the future. Work continues on major long-term priorities, including the transition to a new water services entity, preparation for the next Long-term Plan, and responding to the Government's Simplifying Local Government programme. These changes will shape how we operate in the years ahead, and it's important we manage them carefully and responsibly.

Finally, thank you to everyone who took the time to share feedback – whether at an 'Engaging with our People' event, through the independent survey, or in other ways. Your input will continue to shape how we work with our communities and help build the 2027-2037 Long-term Plan.

We remain committed to leading a city that is well run, future-focused, and responsive to the people who call Tauranga home.

**Ngā mihi nui**

**Mahé Drysdale  
Mayor of Tauranga**



# Key pressures shaping the Annual Plan 2026/27

Decisions for this annual plan have been made in a changing and uncertain environment. Economic conditions, government reform and continued growth pressures are shaping how we prioritise spending and manage rates.

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## Economic and affordability pressures

New Zealand’s economic recovery has been impacted by the ongoing conflict in the Middle East and resulting global economic uncertainty. For New Zealanders, price and interest rate pressures continue to limit demand.

The economic conditions create a challenge for balancing investment in essential services and infrastructure against keeping rates increases as affordable as possible.

## Government reform and policy changes

Local government is undergoing significant reform.

The Government’s reforms of water services are now being implemented locally. Tauranga City Council and Western Bay of Plenty District Council are creating a joint council-controlled organisation (CCO) to provide water services across the sub-region. This model is intended to improve financial sustainability, support increased investment, and meet new regulatory requirements, while maintaining local ownership and oversight.

At the same time, the resource management system is being replaced. New legislation expected to come into force later this year will fundamentally change how land use and environmental decisions are made.

In May 2026, the Government announced a new "Head Start" pathway to simplify local government, enabling councils to voluntarily progress reorganisation proposals, including the potential formation of larger unitary authorities. Councils have been invited to submit proposals by August 2026, with wider reform to follow the 2028 local elections if changes are not progressed earlier.

The Government is progressing a rates-capping framework, which is expected to constrain future rates increases and place additional constraints on council funding decisions.

The Government is also advancing the Local Government (System Improvements) Amendment Bill, which refocuses councils on delivering core services and strengthens expectations around financial discipline, performance reporting and transparency. This includes changes to the statutory purpose of local government, with a greater emphasis on cost-effective

delivery of infrastructure and essential services.

Together, these reforms reinforce a strong focus on core services, financial discipline, transparency and value for money.

### Growth and infrastructure pressures

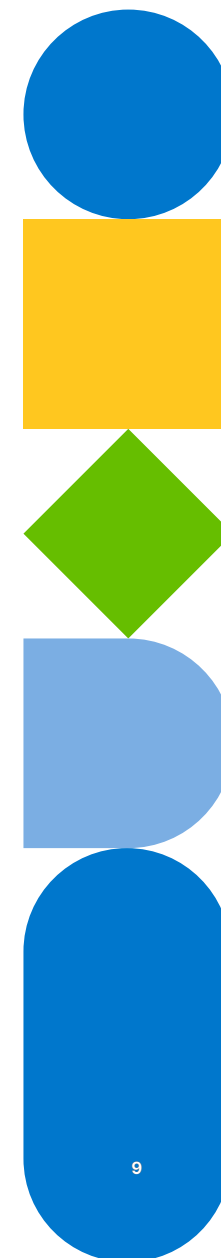
Tauranga continues to grow, increasing demand for housing, transport and community infrastructure. A City and Regional Deal is expected to accelerate this growth, requiring significant investment to support new homes and jobs.

While growth brings opportunities, it also drives upfront investment and ongoing maintenance costs, which must be carefully managed.

### Planning in a changing environment

These combined pressures mean we are operating in a highly dynamic environment.

This annual plan reflects a balanced approach to financial discipline, prioritising core services and adapting work programmes to remain sustainable over time.

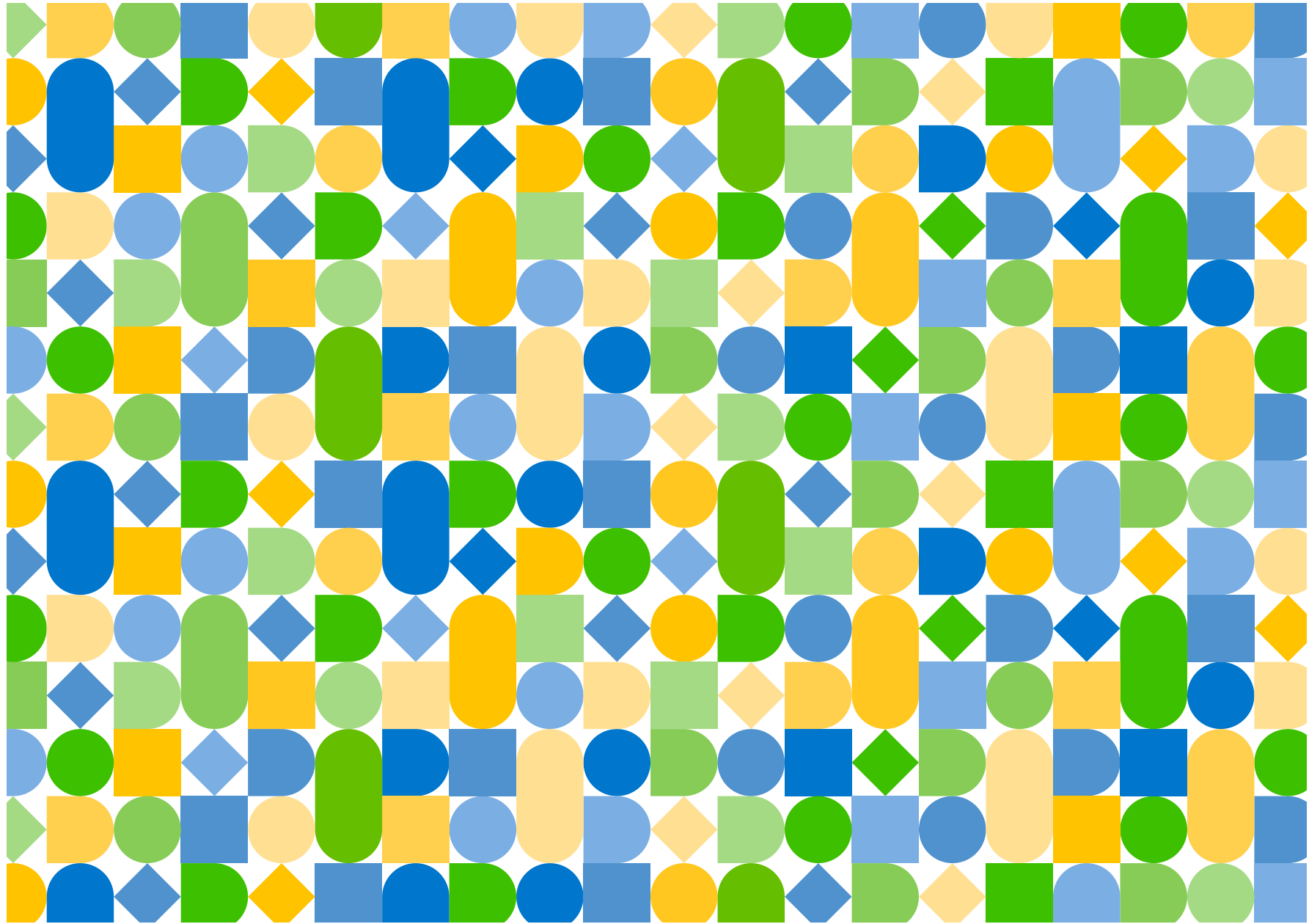


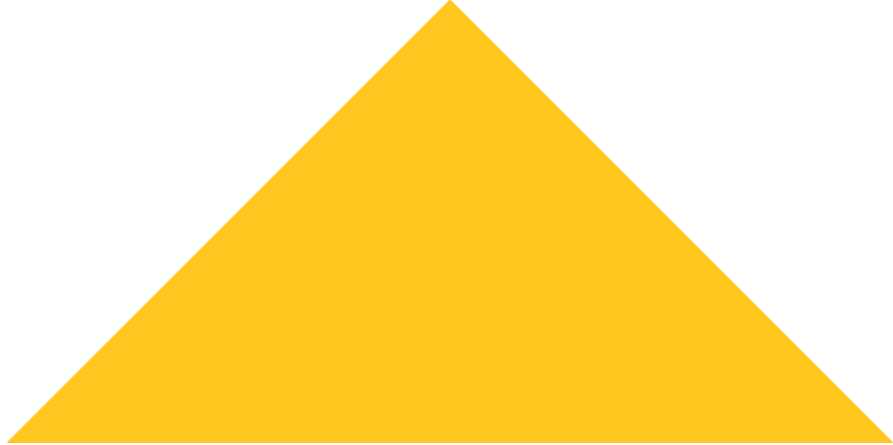




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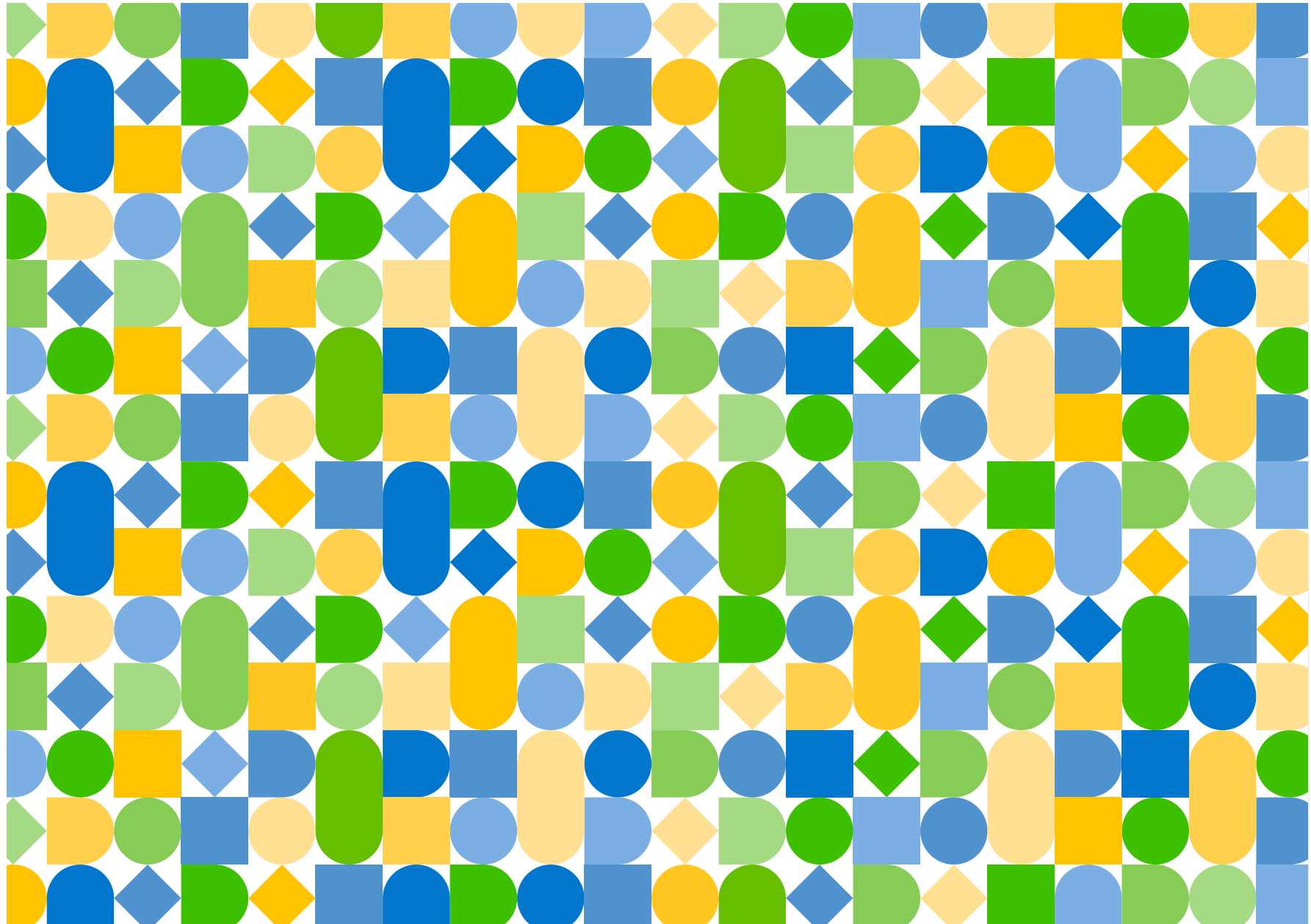
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**Changes from Year 3  
of our Long-term Plan**

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A photograph of a modern building with a perforated metal facade and a large yellow semi-circle overlay containing text. The building has a geometric, angular design with a grid of small holes in the metal panels. A large yellow semi-circle is positioned in the foreground, partially obscuring the building. The text is centered within this semi-circle.

# Changes from Year 3 of our Long-term Plan

The rest of this document provides more detail on key changes from the Year 3 proposals in our LTP. It applies to our budget and work plans for the year starting 1 July 2026.

Our Long-term Plan 2024-34 can be viewed on the long-term plans page of our website at: [www.tauranga.govt.nz/longtermplan](http://www.tauranga.govt.nz/longtermplan)

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# Key financials

As part of the annual plan process, we have updated our budgets to reflect the impacts of last year’s organisational reset, operating and capital expenditure updates, and funding arrangements.

The rates requirement has achieved an overall average rate increase year-on-year of 7.2% after growth of 0.8%. This compares to the increase proposed for year 3 of the Long-term Plan 2024-34 of 10.4%. This increase equates to a median residential rates increase of 6.9% and slightly lower median rates increases for commercial 6.8% and industrial (6.4%) ratepayers.

The rates increase aims to balance affordability for ratepayers with sufficient revenue to fund the increasing costs needed for new infrastructure. In 2026/27 the costs of depreciation and interest are \$9.5m higher than anticipated in the LTP.

Capital subsidies are \$45m which is \$95m less than assumed in year 3 of the LTP. This is because drawdown on

Infrastructure Funding and Financing (IFF) is slower than in the LTP to align with New Zealand Transport Agency (NZTA) subsidisation and because the IFF for City Centre development did not proceed. NZTA subsidy revenue is also lower with assumed major project funding occurring in later years.

Operational subsidies are lower than anticipated in year 3 of the LTP, reflecting the timing of payments and receipts associated with Tauriko West developer agreements.

Employee costs and other operating expenditure are \$23m less than in the LTP for year 3. This was generated by reductions flowing from the 2025/26 reset and an ongoing focus on value for money, alongside movements resulting from the timing of the Tauriko West programme.

The 2026/27 year will be the last in which Tauranga City Council will be solely responsible for providing the three main water services (drinking, waste and storm). From 2027/28, these services will be delivered by a joint council-controlled organisation with Western Bay of Plenty District Council. The establishment of the new water organisation will be funded through both councils' budgets during 2026/27.

The capital programme of \$432m has been updated to reflect delivery timing, funding availability and alignment with Council priorities, including reprioritisation and deferral of lower-priority projects to reduce costs and improve deliverability. Additional carry-forward budget is expected to be confirmed in July/August with a total capital programme for the year of about

\$450m. Significant projects include completion of the Central Library and progressing other major facilities as part of the Te Manawataki ō Te Papa programme including the museum, exhibition centre, civic whare and plaza.

The balanced budget is less than 100% for 2026/27 partly because of some expenditure classified as operational which the mayor and councillors have decided should be loan-funded. This includes the large one-off cost of establishing the water organisation, which will be loan-funded with the debt transferred to the water organisation to repay over time. It also includes the costs of migrating from an old digital system to the new SAP platform or other systems as appropriate.

With water activities transferring to a new organisation from 1 July 2027, the costs and revenues of the waters activities are presented separately for information in the following table:



Key financials

Key financials for 2027 Annual Plan

	TCC excluding 3 Waters	3 Waters	TCC including 3 Waters	
	2027 Annual Plan (\$m)	2027 Annual Plan (\$m)	2027 Annual Plan (\$m)	Variance to 2026 Annual Plan (\$m)
<b>Capital and debt summary</b>				
Capital Programme	238	140	378	(47)
Operational Expenditure of a Capital Nature	54	0	54	(24)
Total Capital	292	140	432	(71)
Net Council Debt	1,096	640	1,736	88
Net Debt including IFF	1,204	640	1,844	94
Debt to revenue ratio (LGFA compliance, excludes IFF)	235%	413%	280%	20%
Financial Limit on Borrowing (debt to revenue ratio - bespoke)	330%	330%	330%	0%
<b>Operational summary</b>				
Total revenue including all asset development revenue	438	218	656	18
Capital subsidies	40	5	45	(16)
Total operating revenue	386	150	535	3
Total operating expenditure including losses and provisions	432	170	602	11
Balanced budget (LGFA requirement)	98.6%	90.6%	96.4%	(3.8)%
<b>Rates revenue</b>				
Rates Revenue (Excluding WBM)	255	96	351	26
Water by Meter revenue	0	47	47	4
Rates Revenue (Including WBM)	255	143	399	31
<b>Year-on-year rates increases</b>				
Total rates Increase Excluding WBM (net growth & penalties) %	7.2%	7.3%	7.2%	7.2%
Water by Meter revenue increase %		10.5%	10.5%	10.5%
Water by Meter unit rate increase (\$m3 incl GST)		\$4.16	\$4.16	7.5%

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**Key financials**

For the whole of the organisation, referencing the 2024-34 LTP, the table is re-presented:

**Key financials for 2027 Annual Plan**

	2026 Annual Plan (\$m)	2027 LTP (\$m)	2027 Annual Plan (\$m)	Variance 2027 Annual Plan to 2027 LTP (\$m)
<b>Capital and debt summary</b>				
Capital Programme <sup>1</sup>	425	497	378	(119)
Operational Expenditure of a Capital Nature <sup>2</sup>	78	68	54	(14)
Total Capital	503	565	432	(133)
Net Council Debt <sup>3</sup>	1,648	1,813	1,736	(77)
Net Debt including IFF	1,750	2,046	1,844	(202)
Debt to revenue ratio (LGFA compliance, excludes IFF)	260%	241%	280%	39%
Financial Limit on Borrowing (debt to revenue ratio - bespoke)	330%	280%	330%	50%
<b>Operational summary</b>				
Total revenue including all asset development revenue	638	773	656	(117)
Capital subsidies <sup>4</sup>	61	140	45	(95)
Total operating revenue <sup>5</sup>	532	580	535	(45)
Total operating expenditure including losses and provisions	591	615	602	(13)
Balanced budget (LGFA requirement)	100.2%	117.1%	96.4%	(20.8)%
<b>Rates revenue</b>				
Rates Revenue (Excluding WBM)	325	366	351	(14)
Water by Meter revenue	43	51	47	(4)
Rates Revenue (Including WBM)	368	417	399	(18)
<b>Year-on-year rates increases</b>				
Total rates Increase Excluding WBM (net growth & penalties) %	9.9%	10.4%	7.2%	(3.2)%
Water by Meter revenue increase %	8.8%	14.6%	10.5%	(4.1)%
Water by Meter unit rate (\$m3 incl GST)	\$3.87	\$4.29	\$4.16	\$(0.13)

<sup>1</sup> Net of land sales, vested assets, and new capital investment funded by Bay Venues Ltd.

<sup>2</sup> Including Tauriko West network connections (delivered by NZTA) \$35m and digital investment in software as a service \$16m.

<sup>3</sup> Net debt is total borrowing less cash deposits. In this table LGFA borrower notes of \$57m, which are an asset to Council, have not been netted off. The Net Council Debt does not include the existing transportation Infrastructure Funding and Financing loan (IFF). IFF debt is also

paid for by ratepayers. That is shown in the debt including IFF line. In the LTP comparator IFF is larger as it also included an IFF arrangement for the Te Manawataki ō Te Papa capital programme. This borrowing is now in the Net Council Debt balance.

<sup>4</sup> Best estimate based on expected delivery of NZTA approved business cases.

<sup>5</sup> Includes infrastructure funding and financing for the Transport System Plan programme of works.

**Key financials**

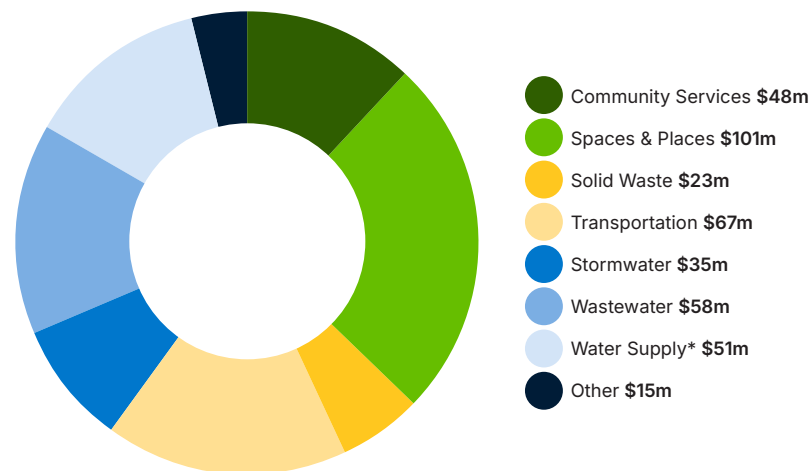
## What your rates pay for

Your rates help cover the operational (day-to-day) costs of running a city. This includes providing important services and ensuring infrastructure is maintained. Around 66% of our operational spending is covered by rates (including water meter revenue). The remainder is primarily covered by user fees and charges and subsidies from other organisations.

The rates graph shows the services that your rates fund. Over half of your rates (59%) are spent on core infrastructure (transportation, solid waste, wastewater, water supply and stormwater), while a further 25% funds libraries, parks, recreation and other community facilities.

The activities not included in the graph that are mainly funded by user fees include Tauranga Airport, Building Services, Marine Precinct and the Historic Village. Support services costs are embedded in service delivery activities and are met by the funding sources of those activities.

## Rates revenue \$399m in 2026/27 (\$m)



\*Includes metered water

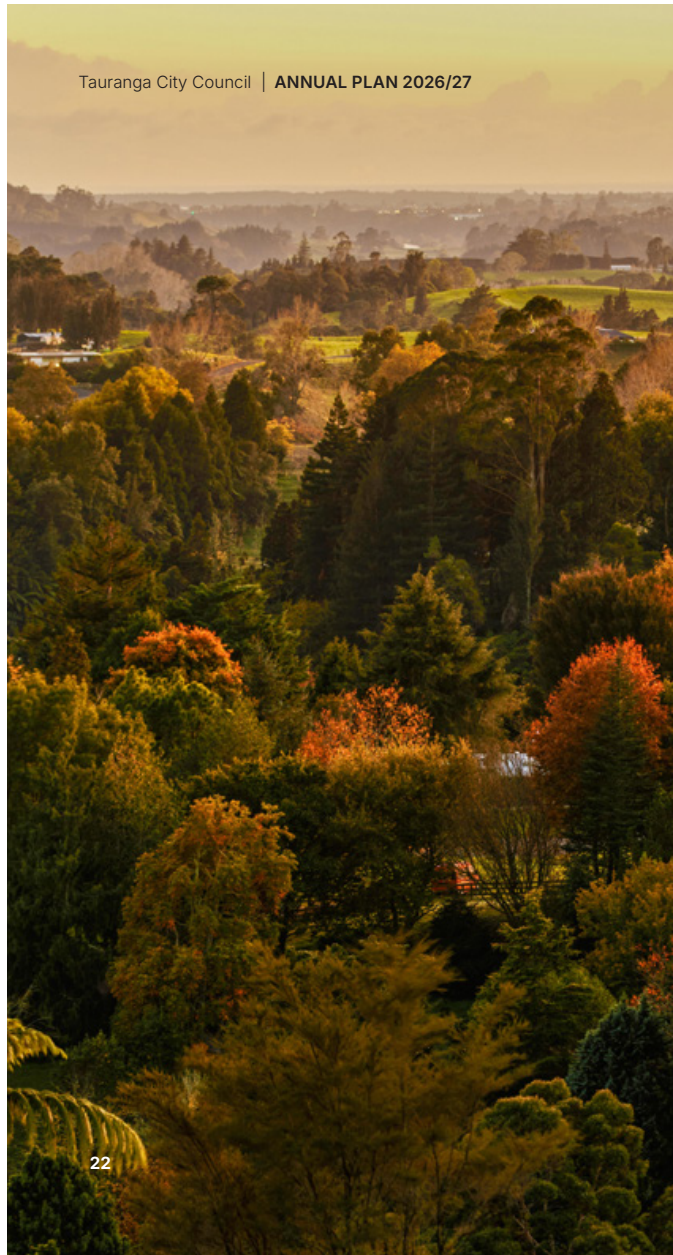
**Key financials**

**Changes to operational budgets from year three of the LTP**

Item	2027 Variance Annual Plan to LTP year 3 (\$'000)	Explanation
<b>Operating revenue excluding rates</b>		
Grants & subsidies	(25,375)	Reductions in grants from central government due mostly to timing of Tauriko West Programme along with reductions to expected NZTA subsidies.
Fees & charges	(4,710)	Mount Maunganui Beachside Holiday Park fee income removed for the year, reduced Airport fees and charges, removal of Marine Precinct fees.
Finance revenue	3,585	Forecast higher deposit levels for prefunding of debt maturities.
	<b>(26,500)</b>	
<b>Operating expenditure</b>		
Personnel expenses	6,187	Reductions in FTE from 2025/26 reset and ongoing focus on vacancies. Offset by reduction in assumed salary savings from vacancies and churn, along with reduced capitalisation of employee time.
Depreciation & amortisation expenses	13,450	Increases from recent capitalisation and revaluation, particularly in Digital, Spaces & Places and Libraries activities, and reflecting updated timing of capital programme. Additional amortisation costs of finance leases.
Finance expenses	(3,995)	Lower debt opening balances due to capital delivery and lower average cost of borrowing, offset by additional interest costs relating to finance leases.
Other operating expenses	(28,942)	Timing of payments to NZTA for Tauriko West programme, reduction in operating lease costs (transferred to finance lease), reductions in expenditure generated from the 2025/26 reset and ongoing focus on value for money.
	<b>(13,299)</b>	
<b>Increase/(decrease) in operating deficit</b>	<b>13,201</b>	

\*reductions/increases are Annual Plan 2026/27 against year three of the 2024-34 Long-Term Plan.





**Key financials**

**Effect on rates**

**Although underlying cost pressures remain significant, the resulting impact on rates is lower than projected for year three of the Long-term Plan 2024-34, which was 10.4% after growth.**

This is because of:

- significant reductions in operating expenditure through the organisational reset and subsequent annual plan process
- the application of current-year rate surpluses to fund 2026/27 expenditure, reducing the amount required to be raised from rates (\$3.2m)
- increased use of loan funding for costs with an intergenerational benefit, including water organisation establishment, migrating to a new digital platform, and museum exhibition set-up costs
- use of reserves including the risk reserve to fund costs associated with the January 2026 storm that caused extensive damage to Mauao and caused loss of life.

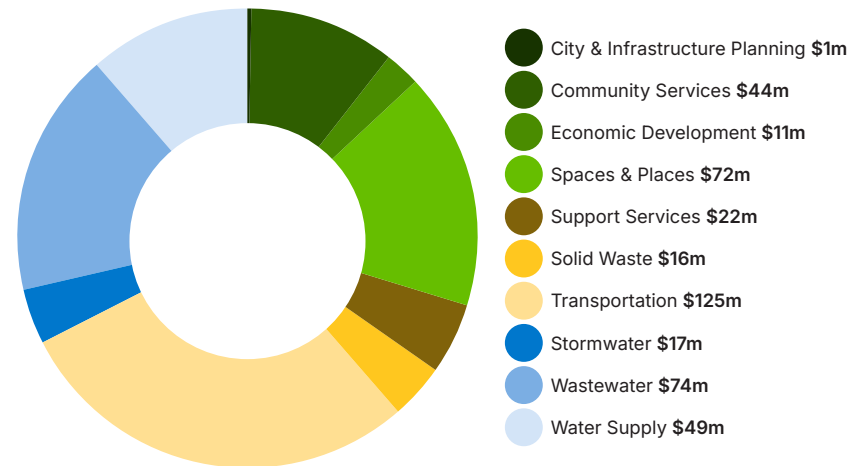
**Key financials**

## What our debt will pay for

Capital expenditure pays for buying or building new assets, renewing existing assets and improving them to deliver a better service. Some 65% of our capital works spending goes on core infrastructure – transportation, wastewater, water supply, stormwater and solid waste.

As a growing city we need to make sure that our infrastructure is in place at the right time and at the right standard to cater for increased demand. Borrowing for capital expenditure is the main driver of our debt. It is repaid over time either by rates and user fees (funding for depreciation) or by fees paid by developers. Funding for capital is also received as subsidies from third parties (\$45m), most notably central government.

## 2027 Annual Plan capital programme (\$432m in 2026/27)



Note: includes operational projects of a capital nature, excludes vested assets, asset sales and new capital investment funded by Bay Venues Ltd.

**Key financials**

### Changes to the capital programme from LTP

The most significant changes to our capital programme for this annual plan compared with from Year 3 of the LTP are in the following table.

#### Summary of changes to the capital programme

Revised programme (per LTP)	Per Year 3 of 2024-2034 LTP	2026/27 Annual Plan	Difference	Explanation
Bay Venues New Capital	8,643,280	2,472,008	-6,171,272	Sports upgrades deferred to later years of the LTP period.
Bridge Resilience Capital Works	2,832,180	0	-2,832,180	Funding deferred to align with the construction programme of the Fifteenth Avenue to Welcome Bay project.
Bus Infrastructure	7,111,642	809,260	-6,302,382	Tauranga Crossing delivered ahead of plan with significant saving. Other spending reduced due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Cameron Road Stage 2	40,925,290	4,460,000	-36,465,290	Deferral due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Capital Delivery Adjustment	-59,500,000	0	59,500,000	Removal of the capital delivery adjustment from FY25 onwards.
City Centre Development	9,995,879	2,410,000	-7,585,879	Transport portion deferred due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Community Centres	0	3,925,601	3,925,601	Gate Pā Community Centre delayed by resource consent process.
Digital Services Capital Programme	19,078,852	12,836,767	-6,242,085	Delay in rollout of the transition from Ozone to SAP project.
Disposal of Elder Housing – Capex portion	2,190,000	0	-2,190,000	Grants for community and Papakaianga housing which were initially budgeted as LTP capex, but are now reclassified as opex.
Eastern Corridor – Pāpāmoa East Wairākei	12,294,110	3,812,655	-8,481,455	PEI savings as a result of unspent contingency and risk funding.
Eastern Corridor – Trunk Wastewater	21,593,628	17,102,219	-4,491,410	Wairākei rising main phase 1 and Wairākei pump station deferred to allow accelerated works on Opal Drive pump station managing flow to Te Maunga wastewater treatment plant.



Key financials

Summary of changes to the capital programme continued

Revised programme (per LTP)	Per Year 3 of 2024-2034 LTP	2026/27 Annual Plan	Difference	Explanation
Hewletts Improvements	4,971,196	2,584,875	-2,386,321	Deferral due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Local Roads Upgrades and Improvements	14,584,963	5,867,738	-8,717,225	Deferral due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Marine Precinct Upgrades & Renewals	1,095,000	10,773,850	9,678,850	Additional budget for Bridge Wharf replacement and new Alongside Wharf at Marine Precinct (both required as conditions of Vessel Works sale). LTP did not include these commitments.
Mauao & Beachside Remediation	0	6,000,000	6,000,000	New capital in response to Mauao remediation recovery.
Memorial Park Aquatics & Recreation Hub	20,783,563	4,000,000	-16,783,563	Project delayed while fresh geotechnical investigations were carried out within Memorial Park, leading to a revision of the design and location within the park.
Memorial Park to City Centre Pathway	3,308,700	0	-3,308,700	Stage 2 between Memorial Park and The Strand cancelled.
Mount College Pool Redevelopment	0	2,761,563	2,761,563	Earlier timing of capital grant than set out in the LTP. Project now delivering a 50m pool at Mount College.
Mount/Pāpāmoa Multimodal	3,006,343	0	-3,006,343	Deferral due to NZTA funding not being included in the 2024-2027 National Land Transport Programme (NLTP).
Parks LOS Capital Development	4,656,460	7,774,951	-3,118,491	TECT funded portion of the Baypark Arena Expansion project brought forward to FY27 to commence design work.
Sustainability & Waste Upgrades & Renewals	893,535	10,615,393	9,721,857	Delay in delivery of Te Maunga Closed Landfill project and increase in scope to reduce environmental impacts as required to meet resource consent requirements.
Stormwater Bulk Fund & Reactive Reserve	7,305,218	2,160,927	-5,144,291	Stormwater upgrades to Awaiti Place deferred during prioritisation process.
Tauriko West Networks Connections	51,992,671	35,159,213	-16,833,458	Reduced expenditure due to contingency and risk budget savings and partial deferral to FY28.
Te Manawataki o Te Papa	39,185,390	46,325,537	7,140,147	City centre revitalisation includes a new central library, museum and exhibition space centred around a landscaped civic plaza. Final plaza design was approved in April 2026, later than planned, delaying construction commencement to the first half of FY27. A delay to the Baycourt upgrade has also increased the programme budget in FY27.



Key financials

Summary of changes to the capital programme continued

Revised programme (per LTP)	Per Year 3 of 2024-2034 LTP	2026/27 Annual Plan	Difference	Explanation
Te Maunga Wastewater Treatment Plant	28,593,613	17,981,300	-10,612,314	Delays with the installation of Bioreactor 2 due to ground stability, had flow on effects with the headworks, electrical and hopper feed upgrades. Offsetting this was an opportunity to accelerate works on clarifier 3.
Te Papa Intensification	54,365,341	14,983,306	-39,382,035	Delayed upgrades of water supply network along Cameron Rd and other renewals and upgrades in the City Centre. Cameron Road Stage 2 project from 17th Ave to Barkes Corner delayed, in line with delayed timing of Transport project.
Waiāri Water Treatment Plant Capital	2,724,203	439,996	-2,284,207	Stage 3 planning deferred due to location of proposed reservoir in the Mount North area not yet confirmed.
Wairākei Stream Culvert Upgrade	3,290,100	956,655	-2,333,445	FY26 works accelerated to align with Gravatt Road delivery, with budget brought forward from FY27.
Wastewater Treatment Plant Renewals	8,022,025	4,823,980	-3,198,045	Deferral of Chapel Street building upgrades. Not in a position to start construction.
Water Network Upgrades & Renewals	17,745,392	9,014,943	-8,730,449	Ōropi trunk main upgrade delayed during prioritisation process.
Water Supply Plant Upgrades & Renewals	9,714,857	3,794,748	-5,920,109	Joyce Rd water treatment upgrade delayed during prioritisation process.
Welcome Bay, Turret Rd & 15th Ave Corridor	43,586,778	10,133,135	-33,453,643	Delays with NZTA approval of the project business case resulted in revised project cashflow and delivery timeframes. Originally anticipated to be in construction in FY27, revised timeframe for construction commencement now due in late 2027.
Western Corridor – Belk Road Plateau	0	2,140,197	2,140,197	Developer led/development contingent project, deferring associated costs, including land purchases into later years. This reflects updated programme alignment with the developer.
Western Corridor – Pyes Pā West Growth Area	0	2,128,800	2,128,800	Pond 12B inlet pipelines project deferred from FY26 to FY27 through prioritisation process.
Western Corridor – Tauriko Business Estate	328,500	5,981,197	5,652,697	Developer led/development contingent project delayed and carried forward from previous years.
Western Corridor – Tauriko West	9,732,149	4,553,081	-5,179,068	Developer led/development contingent project, deferring associated costs, including land purchases into later years. This reflects updated programme alignment with the developer.



**Key financials**

**Benchmark performance (prudence)**

All benchmarks against those set in the LTP 2024-34 or the Financial Prudence Regulations (as appropriate) have been met except for the balanced budget measure.

This has not been met due to decisions to fund operational expenditure from borrowings, particularly expenditure relating to the establishment of the new Waters Organisation and to fund items that provide value over time, such as investment in digital solutions.

**Annual Plan disclosure statement for the year ending 30 June 2027**

Benchmark	Limit	Planned	Met
<b>Rates affordability benchmark</b>			
→ income (\$ million)	<415	399	Yes
→ increases	<12.0%	7.2%	Yes
<b>Debt affordability benchmarks</b>			
i) Net interest expense/operating revenue	<20%	12%	Yes
ii) Net interest expense/rates revenue	<25%	17%	Yes
iii) Net external debt/operating revenue	<330%	289%	Yes
<b>Other benchmarks</b>			
Balanced budget	>100%	96%	No
Essential services benchmark	>100%	254%	Yes
Debt servicing benchmark	<15%	13%	Yes



# The annual plan process this year

This year there were no significant changes being proposed compared to what was outlined in the LTP which was adopted in April 2024.

We remain committed to what we said we would do in the LTP. For this reason, Council chose not to undertake formal consultation on this annual plan.

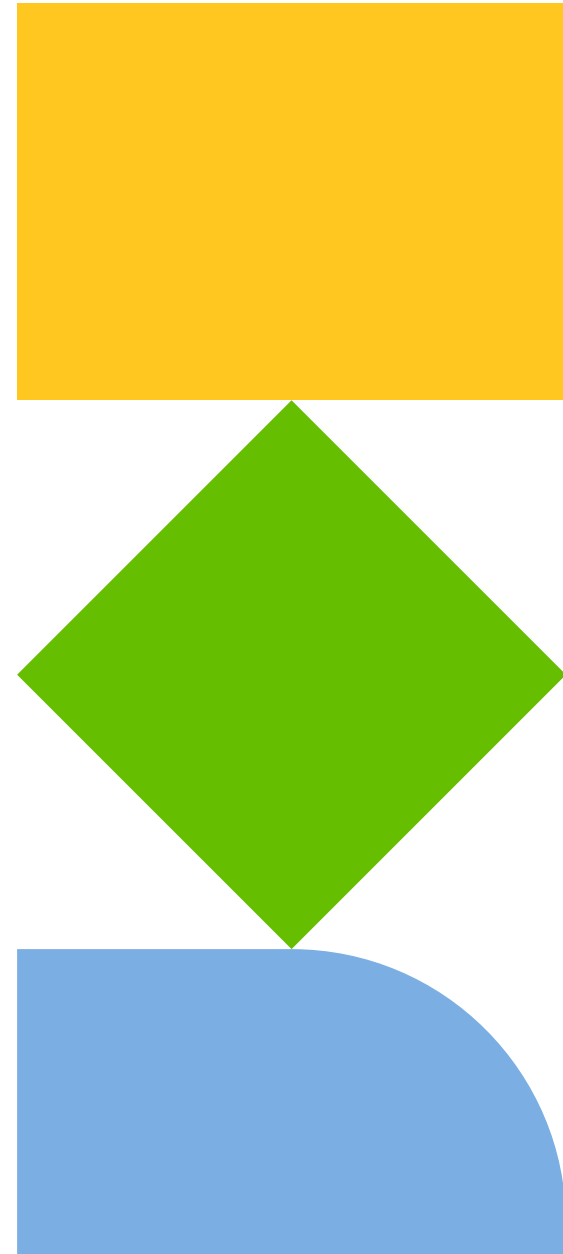
We can do this because in 2014 the government made changes to the Local Government Act 2002 – one of the key pieces of legislation that dictates what councils must do.

These changes mean that councils no longer have to follow a prescriptive and expensive process called the Special Consultative Procedure for the Annual Plan if there are no big changes or new proposals that had not been signalled in the past.

The thinking behind this change is to encourage councils and communities to place a greater focus on planning for the longer-term and making decisions that gave clearer direction and certainty to residents.

We understand the community will wish to share their views on a range of questions about the city's future direction.

The upcoming Long-term Plan 2027-37 will provide this opportunity to share your views on our plans for the next 10 years. Consultation is scheduled for March/April 2027.



## Engaging with our people

In May 2026, the mayor and councillors hosted seven 'Engaging with our People' events.

These events were all about listening, sharing information, and enabling genuine two-way dialogue.

They provided an opportunity to discuss Tauranga City Council's ongoing investment in key infrastructure and services to support growth and future needs.

These events were supported by a representative postal survey in April/May, capturing broader insight from our people to inform decision-making.



## Policies and user fees

We consulted on the Development Contributions Policy and updates to User Fees and Charges separately to the annual plan process.

The main changes to these documents are outlined below. Full copies of the policy and user fees schedule for 2026/27 are available at [www.tauranga.govt.nz](http://www.tauranga.govt.nz) in the Council section.

### Development Contributions Policy

We have also adopted the Development Contributions Policy 2026/27. There are no significant changes from Tauranga City Council's growth funding approach in recent years.

Citywide development contribution charges have increased by approximately 7%, primarily reflecting the impact of inflation on projects yet to be delivered and higher finance costs.

This represents an overall increase of \$2,526 for a house with three or more bedrooms.

A copy of the Development Contributions Policy 2026/27 is available at [www.tauranga.govt.nz/development-contributions](http://www.tauranga.govt.nz/development-contributions)

Central government has proposed significant reform of growth funding tools which, together with the ongoing reforms of water services, planning and local government, are likely to require significant changes to how we collect growth charges in the coming years. We expect these changes will start to affect developer contributions from 2027/28.

### User Fees and Charges 2026/27

Some changes have been made to user fees and charges. Most are small increases in line with inflation of 3%. More significant changes were made in the following areas:

- Airport
- Bay Venues
- Building Services
- Cemetery parks and crematorium
- Development works
- Food premises
- Health Act functions
- Land Information
- Libraries
- Planning
- Road Reserve Occupation
- Street Dining
- Sustainability and Waste
- Waters

# Glossary

## Annual plan

This annual plan sets out our budget and work plans for the year starting July 1, 2026.

## Capital expenditure

Long-term projects to buy, maintain or improve major pieces of property. Sometimes called 'capex'.

## Financial indicators

Measurements that are used to determine our financial health.

## Funding and financing

Funding is the money we provide for something. Financing is the process of obtaining money – for example, from central government or a bank.

## Infrastructure

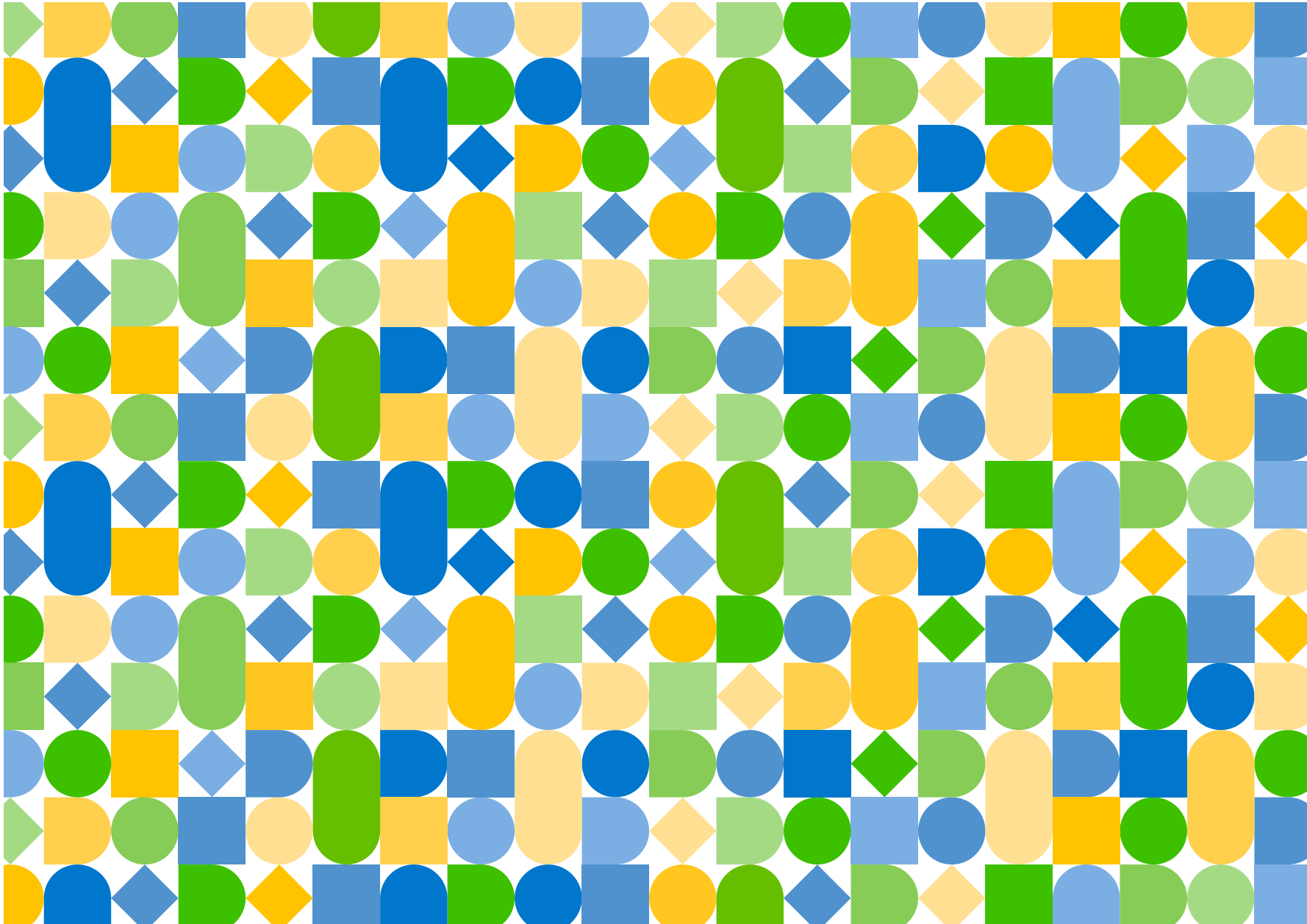
The physical things our city needs to run – like roads, water pipes, wastewater plants and community facilities.

## Long-term Plan

A plan created every three years that sets our vision, direction, budgets and work plans for each of the next 10 years. Our current plan is for 2024-34, and the next one will be for 2027-37.

## Operational expenditure

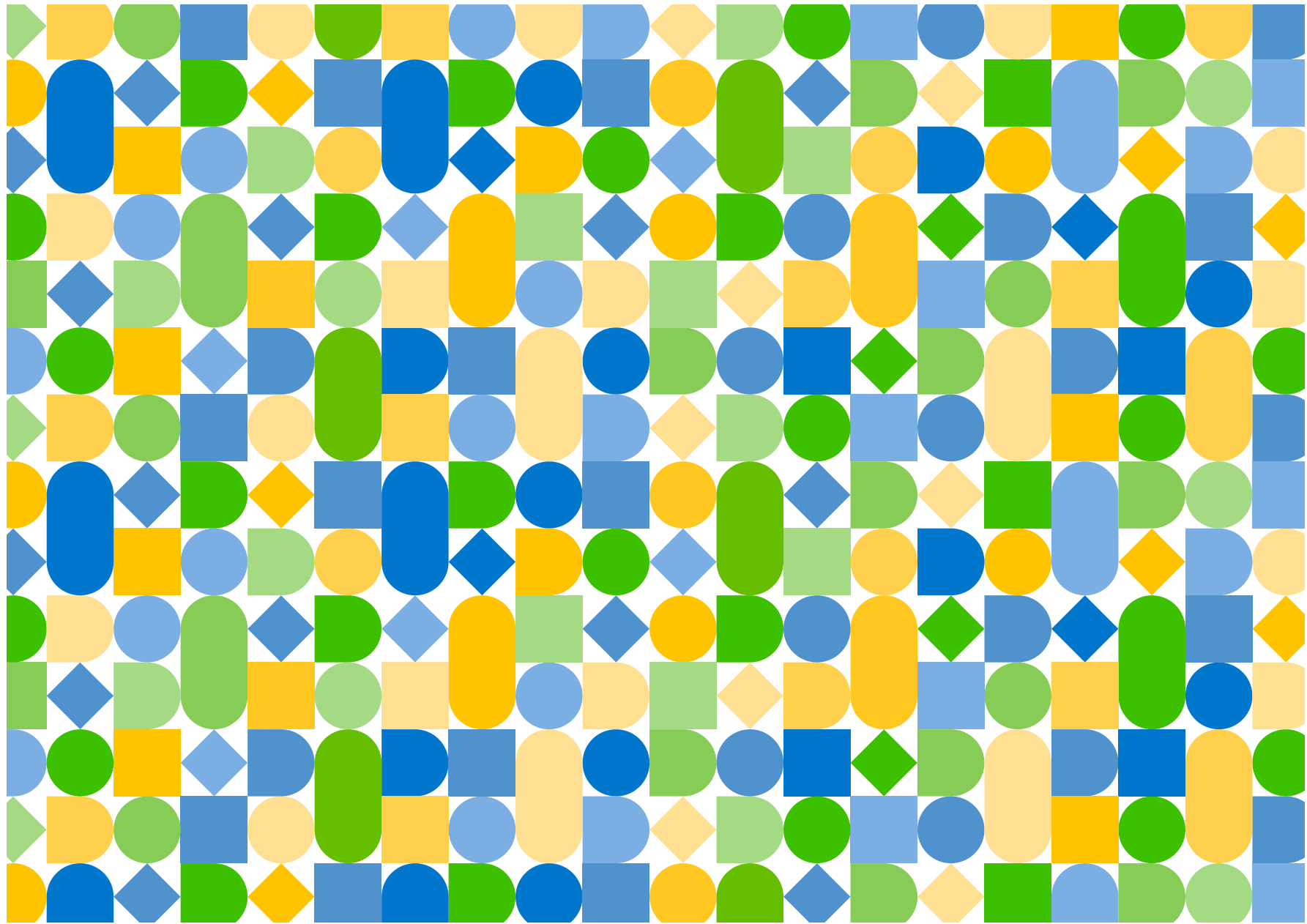
The day-to-day spending that keeps us running. Sometimes called 'opex'.





**What this  
means for rates**

33



# What this means for rates

## Funding Impact Statement

The purpose of the funding impact statement is to provide information about the income and funding streams Council will use and an indication of the amount of funding Council will generate from each stream.

Council will use a mix of revenue sources to meet operating expenses, with major sources being general and targeted rates, land transport subsidies and fees and charges. Capital expenditure for new works will be funded from loans and development contributions, with capital renewals being funded from reserves (funded by rates) set aside for this purpose. Council has resolved to rate fund reserves for stormwater and risk management and to fund a depreciation reserve for Bay Venues Limited.

Where the revenue stream is rates an indicative level of rate, the mechanism used to assess the rate, and the activities that the rate funds, is described.

These indicative figures support the calculations in the rate sample models and are included to provide you with an indication of the level of rates Council are likely to assess on your rating unit in the coming year. So long as Council sets the rates in accordance with the system described in this statement, the amounts may change.

## Rating information

The Funding Impact Statement should be read in conjunction with the Revenue and Financing Policy contained in the Long-term Plan. This can be obtained from our website.

## Overview of rates

Council's rates, pursuant to the Local Government (Rating) Act 2002, for the 2026/27 year includes:

- A general rate set differentially
- A uniform annual general charge
- A targeted rate for economic development
- A targeted rate for stormwater set differentially
- A targeted rate for resilience set differentially
- A targeted rate for Urban Infrastructure – Pyes Pā West
- Targeted rates for Pāpāmoa East Interchange (Urban Growth)
- Targeted rates for waste services

**What this means for rates - Funding Impact Statement**

- Targeted rates for wastewater disposal
- Targeted rates for water supply
- A targeted rate for pool inspection
- Targeted rates for mainstreet activities
- Targeted rates for special services

As indicated above, there are several parts to a typical rates bill, some of which are fixed and others variable. The fixed rates (where everybody is charged the same amount) are:

- Wastewater rates – if you are or can be connected to council’s wastewater system you will incur this fixed rate.
- Uniform Annual General Charge (UAGC) – this rate, charged on every separately used or inhabited part of a rating unit, ensures a minimum contribution from every ratepayer in the city.

- Waste Service rate – if your property is for residential use and it receives kerbside waste collection services you will be assessed this fixed rate ( per capacity of bins provided) on every separately used or inhabited part of a rating unit.
- Garden Waste Service rate – if you have a residential use and receive kerbside garden waste collection service (optional) you will incur this fixed rate per bin provided and frequency of collection.
- Pāpāmoa East Interchange (Urban Growth) rate – if your property is in an area where urban growth costs provide a full, wide or city benefit you will pay this rate.

The variable rates (where you are charged differently from your neighbour) are:

- General rates – Council is setting this differentially which will mean that industrial ratepayers will have a higher general rate in the dollar than commercial ratepayers who will have a higher general rate in the dollar than residential ratepayers. This is to

balance the overall impact of rates allocation for revenue needs on the whole community.

- Economic development rate – this is a rate charged to commercial and industrial properties only for development of Tauranga’s economy.
- Mainstreet rates – commercial properties located within the four ‘main street’ areas in Tauranga City incur this rate for the continued delivery of their Mainstreet organisation programmes.
- Water rates – water rates are invoiced separately from your land rates bill. The amount charged is dependent on the amount of water used, and the connection size of the water meter supplying water service to a rating unit.
- Special services targeted rates – these are rates to The Lakes, Pāpāmoa Coast and Excelsa subdivisions in the city where the level of service required to maintain the subdivision is higher than usual across the city.

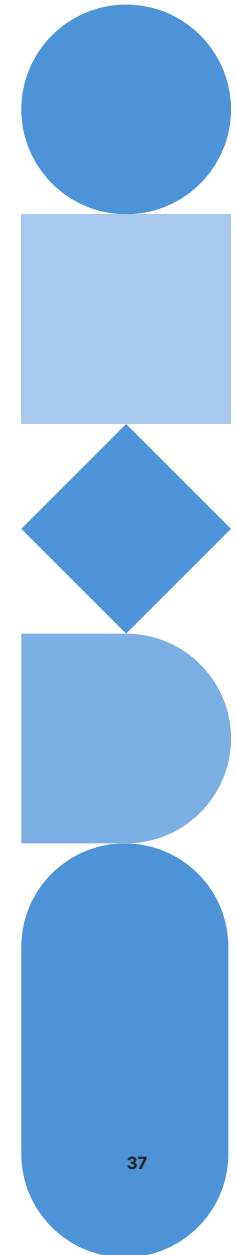
**What this means for rates - Funding Impact Statement**

- Urban Infrastructure rate – if your property is in the Pyes Pā West area you will pay this new rate which part funds infrastructure.
- Resilience targeted rate – this is a rate for resilience infrastructure investments relating to water, wastewater, stormwater, transportation and emergency management.
- Stormwater targeted rate – this is a rate set differentially for existing and new stormwater and flood control infrastructure investments.

ensuring that all ratepayers contribute a minimum amount for the services provided by Council.

The rates in this funding impact statement will apply in respect to every year in this Long-term Plan, notwithstanding that the amounts may change.

Where Council sets a targeted rate differentially this means that commercial and industrial ratepayers will have a higher targeted rate in the dollar than residential ratepayers. Council sets the Uniform Annual General Charge, and other targeted rates set on a uniform basis, excluding wastewater, to 10% of the total rates requirement over the next three years. This means that more of your rates bill will be based on your property value. Rates will be progressively higher for higher value properties. This will assist affordability for ratepayers, while



**What this means for rates**

**Rates for the 2026/2027 year**

Description	Category	Factor	Rate (\$) (GST Inclusive)	Revenue Sought (\$000) (Excluding GST)
<b>City Wide General Rates</b>				
General Rate (residential)	All residential property	Capital Value	0.00279128	154,969
General Rate (commercial)	All commercial property	Capital Value	0.00628039	37,257
General Rate (Industrial)	All Industrial property	Capital Value	0.00753647	49,778
Uniform Annual General Charge	All rateable property	Fixed amount per SUIP*	349.00	21,419
<b>City Wide Targeted Rates</b>				
Economic Development	All Commercial and Industrial property	Capital Value	0.00038224	4,795
Stormwater (Residential)	All residential property	Capital Value	0.00001352	751
Stormwater (Commercial/Industrial)	All Commercial and Industrial property	Capital Value	0.00002164	271
Resilience (Residential)	All residential property	Capital Value	0.00003235	1796
Resilience (Commercial/Industrial)	All Commercial and Industrial property	Capital Value	0.00005176	649
Pāpāmoa East Interchange (Urban Growth)	All rateable property in catchment area	Fixed amount per rating unit per catchment area	Full benefit—105.78 Wide benefit—70.52 Rest of city—35.26	2,372
Urban Infrastructure - Pyes Pā West	All rateable property in catchment area	Fixed amount per rating unit per catchment area	79.53	177
<b>Service Targeted Rates</b>				
Waste Collection Low	Residential Serviced	Fixed amount per SUIP*	215.00	735
Waste Collection Standard	Residential Serviced	Fixed amount per SUIP*	250.00	11,967
Waste Collection High	Residential Serviced	Fixed amount per SUIP*	355.00	939
Garden waste (optional)	Residential Serviced	Fixed amount per Service (Bins) and Frequency	4 weekly—82 2 weekly—110	1,680
Wastewater	Connected	Fixed Amount per water closet/urinal	844.06	56,717



**What this means for rates**

Description	Category	Factor	Rate (\$) (GST Inclusive)	Revenue Sought (\$000) (Excluding GST)
Wastewater	Serviceable	Fixed Amount per SUIP*	422.03	651
Water (metered)	Connected/Supply	Fixed amount per m <sup>3</sup> of water supplied	4.16	47,224
Water (metered base charge)	Connected	Fixed Amount per number and size of meter connections	Base meter size (15mm) 44.26 up to (200mm) 1,683.14	2,994
Water (unmetered)	Unmetered Supply	Fixed amount per SUIP	1081.45	32
Pool Inspection	Rateable unit with pool inspection	Fixed amount	109.10	309
<b>Level of Service Targeted Rates</b>				
Tauranga Mainstreet	Commercial and Industrial property in catchment area	Capital Value	0.00043743	404
Mount Mainstreet	Commercial and Industrial property in catchment area	Capital Value	0.00062733	208
Greerton Mainstreet	Commercial and Industrial property in catchment area	Capital Value	0.00156679	164
Pāpāmoa Mainstreet	Commercial and Industrial property in catchment area	Capital Value	0.00040703	80
The Lakes	All rateable in catchment area	Fixed amount	119.58	186
Coast Pāpāmoa	All rateable in catchment area	Fixed amount	39.57	10
Excelsa	All rateable in catchment area	Fixed amount	51.90	4
Total Revenue Requirement (minus metered water)				351,314
<b>Total Revenue Requirement (including metered water)</b>				<b>398,538</b>

\*(Note: SUIP= Separately Used or Inhabited Part)  
The projected number of rating units is 64,497 with a total land value of \$53,497 Million and a total capital value of \$89,434 Million (valued as at 1 May 2023)



# Rating Methodology

## Categories

**Residential** - land for which the primary use is residential, rural, education, recreation, leisure or conservation.

**Industrial** – land for which the primary use is industrial, port, transportation or utilities networks.

Industrial use freehold land with a land area of less than 250m<sup>2</sup> and industrial use unit title or leasehold land with a building site cover of less than 250m<sup>2</sup> are excluded from the Industrial Rating Category and are included in the Commercial Rating Category.

The general industrial rate and the targeted economic development rate are set and assessed on this category. (*Industrial is production, storage, processing or manufacturing*).

**Commercial** - land for which the primary use is commercial and includes any land not in the Residential or Industrial Category. The general commercial rate, the targeted economic

development rate and the targeted mainstreet rates are set and assessed on this category. (*Commercial is professional services or an intermediary for selling a product*).

The **separated parts of a rating unit** will be separated into parts where a part of the property is non-rateable or the property fits under one or more rating differential.

**Vacant land** will be categorised according to the predominant zone in the City Plan.

**Rural** means primary production, or residential activity in Rural zones in the City Plan.

**Education** means educational establishment under schedule 1 Part 1 clause 6(a) and (b)(i)&(ii) of the Local Government (Rating) Act.

**Recreation and leisure** means community facilities as defined in the City Plan.

**Conservation** has the same meaning as under schedule 1 Part 1 clause 3 of the Local Government (Rating) Act.

## Rating calculations and lump sum contributions

The base for the general rate is Capital Value. The revenue sought by Council from the Uniform Annual General Charge and certain targeted rates set on a uniform basis, is to be assessed close to 10% of the total rates revenue to ensure that every ratepayer contributes a base level of rates irrespective of the property value or services used.

Lump sum contributions will not be accepted in respect of any targeted rate.

## Definitions

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner/ a person other than the owner, who has

**What this means for rates - Funding Impact Statement (Rates)**

the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purposes of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. This includes any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are examples of where there may be application of multiple charges because a rating unit is comprised of more than one separately Used or Inhabited Part.

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one Record of Title
- Business premises with flat above
- Commercial building leased, or sub-leased, to multiple tenants

- Farm or Horticultural property with more than one dwelling
- Council property with more than one lessee
- Individually surveyed lots of vacant land on one Record of Title offered for sale separately or in groups
- Where part of a Rating Unit that has the right of exclusive occupation when more than one ratepayer/owner

As a minimum, the land or premises intended to form a separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use. For a residential property to be classified as having an additional Separately Used or Inhabited Part (SUIP) it must have separate cooking facilities, living facilities and toilet/ bathroom facilities. If the separate part is internal to the main building (under the same roof) it must also have separate external access. For avoidance of doubt, a rating unit that has only one use or inhabitation is treated as being one separately used or inhabited part of the rating unit.

For the purposes of the Kerbside Waste Collection Rate, the definition of SUIP is the same as above, except that:

- where a rating unit has two SUIPs (being one principal unit with another unit such as a flat or minor secondary dwelling); and
- the ratepayer notifies the Council that only one full set of glass, food, waste and recycling bins per principal unit is required to be provided; then the rating unit will be treated as having only one SUIP.

**Allocations of payments**

Where any payment is made by a ratepayer that is less than the amount now payable, the payment will be applied firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

The following rates are to be set and assessed on properties by Tauranga City Council for the 2026/27 year: (All figures are GST inclusive).



What this means for rates - Funding Impact Statement (Rates)

# City Wide Rates

## 1. General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002, on a differential basis, for the purposes of providing all or some of the costs of:

- City and Infrastructure Planning, Arts and Culture, Venues and Events, City Centre Development, Community Development, Libraries, Emergency Management, Animal Services, Building Services, Environmental Planning, Environmental Health and Licencing, Regulation Monitoring, Marine Facilities, Spaces and Places, Stormwater, Support Services, Sustainability and Waste and Transportation.

For the 2026/27 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00279128
Commercial	2.25	0.00628039
Industrial	2.7	0.00753647

Note: capital value represents the market value of land and improvements of a rating unit. The values are assessed by independent valuers who are audited by the Office of the Valuer General. City wide revaluations are performed every three years, with the last revaluation base date of 1 May 2023.

## 2. Uniform Annual General Charge

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit for the purposes of providing all or some of the costs of:

→ The same costs as the general rate above.

For the 2026/27 year this rate will be \$349.00 on each separately used or inhabited part of a rating unit within the City boundary.

What this means for rates - Funding Impact Statement (Rates)

# Targeted Rates

## 3. Economic Development Rate

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on all commercial and industrial rating units in the City for purposes of providing costs of:

- Priority One, Tourism Bay of Plenty, the Visitor Information Centre and general economic development.

For the 2026/27 year this rate will be \$0.00038224 per dollar based on the rateable capital value of all rateable land with a category "Commercial and Industrial" within the City boundary.

## 4. Stormwater

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of stormwater infrastructure investments.

From the 2026/27 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00001352
Commercial and Industrial	1.6	0.00002164

## 5. Resilience

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of resilience infrastructure investments in the water, wastewater, stormwater, transportation and emergency management activities.

From the 2026/27 year this rate will be:

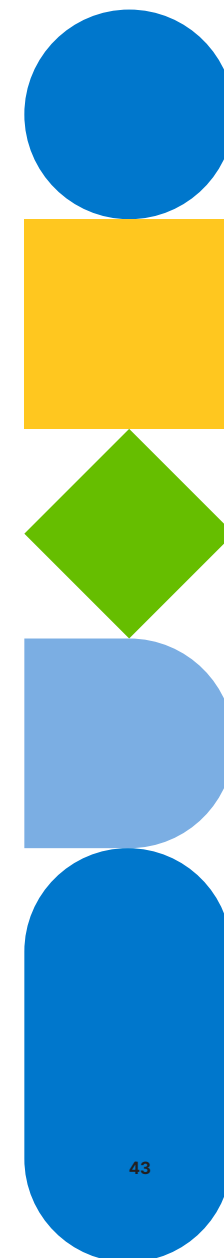
Category	Factor	Rate/\$ capital value
Residential	1	0.00003235
Commercial and Industrial	1.6	0.00005176

## 6. Pāpāmoa East Interchange ( City wide and local – formerly Urban Growth)

Partly funds debt retirement for transportation projects required to be constructed for current growth needs that will also provide for future growth.

For the 2026/27 year these rates will be (these rates depend on the catchment area where the rating unit is situated):

1. \$105.78 on every rateable rating unit within full area of benefit (see map)
2. \$70.52 on every rateable rating unit within wide area of benefit (see map)
3. \$35.26 on every rateable rating unit in the City outside of the areas of full benefit or wide benefit (see map).





What this means for rates - Funding Impact Statement (Rates)

## Urban Growth Targeted Rate Areas

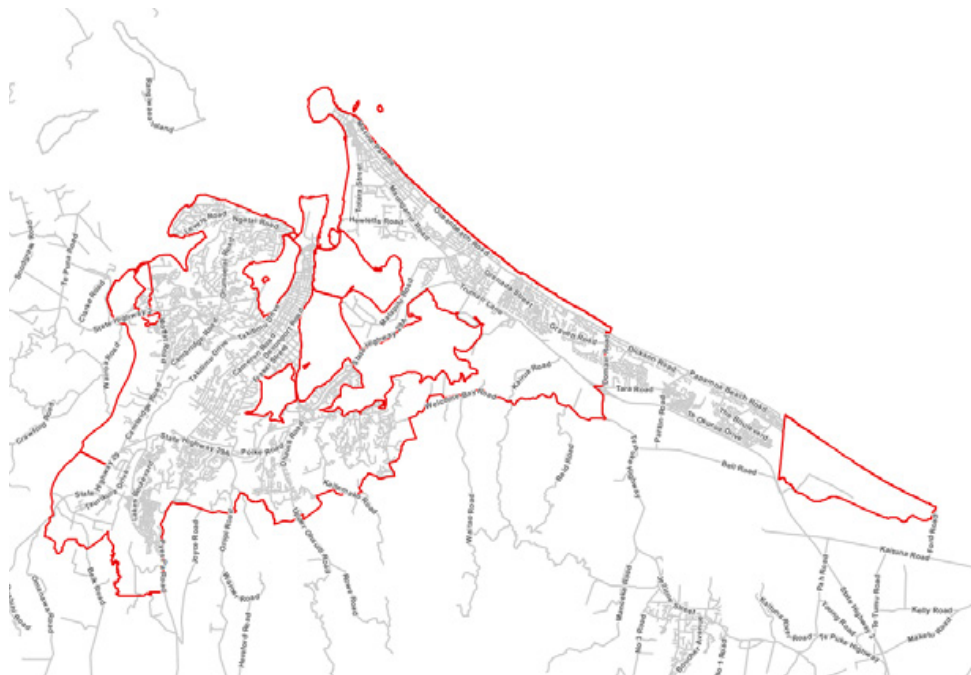
Wider area of benefit



What this means for rates - Funding Impact Statement (Rates)

## Urban Growth Targeted Rate Areas

### Remaining areas of the city



**What this means for rates - Funding Impact Statement (Rates)**

**7. Waste collection service (glass, food, recycling and waste)**

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all rating units in the city that is used for residential purposes and is provided with the waste collection service, and set as a fixed amount per separately used or inhabited part of a rating unit, for the purpose of providing the costs of:

→ waste collection in the city

For the 2026/27 year, these rates are as follows (the rate that applies will depend on the service selected by ratepayers).

Service	Bins per separately used or inhabited part	Fixed Rate
Waste Collection Standard	Glass (45L), Food (23L), Rubbish (140L), Recycle (240L)	\$250.00
Waste Collection Low	Glass (45L), Food (23L), Rubbish (80L), Recycle (140L)	\$215.00

Service	Bins per separately used or inhabited part	Fixed Rate
Waste Collection High	Glass (45L), Food (23L), Rubbish (240L), Recycle (240L)	\$355.00

**8. Garden waste (optional - ratepayers opt to receive this additional service)**

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all rateable land in the city that is used for residential purposes and is provided with the garden waste collection service. There are two targeted rates, each set as a fixed amount per bin provided, up to a maximum of 1 bin per separately used or inhabited part of a rating unit. These rates fund the costs of:

→ garden waste collection in the city

For the 2026/27 year, these rates are as follows (the rate that applies will depend on the frequency of collection selected by ratepayers).

Collection Frequency	Fixed Rate
4 weekly	\$82.00
2 weekly	\$110.00

**9. Wastewater rates**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on a differential basis on each serviceable or connected rating unit for the purposes of providing all or some of the costs of:

- Wastewater disposal and wastewater infrastructure
- For the 2026/27 year this rate will be
- \$844.06 per water closet or urinal on every connected rating unit within the city boundary.
- \$422.03 per separately used or inhabited part of a rating unit which is serviceable within the City boundary.

“Serviceable” means any Rating Unit situated within 30 metres of a public wastewater or stormwater drainage scheme to which it is capable of being



**What this means for rates - Funding Impact Statement (Rates)**

effectively connected, either directly or through a private drain, but which is not so connected.

“Connected” means any rating connected to a public wastewater or stormwater drainage scheme.

A rating unit used primarily as a residence for one household is treated as having not more than one water closet.

**10. Metered water rates**

A targeted rate set under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, and a differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 per connection for every connected rating unit in the City which is provided with a metered water supply. The amount of the rate per connection depends on the size of the connection. This rate is for purposes of providing all or some of the costs of:

→ Water supply and water infrastructure

For the 2026/27 year these rates will be:

1. \$4.16 per cubic metre of water supplied
2. A fixed amount between \$44.26 and \$1,683.14 dependent on the size of the water meter connections, per connection.

Base charge meter connection size (mm)	Meter connection size (mm)
15	\$44.26
20	\$44.26
25	\$83.74
32	\$83.74
40	\$345.72
50	\$684.26
80	\$1,367.32
100	\$1,683.14
150	\$1,683.14
200	\$1,683.14

**11. Unmetered water rate**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on each connected separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply for purposes of providing some of the costs of:

→ Water supply and water infrastructure

For the 2026/27 year this rate is set as a fixed amount of \$1,081.45 per separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply.

“Connected” means any rating unit to which water is supplied.

**12. Pool inspection**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on properties with pools that are on councils register of pool fence and barrier inspections.

**What this means for rates - Funding Impact Statement (Rates)**

→ Funds the cost of the three yearly pool inspection.

For the 2026/27 year this rate (to two decimal places) will be:

\$109.10 on every rating unit with a pool that is required to be inspected.

**13. Mainstreet rates**

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all Commercial and Industrial rating units in Tauranga CBD, Mount Maunganui Mainstreet, Greerton Village Mainstreet and Pāpāmoa Mainstreet for purposes of providing costs of:

→ Promotion of business through grants to each individual Mainstreet Organisation.

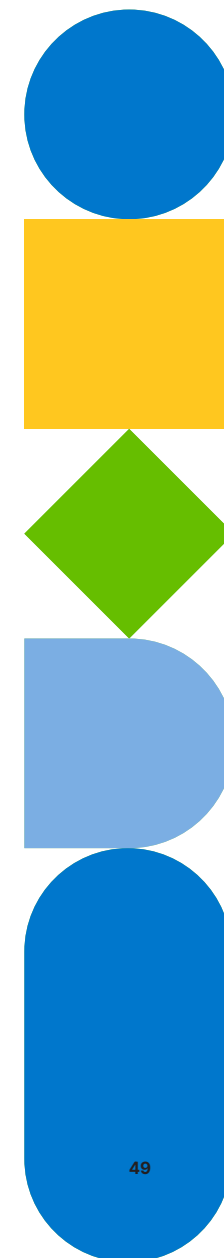
For the 2026/27 year the amounts of the rates will be

3. \$0.00043743 per dollar based on the rateable capital value of all rateable land for "Commercial and

Industrial" rating units within the Tauranga Mainstreet (CBD) area (see map).

- 4. \$0.00062733 per dollar based on the rateable capital value of all rateable land for "Commercial and Industrial" rating units within the Mount Maunganui Mainstreet area (see map).
- 5. \$0.00156679 per dollar based on the rateable capital value of all rateable land for "Commercial and Industrial" rating units within the Greerton Village Mainstreet area (see map).
- 6. \$0.00040703 per dollar based on the rateable capital value of all rateable land for "Commercial and Industrial" rating units within the Pāpāmoa Mainstreet area (see map).

\* within the area means rating units on the inside of the road defining the boundary on the map.



What this means for rates - Funding Impact Statement (Rates)

# Mainstreet Targeted Rate Areas

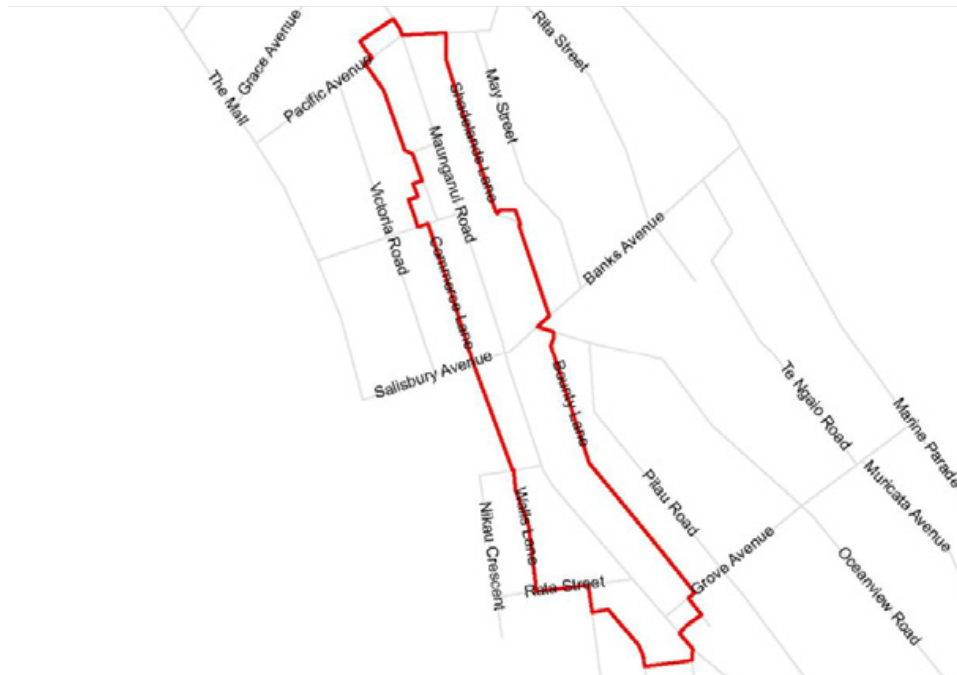
## Tauranga Mainstreet Area



What this means for rates - Funding Impact Statement (Rates)

## Mainstreet Targeted Rate Areas

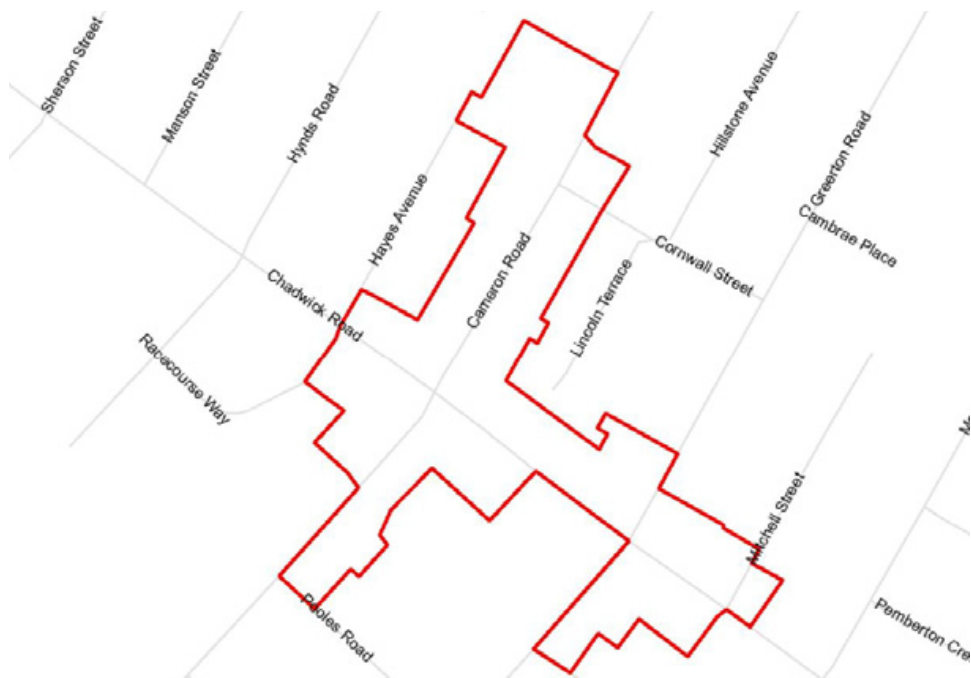
### Mt Maunganui Mainstreet Area



What this means for rates - Funding Impact Statement (Rates)

## Mainstreet Targeted Rate Areas

### Greerton Mainstreet Area



What this means for rates - Funding Impact Statement (Rates)

## Mainstreet Targeted Rate Areas

### Pāpāmoa Mainstreet Area



**What this means for rates - Funding Impact Statement (Rates)**

**14. Special Service Rates**

Three targeted rates set under section 16 of the Local Government (Rating) Act 2002 in The Lakes, Coast Pāpāmoa and Excelsa subdivisions for purposes of providing costs of:

- Additional level of service provided in relation to maintenance and renewal of street gardens (Lakes, Excelsa), paths (Lakes, Coast), trees (Lakes, Coast, and Excelsa), lighting (Excelsa) and pond maintenance (Lakes).

For the 2026/27 year these rates (to two decimal places) will be:

1. \$119.58 on every rateable rating unit within the Lakes Subdivision (see map).
2. \$39.57 on every rateable rating unit within the Coast Pāpāmoa Subdivision (see map)

3. \$51.90 on every rateable rating unit within the Excelsa Subdivision (see map).

\* within the area means rating units on the inside of the road defining the boundary on the map.

What this means for rates - Funding Impact Statement (Rates)

## Special Service Rate Areas

### The Lakes Subdivision Area



What this means for rates - Funding Impact Statement (Rates)

## Special Service Rate Areas

### Coast Pāpāmoa Subdivision Area



What this means for rates - Funding Impact Statement (Rates)

## Special Service Rate Areas

### Excelsa Subdivision Area



**What this means for rates - Funding Impact Statement (Rates)****15. Pyes Pā West urban infrastructure (local)**

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 in Pyes Pā West for purposes of providing costs of:

- Partly funding debt retirement for under recovered Development Contributions for local infrastructure

For the 2026/27 year these rates (to two decimal places) will be:

1. \$79.53 on every rateable rating unit within the Pyes Pā West (see map)

\* within the area means rating units on the inside of the road defining the boundary on the map.

What this means for rates - Funding Impact Statement (Rates)

## Special Service Rate Areas

### Pyes Pā West Area



**What this means for rates - Funding Impact Statement (Rates)**

**Indicative property rates (single occupancy, residential one toilet, commercial/industrial two toilets)**

**Your proposed rates breakdown for 2026/2027**

	Capital Value 2023	Urban Growth	Waste- water	Waste (kerbside)	Resilience	Storm- water	UAGC	General rates	IFF-TSP (levy)	Rates and Levies 2026/2027	Rates and Levies 2025/2026	Total (Rates and Levies) Increase %	Increase \$/yr
<b>Residential—single dwelling</b>													
Low (1%)	\$450,000	\$35	\$844	\$250	\$15	\$6	\$349	\$1,256	\$42	\$2,797	\$2,617	6.9%	\$180
Lower (25%)	\$715,000	\$35	\$844	\$250	\$23	\$10	\$349	\$1,996	\$66	\$3,573	\$3,342	6.9%	\$231
Median (50%)	\$875,000	\$35	\$844	\$250	\$28	\$12	\$349	\$2,442	\$81	\$4,042	\$3,780	6.9%	\$262
Upper (75%)	\$890,000	\$35	\$844	\$250	\$29	\$12	\$349	\$2,484	\$82	\$4,086	\$3,821	6.9%	\$265
High (99%)	\$3,470,000	\$35	\$844	\$250	\$112	\$47	\$349	\$9,686	\$320	\$11,644	\$10,882	7.0%	\$762
Average	\$1,012,000	\$35	\$844	\$250	\$33	\$14	\$349	\$2,825	\$93	\$4,443	\$4,155	6.9%	\$288
	Capital Value 2023	Urban Growth	Waste- water	Economic Develop- ment	Resilience	Storm- water	UAGC	General rates	IFF-TSP (levy)	Rates and Levies 2026/2027	Rates and Levies 2025/2026	Total (Rates and Levies) Increase %	Increase \$/yr
<b>Commercial—(excluding vacant)</b>													
Low (1%)	\$122,000	\$35	\$1,688	\$47	\$6	\$3	\$349	\$766	\$49	\$2,943	\$2,744	7.3%	\$200
Lower (25%)	\$660,000	\$35	\$1,688	\$252	\$34	\$14	\$349	\$4,145	\$265	\$6,783	\$6,346	6.9%	\$437
Median (50%)	\$1,120,000	\$35	\$1,688	\$428	\$58	\$24	\$349	\$7,034	\$449	\$10,066	\$9,426	6.8%	\$640
Upper (75%)	\$2,570,000	\$35	\$1,688	\$982	\$133	\$56	\$349	\$16,141	\$1,031	\$20,415	\$19,135	6.7%	\$1,280
High (99%)	\$24,292,000	\$35	\$1,688	\$9,285	\$1,257	\$526	\$349	\$152,563	\$9,747	\$175,451	\$164,581	6.6%	\$10,870
Average	\$2,757,000	\$35	\$1,688	\$1,054	\$143	\$60	\$349	\$17,315	\$1,106	\$21,750	\$20,387	6.7%	\$1,363
<b>Industrial—(excluding vacant)</b>													
Low (1%)	\$250,000	\$35	\$1,688	\$96	\$13	\$5	\$349	\$1,884	\$100	\$4,171	\$3,901	6.9%	\$270
Lower (25%)	\$1,490,000	\$35	\$1,688	\$570	\$77	\$32	\$349	\$11,229	\$598	\$14,578	\$13,693	6.5%	\$886
Median (50%)	\$2,420,000	\$35	\$1,688	\$925	\$125	\$52	\$349	\$18,238	\$971	\$22,384	\$21,036	6.4%	\$1,348
Upper (75%)	\$4,947,500	\$35	\$1,688	\$1,891	\$256	\$107	\$349	\$37,287	\$1,985	\$43,599	\$40,995	6.4%	\$2,603
High (99%)	\$50,612,500	\$35	\$1,688	\$19,346	\$2,620	\$1,095	\$349	\$381,439	\$20,309	\$426,881	\$401,593	6.3%	\$25,288
Average	\$6,112,000	\$35	\$1,688	\$2,336	\$316	\$132	\$349	\$46,063	\$2,452	\$53,373	\$50,191	6.3%	\$3,182



**What this means for rates - Funding Impact Statement (Rates)**

**Indicative property rates (single occupancy) to indicative level of service rates**

What your rates are made up of for 2026/27 (including GST)

Indicative Level of Service rates	2026/2027	2025/2026	Increase	Increase \$/yr
The Lakes	\$119.58	\$117.01	2.2%	\$2.57
Coast (Pāpāmoa)	\$39.57	\$38.72	2.2%	\$0.85
Excelsa (Pāpāmoa)	\$51.90	\$50.79	2.2%	\$1.11

**Indicative property rates (single occupancy) to indicative mainstreet rates**

What your rates are made up of for 2026/27 (including GST)

Indicative Mainstreet rates	Average Capital Value	2026/2027	2025/2026	Increase %	Increase \$/yr
Tauranga	\$4,234,940	\$1,853	\$1,858	-0.3%	-\$5
Mount Maunganui	\$3,390,531	\$2,127	\$2,113	0.6%	\$14
Greerton	\$2,290,000	\$3,588	\$3,401	5.5%	\$187
Pāpāmoa	\$3,390,531	\$1,380	\$1,255	10.0%	\$125



**What this means for rates - Funding Impact Statement (Rates)**

**Indicative water rates**

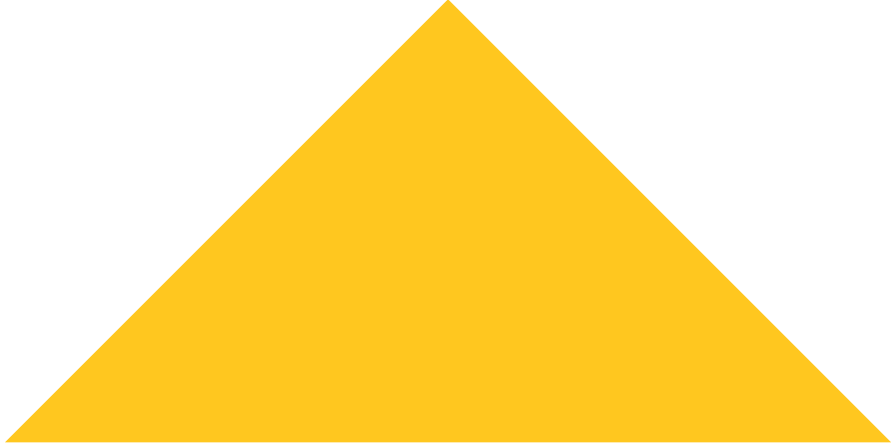
What your rates are made up of for 2026/27 (including GST)

Indicative Water rates	2026/2027	2025/2026	Increase	Increase /m <sup>3</sup>
Volumetric rate (m <sup>3</sup> )	\$4.16	\$3.87	7.5%	\$0.29

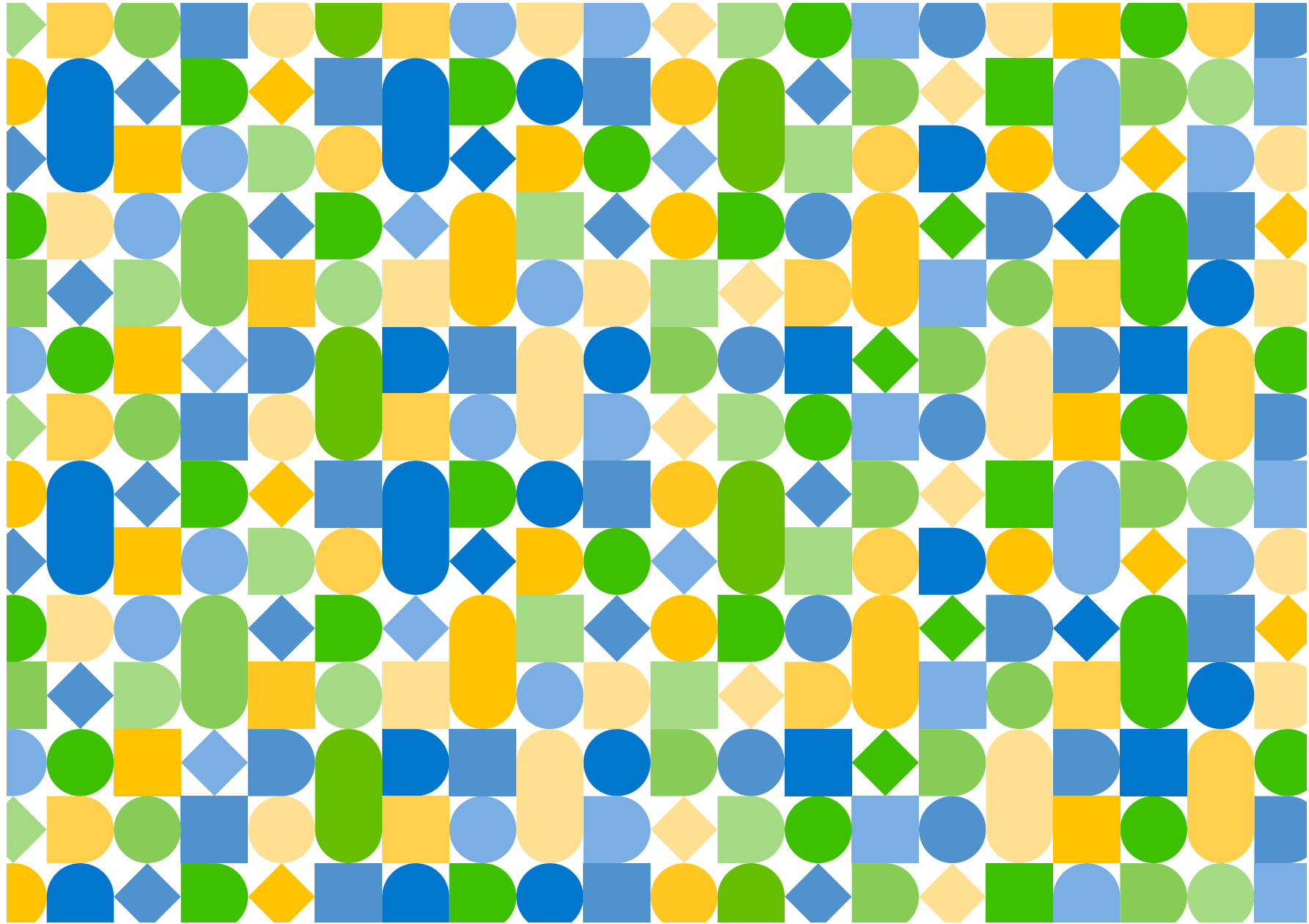
Base charge (connection size)	2026/2027	2025/2026	Increase	Increase \$/yr
15	\$44.26	\$41	7.5%	\$3.09
20	\$44.26	\$41	7.5%	\$3.09
25	\$83.74	\$78	7.5%	\$5.84
32	\$83.74	\$78	7.5%	\$5.84
40	\$345.72	\$322	7.5%	\$24.12
50	\$684.26	\$637	7.5%	\$47.74
80	\$1,367.32	\$1,272	7.5%	\$95.39
100	\$1,683.14	\$1,566	7.5%	\$117.43
150	\$1,683.14	\$1,566	7.5%	\$117.43
200	\$1,683.14	\$1,566	7.5%	\$117.43





## Financials in detail

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# Financials in detail

## Introduction

The annual plan updates the work plans and budgets set through the Long-term Plan 2025-34 (LTP). This section provides a breakdown of some of our financials in more detail and provides further information on how the budgets have changed.

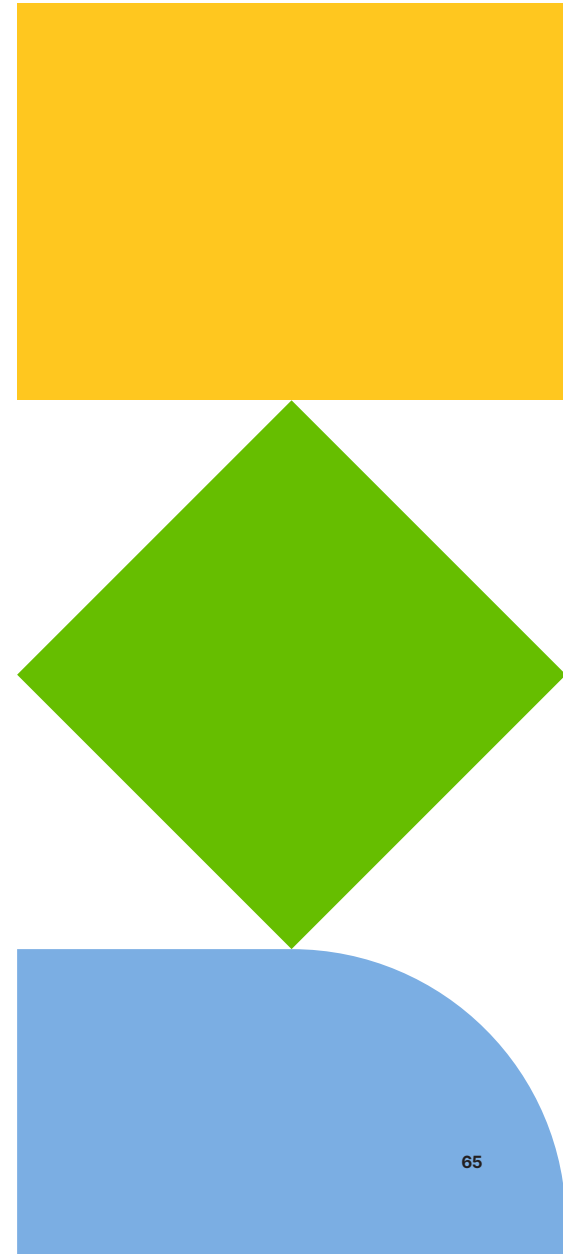
The Prospective Financial Statements are included to give you an overview of the Council's forecast financial position for the 2026/27 year.

The Activity Funding Impact Statements set out the costs for each group of activities and describe how they are funded.

The Capital Expenditure table sets out those capital projects that have changed from what was signalled through the LTP as per our Significance and Engagement Policy.

The Financial Prudence section provides extra information on how the Council's financial performance relates to standardised benchmarks.

The Reserve Funds section provides details on our reserves and changes to their balances.



**Financials in detail - Prospective financial statements**

**Prospective Statement of Comprehensive Revenue and Expense**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Revenue</b>				
<b>Operating revenue</b>				
Rates	367,996	416,948	398,538	(18,411)
Grants & Subsidies	78,171	73,622	48,247	(25,375)
Fees & Charges	79,515	83,468	78,758	(4,710)
Finance Revenue	6,142	6,003	9,589	3,585
<b>Total Operating Revenue</b>	<b>531,824</b>	<b>580,041</b>	<b>535,131</b>	<b>(44,911)</b>
<b>Asset development revenue &amp; other gains</b>				
Development Contributions	24,532	38,647	28,694	(9,952)
Other Gains	(613)	(349)	(349)	0
Grants, Subsidies & Other Capital Expenditure Contributions	61,460	139,619	44,752	(94,867)
Vested Assets	20,781	14,672	47,582	32,910
<b>Total asset development revenue &amp; other gains</b>	<b>106,160</b>	<b>192,589</b>	<b>120,679</b>	<b>(71,910)</b>
<b>Total revenue</b>	<b>637,984</b>	<b>772,630</b>	<b>655,810</b>	<b>(116,820)</b>
<b>Expenditure</b>				
<b>Operating expenditure</b>				
Personnel Expenses	124,442	128,467	134,654	6,187
Depreciation & Amortisation Expenses	125,882	125,845	139,295	13,450
Finance Expenses	65,993	80,875	76,881	(3,995)
Other Operating Expenses	274,394	278,857	249,916	(28,942)
<b>Total operating expenditure</b>	<b>590,711</b>	<b>614,044</b>	<b>600,745</b>	<b>(13,299)</b>



**Financials in detail - Prospective financial statements**

**Prospective Statement of Comprehensive Revenue and Expense**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Non operating expenditure</b>				
Other Losses	600	0	600	600
Unrealised Loss on Interest Swaps	0	0	0	0
Provisions Expense	500	500	500	0
<b>TOTAL OTHER EXPENSES</b>	<b>1,100</b>	<b>500</b>	<b>1,100</b>	<b>600</b>
<b>Total expenditure</b>	<b>591,811</b>	<b>614,544</b>	<b>601,845</b>	<b>(12,699)</b>
<b>Surplus/(deficit) before tax</b>	<b>46,173</b>	<b>158,086</b>	<b>53,965</b>	<b>(104,121)</b>
<b>Other comprehensive revenue &amp; expense</b>				
Asset revaluation reserve gains/(losses)	233,833	234,591	256,439	21,847
<b>Other comprehensive revenue &amp; expense</b>	<b>233,833</b>	<b>234,591</b>	<b>256,439</b>	<b>21,847</b>
<b>Total comprehensive revenue &amp; expense</b>	<b>280,006</b>	<b>392,677</b>	<b>310,403</b>	<b>(82,274)</b>



Financials in detail - Prospective financial statements

Prospective Statement of Financial Position

	2025/26 Annual Plan Budget \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Assets</b>				
<b>Assets - current</b>				
Cash and Cash Equivalents	30,611	5,702	30,000	24,298
Debtors & Other Receivables	62,952	68,505	82,210	13,705
Inventories	1,390	1,107	1,618	511
Derivative Financial Instruments	0	0	0	0
Other Investments	0	0	0	0
Other Current Assets	0	10,000	0	(10,000)
Financial Instruments Held for Sale	0	0	0	0
Non-Current Assets Held for Sale	7,872	3,792	3,864	72
<b>Total Current Assets</b>	<b>102,825</b>	<b>89,106</b>	<b>117,692</b>	<b>28,586</b>
<b>Assets non-current</b>				
Other Non Current Receivables	0	0	2,222	2,222
Derivative Financial Instruments	6,965	8,616	664	(7,952)
Other Financial Assets	39,875	40,612	117,103	76,491
Other Investments - CCOs	164,613	146,694	197,207	50,513
Other Investments - Other Entities	7,070	20,294	326	(19,968)
Investments in Associates	0	0	16,475	16,475
Investment Property	118,144	126,319	84,276	(42,043)
Intangible Assets	40,808	55,540	30,861	(24,679)
Forestry	8,699	9,335	6,124	(3,211)
Property, Plant & Equipment	8,356,086	9,011,075	8,563,501	(447,574)
Te Manawataki ō Te Papa Charitable Trust Land	0	0	18,436	18,436
<b>Total Non-current assets</b>	<b>8,742,260</b>	<b>9,418,485</b>	<b>9,037,195</b>	<b>(381,290)</b>
<b>Total Assets</b>	<b>8,845,085</b>	<b>9,507,591</b>	<b>9,154,887</b>	<b>(352,704)</b>



Financials in detail - Prospective financial statements

Prospective Statement of Financial Position

	2025/26 Annual Plan Budget \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Liabilities</b>				
<b>Liabilities - Current</b>				
Payables & Deferred Revenue	114,480	98,566	120,853	22,287
Provisions	2,430	960	2,241	1,281
Employee Entitlements	8,329	11,110	14,851	3,741
Deposits Held	9,238	11,827	10,104	(1,723)
Revenue in Advance	634	4,069	4,590	521
Derivative Financial Instruments	0	0	111	111
Borrowings	239,563	180,719	211,194	30,475
<b>Total Current Liabilities</b>	<b>374,674</b>	<b>307,251</b>	<b>363,944</b>	<b>56,693</b>
<b>Liabilities - Non-Current</b>				
Deferred Tax Liability	0	0	12,790	12,790
Provisions	0	4	1,415	1,411
Employee Entitlements	0	0	0	0
Derivative Financial Instruments	1,721	1,084	9,075	7,991
NC Borrowings	1,439,160	1,647,952	1,554,946	(93,006)
Other Non-Current Liabilities	12,295	6,109	90,079	83,970
<b>Total Non-Current Liabilities</b>	<b>1,453,176</b>	<b>1,655,149</b>	<b>1,668,305</b>	<b>13,156</b>
<b>Total liabilities</b>	<b>1,827,850</b>	<b>1,962,400</b>	<b>2,032,249</b>	<b>69,849</b>
<b>Net assets</b>	<b>7,017,235</b>	<b>7,545,191</b>	<b>7,122,638</b>	<b>(422,553)</b>
<b>Equity</b>				
Retained Earnings	1,939,372	2,370,305	1,884,408	(485,897)
General Reserves	0	0	0	0
Restricted Reserves	(455,034)	(476,191)	(503,274)	(27,083)
Other Council Created Reserves	141,204	31,064	126,410	95,346
Asset Revaluation Reserves	5,391,693	5,620,013	5,615,094	(4,919)
<b>Total Equity</b>	<b>7,017,235</b>	<b>7,545,191</b>	<b>7,122,638</b>	<b>(422,553)</b>

Noting that 2026/27 opening balances are informed by the forecast full year 2025/26 position



**Financials in detail - Prospective financial statements**

**Prospective Statement of Changes in Equity**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Equity at the end of year</b>				
Equity at the end of prior year	6,730,408	7,145,955	6,812,268	(333,687)
Comprehensive Revenue and Expense	280,006	392,677	310,403	(82,274)
Other Movements	6,821	6,559	(33)	(6,592)
<b>Equity at the end of the year</b>	<b>7,017,235</b>	<b>7,545,191</b>	<b>7,122,638</b>	<b>(422,553)</b>
<b>Retained earnings movements</b>				
<b>Retained earnings</b>				
Retained Earnings at the beginning of the year	1,789,763	2,158,617	1,759,181	(399,436)
Surplus/(Deficit) after taxation for the year	280,006	392,677	53,965	(338,712)
Net Transfers to/(from) Other Reserves	96,613	47,043	70,297	23,254
Other Adjustments	(227,010)	(228,032)	966	228,998
<b>Retained earnings</b>	<b>1,939,372</b>	<b>2,370,305</b>	<b>1,884,408</b>	<b>(485,897)</b>
<b>Restricted Reserves movements</b>				
Restricted Reserves at beginning of the year	(371,634)	(437,122)	(450,697)	(13,575)
Net Transfers to/(from) Retained Earnings	(83,400)	(39,069)	(52,578)	(13,509)
<b>Restricted Reserves</b>	<b>(455,034)</b>	<b>(476,191)</b>	<b>(503,274)</b>	<b>(27,083)</b>
<b>Restricted Reserves balances</b>				
Trusts	46	49	47	(2)
Other Restricted Reserves	3,245	3,664	3,312	(352)
Development Contributions	(458,327)	(479,904)	(506,633)	(26,729)
<b>Restricted Reserves</b>	<b>(455,034)</b>	<b>(476,191)</b>	<b>(503,274)</b>	<b>(27,083)</b>



**Financials in detail - Prospective financial statements**

**Prospective Statement of Changes in Equity**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Council Created Reserves movements</b>				
Council Created Reserves at beginning of year	154,418	39,038	144,128	105,090
Net Transfers to/(from) Retained Earnings	(13,214)	(7,974)	(17,719)	(9,745)
<b>Council Created Reserves</b>	<b>141,204</b>	<b>31,064</b>	<b>126,410</b>	<b>95,346</b>
<b>Council Created Reserves balances</b>				
Depreciation Reserves	159,855	53,771	144,268	90,497
Other Special Purpose Reserves	(18,651)	(22,707)	(17,858)	4,849
<b>Council Created Reserves</b>	<b>141,204</b>	<b>31,064</b>	<b>126,410</b>	<b>95,346</b>
<b>Asset Revaluation Reserves movements</b>				
Asset Revaluation Reserves at beginning of the year	5,157,860	5,385,422	5,358,655	(26,767)
Net Impact of Revaluations on Revaluation Reserves Gains/(Losses)	233,833	234,591	256,439	21,848
Deferred Tax on Revaluation	0	0	0	0
Net Transfers to/(from) Retained Earnings on Asset Disposals	0	0	0	0
<b>Asset Revaluation Reserves</b>	<b>5,391,693</b>	<b>5,620,013</b>	<b>5,615,094</b>	<b>(4,919)</b>
<b>Asset Revaluation Reserves balances</b>				
Trust Land	2,334	0	2,334	2,334
Heritage	1,845	2,040	1,813	(227)
Distribution Systems	1,569,495	1,729,740	1,877,016	147,276
Library	1,908	2,442	1,838	(604)
Land, Building and Improvements	2,742,353	2,888,450	2,666,604	(221,845)
Roading Network	1,070,899	985,813	1,062,014	76,201
Airport	20,721	24,619	20,588	(4,031)
Deferred Tax on Asset Revaluation	(17,862)	(13,090)	(17,113)	(4,023)
<b>Asset Revaluation Reserves</b>	<b>5,391,693</b>	<b>5,620,013</b>	<b>5,615,094</b>	<b>(4,919)</b>
<b>Equity at the End of the Year</b>	<b>7,017,235</b>	<b>7,545,191</b>	<b>7,122,638</b>	<b>(422,553)</b>



**Financials in detail - Prospective financial statements**

**Prospective Statement of Cash Flows**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
<b>Cash Flows from Operating Activities</b>				
Receipts from Rates Revenue	360,395	410,929	392,380	(18,549)
Subsidies and grants Received	139,631	213,241	92,999	(120,242)
Fees and charges Received	79,515	83,468	74,297	(9,171)
Development and financial contributions Received	24,532	38,647	28,694	(9,952)
Proceeds from insurance	0	0	2,789	2,789
Interest Received	5,604	5,472	9,030	3,558
Dividends Received	538	532	559	27
Receipts from other revenue	0	0	0	0
<b>Cash Flows from Operating Activities</b>	<b>610,215</b>	<b>752,288</b>	<b>600,749</b>	<b>(151,539)</b>
<b>Cash Flows applied to Operating Activities</b>				
Payments to Suppliers	(265,037)	(268,335)	(241,156)	27,179
Payments to Employees	(124,642)	(128,706)	(134,335)	(5,629)
Interest paid	(65,993)	(80,106)	(76,881)	3,225
Deposits Repaid	0	0	0	0
Goods and Services taxation (net)	0	0	0	0
<b>Cash Flows applied to Operating Activities</b>	<b>(455,672)</b>	<b>(477,147)</b>	<b>(452,372)</b>	<b>24,775</b>
<b>Net Cash Flows from Operating Activities</b>	<b>154,543</b>	<b>275,141</b>	<b>148,377</b>	<b>(126,764)</b>
<b>Cash Flows from Investing Activities</b>				
Receipts from Sale of Financial Instruments Held for Sale	0	0	0	0
Short-term Deposits Maturing	0	0	200	200
Receipts from Sale of Property, Plant and Equipment	0	0	23,491	23,491



**Financials in detail - Prospective financial statements**

**Prospective Statement of Cash Flows**

	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
Receipts from Sale Non Current Assets Held for Sale	17,564	57,820	0	(57,820)
Receipts from Sale of Intangible assets	0	0	12,000	12,000
Receipts from Sale of Investments	0	0	0	0
<b>Cash Flows from Investing Activities</b>	<b>17,564</b>	<b>57,820</b>	<b>35,691</b>	<b>(22,130)</b>
<b>Cash Flows applied to Investing Activities</b>				
Purchase of Short-Term Deposits	0	0	0	0
Purchase of Investment Property	0	0	(130)	(130)
Movements of Investments in CCOs	(900)	(8,643)	(16,384)	(7,741)
Purchase of other investments	(7,502)	(10,000)	(2,000)	8,000
Purchase of Property, Plant and Equipment	(429,468)	(488,150)	(383,679)	104,471
Purchase of Intangible assets	5,778	(34)	(6,148)	(6,114)
<b>Cash Flows applied to Investing Activities</b>	<b>(432,092)</b>	<b>(506,827)</b>	<b>(408,341)</b>	<b>98,486</b>
<b>Net Cash Flows Investing Activities</b>	<b>(414,528)</b>	<b>(449,007)</b>	<b>(372,650)</b>	<b>76,357</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from borrowings	474,985	318,098	505,930	187,832
<b>Cash Flows from Financing Activities</b>	<b>474,985</b>	<b>318,098</b>	<b>505,930</b>	<b>187,832</b>
<b>Cash Flows applied to Financing Activities</b>				
Repayment of borrowings	(215,000)	(144,232)	(281,657)	(137,425)
<b>Cash Flows applied to Financing Activities</b>	<b>(215,000)</b>	<b>(144,232)</b>	<b>(281,657)</b>	<b>(137,425)</b>
<b>Net Cash Flow Financing Activities</b>	<b>259,985</b>	<b>173,866</b>	<b>224,273</b>	<b>50,407</b>
Cash at the beginning of the year	30,611	5,702	30,000	24,298
Cash movement	0	0	0	0
<b>Cash at end of the year</b>	<b>30,611</b>	<b>5,702</b>	<b>30,000</b>	<b>24,298</b>

Noting that 2026/27 opening balances are informed by the forecast full year 2025/26 position.



**Financials in detail - Prospective financial statements**

**Funding Impact Statement - Whole of Council**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of operating funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	219,790	245,082	278,286	263,422
Targeted Rates	114,365	122,913	138,663	135,116
Subsidies and Grants for Operating Purposes	59,663	76,912	72,341	46,960
Interest and dividends from investments *	12,344	6,142	6,003	9,589
Fees and Charges	63,776	76,385	80,505	75,314
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	3,965	4,390	4,243	4,731
<b>Total Operating Funding (A)</b>	<b>473,903</b>	<b>531,824</b>	<b>580,041</b>	<b>535,132</b>
<b>Applications of operating funding</b>				
Payments to Staff & Suppliers	410,400	399,532	408,070	389,576
Finance Costs	60,447	65,273	80,106	71,853
Other Operating Funding applications	2,044	523	523	522
<b>Total Applications of Operating Funding (B)</b>	<b>472,891</b>	<b>465,328</b>	<b>488,700</b>	<b>461,951</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,012</b>	<b>66,496</b>	<b>91,342</b>	<b>73,181</b>
<b>Sources of capital funding</b>				
Subsidies and Grants for Capital Expenditure	65,475	52,814	136,199	34,952
Development and Financial Contributions	18,670	24,532	38,647	28,694
Increase/(Decrease) in Debt	237,128	209,757	186,557	225,529
Gross proceeds from the sale of assets	2,621	17,564	57,820	21,840
Lump Sum Contributions	4,484	8,645	3,420	9,800
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>328,378</b>	<b>313,312</b>	<b>422,643</b>	<b>320,815</b>



**Financials in detail - Prospective financial statements**

**Forecast Funding Impact Statement - Whole of Council**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Application of capital funding</b>				
- to meet additional demand	105,237	127,985	176,158	104,253
- to improve level of service	157,091	196,110	189,328	164,946
- to replace existing assets	66,082	100,594	122,698	109,458
Increase/(Decrease) in Reserves	979	(44,881)	25,801	15,339
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>329,389</b>	<b>379,808</b>	<b>513,985</b>	<b>393,996</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,012)</b>	<b>(66,496)</b>	<b>(91,342)</b>	<b>(73,181)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Prospective financial statements**

**Reconciliation of Funding Impact Statement and Statement of Comprehensive Revenue and Expense**

	2024/25 Actuals \$000	2025/26 Annual Plan (\$000) \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Total Rates from Funding Impact Statement (Whole of Council)</b>	<b>334,155</b>	<b>367,996</b>	<b>416,948</b>	<b>398,538</b>
General Rates Requirement	219,790	245,082	278,286	263,422
Targeted Rates	72,050	80,177	87,404	83,911
Targeted Rates for Water Supply	42,315	42,736	51,258	51,205
<b>Total Rates requirement per Prospective Statement of Comprehensive Revenue and Expense</b>	<b>334,155</b>	<b>367,996</b>	<b>416,948</b>	<b>398,538</b>
<b>Revenue from Funding Impact Statement (Whole of Council)</b>	<b>139,748</b>	<b>163,829</b>	<b>163,092</b>	<b>136,594</b>
Revenue funding capital expenditure	69,959	61,460	139,619	44,752
Vested Assets	15,711	20,781	14,672	47,582
Development contributions	18,670	24,532	38,647	28,694
Other Gains & Revaluation	0	(613)	(349)	(349)
Total Rates Requirement	334,155	367,996	416,948	398,538
<b>Total Revenue per Prospective Statement of Comprehensive Revenue and Expense (includes Asset Development revenue)</b>	<b>578,243</b>	<b>637,984</b>	<b>772,630</b>	<b>655,810</b>
<b>Expenditure from Funding Impact Statement (Whole of Council)</b>	<b>472,891</b>	<b>465,328</b>	<b>488,700</b>	<b>461,951</b>
Depreciation & Amortisation	113,594	125,882	125,845	139,295
Other Expenses	(269)	0	0	0
Net Other Gains/Losses	0	600	0	600
<b>Total Expenditure per Prospective Statement of Comprehensive Revenue and Expense</b>	<b>586,216</b>	<b>591,811</b>	<b>614,544</b>	<b>601,845</b>
<b>Total Capital Expenditure from Funding Impact Statement (Whole of Council)</b>	<b>325,789</b>	<b>407,125</b>	<b>430,364</b>	<b>356,817</b>
Vested Assets	15,711	20,781	14,672	47,582
<b>Total Capital Expenditure</b>	<b>341,500</b>	<b>427,906</b>	<b>445,036</b>	<b>404,399</b>



**Financials in detail -  
Financial Prudence**

# Financial prudence

## Annual Plan disclosure statement – for the year ending 30 June 2027

### What is the purpose of this statement?

The Financial Prudence benchmarks are produced in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. Their purpose is to disclose the Council's planned financial performance in relation to various benchmarks that are also presented by other councils. These benchmarks enable the assessment

of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings. For the annual plan, these benchmarks relate to the financial strategy that was prepared as part of the LTP 2024-34. In the Annual Plan 2026/27 all benchmarks are met except for the Balanced Budget measure.

This has not been met due to decisions to fund operational expenditure from borrowings, particularly expenditure relating to the establishment of the new Waters Organisation and to fund items that provide value over time, such as investment in digital solutions.

Benchmark	Limit	Planned	Met
<b>Rates affordability benchmark</b>			
Income (\$ million)	< 415	399	Yes
Increases	< 12%	7.2%	Yes
<b>Debt affordability benchmark</b>			
i) Net Interest Expense/ Operating Revenue	<20%	12%	Yes
ii) Net Interest Expense/ Rates Revenue	<25%	17%	Yes
iii) Net External Debt/ Operating Revenue	<330%	289%	Yes
<b>Balanced budget</b>	<b>&gt;100%</b>	<b>96%</b>	<b>No</b>
<b>Essential services benchmark</b>	<b>&gt;100%</b>	<b>254%</b>	<b>Yes</b>
<b>Debt servicing benchmark</b>	<b>&lt;15%</b>	<b>13%</b>	<b>Yes</b>

**Want to see what the LTP set?  
See the full document at  
[www.tauranga.govt.nz/longtermplan](http://www.tauranga.govt.nz/longtermplan)**

**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - City & Infrastructure Planning**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	8,212	9,525	12,234	9,245
Targeted Rates	0	0	0	0
Subsidies and Grants for Operating Purposes	0	60	120	147
Fees and Charges	1,288	1,016	1,235	993
Internal charges and overheads recovered	0	0	0	0
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>9,500</b>	<b>10,601</b>	<b>13,589</b>	<b>10,385</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	8,258	8,388	10,437	9,194
Finance Costs	396	391	310	324
Internal Charges and Overheads Applied	1,944	2,143	1,997	1,889
Other Operating Funding applications	0	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>10,598</b>	<b>10,922</b>	<b>12,744</b>	<b>11,407</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(1,098)</b>	<b>(321)</b>	<b>845</b>	<b>(1,022)</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	1,831	1,143	463	935
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>1,831</b>	<b>1,143</b>	<b>463</b>	<b>935</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - City & Infrastructure Planning**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	0	0
- to improve level of service	0	0	0	0
- to replace existing assets	0	0	0	0
Increase/(Decrease) in Reserves	733	822	1,308	(87)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>733</b>	<b>822</b>	<b>1,308</b>	<b>(87)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>1,098</b>	<b>321</b>	<b>(845)</b>	<b>1,022</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Community Services**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	39,096	39,311	45,519	47,150
Targeted Rates	0	87	0	0
Subsidies and Grants for Operating Purposes	525	175	409	1,378
Fees and Charges	2,142	2,005	1,895	2,308
Internal charges and overheads recovered	54	2,657	(388)	2,780
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>41,817</b>	<b>44,235</b>	<b>47,435</b>	<b>53,616</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	40,801	36,219	35,467	37,102
Finance Costs	2,476	4,655	3,225	7,848
Internal Charges and Overheads Applied	9,897	9,913	9,626	7,552
Other Operating Funding applications	7	23	23	22
<b>Total Applications of Operating Funding (B)</b>	<b>53,181</b>	<b>50,810</b>	<b>48,341</b>	<b>52,524</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(11,364)</b>	<b>(6,575)</b>	<b>(906)</b>	<b>1,092</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	2,819	0	15,194	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	40,647	46,521	18,690	24,223
Gross proceeds from the sale of assets	27	4,900	0	0
Lump Sum Contributions	3,425	8,250	745	5,000
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>46,918</b>	<b>59,671</b>	<b>34,629</b>	<b>29,223</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Community Services**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	0	0
- to improve level of service	51,814	78,870	39,946	38,389
- to replace existing assets	3,257	3,500	2,462	4,280
Increase/(Decrease) in Reserves	(19,517)	(29,274)	(8,685)	(12,354)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>35,554</b>	<b>53,096</b>	<b>33,723</b>	<b>30,315</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>11,364</b>	<b>6,575</b>	<b>906</b>	<b>(1,092)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Community, People and Relationships**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	0	0	0	57
Targeted Rates	0	0	0	0
Subsidies and Grants for Operating Purposes	0	3	267	3
Fees and Charges	69	36	10	37
Internal charges and overheads recovered	10,790	7,568	11,288	8,572
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>10,859</b>	<b>7,607</b>	<b>11,565</b>	<b>8,669</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	10,958	8,588	11,417	9,819
Finance Costs	129	4	145	4
Internal Charges and Overheads Applied	0	0	0	0
Other Operating Funding applications	0	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>11,087</b>	<b>8,592</b>	<b>11,562</b>	<b>9,823</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(228)</b>	<b>(985)</b>	<b>3</b>	<b>(1,154)</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	66	0	0	671
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>671</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Community, People and Relationships**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	0	0
- to improve level of service	66	0	0	0
- to replace existing assets	0	0	0	0
Increase/(Decrease) in Reserves	(228)	(985)	3	(483)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>(162)</b>	<b>(985)</b>	<b>3</b>	<b>(483)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>228</b>	<b>985</b>	<b>(3)</b>	<b>1,154</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Economic Development**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	0	0	0	0
Targeted Rates	5,399	5,131	5,824	5,539
Subsidies and Grants for Operating Purposes	0	0	0	0
Fees and Charges	16,365	19,472	20,552	19,183
Internal charges and overheads recovered	742	405	(1,137)	501
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>22,506</b>	<b>25,008</b>	<b>25,239</b>	<b>25,223</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	11,256	10,520	11,172	11,186
Finance Costs	2,250	2,849	819	2,263
Internal Charges and Overheads Applied	691	813	481	997
Other Operating Funding applications	1,419	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>15,616</b>	<b>14,182</b>	<b>12,472</b>	<b>14,446</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>6,890</b>	<b>10,826</b>	<b>12,767</b>	<b>10,777</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	5,462	16,193	0	2,984
Gross proceeds from the sale of assets	3,399	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>8,861</b>	<b>16,193</b>	<b>0</b>	<b>2,984</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Economic Development**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	3,852	0	0	60
- to improve level of service	1,539	5,000	0	6,889
- to replace existing assets	1,462	12,494	1,144	3,934
Increase/(Decrease) in Reserves	8,898	9,525	11,623	2,878
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>15,751</b>	<b>27,019</b>	<b>12,767</b>	<b>13,761</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(6,890)</b>	<b>(10,826)</b>	<b>(12,767)</b>	<b>(10,777)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Emergency Management**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	1,272	1,512	2,368	1,724
Targeted Rates	175	180	184	0
Subsidies and Grants for Operating Purposes	0	0	0	0
Fees and Charges	0	0	0	0
Internal charges and overheads recovered	0	0	0	0
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>1,447</b>	<b>1,692</b>	<b>2,552</b>	<b>1,724</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	1,045	1,214	1,399	3,589
Finance Costs	78	93	107	79
Internal Charges and Overheads Applied	313	363	322	416
Other Operating Funding applications	0	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>1,436</b>	<b>1,670</b>	<b>1,828</b>	<b>4,084</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>11</b>	<b>22</b>	<b>724</b>	<b>(2,360)</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	1	48	0	0
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>1</b>	<b>48</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Emergency Management**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	0	0
- to improve level of service	1	48	0	0
- to replace existing assets	0	0	0	0
Increase/(Decrease) in Reserves	11	22	724	(2,360)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>12</b>	<b>70</b>	<b>724</b>	<b>(2,360)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(11)</b>	<b>(22)</b>	<b>(724)</b>	<b>2,360</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Regulatory and Compliance**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	7,932	6,469	9,591	6,697
Targeted Rates	282	288	309	309
Subsidies and Grants for Operating Purposes	23	0	0	0
Fees and Charges	19,294	26,119	25,761	25,874
Internal charges and overheads recovered	214	31	(473)	125
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	186	131	136	378
<b>Total Operating Funding (A)</b>	<b>27,931</b>	<b>33,038</b>	<b>35,324</b>	<b>33,383</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	21,845	23,585	23,813	24,189
Finance Costs	805	826	122	727
Internal Charges and Overheads Applied	9,162	9,270	9,897	9,589
Other Operating Funding applications	11	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>31,823</b>	<b>33,681</b>	<b>33,832</b>	<b>34,505</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(3,892)</b>	<b>(643)</b>	<b>1,492</b>	<b>(1,122)</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	284	19	28	236
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>284</b>	<b>19</b>	<b>28</b>	<b>236</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Regulatory and Compliance**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	2	0
- to improve level of service	286	11	11	220
- to replace existing assets	(2)	12	16	16
Increase/(Decrease) in Reserves	(3,892)	(647)	1,491	(1,122)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>(3,608)</b>	<b>(624)</b>	<b>1,520</b>	<b>(886)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>3,892</b>	<b>643</b>	<b>(1,492)</b>	<b>1,122</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Spaces and Places**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	74,997	89,599	89,729	100,630
Targeted Rates	177	196	238	345
Subsidies and Grants for Operating Purposes	2,165	3	3	3
Fees and Charges	6,069	6,988	7,996	5,853
Internal charges and overheads recovered	70	0	(380)	28
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	1,042	983	1,576	893
<b>Total Operating Funding (A)</b>	<b>84,520</b>	<b>97,769</b>	<b>99,162</b>	<b>107,752</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	63,118	54,508	58,634	63,091
Finance Costs	15,471	19,380	18,886	18,099
Internal Charges and Overheads Applied	11,373	13,186	10,955	12,300
Other Operating Funding applications	3	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>89,965</b>	<b>87,074</b>	<b>88,475</b>	<b>93,490</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(5,445)</b>	<b>10,695</b>	<b>10,687</b>	<b>14,262</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	6,215	0
Development and Financial Contributions	1,313	1,564	1,583	1,007
Increase/(Decrease) in Debt	61,085	64,381	52,367	53,094
Gross proceeds from the sale of assets	82	0	0	8,245
Lump Sum Contributions	847	395	1,410	4,800
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>63,327</b>	<b>66,340</b>	<b>61,575</b>	<b>67,146</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Spaces and Places**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	8,793	14,789	15,954	14,211
- to improve level of service	49,410	49,062	52,728	42,821
- to replace existing assets	4,958	16,236	10,092	12,951
Increase/(Decrease) in Reserves	(5,279)	(3,052)	(6,512)	11,425
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>57,882</b>	<b>77,035</b>	<b>72,262</b>	<b>81,408</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>5,445</b>	<b>(10,695)</b>	<b>(10,687)</b>	<b>(14,262)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Stormwater**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	30,069	31,511	32,410	33,584
Targeted Rates	610	578	1,203	1,177
Subsidies and Grants for Operating Purposes	152	0	0	0
Fees and Charges	38	4	4	30
Internal charges and overheads recovered	0	0	0	0
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>30,869</b>	<b>32,093</b>	<b>33,617</b>	<b>34,791</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	10,180	10,705	10,800	10,829
Finance Costs	8,024	8,228	9,132	7,653
Internal Charges and Overheads Applied	3,553	3,300	3,285	5,809
Other Operating Funding applications	0	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>21,757</b>	<b>22,233</b>	<b>23,217</b>	<b>24,291</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>9,112</b>	<b>9,860</b>	<b>10,400</b>	<b>10,500</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	1,246	2,996	3,756	3,756
Increase/(Decrease) in Debt	3,603	3,639	15,793	5,939
Gross proceeds from the sale of assets	(106)	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>4,743</b>	<b>6,635</b>	<b>19,549</b>	<b>9,695</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Stormwater**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	5,943	5,885	6,906	6,633
- to improve level of service	3,807	5,521	14,839	7,039
- to replace existing assets	1,685	1,154	2,480	3,580
Increase/(Decrease) in Reserves	2,420	3,935	5,724	2,943
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>13,855</b>	<b>16,495</b>	<b>29,949</b>	<b>20,195</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(9,112)</b>	<b>(9,860)</b>	<b>(10,400)</b>	<b>(10,500)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Support Services**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	(9,416)	(11,864)	201	(6,737)
Targeted Rates	0	0	0	0
Subsidies and Grants for Operating Purposes	336	80	3,727	65
Fees and Charges	8,425	7,725	11,190	9,021
Internal charges and overheads recovered	138,642	157,028	157,007	152,848
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	11,302	5,159	4,427	8,696
<b>Total Operating Funding (A)</b>	<b>149,289</b>	<b>158,128</b>	<b>176,552</b>	<b>163,893</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	85,293	85,548	87,546	89,611
Finance Costs	(3,443)	(7,798)	7,589	(83)
Internal Charges and Overheads Applied	73,685	86,802	89,112	85,169
Other Operating Funding applications	530	500	500	500
<b>Total Applications of Operating Funding (B)</b>	<b>156,065</b>	<b>165,052</b>	<b>184,747</b>	<b>175,197</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(6,776)</b>	<b>(6,924)</b>	<b>(8,195)</b>	<b>(11,304)</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	1	0	3,750	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	95,792	30,893	12,729	57,364
Gross proceeds from the sale of assets	(801)	12,664	57,820	3,500
Lump Sum Contributions	0	0	1,265	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>94,992</b>	<b>43,557</b>	<b>75,564</b>	<b>60,864</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Support Services**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	4,760	5,330	5,475	4,045
- to improve level of service	22,566	3,484	5,064	5,576
- to replace existing assets	1,364	1,971	2,133	116
Increase/(Decrease) in Reserves	59,526	25,848	54,697	39,823
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>88,216</b>	<b>36,633</b>	<b>67,369</b>	<b>49,560</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>6,776</b>	<b>6,924</b>	<b>8,195</b>	<b>11,304</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Sustainability and Waste**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	6,252	8,448	12,376	7,847
Targeted Rates	14,453	14,151	16,025	15,321
Subsidies and Grants for Operating Purposes	2,949	2,900	1,445	3,364
Fees and Charges	373	434	457	459
Internal charges and overheads recovered	0	0	0	0
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>24,027</b>	<b>25,933</b>	<b>30,303</b>	<b>26,991</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	20,558	16,792	23,240	16,007
Finance Costs	(84)	97	957	467
Internal Charges and Overheads Applied	3,834	3,378	3,801	3,486
Other Operating Funding applications	51	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>24,359</b>	<b>20,267</b>	<b>27,998</b>	<b>19,960</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(332)</b>	<b>5,666</b>	<b>2,305</b>	<b>7,031</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	0	0	0	0
Development and Financial Contributions	0	0	0	0
Increase/(Decrease) in Debt	3,711	4,895	5,439	14,813
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>3,711</b>	<b>4,895</b>	<b>5,439</b>	<b>14,813</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Sustainability and Waste**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	0	0	0	0
- to improve level of service	(877)	5,871	5,592	15,401
- to replace existing assets	478	293	465	811
Increase/(Decrease) in Reserves	3,778	4,397	1,687	5,632
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>3,379</b>	<b>10,561</b>	<b>7,744</b>	<b>21,844</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>332</b>	<b>(5,666)</b>	<b>(2,305)</b>	<b>(7,031)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Transportation**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	61,376	70,572	73,858	63,226
Targeted Rates	2,505	2,656	2,725	3,696
Subsidies and Grants for Operating Purposes	53,513	73,692	66,371	42,000
Fees and Charges	5,984	8,024	7,082	8,610
Internal charges and overheads recovered	70	0	(1,371)	25
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	3,779	4,259	4,107	4,353
<b>Total Operating Funding (A)</b>	<b>127,227</b>	<b>159,203</b>	<b>152,772</b>	<b>121,910</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	93,045	97,516	91,639	70,545
Finance Costs	8,785	12,608	10,829	10,750
Internal Charges and Overheads Applied	24,187	23,793	22,424	20,392
Other Operating Funding applications	3	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>126,020</b>	<b>133,917</b>	<b>124,892</b>	<b>101,687</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,207</b>	<b>25,286</b>	<b>27,880</b>	<b>20,223</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	52,992	48,487	109,780	30,189
Development and Financial Contributions	2,534	3,408	4,827	4,668
Increase/(Decrease) in Debt	26,084	24,093	26,315	37,251
Gross proceeds from the sale of assets	20	0	0	10,095
Lump Sum Contributions	2	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>81,632</b>	<b>75,988</b>	<b>140,922</b>	<b>82,203</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Transportation**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	39,986	53,661	74,915	19,812
- to improve level of service	24,661	37,656	53,011	36,149
- to replace existing assets	24,253	27,697	29,319	32,948
Increase/(Decrease) in Reserves	(6,061)	(17,740)	11,557	13,517
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>82,839</b>	<b>101,274</b>	<b>168,802</b>	<b>102,426</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,207)</b>	<b>(25,286)</b>	<b>(27,880)</b>	<b>(20,223)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Wastewater**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	0	0	0	0
Targeted Rates	48,449	53,258	56,793	57,524
Subsidies and Grants for Operating Purposes	0	0	0	0
Fees and Charges	2,394	3,215	3,390	2,681
Internal charges and overheads recovered	1,527	419	711	317
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>52,370</b>	<b>56,892</b>	<b>60,894</b>	<b>60,522</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	20,934	23,034	22,427	23,218
Finance Costs	11,316	10,908	10,529	11,633
Internal Charges and Overheads Applied	8,246	8,780	7,653	8,389
Other Operating Funding applications	0	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>40,496</b>	<b>42,722</b>	<b>40,609</b>	<b>43,240</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>11,874</b>	<b>14,170</b>	<b>20,285</b>	<b>17,282</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	4,825	2,051	0	838
Development and Financial Contributions	6,025	7,775	12,094	8,855
Increase/(Decrease) in Debt	(3,015)	6,410	6,412	5,011
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	210	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>8,045</b>	<b>16,236</b>	<b>18,506</b>	<b>14,704</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Wastewater**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	37,647	41,995	51,428	47,356
- to improve level of service	679	6,065	4,236	5,296
- to replace existing assets	15,519	17,995	38,202	21,346
Increase/(Decrease) in Reserves	(33,926)	(35,649)	(55,075)	(42,012)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>19,919</b>	<b>30,406</b>	<b>38,791</b>	<b>31,986</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(11,874)</b>	<b>(14,170)</b>	<b>(20,285)</b>	<b>(17,282)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Water Supply**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Sources of Operating Funding</b>				
General Rates, Uniform Annual General Charge, Rates Penalties	0	0	0	0
Targeted Rates	42,315	46,389	55,362	51,205
Subsidies and Grants for Operating Purposes	0	0	0	0
Fees and Charges	1,335	1,346	933	265
Internal charges and overheads recovered	721	471	0	(601)
Local Authorities Fuel Tax, Fines, Infringement Fees & Other Receipts	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>44,371</b>	<b>48,206</b>	<b>56,295</b>	<b>50,869</b>
<b>Applications of Operating Funding</b>				
Payments to Staff & Suppliers	23,109	22,915	20,079	21,197
Finance Costs	14,244	13,031	17,343	12,089
Internal Charges and Overheads Applied	5,943	6,840	5,820	8,608
Other Operating Funding applications	20	0	0	0
<b>Total Applications of Operating Funding (B)</b>	<b>43,316</b>	<b>42,786</b>	<b>43,242</b>	<b>41,894</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,055</b>	<b>5,420</b>	<b>13,053</b>	<b>8,975</b>
<b>Sources of Capital Funding</b>				
Subsidies and Grants for Capital Expenditure	4,838	2,277	1,261	3,926
Development and Financial Contributions	7,552	8,788	16,387	10,409
Increase/(Decrease) in Debt	2,472	11,521	48,320	23,009
Gross proceeds from the sale of assets	0	0	0	0
Lump Sum Contributions	0	0	0	0
Other dedicated capital funding	0	0	0	0
<b>Total Sources of Capital Funding (C)</b>	<b>14,862</b>	<b>22,586</b>	<b>65,968</b>	<b>37,344</b>



**Financials in detail - Activity funding impact statements**

**Funding Impact Statement - Water Supply**

	2024/25 Actuals \$000	2025/26 Annual Plan \$000	2026/27 Long-term Plan \$000	2026/27 Annual Plan \$000
<b>Applications of Capital Funding</b>				
<b>Capital Expenditure:</b>				
- to meet additional demand	4,256	6,325	21,480	12,136
- to improve level of service	3,139	4,522	13,901	7,166
- to replace existing assets	13,108	19,243	36,384	29,475
Increase/(Decrease) in Reserves	(4,586)	(2,084)	7,256	(2,458)
Increase/(Decrease) of Investments	0	0	0	0
<b>Total Applications of Capital Funding (D)</b>	<b>15,917</b>	<b>28,006</b>	<b>79,021</b>	<b>46,319</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,055)</b>	<b>(5,420)</b>	<b>(13,053)</b>	<b>(8,975)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



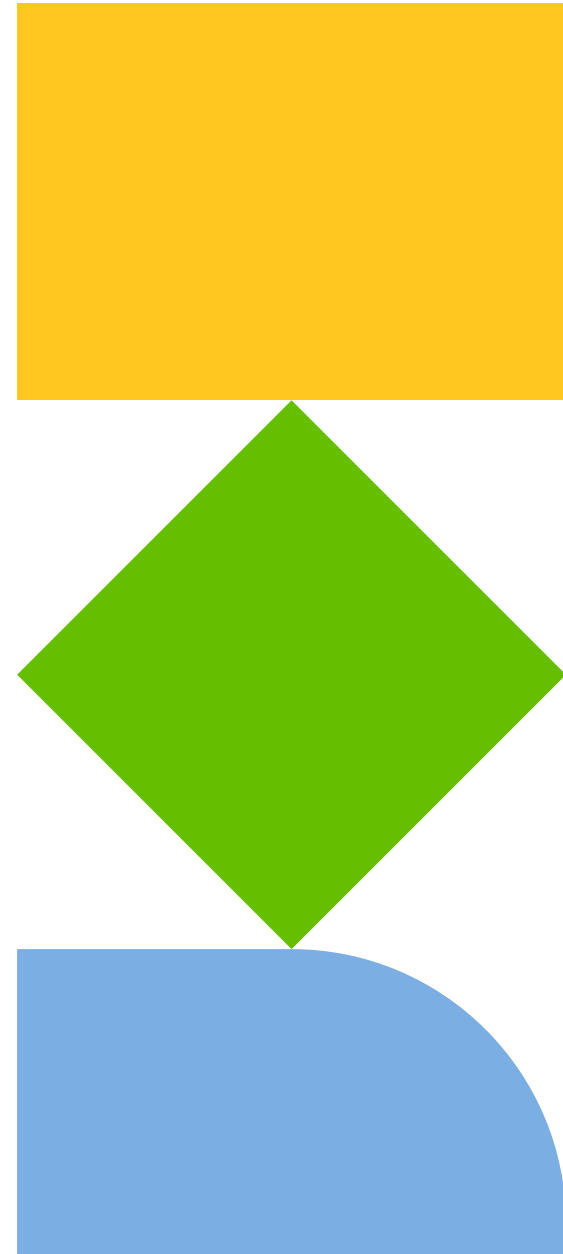
Financials in detail - Capital Expenditure

# Capital Expenditure

The capital programme for the 2026/27 Annual Plan has had numerous changes from year 3 of the 2024-34 Long-term Plan.

The most significant of these changes are the deferral of Cameron Road Stage 2 (due to NZTA funding not being included in the 2025-27 National Land Transport Programme); the delay of Welcome Bay, Turret Road and 15th Ave Corridor project (due to delays in NZTA business case review and approval of funding); deferral of Memorial Park Aquatic Centre while options are revisited; deferral of contingency budgets associated with Tauriko West; and removal of the capital delivery adjustment.

Overall, changes to the capital programme are generally as a result of timing changes, where projects are delayed or brought forward. The table below details those projects that have had a change in budget for 2026/27.



Financials in detail - Capital Expenditure

Variations between Year 3 of the Adopted Long-term Plan 2024-2034 and the Adopted Annual Plan 2026/27

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
<b>Transportation</b>				
<b>Growth</b>	Accessible Streets	1,291	0	(1,291)
	Bus Infrastructure	0	22	22
	Cameron Road Stage 2	38,234	4,000	(34,234)
	City Centre Development	4,839	0	(4,839)
	Domain Rd Upgrading Capital Works	0	94	94
	Eastern Corridor - Pāpāmoa East Wairakei	1,401	2,826	1,425
	Eastern Corridor - Te Tumu	0	27	27
	Local Roads Upgrades and Improvements	0	677	677
	Tauriko West Networks Connections <sup>1</sup>	51,993	35,159	(16,833)
	Te Papa Intensification	4,873	0	(4,873)
<b>Growth</b>	WC - Tauriko Business Estate	329	5,655	5,327
	Western Corridor - Bethlehem	282	20	(262)
	Western Corridor - Ring Rd	0	998	998
<b>Growth &amp; Level of Service</b>	Accessible Streets	0	590	590
	Bus Infrastructure	545	223	(321)
	Eastern Corridor - Pāpāmoa East Wairakei	10,893	489	(10,404)
	Eastern Corridor - Pāpāmoa Growth Area	0	462	462
	Eastern Corridor - Te Tumu	0	100	100



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
<b>Growth &amp; Level of Service</b>	Eastern Corridor - Wairakei	0	1,570	1,570
	Hewletts Improvements <sup>2</sup>	4,971	2,585	(2,386)
	Local Roads Upgrades and Improvements	672	20	(652)
	Mount/Pāpāmoa Multimodal	3,006	0	(3,006)
	Ōtūmoetai Intensification	286	0	(286)
	Te Papa Intensification	11,220	205	(11,016)
	WC - Tauriko Business Estate	0	56	56
	Welcome Bay, Turret Rd & 15th Ave Corridor	32,679	8,693	(23,986)
	Western Corridor - Belk Rd Plateau	0	1,727	1,727
	Western Corridor - Bethlehem	0	2,581	2,581
<b>Level of Service</b>	Accessible Streets	1,810	1,050	(760)
	Arterial Upgrades	4,654	4,358	(295)
	Bridge Resilience Capital Works	2,832	0	(2,832)
	Bus Infrastructure	6,503	500	(6,003)
	Capital Delivery Adjustment	(29,500)	0	29,500
<b>Level of Service</b>	City Centre Waterfront Development	0	4,347	4,347
	Eastern Corridor - Pāpāmoa East Wairakei	0	433	433
	Grenada Street Cycleway	219	0	(219)
	Local Roads Renewals	1,952	186	(1,766)
	Local Roads Upgrades and Improvements	13,913	5,171	(8,742)
	Marshall Ave Footpath upgrade	556	0	(556)
	Minor Safety Improvements	3,804	5,590	1,786
Parking Infrastructure	420	549	128	



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
Level of Service	Regulatory Services Minor Capital Works	0	219	219
	Transportation Model	849	133	(715)
	TTOC Projects	1,458	545	(914)
Renewal	Bus Infrastructure	64	64	0
	Local Roads Renewals	26,319	28,942	2,622
	Parking Infrastructure	227	425	198
	Prop Management Upgrades & Renewals	66	66	0
	Streetlight Renewal & LED Upgrade	2,464	3,256	792
	TTOC Projects	178	196	17
	<b>Water Supply</b>			
Growth	Eastern Corridor - Pāpāmoa Growth Area	0	45	45
	Eastern Corridor - Wairakei	925	311	(613)
	Te Papa Intensification	5,222	5,222	0
	Waiāri Water Treatment Plant Capital	2,724	340	(2,384)
	Western Corridor - Tauriko West	0	300	300
Growth & Level of Service	Te Papa Intensification	23,231	1,692	(21,539)
	Waiāri Water Treatment Plant Capital	0	100	100
	Welcome Bay, Turret Rd & 15th Ave Corridor	10,908	1,190	(9,718)
	Western Active Reserve Capital Works	113	113	0
	Western Corridor - Bethlehem	0	200	200
	Western Corridor - Tauriko West	8,470	2,735	(5,735)



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
Level of Service	Capital Delivery Adjustment	(30,000)	0	30,000
	Infrastructure Resilience Capital Works	0	20	20
	Reservoir Upgrades & Renewals	3,293	2,730	(563)
	Smiths Farm Development	971	971	0
	Te Papa Intensification	1,097	1,255	158
	Water Netwrk Upgrades & Renewals	8,427	1,605	(6,822)
	Waters CIP Stimulus	0	223	223
	Welcome Bay, Turret Rd & 15th Ave Corridor	0	250	250
Renewal	Infrastructure Resilience Capital Works	12,158	13,831	1,673
	Prop Management Upgrades & Renewals	14	14	0
	Reservoir Upgrades & Renewals	5,208	4,456	(753)
	Water Netwrk Upgrades & Renewals	9,289	7,380	(1,908)
	Water Supply Plant Upgrades & Renewals	9,715	3,795	(5,920)
<b>Wastewater</b>				
Growth	Eastern Corridor - Pāpāmoa East Wairakei	0	65	65
	Eastern Corridor - Trunk Wastewater	10,517	15,628	5,111
	Te Maunga WW Treatment Plant	23,039	16,090	(6,949)
	Te Papa Intensification	854	0	(854)
	Western Corridor - Belk Rd Plateau	0	413	413
	WW Reticulation Upgrades & Renewals	3,009	7,282	4,273



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
Growth & Level of Service	Eastern Corridor - Trunk Wastewater	11,077	1,474	(9,602)
	Te Maunga WW Treatment Plant	1,835	1,390	(445)
	WC - Tauriko Business Estate	0	270	270
	Western Corridor - Bethlehem	0	250	250
	Western Corridor - Tauriko West	1,097	1,518	421
Level of Service	Infrastructure Resilience Capital Works	0	105	105
	Smiths Farm Development	0	296	296
	Te Papa Intensification	3,619	3,619	0
	WW Reticulation Upgrades & Renewals	429	827	399
	WW Treatment Plant Renewals	188	122	(66)
Renewal	Cameron Road Stage 2	574	245	(329)
	SW Minor Capital Works & Renewals	618	300	(318)
	Te Maunga WW Treatment Plant	3,719	501	(3,218)
	Wastewater Renewals/Upgrades Programme	1,484	0	(1,484)
	WW Reticulation Upgrades & Renewals	23,973	18,898	(5,075)
	WW Treatment Plant Renewals	7,834	4,702	(3,132)
<b>Stormwater</b>				
Growth	Cameron Road Stage 2	2,117	215	(1,902)
	Eastern Corridor - Te Tumu	0	396	396
	Wairakei Stream Landscaping	0	301	301
	WC - Pyes Pā West Growth Area	0	2,129	2,129
	Western Active Reserve Capital Works	435	435	0
	Western Corridor - Bethlehem	3,258	1,364	(1,894)



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
Growth & Level of Service	Freshwater Management	0	130	130
	Mount Intensification	315	280	(35)
	Ōtūmoetai Intensification	325	180	(145)
	Te Papa Intensification	1,097	1,202	106
Level of Service	CSC Stormwater Treatment Capital Works	548	523	(25)
	Infrastructure Resilience Capital Works	55	55	0
	Ōtūmoetai Intensification	88	137	49
	SW Bulk Fund & Reactive Reserve	7,305	2,161	(5,144)
	SW Minor Capital Works & Renewals	2,717	2,353	(364)
	Te Papa Intensification	88	338	250
	Wairakei Stream Culvert Upgrade	3,290	957	(2,333)
	Wairakei Stream Landscaping	107	516	408
Renewal	Prop Management Upgrades & Renewals	23	23	0
	SW Minor Capital Works & Renewals	2,457	3,556	1,100
<b>Sustainability and Waste</b>				
Level of Service	Kerbside Waste Collection Capital Works	980	588	(392)
	Sustainability & Waste Upgrds & Renewals	428	9,805	9,377
	Waste Facilities Redevelopment	4,184	5,009	825
Renewal	Sustainability & Waste Upgrds & Renewals	465	811	345



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
<b>City &amp; Infrastructure Planning</b>				
Growth	City Planning <sup>1</sup>	419	935	516
Level of Service	City Planning <sup>1</sup>	0	500	500
<b>Community Services</b>				
Growth & Level of Service	Te Manawataki ō Te Papa	3,972	3,745	(227)
Level of Service	City Centre Development	2,951	500	(2,451)
	Disposal of Elder Housing - Capex portion	2,190	0	(2,190)
	Historic Village Capital	155	848	693
	Library Capital Works	330	1,478	1,148
	Te Manawataki ō Te Papa <sup>6</sup>	30,347	33,325	2,978
Renewal	Baycourt Capital Renewals	399	721	322
	Historic Village Capital	511	716	205
	Library Capital Works	1,183	1,183	0
	Prop Management Upgrades & Renewals	369	1,660	1,291
<b>Economic Development</b>				
Growth & Level of Service	Airport Upgrades & Renewals	0	61	61
Level of Service	Marine Precinct Upgrades & Renewals	0	6,889	6,889
Renewal	Airport Upgrades & Renewals	49	49	0
	Marine Precinct Upgrades & Renewals	1,095	3,885	2,790



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
<b>Regulatory &amp; Compliance</b>				
Level of Service	Regulatory Services Minor Capital Works	11	0	(11)
Renewal	Animal Services Minor Capital Works	16	16	0
<b>Spaces and Places</b>				
Growth	Active Reserve Development	2,170	1,345	(824)
	Infrastructure Resilience Capital Works	145	0	(145)
	Neighbourhood Reserves & Other Minor Capital Projects	108	0	(108)
	Te Papa Intensification	1,500	0	(1,500)
	Western Corridor - Tauriko West	166	0	(166)
Growth & Level of Service	Active Reserve Development	5,760	5,100	(660)
	City Centre Waterfront Development	4,203	415	(3,788)
	Community Centres	0	3,901	3,901
	Memorial Park Aquatics & Recreation Hub	20,784	4,000	(16,784)
	Parks LOS Capital Development	338	2,000	1,662
	Te Papa Intensification	1,564	1,450	(114)
	TECT Park Development	165	165	0
Level of Service	Active Reserve Development	3,519	2,980	(539)
	Bay Venues New Capital	8,643	2,472	(6,171)
	Cemeteries Capital Programme	2,541	2,630	89
	City Centre Development	2,206	1,910	(296)
	City Centre Waterfront Development	6,014	4,057	(1,957)
	City Operations Capital	412	412	0



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
Level of Service	Community Centres	0	25	25
	Kōpurererua Valley Development	120	0	(120)
	Marine Facilities Upgrades & Renewals	2,512	500	(2,012)
	Mauao & Beachside Remediation	0	6,000	6,000
	Memorial Park Masterplanning	2,066	500	(1,566)
	Memorial Park to City Centre Pathway	3,309	0	(3,309)
	Mount College Pool Redevelopment <sup>3</sup>	0	2,762	2,762
	Neighbourhood Reserves & Other Minor Capital Projects	3,304	3,979	675
	Parks LOS Capital Development	4,318	5,775	1,457
	Prop Management Upgrades & Renewals	219	219	0
	Te Manawataki ō Te Papa	860	6,764	5,905
	Te Ranga Masterplan	381	0	(381)
	Renewal	Active Reserve Development	0	384
Beachside Holiday Park Capital Programme		109	107	(2)
Cemeteries Capital Programme		126	124	(3)
Marine Facilities Upgrades & Renewals		3,977	6,737	2,759
Parks Renewals		5,025	4,801	(224)
Prop Management Upgrades & Renewals		855	936	81



**Financials in detail - Capital Expenditure**

Groups of Activities	Revised Programme (per LTP)	Per Year 3 of 2024-2034 LTP \$000	2026/27 Annual Plan \$000	Difference \$000
<b>Support Services</b>				
<b>Growth</b>	Strategic Acquisition Fund	5,475	4,045	(1,430)
	Capital Project Assurance <sup>4</sup>	1,581	2,334	753
	Corporate Services Minor Capital Works	34	0	(34)
<b>Level of Service</b>	Digital Services Capital Programme <sup>5</sup>	17,062	12,837	(4,225)
	Health & Safety Risk Control Capital	113	113	0
	Te Manawataki ō Te Papa	4,006	2,491	(1,515)
<b>Renewal</b>	Civic Complex Renewals	35	35	0
	Digital Services Capital Programme	2,017	0	(2,017)
	Prop Management Upgrades & Renewals	51	51	0
	Water Netwrk Upgrades & Renewals	30	30	0
<b>Grand Total</b>		<b>564,034</b>	<b>431,940</b>	<b>(132,094)</b>

Notes:

- <sup>1</sup> Expenditure relates to operational projects of a capital nature.
- <sup>2</sup> \$1.2m of 2026/27 Annual Plan budget relates to operational expenditure of a capital nature for detailed business case work associated with NZTA assets.
- <sup>3</sup> \$2.46m of 2026/27 Annual Plan budget relates to operational expenditure of a capital nature for Mount college pool.
- <sup>4</sup> \$792K of Year 3 LTP budget and \$1.6m of 2026/27 Annual Plan budget relates to operational expenditure of a capital nature for GIS and BI.
- <sup>5</sup> \$16.9m of Year 3 LTP budget and \$10.6m of 2026/27 Annual Plan budget relates to operational expenditure of a capital nature.
- <sup>6</sup> \$1.5m of 2026/27 Annual Plan relates to operational expenditure of a capital nature for the Museum.



**Financials in detail - Depreciation per Group of Activities**

**Depreciation & Amortisation Expense  
by Groups of Activities**

Activity	2025/26 Annual Plan \$000	2026/27 LTP \$000	2026/27 Annual Plan \$000	2027 Variance AP to LTP \$000
City & Infrastructure Planning	-	38	-	(38)
Community Services	3,481	2,761	6,438	3,677
Community, People & Relationships	15	2	17	14
Economic Development	4,145	4,216	3,899	(318)
Emergency Management & Civil Defence	23	725	216	(509)
Regulation & Compliance	55	57	207	151
Spaces and Places	15,433	15,265	23,830	8,565
Stormwater	10,185	10,713	10,466	(247)
Support Services	11,745	8,395	13,134	4,739
Sustainability and Waste	1,434	1,646	1,886	240
Transportation	43,596	44,499	41,747	(2,752)
Wastewater	19,994	20,101	21,787	1,687
Water Supply	15,776	17,427	15,676	(1,751)
<b>Total Depreciation &amp; Amortisation</b>	<b>125,882</b>	<b>125,845</b>	<b>139,302</b>	<b>13,458</b>



Financials in detail - Reserve Funds

Prospective Statement of Restricted Reserves and Trust Funds

Restricted Reserves	Description of Reserve	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Endowment Land Fund	Proceeds received from the sale of endowment land in Devonport Road.	Support Services	(77)	0	(2)	(78)
E.V Flower Family Trust	For city museum maintenance of aviary.	Support Services	(25)	0	(1)	(26)
Landscape Impact Fee	To develop street planting - funds from impact fee in industrial areas.	Support Services	(144)	0	(3)	(147)
Museum Collection Fund	For the provision & development of the museum collection.	Support Services	(61)	0	(1)	(63)
Parking Fees Reserve (JOG)	Funds for parking management and Joint Officials Group (JOG).	Support Services	(3)	0	0	(3)
Parking Impact Fee	The City Plan imposes an impact fee on development related to Parking.	Support Services	(864)	0	(17)	(881)
Roading Land Purchase Fund	For roading land purchases (funded by roading land sales).	Support Services	(1,899)	0	(38)	(1,937)
Strategic Roading Network	Roading fund for strategic roading network and sub-regional transportation.	Support Services	(8)	0	0	(8)
TDC Eden Family Trust	For city museum maintenance of the steam engine.	Support Services	(20)	0	0	(21)
Water Future Land Purchase	To purchase additional land in water catchment areas when it becomes available.	Support Services	(191)	0	(4)	(195)
<b>Total</b>			<b>(3,293)</b>	<b>0</b>	<b>(66)</b>	<b>(3,358)</b>

\* Funding +/- reserves interest cost/income



Financials in detail - Council Created Reserves

Prospective Statement of Other Council Created Reserves

Other Council Created Reserve	Description of Reserve	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Airport Tourism Contestable Reserve	Funding for toursim linked projects.	Economic development	53	0	337	390
Asset Realisation Reserve Gross Proceeds	Funds received from the divestment of assets.	Community services	0	0	13,228	13,228
		Spaces and Places	0	0	(6,860)	(6,860)
		Support Services	6,594	0	(3,337)	3,257
		Transportation	0	0	(8,371)	(8,371)
Better Off Funding Reserve	Funding received from central government to part fund future Council projects that demonstrate a benefit to the community.	Community services	0	0	51	51
		Support Services	2,505	0	108	2,612
Biosolids Reserve	Reserve to provide for biosolids maintenance.	Wastewater	(6,477)	0	(641)	(7,118)
Community Facilities Targeted Rate Reserve	Targeted rates collected to fund the operating costs generated from capital investment in community amenities.	Community services	0	0	50	50
		Support Services	(49)	0	0	(50)
Elder Housing Sale Reserve	Sale of Elder Housing Assets.	Community, People and Relationships	0	0	500	500
		Community services	(25,331)	8,000	290	(17,041)
Event Investment Fund	Funding of major events.	Community services	(1,136)	0	280	(856)



**Financials in detail - Council Created Reserves**

**Prospective Statement of Other Council Created Reserves**

Other Council Created Reserve	Description of Reserve	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
General Contingency	Miscellaneous expenditure for operational items not foreseen in annual plan.	City & Infrastructure Planning	0	0	350	350
		Community services	0	0	703	703
		Economic development	0	0	93	93
		Support Services	(89)	0	3,447	3,358
		Transportation	0	0	300	300
Kerbside Targeted Rate Reserve	Targeted rates collected for kerbside collection.	Sustainability and Waste	(5,092)	(15,321)	13,627	(6,786)
Resilience Targeted Rate Reserve	Targeted rates collected to fund the operating costs generated from capital investment in infrastructure resilience.	Spaces and Places	0	0	32	32
		Stormwater	0	0	155	155
		Support Services	(2,175)	(2,445)	(44)	(4,664)
		Transportation	0	0	1,147	1,147
		Wastewater	0	0	155	155
		Water Supply	0	0	956	956
Risk Management Reserve	For the purpose of managing Council's financial risk and to fund unforeseen events.	Support Services	(6,009)	(1,000)	2,471	(4,538)
Stormwater Reactive Reserve	Levy collected for stormwater remedial works.	Stormwater	(15,047)	(1,022)	1,417	(14,652)
Tauranga Hockey Turf 1	For the purpose of replacing turf.	Spaces and Places	(35)	0	(1)	(36)
Tauranga Hockey Turf 2	For the purpose of replacing turf.	Spaces and Places	(578)	0	(12)	(589)



**Financials in detail - Council Created Reserves**

**Prospective Statement of Other Council Created Reserves**

Other Council Created Reserve	Description of Reserve	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Tauranga Hockey Turf 3	For the purpose of replacing turf.	Spaces and Places	(338)	(54)	(7)	(399)
Transportation Targeted Rate Reserve	Targeted rates collected to fund the operating costs generated by capital investment in transportation assets.	Transportation	(268)	0	270	3
Unfunded Liabilities Reserve	To retire debt incurred through unfunded expenditure.	Support Services	19,354	(1,000)	801	19,155
Waste Levy Reserve	To receive funds from waste management levy for approved activity.	Sustainability and Waste	(8,414)	(3,364)	1,426	(10,352)
Wastewater Enhancement Reserve	For the purpose of mitigating the cultural and environmental affects of the wastewater scheme.	Wastewater	(793)	0	(16)	(809)
Weatheright Reserve	For the purpose of managing Council's future exposure to leaky home payments.	Support Services	53,244	(1,000)	2,242	54,486
<b>Total</b>			<b>9,918</b>	<b>(17,206)</b>	<b>25,146</b>	<b>17,858</b>

\* Funding +/- reserves interest cost/income



**Financials in detail - Development Contributions**

**Prospective Statement of Restricted Reserves - Development Contributions**

Restricted Reserves (Development Contribution)	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
<b>City Wide Development Contribution</b>					
	Community services	14,175	0	1,251	15,426
	Spaces and Places	(11,395)	(924)	1,238	(11,081)
Building Impact Fees	Stormwater	(8)	0	496	488
	Transportation	1,064	(256)	48	856
	Wastewater	59,491	(5,195)	20,474	74,771
	Water Supply	202,375	(9,587)	9,613	202,401
<b>Local Development Contributions</b>					
Bethlehem	Stormwater	1,129	(61)	301	1,369
	Transportation	1,698	(74)	1,936	3,560
	Wastewater	1,773	(167)	76	1,681
	Water Supply	867	(13)	39	892
Bethlehem West	Spaces and Places	3,536	(40)	158	3,654
	Stormwater	2,553	(115)	1,256	3,694
	Transportation	720	(141)	29	608
	Wastewater	868	(84)	267	1,052
	Water Supply	(435)	(12)	68	(379)



Financials in detail - Council Created Reserves

Prospective Statement of Restricted Reserves - Development Contributions

Restricted Reserves (Development Contribution)	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Kaitemako South	Wastewater	1	0	0	1
	Spaces and Places	14	0	9	23
Mount Maunganui Infill	Stormwater	93	0	147	241
	Wastewater	2,738	0	123	2,861
	Water Supply	(203)	0	(4)	(208)
Neewood	Wastewater	2	0	0	2
	Spaces and Places	929	0	42	971
Ōhauiti/Hollister Lane	Stormwater	314	(2)	14	326
	Transportation	(305)	(1)	(6)	(312)
	Wastewater	249	(18)	11	242
	Water Supply	2,099	(63)	93	2,129
Pāpāmoa	Spaces and Places	0	0	0	(1)
	Stormwater	(3,783)	(450)	260	(3,973)
	Transportation	222	(375)	(2,449)	(2,601)
	Wastewater	(326)	(98)	(7)	(431)
	Water Supply	(312)	(27)	39	(299)



Financials in detail - Council Created Reserves

Prospective Statement of Restricted Reserves - Development Contributions

Restricted Reserves (Development Contribution)	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Pāpāmoa East I (Wairakei)	Spaces and Places	(1)	0	0	(1)
	Stormwater	(4,355)	(2,011)	123	(6,243)
	Transportation	2,579	(1,229)	188	1,538
	Wastewater	(1,551)	(502)	4,182	2,129
	Water Supply	(5,977)	(398)	191	(6,185)
Pāpāmoa East II (Wairakei)	Stormwater	1,992	0	225	2,217
	Transportation	30,845	(2,372)	5,498	33,971
	Wastewater	23,449	0	9,535	32,983
Pukemapu	Wastewater	3	0	0	4
Pyes Pā	Stormwater	19	(19)	0	1
	Transportation	786	(33)	35	788
	Wastewater	(438)	(75)	(10)	(522)
	Water Supply	(104)	(8)	(2)	(113)
Pyes Pā West	Spaces and Places	1,945	(44)	87	1,988
	Stormwater	26,160	(700)	3,338	28,798
	Transportation	11,240	(300)	499	11,439
	Wastewater	(3,590)	(389)	(76)	(4,055)
	Water Supply	2,060	(68)	91	2,083



Financials in detail - Council Created Reserves

Prospective Statement of Restricted Reserves - Development Contributions

Restricted Reserves (Development Contribution)	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
South Pyes Pā	Transportation	5,428	0	244	5,673
	Wastewater	438	0	20	458
	Water Supply	145	0	7	151
Southern Pipeline Reserve	Wastewater	74,390	0	3,348	77,737
Tauranga Infill	Spaces and Places	1	0	0	1
	Stormwater	238	0	186	424
	Transportation	2,076	0	93	2,170
	Wastewater	288	(935)	4,140	3,493
	Water Supply	(396)	0	2,983	2,587
Tauriko Business Estate	Stormwater	(2,428)	(380)	(52)	(2,859)
	Transportation	(8,415)	(1,744)	5,531	(4,628)
	Wastewater	(1,217)	(1,299)	554	(1,962)
	Water Supply	1,088	(202)	65	952
Tauriko West	Spaces and Places	1,287	0	58	1,345
	Transportation	302	(645)	1,430	1,087
	Wastewater	6,772	0	1,937	8,708
	Water Supply	6,561	0	1,519	8,080



**Financials in detail - Council Created Reserves**

**Prospective Statement of Restricted Reserves - Development Contributions**

Restricted Reserves (Development Contribution)	Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
Te Papa	Spaces and Places	(87)	0	291	204
	Stormwater	388	0	1,070	1,459
	Transportation	75	0	931	1,006
Upper Ōhauiti	Wastewater	3	0	0	3
Waitaha/Waikite	Stormwater	(173)	(19)	(4)	(196)
	Transportation	(864)	(46)	(18)	(928)
	Wastewater	1,198	(93)	52	1,156
	Water Supply	1,688	(31)	75	1,732
<b>Total</b>		<b>453,989</b>	<b>(31,243)</b>	<b>83,887</b>	<b>506,633</b>

\* Funding +/- reserves interest cost/income



Financials in detail - Council Created Reserves

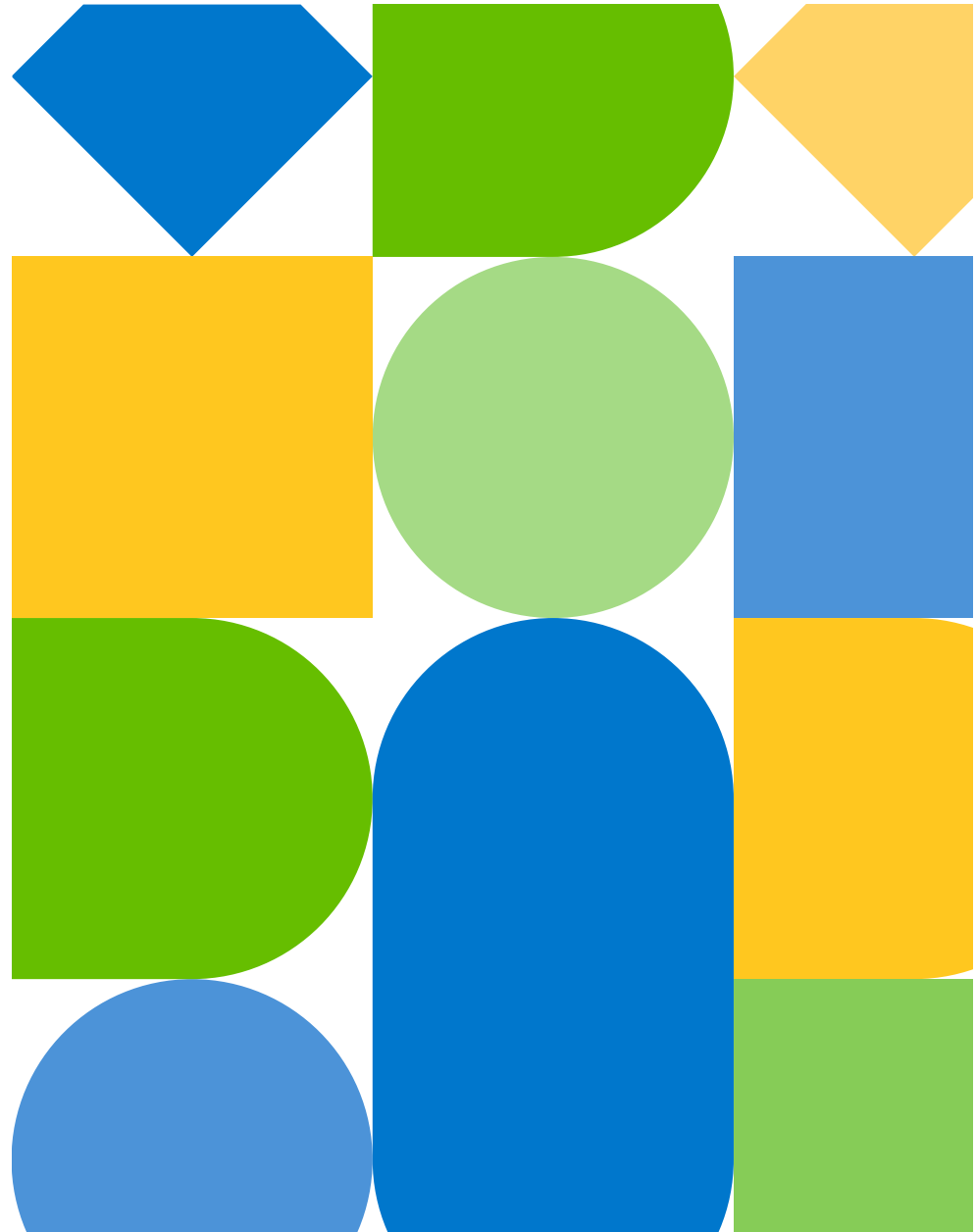
Statement Of Council Created Reserves (Depreciation Reserves) - For the year ended June 2027

Activities to which the reserve relates	Opening Balance 2026/2027 \$000	Transfers In 2026/2027 \$000	Transfers Out 2026/2027* \$000	Closing Balance 2026/2027 \$000
City & Infrastructure Planning	(211)	0	(4)	(215)
Community Services	(11,728)	(6,431)	8,405	(9,754)
Community, People & Relationships	(61)	(17)	12	(66)
Economic Development	(13,603)	(3,899)	951	(16,551)
Emergency Management & Civil Defence	1,633	(216)	105	1,522
Regulatory & Compliance	(1,451)	(207)	160	(1,498)
Spaces and Places	(9,379)	(30,344)	38,672	(1,051)
Stormwater	(49,903)	(10,466)	5,648	(54,722)
Support Services	(1,664)	(11,563)	7,383	(5,844)
Sustainability And Waste	(5,662)	(1,886)	687	(6,861)
Transportation	4,827	(21,118)	20,582	4,292
Wastewater	(27,601)	(21,787)	33,882	(15,507)
Water Supply	(39,243)	(15,676)	16,906	(38,013)
<b>Total</b>	<b>(154,046)</b>	<b>(123,610)</b>	<b>133,388</b>	<b>(144,268)</b>

\* Funding +/- reserves interest



-  [letstalk.tauranga.govt.nz/  
annualplan](https://letstalk.tauranga.govt.nz/annualplan)
-  [info@tauranga.govt.nz](mailto:info@tauranga.govt.nz)
-  07 577 7000
-  Visit our Customer Service Centre:  
He Puna Manawa, 21 Devonport Road  
or any of our Library Community Hubs.



### 11.3 Rates Resolution 2026-27

**File Number:** A20379214

**Author:** Jim Taylor, Manager: Rating Policy and Revenue  
Kathryn Sharplin, Head of Finance

**Authoriser:** Craig Rice, Chief Operating and Financial Officer

#### PURPOSE OF THE REPORT

1. To resolve to set and assess the 2026/2027 rates.

---

#### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Rates Resolution 2026-27".
- (b) Sets the following rates under the Local Government (Rating) Act 2002, in accordance with the relevant provisions of the Funding Impact Statement in the Annual Plan for the 2026/2027 rating year, on rating units in the city for the financial year commencing on 1 July 2026 and ending on 30 June 2027.

The rates and charges specified are inclusive of Goods and Services Tax at the prevailing rate.

I. General Rate

A general rate set under section 13(2) (b) of the Local Government (Rating) Act 2002 at:

- A rate of \$ 0.00279128 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of \$ 0.00628039 in the dollar of capital value on all commercial rateable rating units in the city.
- A rate of \$ 0.00753647 in the dollar of capital value on all industrial rateable rating units in the city.

("residential", "commercial" and "industrial" are as defined in the Funding Impact Statement).

II. Uniform Annual General Charge

A uniform annual general charge set under section 15(1)(b) of the Local Government (Rating) Act 2002 at:

- A rate of \$349.00 per separately used or inhabited part of a rateable rating unit.

III. Economic Development Rate

A targeted rate for economic development in the city, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 at:

- A rate of \$ 0.00038224 in the dollar of capital value on every commercial and industrial rateable rating unit (as defined in the Funding Impact Statement).

---

#### IV. Stormwater Rate

A targeted rate for stormwater infrastructure investment, set under section 16(3)(a) and 16(4) (b) of the Local Government (Rating) Act 2002 at:

- A rate of \$ 0.00001352 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of \$ 0.00002164 in the dollar of capital value on all commercial or industrial rateable rating units in the city.

#### V. Resilience Rate

A targeted rate for resilience infrastructure investment in Water, Wastewater, Stormwater, Transportation and Emergency Management, set under section 16(3)(a) and 16(4) (b) of the Local Government (Rating) Act 2002 at:

- A rate of \$ 0.00003235 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of \$ 0.00005176 in the dollar of capital value on all commercial or industrial rateable rating units in the city.

#### VI. Papamoa East Interchange Rates (formerly Urban Growth Rates)

Targeted rates for debt retirement for urban growth projects, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

Three uniform targeted rates set on every rating unit at:

- A rate of \$105.78 on each rateable rating unit located within an area of “Full benefit” as defined in the Funding Impact Statement.
- A rate of \$70.52 on each rateable rating unit located within an area of “Wide benefit” as defined in the Funding Impact Statement.
- A rate of \$35.26 on each rateable rating unit located within the city outside of the areas of “Full benefit” and “Wide benefit” as defined in the Funding Impact Statement.

#### VII. Waste Collection Rate

Uniform targeted rates for the kerbside waste collection services, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, on all rating units in the city as a fixed amount per separately used or inhabited part (SUIP) of a rating unit that is provided with the residential waste collection service as follows:

- A rate of \$215 per low waste service capacity provided per residential SUIP.
- A rate of \$250 per standard waste service capacity provided per residential SUIP.
- A rate of \$355 per high waste service capacity provided per residential SUIP.

#### VIII. Garden Waste Rate (optional)

Uniform targeted rates for garden waste collection services, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, on all rating units in the city used for residential purposes and that will be provided with the garden waste collection service, at:

- A rate of \$110 for each garden waste bin (two weekly collection).
- A rate of \$82 for each garden waste bin (four weekly collection).

IX. Wastewater Rate

A differential targeted rate for wastewater, set under sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002 at:

- A rate of \$844.06 for each water closet or urinal in a connected rating unit in the city.
- A rate of \$422.03 per separately used or inhabited part of a rating unit for any serviceable rating units in the city.

(“separately used or inhabited part of a”, “connected” and “serviceable” rating units, are defined in the Funding Impact Statement).

A rating unit used primarily as a residence for 1 household will not be treated as having more than 1 water closet or urinal.

X. Water Supply Rates

Volumetric rate

A targeted rate for metered water supply set under section 19(2)(a) of the Local Government (Rating) Act 2002 at

- A rate of \$4.16 per cubic metre of water supplied.

Base rate

A differential targeted rate per connection on every rating unit in the city, which is provided with a metered water supply service, set under sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002, calculated on the basis of the nature of the connection size as follows:

Meter Size	Amount
15mm	\$44.26
20mm	\$44.26
25mm	\$83.74
32mm	\$83.74
40mm	\$345.72
50mm	\$684.26

80mm	\$1,367.32
100mm	\$1,683.14
1500mm	\$1,683.14
200mm	\$1,683.14

XI. Water Supply Rate (unmetered)

A uniform targeted rate on every rating unit in the city which is provided with and connected to an unmetered water supply service, set under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$1,081.45 for each separately used or inhabited part of a rating unit as defined in the Funding Impact Statement.

XII. Pool inspection Rate

A uniform targeted rate set under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 at

- A rate of \$109.10 for each rating unit on council's register of pool fence and barrier inspections.

XIII. Mainstreet Rates

Targeted rates for Mainstreet organisations, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$0.00043743 in the dollar of capital value for every commercial and industrial rating unit in the Tauranga Mainstreet rating area as defined in the Funding Impact Statement.
- A rate of \$0.00062733 in the dollar of capital value for every commercial and industrial rating unit in the Mt Maunganui Mainstreet rating area as defined in the Funding Impact Statement.
- A rate of \$0.00156679 in the dollar of capital value for every commercial and industrial rating unit in the Greerton Mainstreet rating area as defined in the Funding Impact Statement.
- A rate of \$0.00040703 in the dollar of capital value for every commercial and industrial rating unit in the Papamoa Mainstreet area as defined in the Funding Impact Statement.

XIV. Special Services Rates

'The Lakes' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street gardens, street trees, footpaths, and the removal of litter from ponds provided to 'The Lakes' subdivision, located at Pyes Pa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$119.58 per rating unit located within 'The Lakes' subdivision as defined in the Funding Impact Statement.

#### 'The Coast Papamoa' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street trees and footpaths provided to 'The Coast Papamoa' subdivision, located at Papamoa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$39.57 per rating unit located within 'The Coast Papamoa' subdivision as defined in the Funding Impact Statement.

#### 'The Excelsa' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street gardens, street trees and up lights under trees provided to 'The Excelsa' subdivision, located at Papamoa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$51.90 per rating unit located within 'The Excelsa' subdivision as defined in the Funding Impact Statement.

### XV. Urban Infrastructure

#### Pyes Pa West Urban Infrastructure Targeted Rate

A uniform targeted rate for partly funding debt retirement for under recovered Development Contributions for local infrastructure, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of \$79.53 on each rateable rating unit located within an area in Pyes Pa West defined in the Funding Impact Statement.

- (c) That all rates (except the water supply volumetric rate set under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002) be payable in two equal instalments due on:

- 31 August 2026 and
- 26 February 2027

- (d) That all metered water rates will, except as to high users, be invoiced on a quarterly basis dependant on when the water meters are read, in accordance with the table below headed "Due dates and penalty dates for rates for metered water supply". The due dates will also be specified on the invoice. Rating units, which are considered high users of water (namely having an average consumption more than 5m<sup>3</sup> per day) will be invoiced monthly, and these rates will be due on the first Thursday after 23 days following the date of the invoice.

- (e) That the Council authorises the addition of penalties to rates that are not paid by the due date, as follows, in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002, and delegates authority to the Head of Finance to apply penalties in accordance with this regime:

- (i) a charge of 10% on so much of any rates instalment after 1 July 2026 which is unpaid after the relevant due date (except for the volumetric rate under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002) will be applied on:

<b>Instalment due date</b>	<b>Penalty Date</b>
31 August 2026	10 September 2026
26 February 2027	11 March 2027

- (ii) a charge of 10% on so much of any of the volumetric rate under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002 invoiced after 1 July 2026 and which is unpaid after the due date will be applied on whichever is the next consecutive date following the due date of the invoice to which the penalty applies, being:

<b>Water Penalty Date</b>
22 October 2026
21 January 2027
29 April 2027
22 July 2027

**Due dates and penalty dates for rates for metered water supply and connection**

<b>Week</b>	<b>Area</b>	<b>Q1 Due date</b>	<b>Q2 Due date</b>	<b>Q3 Due date</b>	<b>Q4 Due date</b>
1	Mt Maunganui North/ Ind, Omanu, Matapihi,	06-Aug-26	29-Oct-26	11-Feb-27	13-May-27
2	Arataki, Te Maunga, Papamoa West	13-Aug-26	05-Nov-26	18-Feb-27	20-May-27
3	Papamoa West / East	20-Aug-26	12-Nov-26	25-Feb-27	27-May-27
4	Papamoa East / South,	27-Aug-26	19-Nov-26	04-Mar-27	03-Jun-27
5	Papamoa East, Kairua, Welcome Bay, Hairini	03-Sep-26	26-Nov-26	11-Mar-27	10-Jun-27
6	Hairini / Ohauti, Poike, Pyes Pa, Maungatapu.	10-Sep-26	03-Dec-26	18-Mar-27	17-Jun-27
7	Greerton, Yatton Park, Gate Pa, Avenues	17-Sep-26	10-Dec-26	25-Mar-27	24-Jun-27
8	Tauranga Central/South, TeReti/Judea	24-Sep-26	07-Jan-27	01-Apr-27	01-Jul-27

<b>9</b>	Brookfield, Bellevue, Otumoetai	01-Oct-26	07-Jan-27	08-Apr-27	08-Jul-27
<b>10</b>	Otumoetai, Matua	08-Oct-26	14-Jan-27	15-Apr-27	15-Jul-27
<b>11</b>	The Lakes, Bethlehem	15-Oct-26	21-Jan-27	22-Apr-27	22-Jul-27
<b>All</b> (including high users)	<b>Penalty Added Date</b>	22-Oct-26	28-Jan-27	29-Apr-27	22-Jul-27

- (f) Where a ratepayer makes any payment that is less than the amount now payable, the Council, will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

**EXECUTIVE SUMMARY**

- 2. To set rates for the 2026/2027 year in accordance with the Local Government (Rating) Act 2002 and in accordance with the relevant provisions of the Council's 2024-2034 Long-term Plan, and Funding Impact Statement in the 2026/2027 Annual Plan.

**BACKGROUND**

- 3. The total rates requirement is determined through the 2026/2027 Annual Plan.
- 4. The number of rating units increased by 0.4% and the rateable capital value increased by 0.8%.
- 5. The total rates revenue increase between the 2025/2026 and 2026/2027 rating years (including water volumetric charges) is 7.2% after adjusting for growth of 0.8%.
- 6. For residential ratepayers the median increase, excluding water rates, is 7% or \$261 per year.
- 7. For commercial ratepayers, the median increase, is 7.1%, \$637 per year and for industrial ratepayers the median increase 6.7%, \$1,340 per year.
- 8. The volumetric water rate increases by 7.5% to \$4.16 / m3 of water and the base connection charge increases by 7.5% higher to \$44.26 for a standard residential connection.
- 9. The above rates summaries do not include the new TSP IFF levy which is a 1.8% increase on the previous year's budget. This reduces the overall impact on ratepayers by 0.1% for residential rating units by 0.3% for commercial and industrial rating units.
- 10. The combined rates and levy funding impact statement for a range of properties is in section 02 – What this means for rates in the Annual Plan.

**STRATEGIC / STATUTORY CONTEXT**

- 11. The rates resolution is required to set and assess the rates

**STRATEGIC ALIGNMENT**

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

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

13. The rates are required to fund the above community outcomes.

### CONSULTATION / ENGAGEMENT

14. The community was consulted through the 2026/2027 Annual Plan.

### SIGNIFICANCE

15. 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.
16. 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.
17. 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 quantum involved and its impact on the community. This decision affects all Ratepayers of Tauranga City. It is a significant funding source (\$348 Million rates revenue and estimated \$50 Million water rates revenue, including volumetric charge, for Council).

### NEXT STEPS

18. Rates will be set and assessed for the 2026/2027 rating year.

### ATTACHMENTS

Nil

## 11.4 Adoption of 2026/27 Development Contributions Policy

**File Number:** A20333216

**Author:** Ben Corbett, Team Leader: Growth Funding

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

### PURPOSE OF THE REPORT

1. To adopt the final 2026/27 Development Contributions Policy.

---

### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Adoption of 2026/27 Development Contributions Policy".
- (b) Adopts the 2026/27 Development Contributions Policy for implementation from 1 July 2026 as attached at Attachment 1.
- (c) Delegates to the General Manager: Strategy, Growth & Partnerships authority to make minor typographical updates to the final 2026/27 Development Contributions Policy prior to implementation on 1 July 2026.

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### EXECUTIVE SUMMARY

2. TCC generally updates and adopts a new Development Contributions Policy (DCP) annually. A draft 2026/27 DCP was published for public consultation in April 2026. Staff have updated the draft DCP to reflect the outcome of Council deliberations on the draft DCP. The final version of the DCP is now ready to be adopted.
3. Council can either adopt the final 2026/27 DCP or continue with the operative DCP. It is recommended Council adopt the final DCP.
4. If adopted, the DCP will be updated on TCC's website and TCC will update stakeholders through its communication channels. The DCP will become operative from 1 July 2025 with new fees and charges applying to any consents lodged on or after this date.

### BACKGROUND

5. TCC generally reviews and updates its DCP on an annual basis. The operative DCP was adopted in June 2025.
6. TCC published a draft 2026/27 DCP for public consultation in April 2026. Public hearings were held on 26 May 2026 and Council deliberated on submissions and proposed changes to the DCP on 2 June 2026.
7. On 2 June 2026 Council resolved to implement the DCP largely as consulted.

### DISCUSSION

8. Staff have prepared the final DCP for adoption. If adopted, the 2026/27 DCP will become operative on 1 July 2026. There have not been any substantive changes to development contributions or the wording of the DCP since the draft DCP was published for consultation.
9. On 26 May 2026 Council requested staff present analysis of the impact of development contributions on housing prices. This is briefly covered below, and further information can be provided if required

10. DCs (both local and citywide combined) range from approximately \$37,000 to \$77,000 across the city. In 2026 the median asking price for a new house is \$938,000 and the median price is \$1,078,000. As such DCs make up between 3 – 8% of new house values (with the majority sitting at the lower end of that range). This is a relatively small proportion and therefore DCs (and increases to DCs) is unlikely to have a substantial effect on house prices generally.
11. DCs represent part of the cost of production of new houses. Developers and house builders consider their full costs, including DCs, when acquiring land. If costs are too high to enable acceptable margins and returns, they will usually seek to acquire land at a lower cost. As such DC costs and increases to DCs may be offset by lower land cost.
12. A final point to note is that without DCs being collected, a range of infrastructure projects that support new housing delivery may not have been proceeded. In this scenario, additional housing supply would have been constrained at lower levels and economic theory would suggest that housing prices would be higher, as buyers compete for a smaller pool of houses.

**STRATEGIC ALIGNMENT**

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

	Contributes
We are an inclusive city	<input type="checkbox"/>
We value, protect and enhance the environment	<input type="checkbox"/>
We are a well-planned city that is easy to move around	<input checked="" type="checkbox"/>
We are a city that supports business and education	<input checked="" type="checkbox"/>
We are a vibrant city that embraces events	<input type="checkbox"/>

14. DC funding is essential to ensuring infrastructure is delivered to align with land use and new development in an integrated way. DCs support transport investment which helps ensure people and goods can move around the City and infrastructure funded by DCs supports the development of existing and new business areas, schools and other educational institutions.

**OPTIONS ANALYSIS**

15. Council can either choose to adopt the DCP (which is recommended) or not and continue to use the operative DCP. The advantages and disadvantages of adopting a revised DCP are set out in the table below.

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Ensures the DCP aligns with TCC’s Annual Plan, as required by the Local Government Act 2002</li> <li>• Minimises risk and scale of under-collection of development contributions.</li> <li>• Improves the equitable allocation of growth capital expenditure on the community</li> </ul>	<ul style="list-style-type: none"> <li>• There are no disadvantages to refining the development contribution charges from those proposed in the draft, noting the draft charges themselves are an increase on existing charges and some submitters did not support further increases.</li> </ul>

**FINANCIAL CONSIDERATIONS**

16. The recommendations of this report support Council’s Growth Pays for Growth philosophy and maximising the use of development contributions to minimise the ratepayer contribution to growth-related capital expenditure.

### LEGAL IMPLICATIONS / RISKS

17. No legal implications or risks have been identified in relation to the decision to adopt the final DCP.

### TE AO MĀORI APPROACH

18. This report is not impacted by Council's Te Ao Māori approach as it relates solely to the adoption of the final 2026/27 DCP. Council does have a grant available for Papakainga housing related to some of the development contribution charges.

### SIGNIFICANCE

19. 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.
20. 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.
21. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance due to the citywide impact of revised DC charges.


### ENGAGEMENT

22. Engagement on this matter was undertaken in April 2026 and reported to Council in May 2026.

### NEXT STEPS

23. Following adoption, the final DCP will be published online. Updates will be provided to those who submitted on the draft DCP.

### ATTACHMENTS

1. **Development Contributions Policy 2026/27 - A20506933** [↓](#) 



**Development  
Contributions Policy  
2026/27**



 [www.tauranga.govt.nz](http://www.tauranga.govt.nz)

 [info@tauranga.govt.nz](mailto:info@tauranga.govt.nz)

 07 577 7000

# Development Contributions Policy

2026/27



*Tauranga City*



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## Introduction to development and financial contributions

Development and financial contributions are fees payable to Council to fund capital infrastructure required for growth. This infrastructure includes new pipes, roads and parks. These contributions may be required on resource consents (subdivision and land use), building consents and / or service connections in situations where development will have additional impact on infrastructure.

Financial contributions can be used to mitigate the effects of development on natural and physical resources of the city in accordance with provisions of the Resource Management Act 1991.

The Local Government Act 2002 sets out the provisions for using development contributions and requires Council to adopt a policy on development or financial contributions regardless of whether Council decides to charge development contributions, financial contributions, a mixture of both or neither. Tauranga City Council has adopted development contributions as the primary mechanism to fund growth related infrastructure and only uses financial contributions (instead of development contributions) in a few situations as set out within Section 2.

If Council did not use development or financial contributions, then generally this would result in ratepayers subsidising the cost of development.

For further information about development contributions or about this policy please read sections 4 and 6 of this policy.

## Types of development contribution charges

Tauranga City Council has two types of Development Contribution charges; local development contributions and citywide development contributions.

Local development contributions fund infrastructure that services the area in which the development is occurring. For the purposes of local development contributions Tauranga City Council has identified catchments known as 'urban growth areas'. The boundaries of the urban growth areas are shown in Section 1. The cost of infrastructure differs within each of these areas, due to factors such as topography, existing infrastructure and timing of expenditure, and therefore the local development contributions can vary significantly between growth areas. Development occurring within each urban growth area will be required to pay contributions applicable to that specific growth area.

Local development contributions would usually be payable on a subdivision consent. They may also be required on land use consent, building consent, authorisation for service connection or certificate of acceptance if they have not already been paid.

Citywide development contributions are fees that contribute towards infrastructure that services the entire city. This is generally large infrastructure assets that tend to be used by everyone in the city regardless of where they live or work. Because all developments benefit from citywide infrastructure these fees are set at the same level across the city.

Citywide development contributions are usually payable at the time the building consent is issued. This reflects that increased capacity for citywide infrastructure is required when residential dwellings and other buildings are built and occupied. Citywide development contributions may also be required on land use consent, authorisation for service connection or certificate of acceptance.

## When development contributions are required

A development contribution may be required if you:

- subdivide
- build, alter, or expand a residential or non-residential building
- change the use of an existing building
- relocate a building to a new site
- connect to Council's water and/or wastewater networks.

The amount that you will be required to pay depends on several factors including the type, size and location of the development.

For example, if you subdivide a property you may be required to pay a local development contribution. The local development contribution depends on which urban growth area the property that you are subdividing is located, the City Plan zoning, the number of lots you are creating and in some cases the size of the lots. The boundaries of the urban growth areas and the local development contribution that applies in each area are shown in Section 1.

Local development contributions are calculated either, on a per lot basis or a site area basis, depending on the underlying zoning and the location in which the development is occurring.

If you are building a new residential dwelling, then you may be required to pay a citywide development contribution. Factors that may influence the citywide development contribution include the number of dwellings, the number of bedrooms and the services required (for example if you are not connecting to Council's wastewater network then you would not be required to pay the contribution towards the wastewater network infrastructure).

Citywide development contributions are charged on a per dwelling basis for residential development and per square metre of gross floor area (GFA) for non-residential development.

In some circumstances, you may be required to pay both a citywide and a local development contribution. For example, if you are building a second (or additional) dwelling on an allotment before or without subdividing. Both types of contributions are also required if you are completing a non-residential development within Tauranga Infill.

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# Section 1



## Definitions, fees & maps



## Section 1. Definitions, fees and maps

Where a word or words is given a defined meaning below, any other grammatical form in respect of such word or words has a corresponding meaning.

**Active Reserves** means large reserves that provide for a wide range of activities, including formal sports, events and casual use, and provide wide open green space within the urban environment.

**Activity** means a good or service provided by the Council (as defined by section 5 of the Local Government Act 2002) and for which development contributions may be collected.

**Aged care facility** means a building or part of a building located in a Retirement village that provides long-term accommodation for aged people and 24-hour on site medical support to residents. For the purposes of this policy a household unit equivalent shall be used as the basis for calculating the citywide development contributions for aged care facilities. The citywide contribution payable per household unit equivalents for aged care facilities is specified in Table 1 of Section 1.

**Allotment** an allotment created through unit title or cross lease subdivision; and an additional allotment (created by subdivision) which is amalgamated with other new and/or existing allotment(s) / lot(s) and held in one or more Records of Title.

**Bedroom** means an area of a household unit that is not any of the following areas:

- a. a kitchen, bathroom(s), laundry or toilet(s),
- b. one principle living area which can be either;
  - a separate lounge/family room, or
  - an open-plan space combining living, dining and kitchen

Only one such living area is exempt. If there is an additional separate lounge or closable living area beyond this, it will be counted as a bedroom for DC purposes.

- c. entrance halls and passageways,
- d. garage,
- e. any other room smaller than 5m<sup>2</sup> (including any internal wardrobes).

Example: A home that has both an open-plan kitchen/dining/living area plus a separate formal lounge. The open-plan area will not be counted as a bedroom. The formal lounge counts as an extra bedroom in the DC calculation.

**Business Activity** means the use of land and buildings for business purposes in accordance with the provisions of the Tauranga City Plan or resource consent. It also includes the use of land and buildings for visitor accommodation purposes, or for purposes that are not principally for commercial gain but provide employment (this includes but is not limited to schools and other educational facilities, public hospitals, police and fire stations and not-for-profit or voluntary organisations).

**Citywide Infrastructure** means the bulk services (network infrastructure), reserve land or community infrastructure provided for the development of the whole city, either as additional assets or by increasing the capacity of existing assets required as a result of demand from growth-related development, and which is not specifically provided by a development as part of local infrastructure. Citywide infrastructure may include infrastructure projects that individually do not provide for growth across the whole city but as a network they do provide for growth across the whole city in circumstances where Council has adopted this approach.

**Commercial Zones** means commercial zones as defined in Chapter 3 of the Tauranga City Plan.

**Community Infrastructure** has the same meaning as that used in the Local Government Act 2002. Community infrastructure also means any work or project to which Clause 5B of Schedule 1AA of the Local Government Act 2002 applies.

**Community Organisation** means the use of land or buildings for activities where people congregate on an organised basis for community activities such as recreation, worship or culture. This is limited to religious facilities, not-for-profit sports and social clubs, Marae, museums, art galleries, libraries, community centers and community halls.

**Developer** means any individual, group or organisation undertaking development.

**Development** means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure or community infrastructure, but does not include the pipes or lines of a network utility operator.

**Development Contribution** means a contribution –

- a. provided for in a development contribution policy adopted under section 102(1) of the LGA 2002;
- b. calculated in accordance with the methodology set out in schedule 13 of the LGA 2002, and comprising:
  - i. money, or
  - ii. land, including a reserve or esplanade reserve (other than in relation to a subdivision consent), but excluding Māori land within the meaning of Te Ture Whenua Māori Act 1993, unless that Act provides otherwise, or
  - iii. both.

**Financial Contribution** has the same meaning as in Section 108(9) of the Resource Management Act 1991.

**Gross Floor Area (GFA)** means the sum of the floor area or floors of a building or buildings measured from the external walls, or from the centreline of walls separating two buildings, including mezzanine floors and internal balconies but excluding car parking.

**Household Unit** means a building or part of a building intended to be used as an independent residence, including, but not limited to, apartments, semi-detached or detached houses, units, town houses, granny flats<sup>1</sup>, caravans and other mobile forms of accommodation (where used as a place of residence or occupied for a period exceeding six months in a calendar year).

For calculating development contributions, a dwelling with two separate self-contained areas consented for family use only will be treated as one household unit.

This definition excludes units within a retirement village which will be charged under the basis of a retirement unit.

Secondary independent dwelling units in rural and rural residential zones determined in accordance with the Tauranga City Plan shall not be treated as a household unit for the purpose of calculating local development contributions, but it shall be treated as a household unit for the purpose of calculating citywide development contributions.

To avoid doubt, visitor accommodation units that are separately unit titled shall be considered as household units.

For the purposes of this definition the following activities shall not be assessed as a household unit:

<sup>1</sup> For the avoidance of doubt it is noted that granny flats or small stand alone dwellings eligible for building consent exemption will still be required to pay a development contribution if they otherwise meet the definition of a household unit or household unit equivalent.

- Caravans and other mobile forms of accommodation located and serviced within an approved camping ground (that is: one that has received a resource consent or has existing use rights under Section 10 of the Resource Management Act 1991).
- Premises or parts thereof complying with the visitor accommodation provisions of the plan, up to and including 30 September 2000, or with resource consent to operate as visitor accommodation in which each unit is not separately unit titled.

**Household Unit Equivalent (HUE)** means a 'unit of demand' that equates to the typical demand for infrastructure by an average household unit. For the purposes of calculating the number of household unit equivalents under this policy for a residential activity that is not a household unit, the household unit equivalent shall be the number of occupants the building is designed or licensed to accommodate, divided by 2.5 persons.

**Industrial Zones** means industrial zones as defined in Chapter 3 of the Tauranga City Plan.

**Large-residential dwelling** means a household unit with more than three bedrooms in total.

**Living Area** means a space within a household unit intended for general living activities (such as sitting, relaxing, or socialising), separate from bedrooms and service areas like kitchens or bathrooms. It can be open-plan or a distinct room.

**Local Infrastructure** means those bulk services (network infrastructure), reserve land or community infrastructure provided for Tauranga City's Urban Growth Areas, either as additional assets or by increasing the capacity of existing assets required because of demand from growth-related development. A local infrastructure project may provide for the development of multiple urban growth areas although not for development across the whole city.

**Low Demand Business Activity** means the use of land and buildings for the purposes of storage, warehousing, distribution or the operation of utility networks in circumstances where Council is satisfied that the proposed activity will have a relatively minor impact on its water and wastewater network on a per m<sup>2</sup> gross floor area basis relative to the impact of an average business activity as measured on the same basis.

**Multi-unit residential development** means one or more household units on a site over and above any existing household unit and includes two or more comprehensively planned and designed residential dwelling units, a residential activity that is not a household unit or visitor accommodation units.

**Neighbourhood Reserve** means land that primarily provides for use by local communities for casual recreation, play, relaxation, community activity, and links to other areas or quiet open space. Neighbourhood reserves also provide visual contrast in the urban environment.

**Network Infrastructure** means the provision of roads and other transport, water, wastewater and stormwater collection and management, and includes land required for these purposes.

**Ngati Kahu Kaumatua Household Unit** means a household unit of not more than 50m<sup>2</sup> gross floor area erected within the Ngati Kahu Papakainga Zone at West Bethlehem. The household unit must contain no more than three habitable rooms.

**Non-Residential Activity** means any activity that is not defined as a household unit, retirement village unit, aged care facility or residential activity in the Policy. It includes but is not limited to, a business activity, a low demand business activity or a community organisation.

**One Bedroom Dwelling** means a household unit that has not more than one bedroom. This includes studio apartments.

**Planning Period** means the period over which Council expects growth-related infrastructure to be built. This may vary for the different Council-provided activities. Council expects most of the development expected in an area to take place before the end of the relevant planning period.

**Reserves** mean the provision of land for recreation, conservation, amenity and utilities such as stormwater catchment areas. These areas contribute to the open space network which provides community focal points, pedestrian and open space connections, high levels of amenity and feelings of openness, and a range of recreational opportunities.

**Residential Activity** means a building or part of a building that is intended to be lived in that does not meet the definition of a household unit, retirement village unit, aged care facility or visitor accommodation. This includes but is not limited to residential health care facilities where 24-hour on-site medical support to residents is provided, shared accommodation. For the purposes of this policy a household unit equivalent shall be used as the basis for calculating the contribution from a Residential Activity.

**Residential Zones** means residential zones as defined in Chapter 3 of the Tauranga City Plan.

**Retirement Unit** any building or part of a building located within a retirement village that is not within an aged care facility.

**Retirement Village** a managed comprehensive residential development used to provide accommodation for aged people that is registered under section 10 of the Retirement Villages Act 2003.

**Service Connection** has the same meaning as in section 197 of the Local Government Act 2002.

**Two Bedroom Dwelling** means a household unit that has not more than two bedrooms in total.

**Three Bedroom Dwelling** means a household unit with not more than three bedrooms in total.

**Unit of Demand** means the number of household units, household unit equivalents, gross floor area, additional allotment of subdivision, or site area.

**Urban Growth Area** means a part of Tauranga City where residential and/or business growth is expected and in which growth-related local infrastructure projects have been identified. The boundaries of the urban growth areas are shown in Section 1. To avoid doubt, the urban growth areas include the Tauranga Infill area.

**Visitor Accommodation** means land or buildings which are offered for temporary accommodation of persons and includes bed and breakfast establishments, backpackers' accommodation, home stay facilities, motels, hotels, tourist lodges, holiday flats, tourist cabins, motor inns and ancillary workrooms, reception areas and accessory buildings or ancillary activities on the site. This definition does not include activities defined in this policy as household unit or residential activity nor does it include any developments in which each unit is separately unit titled. Each separately unit titled unit will be assessed as a household unit. Visitor accommodation developments are treated as business activities for the purpose of this Policy.

## 1.1 Fees

The fees in this section are applicable from 1 July 2026 and are applied in accordance with circumstances set out in Section 2. All fees shown are exclusive of GST unless otherwise stated.

**Table 1: Citywide development contributions**

Activity	Basis of charge	Water	Wastewater	Stormwater	Transport	Reserves	Community Infrastructure	Total Excl. GST	Total Incl. GST
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Residential activity</b>	Large dwelling	26,315	16,085	0	0	570	5,656	48,625	55,918
	3 bedroom dwelling	20,242	12,373	0	0	438	4,350	37,404	43,014
	2 bedroom dwelling	13,157	8,042	0	0	285	2,828	24,312	27,959
	1 bedroom dwelling	10,121	6,186	0	0	219	2,175	18,702	21,507
<b>Retirement Village</b>	Charge per unit	10,121	6,186	0	0	44	435	16,786	19,304
<b>Aged Care Facility</b>	\$ per household unit equivalent	20,242	12,373	0	0	55	544	33,214	38,196
<b>Business Activities</b>	\$ per 100m <sup>2</sup> Gross Floor Area	4,562	3,602	0	0	0	0	8,164	9,389
<b>Low Demand Business</b>	\$ per 100m <sup>2</sup> Gross Floor Area	1,141	813	0	0	0	0	1,954	2,247
<b>Community Organisation</b>	\$ per 100m <sup>2</sup> Gross Floor Area	5,132	3,137	0	0	0	0	8,269	9,510

**Table 2: Local development contributions for non-residential development in commercial/ industrial zone**

Urban growth area and basis of charge	Per	Water	Wastewater	Stormwater	Transport	Reserves	Community Infrastructure	Total Excl. GST	Total Incl. GST
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Pāpāmoa</b>	\$ per hectare	4,872	11,542	90,436	33,632	0	0	140,481	161,554
<b>Pyes Pā West</b>	\$ per hectare	22,538	135,971	376,300	348,836	0	0	883,644	1,016,191
<b>Tauranga Infill</b>	\$ per 100 m <sup>2</sup> of gross floor area	0	413.42	0	0	0	0	413	475
<b>Te Papa Infill</b>	\$ per 100 m <sup>2</sup> of gross floor area	0	0	0	6,685	0	0	6,685	7,688
<b>West Bethlehem</b>	\$ per hectare	4,737	240,727	150,933	269,458	0	0	665,856	765,734

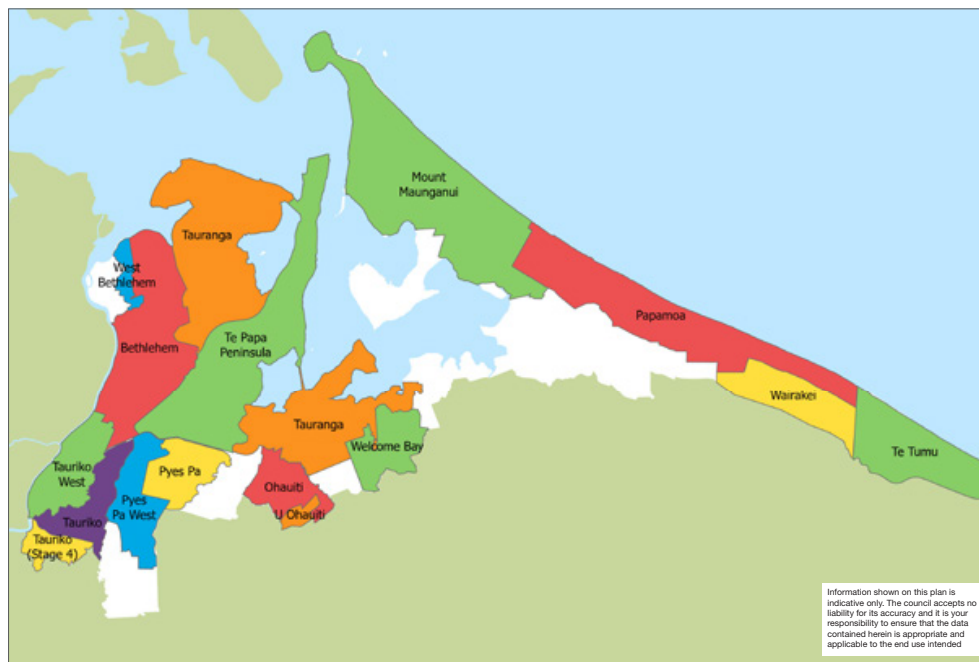
\*See definition of household unit equivalent for further detail regarding charges.

Table 3. Local development contributions

Local catchments	Per	Water	Wastewater	Stormwater	Transport	Reserves	Community Infrastructure	Total Excl. GST	Total Incl. GST
		\$	\$	\$	\$	\$	\$	\$	\$
Bethlehem	Per lot	651	5,469	2,784	3,707	0	0	12,610	14,502
Ōhauiti	Per lot	4,614	5,187	672	1,092	0	0	11,565	13,300
Upper Ōhauiti	Per lot	0	11,668	0	0	0	0	11,668	13,418
Pāpāmoa	Per lot	244	866	3,700	3,027	0	0	7,836	9,011
Pyes Pā	Per lot	409	3,997	1,017	1,855	0	0	7,278	8,370
Pyes Pā West	Per lot	1,190	7,156	17,105	9,967	4,928	0	40,345	46,397
Tauranga Infill	Per lot	0	3,997	0	0	0	0	3,997	4,596
Tauriko	Per hectare	20,366	117,964	40,051	181,268	0	0	359,650	413,597
Tauriko - Pond B	Per hectare	20,366	117,964	113,507	181,268	0	0	433,106	498,072
Tauriko - Pond C	Per hectare	20,366	117,964	88,106	181,268	0	0	407,704	468,860
Tauriko (Stage 4A)	Per hectare	81,755	163,114	0	215,567	0	0	460,435	529,501
Tauriko (Stage 4B)	Per hectare	63,224	106,154	0	732,241	0	0	901,619	1,036,862
Tauriko West	Per hectare	45,212	103,647	0	0	0	36,707	185,566	213,401
Te Papa Infill (North)	Per lot	0	0	0	5,348	0	0	5,348	6,150
Te Papa Infill (South)	Per lot	0	0	0	5,348	3,054	0	8,402	9,662
Wairakei A	Per hectare	46,950	131,343	231,056	170,654	0	0	580,003	667,003
Wairakei B	Per hectare	46,950	115,633	79,552	170,654	0	0	412,789	474,707
Wairakei C	Per hectare	46,950	163,080	341,624	170,654	0	0	722,308	830,654
Welcome Bay	Per lot	1,610	4,799	1,004	1,665	0	0	9,078	10,439
West Bethlehem	Per lot	249	12,670	6,861	7,699	6,455	0	33,934	39,024
West Bethlehem	Per hectare	3,366	171,043	92,618	103,934	87,145	0	458,106	526,822

\*Development in Te Papa will pay the local contribution for both Te Papa catchment and for the Tauranga Infill catchment.  
 \*Development contributions at Tauriko West are subject to consideration of total developable area. See Section 6 for further detail.

Figure 1. Boundaries for urban growth areas



\* Development in the Te Papa catchment will pay local development contributions towards both the Te Papa and the Tauranga Infill infrastructure.

Figure 2. Boundaries of the Bethlehem and West Bethlehem Urban Growth Areas

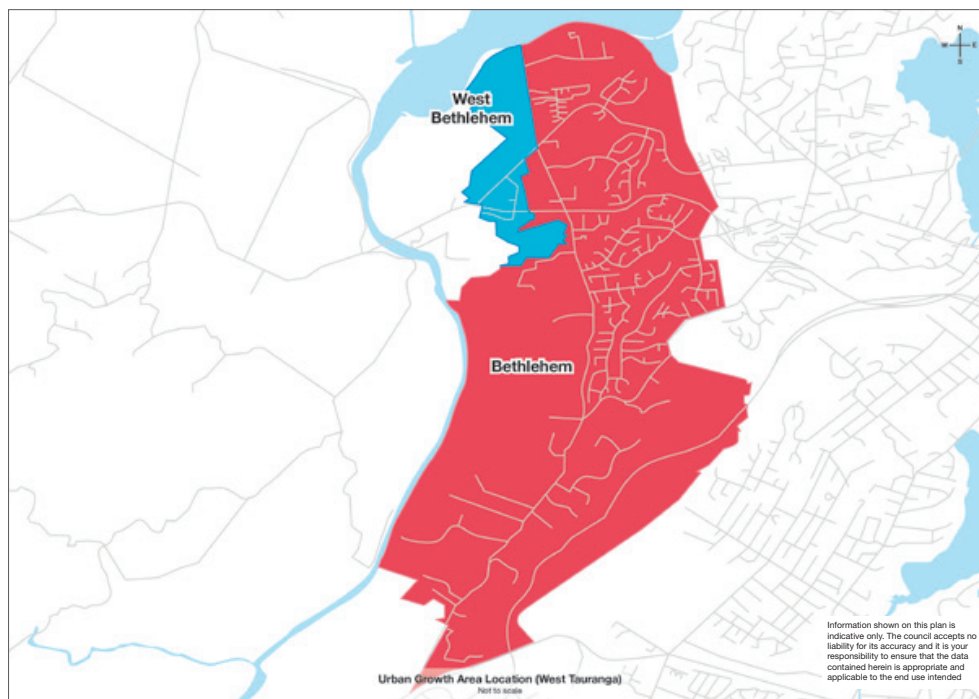


Figure 3. Boundaries of the Tauriko, Tauriko West, Pyes Pā West, Pyes Pā, Ōhauiti & Welcome Bay urban growth areas

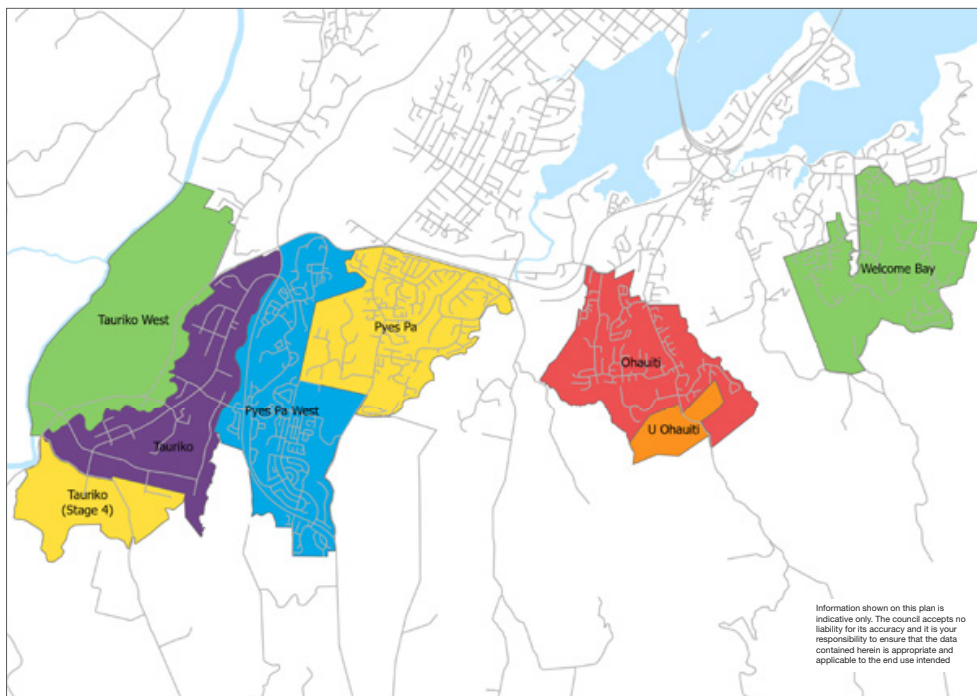


Figure 4. Boundaries of the Pāpāmoa and Wairakei Urban Growth Areas

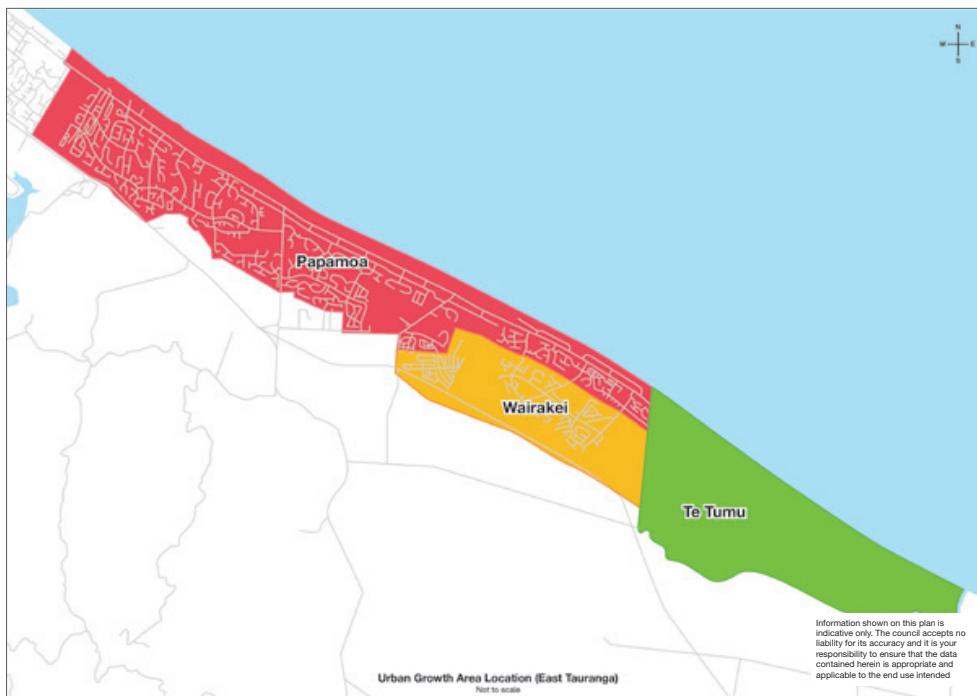
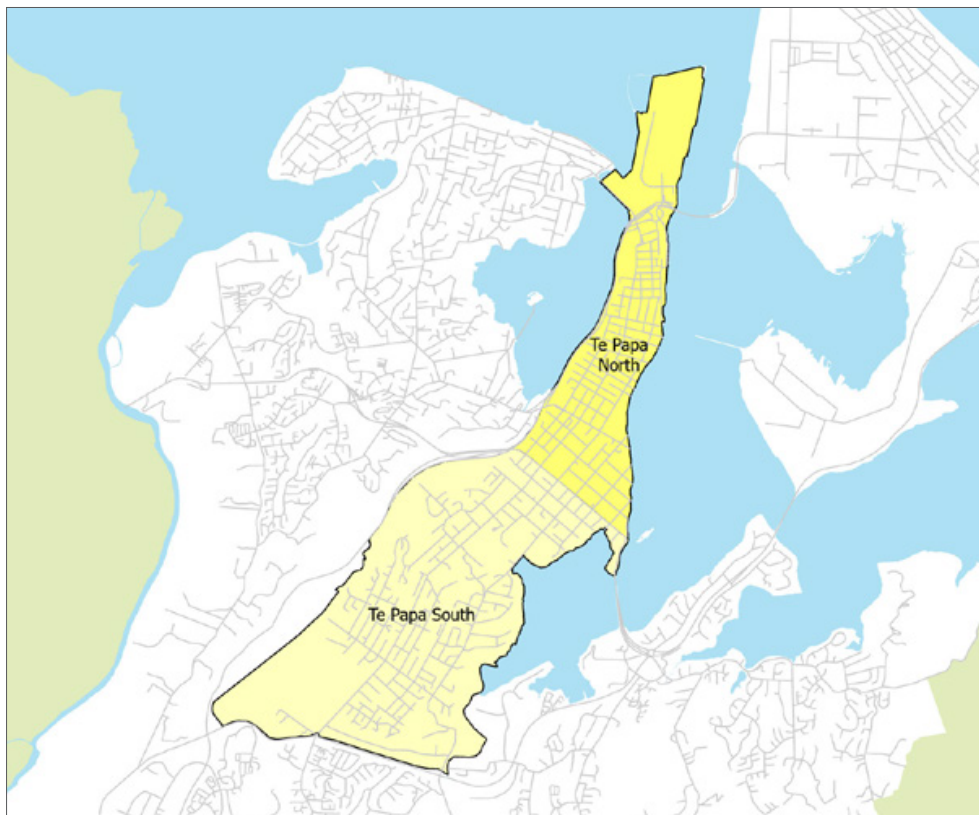


Figure 5. Te Papa Development and Financial Contributions Urban Growth Areas



*Te Papa North and South Catchments are depicted above with the boundary differentiating the two located between 15th Avenue and 16th Avenue. For clarity, dwellings within 15th Avenue are within the North catchment and dwellings within 16th Avenue are within the South catchment*

## 1.2 Summary of changes made to the policy compared to the previous policy

1.2.1 The following is a summary of the key differences between the 2025/26 Development Contributions Policy and this 2026/27 Development Contributions Policy:

Change	Reason for change
<b>Definition of bedroom</b>	The definition of the term 'bedroom' has been further refined with the intent of providing clarity on what areas of a dwelling will be counted as a bedroom.
<b>Granny Flats</b>	Added a note to clarify that granny flats or any small stand-alone dwellings which may be exempt from the requirement to get a building consent will still be charged development contributions if they meet the same definitions of a household unit as set out in the development contributions policy. Development contributions in this case will be charged on the Project Information Memorandum as provided for under the legislation.
<b>Updates to fees</b>	Development contribution fees have been updated to reflect changes to capital expenditure budgets and estimated debt and inflation costs. A significant change to DC fees is defined as any movement over 5% compared to the previous policy. The key changes are: <ul style="list-style-type: none"> <li>• An increase in citywide development contributions of 7.3% as a result of increases in the cost of capital, indoor courts and wastewater infrastructure;</li> <li>• A decrease in Tauriko West development contributions of 8.2% reflecting revised water infrastructure funding allocations. Noting also that the developable land area divisor is under review and may reduce thereby increasing local development contributions for this catchment;</li> <li>• A decrease in Te Papa Infill development contributions of 10% in Te Papa North and 5.3% in Te Papa South as a result of reduction in the budget for Cameron Road Stage 2;</li> <li>• An increase in Wairakei A development contributions of 6.3% as a result of higher cost of capital; and</li> <li>• An increase in West Bethlehem local development contribution of 5.2% for residential and 6.5% for non-residential developments as total subsidies are reduced.</li> </ul>

## 1.3 Changes to future development contribution policies

1.3.1 The following is a list of work programs which Council has underway in relation to development contributions that may result in proposed changes to the way the development contributions policy is implemented.

Change	Reason for change
<b>Legislative reform of development contributions regime in the Local Government Act 2002</b>	In 2024 and 2025 the Ministers of Housing and Local Government announced a suite of reforms relating to infrastructure funding and financing. The Government started consultation processes on several reforms including a draft of the Local Government (Infrastructure Funding) Amendment Bill which set out a proposed development levies system. The consultation process is led by central government. We expect the Government will introduce a new development levies system, to replace development contributions, by July 2028. Further information about the proposed development levies and the consultation process is available on the Department of Internal Affairs website.
<b>Impact of water reform</b>	In 2025 Tauranga City Council and Western Bay of Plenty District Council decided to work toward a joint water Council Controlled Organisation (CCO). Work is progressing toward final decision-making stages on how this reform will be implemented. The outcome of this process may impact on the way development contributions are charged in future years as contributions for any water infrastructure held by the CCO may need to be charged by the CCO organisation. Development contribution policies will be updated to reflect any changes to organizational structure when applicable
<b>Land area divisor for Tauriko West</b>	The land area divisor used to calculate the Development Contribution (DC) charge for Tauriko West is based on current best estimates of the total developable land within the catchment. As the final landform is still under review, the amount of developable land used in this calculation may change over time to reflect updated expectations. At present, it is anticipated that the final developable land area may be lower than the amount assumed in the 2026/26 DC policy. If the total land area is reduced, this could result in an increase in the DC charge for Tauriko West.

# Section 2

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## Policy Application

Section 2



## Section 2. Policy Application

### 2.1 Assessment of each development proposal

- 2.1.1 In accordance with the Local Government Act 2002, Council may require a Citywide Development Contribution and/or a Local Development Contribution in circumstances where an individual development proposal (an application for resource consent, building consent, certificate of acceptance or authorisation for service connection) meets the following three criteria:
- a. It will generate a demand for reserves, network infrastructure or community infrastructure, and
  - b. The effects or cumulative effects of the development will create or have created a requirement for the Council to provide or to have provided new or additional assets or assets of increased capacity which causes the Council to incur capital expenditure; and
  - c. The Development Contributions Policy provides for the payment of a Citywide Development Contribution and/or a Local Development Contribution in the given circumstance.
- 2.1.2 If, in the Council's opinion, these three criteria are not all met, development contributions will not be required on an individual consent/authorisation application. However, they may be required on a future consent/authorisation application in relation to the same development proposal / development site if in that subsequent event each of the three criteria were met.
- 2.1.3 If a development contribution for a development is not required by Council due to an error or omission on its part this development contribution may be required on a future subdivision consent, land use consent, building consent or authorisation for service connection (at the Council's discretion) associated with that same development if the landowner or developer, for all intents and purposes, is the same landowner / developer as at the time the contribution ought to have been required and it is fair and equitable in the specific circumstance to do so.
- 2.1.4 In some cases, the provisions of Section 2 allow for a development contribution to be required at multiple points within the development process (various combinations of subdivision consent, land use consent, building consent, authorisation for service connection and certificate of compliance). To avoid doubt, if the Council does not require the development contribution at the first opportunity in these instances, it does not forfeit its right to do so at a later opportunity.
- 2.1.5 The Council may reassess development contributions in relation to the same development at each stage in the development process and may require additional development contributions in accordance with the provisions of Section 2 if a development is shown to have increased in scale or intensity.

## 2.2 Citywide Development Contributions

2.2.1 The following general provisions apply in respect of the calculation of the amount of Citywide Development Contributions payable:

- a. The dollar amount of Council's Citywide Development Contributions is set out in Section 1,
- b. In circumstances where the development is unable to connect to Council's reticulated water network the Citywide Development Contribution for the water activity is not payable,
- c. In circumstances where the development is unable to connect to Council's reticulated wastewater network the Citywide Development Contribution for the wastewater activity is not payable,
- d. The Citywide Development Contribution for the reserve and community infrastructure activity is not payable in relation to a development defined under this Policy as a business activity, low demand business activity or community organisation.

2.2.2 A Citywide Development Contribution may be required in each of the following circumstances in all parts of the Tauranga City District:

### Additional units

- a. For each additional household unit, retirement village unit, aged care facility, Ngati Kahu Kaumatua household unit or household unit equivalent associated with other types of residential development that falls within the scope of the defined term residential activity:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or a project information memorandum for a building work in connection with a non-consented small stand-alone dwelling at Council's discretion,
  - ii. The amount payable for a Ngati Kahu Kaumatua household unit is 50% of the amount set out in Section 1 of this Policy for a three-bedroom dwelling.

### Non-residential gross floor area

- b. For each m<sup>2</sup> of new or additional gross floor area in relation to a business activity, low demand business activity or community organisation:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection or land use resource consent at Council's discretion,
  - ii. The contribution amounts set out in Section 1 are based on 100m<sup>2</sup> of gross floor area and will be pro-rated upwards or downwards as appropriate to the nearest m<sup>2</sup> based on the actual amount of new or additional gross floor area.

### Change of use of an existing building

- c. Where the permitted use of an existing building is to be changed and the Citywide Development Contribution that is currently payable to establish the proposed new use would be greater than the Citywide Development Contribution that is currently payable to establish the existing permitted use of that building:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or a project information memorandum for a building work in connection with a non-consented small stand-alone dwelling at Council's discretion,

- ii. The amount payable will be determined by comparing the Citywide Development Contributions that would be payable to establish the proposed use in accordance with the contribution amounts set out in Section 1 against the Citywide Development Contributions that would be payable to establish the existing use in accordance with the contribution amounts set out in Section 1,
- iii. This assessment will take place individually for each activity for which a Citywide Development Contribution may be required. To the extent that the amount of Citywide Development Contributions payable to establish the proposed use for each activity is greater than the amount of Citywide Development Contributions that would be payable to establish the existing use, then the difference between these two amounts is the Citywide Development Contribution that would be payable for that activity,
- iv. To avoid doubt, where the contribution that would be payable to establish the proposed use for an activity is less than the contribution that would be payable to establish the existing use for that activity, the difference between these amounts cannot be used to offset the Citywide Development Contributions payable in relation to another activity. Likewise, a refund will not be provided in that situation.

**Extensions or alterations**

- d. Where a household unit that previously paid a Citywide Development Contribution as a one, two or three bedroom dwelling is to be altered or extended such that it would no longer meet that definition, or where a Ngati Kahu Kaumatua household unit as defined in this Policy is to be extended beyond the allowable 50m<sup>2</sup> limit:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or a project information memorandum for a building work in connection with a non-consented small stand-alone dwelling at Council’s discretion,
  - ii. The table below outlines how the amount payable is calculated in each circumstance.
  - iii. Where the dwelling was consented prior to 1 July 2010 no further Citywide Development contribution will be charged.
  - iv. Any dwelling consented prior to 1 July 2024 will be charged up to a maximum of a three bedroom charge on the basis that there was no four bedroom / Large dwelling charge operative prior to 1 July 2024.

**Table 4: Development contributions payable for extensions or alterations**

Types of alterations	Citywide development contribution payable shown as a percentage of the three-bedroom DC charge as set out in Section 1
<b>Alterations to a dwelling which paid citywide development contributions for a one-bedroom dwelling</b>	
Adding another bedroom to make it a two-bedroom dwelling	15%
Adding two bedrooms to make it a three-bedroom dwelling	50%
Adding three bedrooms to make it a large/four-bedroom dwelling	80%
<b>Alterations to a dwelling which paid citywide development contributions for a two-bedroom dwelling</b>	
Adding one bedroom to make it a three-bedroom dwelling	35%
Adding three bedrooms to make it a large/four-bedroom dwelling	65%
<b>Alterations to a dwelling which paid citywide development contributions for a three-bedroom dwelling</b>	
Adding one or more rooms to make it a four bedroom/large dwelling	30%

### Service connection (water and/or wastewater)

- e. In a situation where an existing building that is not connected to Council's reticulated water and/or wastewater network connects to Council's reticulated water and/or wastewater network:
  - i. This development contribution will be required on an authorisation for service connection,
  - ii. The amount payable to connect an existing building to Council's reticulated water network will be the amount payable for the water activity only as if the building was a new building,
  - iii. The amount payable to connect an existing building to Council's reticulated wastewater network will be the amount payable for the wastewater activity as if the building was a new building.

## 2.3 Local Development Contributions

### General provisions

- 2.3.1 The following general provisions apply in respect of the calculation of the amount of Local Development Contributions payable:
- a. The dollar amount of Council's Local Development Contributions is set out in Section 1,
  - b. In circumstances where the development is unable to connect to Council's reticulated water network the Local Development Contribution for the water activity is not payable,
  - c. In circumstances where the development is unable to connect to Council's reticulated wastewater network the Local Development Contribution for the wastewater activity is not payable,
  - d. For rural residential development in the Rural Residential or Greenbelt Zones, Local Development Contributions for the stormwater, reserve and community infrastructure activities are not payable. A Local Development Contribution is also not payable for the wastewater activity unless Council provides an exemption that allows connection to the wastewater network,
  - e. In most cases development that occurs outside Council's Urban Growth Areas will not be provided with local infrastructure and therefore will not have to pay Local Development Contributions. However, if a subdivision (or other development) outside Council's Urban Growth Areas is serviced by local infrastructure provided to service an Urban Growth Area the Local Development Contributions for that Urban Growth Area will be payable,
  - f. The Local Development Contributions for the reserve and community infrastructure activities are not payable in the Rural Marae Community, Urban Marae Community or Ngati Kahu Papakainga Zones, or for the development of multiple owned Māori land within 500m of these Zones provided that Council is satisfied that the development is to provide housing for the shareholders of each block of multiple owned Māori land and/or their wider families,
  - g. To avoid doubt, where multiple owned Māori land is being developed for the purpose of commercial gain or requires subdivision consent under the Resource Management Act 1991 the Local Development Contributions for the reserve and community infrastructure activities are payable unless any other provision of this Policy states otherwise,
  - h. The Local Development Contributions which are calculated on a site area basis are set out in Section 1 and are based on either 1 hectare of site area or 900m<sup>2</sup> of site area and will be prorated upwards or downwards as appropriate to the nearest m<sup>2</sup> based on actual site area,
  - i. In the Wairakei Urban Growth Area Local Development Contributions are calculated on the entire site area associated with a development except site area associated with:

- i. Stormwater reserves,
  - ii. Active reserves,
  - iii. Local / neighbourhood reserves,
  - iv. Non-buildable area resulting from historic / cultural considerations,
  - v. The road corridor associated with non-local roads.
- j. In the Tauriko West, and Tauriko Stage 4 Urban Growth Areas Local Development Contributions are calculated on the entire site area associated with a development except site area associated with:
- i. Stormwater reserves,
  - ii. Active reserves,
  - iii. Esplande reserves,
  - iv. Non-buildable area resulting from historic / cultural considerations,
  - v. The road corridor associated with non-local roads,
  - vi. The calculation may also exclude non-developable escarpment or other non-developable land due to geotechnical constraints at Council's discretion.
- k. In the West Bethlehem Urban Growth Area, the Local Development Contribution for the wastewater activity will be that of the Bethlehem Urban Growth Area rather than the West Bethlehem Urban Growth Area for land zoned residential or rural residential and with a scheduled site overlay in the City Plan,
- l. In the Pāpāmoa Urban Growth Area the Local Development Contributions for the water and wastewater activities are not payable for development in the "serviced area" of Pāpāmoa which is shown in the Pāpāmoa structure plans contained in this Policy.
- m. In no circumstances will Local Development Contributions be payable for the reserve and community infrastructure activities for the development of a business activity, low demand business activity or community organization.
- n. In the West Bethlehem or Wairakei Urban Growth Areas where Local Development Contributions are calculated on a site area basis, if a multi-unit residential development is delivered in a staged manner through multiple building consents, the allocation of the total amount of Local Development Contributions payable for the development to each building consent can be dealt with on a case-by-case basis.
- o. Development occurring within the Te Papa catchment will trigger the requirement to pay a local development contribution for both the Te Papa funded local infrastructure and the Tauranga infill funded infrastructure.
- p. Local Development Contributions for the Te Papa Reserves are not payable for development occurring within the Te Papa South sub catchment, whereby the boundary between Te Papa North and South is located between 15th and 16th Avenue. Refer to the map in Figure 5 Development and Financial Contributions Urban Growth Areas.
- q. Local development contributions for the stormwater activity fund capital expenditure associated with the provision of stormwater infrastructure required as a result of cumulative developments in larger rainfall events and not stormwater costs incurred by developers onsite

associated with runoff from individual developments in smaller rainfall events. The capital projects are designed to maintain water quality, avoid erosion and minimize flooding risks for the catchment as a whole, including transport corridors. This includes communal stormwater devices and overland flowpaths designed to cope with larger flows up to 1 in 100 year event. The requirement to undertake works to manage onsite stormwater does not negate the need to contribute towards the stormwater infrastructure for the wider catchment.

- 2.3.2 A Local Development Contribution may be required in each of the following circumstances in all parts of the Tauranga City District (unless otherwise stated):

**Subdivision**

- a. For each additional allotment created by subdivision for which local infrastructure is planned to be provided by Council.
  - i. This development contribution may be required on subdivision resource consent unless deferred in accordance with Section 2.10,
  - ii. To avoid doubt, an allotment includes an allotment (as defined in Section 218 of the Resource Management Act 1991) created through unit title and cross lease subdivision,
  - iii. Where a development is in both the Te Papa Infill and Tauranga Infill catchments, both charges will apply.
- b. In circumstances where:
  - i. a parcel of land being subdivided is greater than 2 hectares and;
  - ii. it is located within Bethlehem, Ōhauiti, Pāpāmoa, Pyes Pā, Pyes Pā West or Welcome Bay urban growth areas and;
  - iii. where the actual yield of the development exceeds the expected yield for that Urban Growth Area as set out in this Policy,

then the maximum number of Local Development Contributions payable will be calculated in accordance with the following formula:

<b>(expected yield per hectare x site area in hectares) + 10%</b>
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- iv. The site area used in the calculation will include any land area to be vested as roads or local / neighbourhood reserves but will exclude any land to be vested with Council for Stormwater Reserve and any non-buildable land due to undevelopable escarpment, historic reserves or historic/cultural considerations,
- v. The number of underlying allotments being developed will not be subtracted from the maximum expected yield as the calculation is based on the amount of land area being developed and is not based on additional allotments
- vi. The yield of a development is calculated as the average number of allotments per hectare of site area.

**Multiple household units on a single allotment**

- c. For each household unit, retirement unit, aged care facility or household unit equivalent associated with other types of residential development that falls within the scope of the defined term residential activity, on an allotment that is in addition to an existing household unit, household unit equivalent, retirement unit or aged care facility on that allotment:

- i. The Local Development Contribution will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or a project information memorandum for building work in connection with a non-consented small stand-alone dwelling, at Council's discretion,
- ii. In circumstances where the actual yield of a development exceeds the expected yield of the Urban Growth Area then the local development contributions may be calculated in the same manner as detailed in Section 2.3.2 (b) provided that all of the same criteria is met. In this case the yield for the development is calculated as the average number of household units, or household unit equivalents per hectare of site area.
- iii. Where a development is in both the Te Papa Infill and Tauranga Infill catchments, both charges will apply.

#### **Non-residential development where local development contributions have not been required on subdivision consent**

- d. In a situation where a non-residential development is to be established in a Commercial Zone, Industrial Zone or in the Commercial (Waewae) subzone, within the Pyes Pā West, Tauriko, Pāpāmoa, Wairakei or West Bethlehem Urban Growth Areas and local development contributions have not been required on subdivision resource consent.
  - i. Development contributions will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or a project information memorandum for a building work in connection with a non-consented small stand-alone dwelling at Council's discretion,
  - ii. The Local Development Contribution payable will be calculated on a site area basis in accordance with the contribution amounts set out in Section 1.

#### **Non-residential development outside commercial/industrial zones**

- e. In a situation where a non-residential development is to be established or is to be expanded onto a vacant allotment in any Zone except Commercial Zones or Industrial Zones:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection or land use resource consent at Council's discretion,
  - ii. The Local Development Contribution payable to establish or to expand a business activity, low demand business activity or community organisation onto an adjoining vacant allotment is the amount of Local Development Contributions that would be expected to be paid if residential development took place on the site at the expected yield for that urban growth area (or part of an urban growth area) as set out in this Policy,
  - iii. In the Rural Residential Zone across the city the expected yield for rural residential development is 1.6 house units per hectare. In the residential zones within Tauranga Infill area the calculation will be based on 15 household units per hectare. In the Ngati Kahu Papakainga Zone the calculation will be based on 12 household units per hectare and in the remaining part of West Bethlehem the calculation will be based on 13.5 household units per hectare,
  - iv. To avoid doubt, the expansion of an existing business activity, low demand business activity or community organisation that occurs wholly within the boundaries of the allotment(s) on which it is currently located will not require the payment of any Local Development Contribution.

#### **Non-residential development – Tauranga Infill**

- f. For each m<sup>2</sup> of new or additional gross floor area in relation to a non-residential activity within the Tauranga Infill area:

- i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection or land use resource consent at Council's discretion,
- ii. The contribution amounts set out in Section 1 are based on 100m<sup>2</sup> of gross floor area and will be pro-rated upwards or downwards as appropriate to the nearest m<sup>2</sup> based on the actual amount of new or additional gross floor area.
- iii. Where a development is in both the Te Papa Infill and Tauranga Infill catchments, both charges will apply.

#### **Non-residential development – Te Papa Infill**

- g. For each m<sup>2</sup> of new or additional gross floor area in relation to non-residential activity within the Te Papa Infill catchment:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection or land use resource consent at Council's discretion,
  - ii. The contribution amounts set out in Section 1 are based on 100m<sup>2</sup> of gross floor area and will be pro-rated upwards or downwards as appropriate to the nearest m<sup>2</sup> based on the actual amount of new or additional gross floor area.
  - iii. Where a development is in both the Te Papa Infill and Tauranga Infill catchments, both charges will apply.

#### **Ngati Kahu Kaumatua household units**

- h. For each Ngati Kahu Kaumatua household unit as defined in this Policy:
  - i. a development contribution will be required on a building consent, certificate of acceptance or an authorisation for service connection at Council's discretion,
  - ii. The Local Development Contribution for each additional allotment is 50% of the amount for a household unit as set out in Section 1,
  - iii. In a situation where a Ngati Kahu Kaumatua household unit as defined in this Policy is to be extended beyond the allowable 50m<sup>2</sup> limit:
    - This development contribution will be required on a building consent, certificate of acceptance or an authorisation for service connection at Council's discretion,
    - The Local Development Contribution for each additional allotment is 50% of the amount set out in Section 1 of this Policy.

#### **Change of use**

- i. In a situation where the use of an existing building is to be changed and the Local Development Contribution that would currently be payable to establish the proposed new use would be greater than the Local Development Contribution that would currently be payable to establish the existing use of that building:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection or land use resource consent at Council's discretion,
  - ii. The amount payable will be determined by comparing the Local Development Contributions that would be payable to establish the proposed use in accordance with the contribution amounts set out in Section 1 against the Local Development Contributions that would be payable to establish the existing use in accordance with the contribution amounts set out in Section 1,

- iii. This assessment will take place individually for each activity for which a Local Development Contribution may be required. To the extent that the amount of Local Development Contributions payable to establish the proposed use for each activity is greater than the amount of Local Development Contributions that would be payable to establish the existing use, then the difference between these two amounts is the Local Development Contribution that would be payable for that activity,
- iv. To avoid doubt, where the contribution that would be payable to establish the proposed use for an activity is less than the contribution that would be payable to establish the existing use for that activity, the difference between these amounts cannot be used to offset the Local Development Contributions payable in relation to another activity. Likewise, a refund will not be provided in that situation.

### Service connections

- j. In a situation where an existing building that is not connected to Council's reticulated water and/or wastewater network connects to Council's reticulated water and/or wastewater network:
  - i. This development contribution will be required on an authorisation for service connection,
  - ii. The amount payable to connect an existing building to Council's reticulated water network will be the amount payable for the water activity as if the building was a new building,
  - iii. The amount payable to connect an existing building to Council's reticulated wastewater network will be the amount payable for the wastewater activity as if the building was a new building.
- k. The clause above does not apply to the connection of a dwelling to Council's reticulated wastewater network if that dwelling was built prior to the reticulated wastewater network being available for connection.

### Unforeseen impacts on local infrastructure

- l. In a situation where the Local Development Contribution payable in accordance with any of the above circumstances is insufficient in relation to the effect that a development will have on the available capacity of existing or planned Local Infrastructure within the general vicinity of where the development is to be located:
  - i. This development contribution will be required on a building consent, certificate of acceptance, authorisation for service connection, land use resource consent or subdivision resource consent at Council's discretion,
  - ii. The additional Local Development Contribution payable in this situation will be calculated by equating the additional infrastructure demand into a number of units of demand and then applying the relevant contribution amounts from Section 1,
  - iii. The developer may be required to provide detailed calculations of the demand on local infrastructure to enable Council to calculate the contribution amount in conjunction with the developer and with the final approval of the Chief Executive,
  - iv. To avoid doubt, this approach recognises that it is not always possible to foresee all the possible permutations and special circumstances which arise in the growth of the city. Some developments may warrant a specific development contributions response by Council in consultation with the developer.

## 2.4 Financial contributions

- 2.4.1 Financial contributions are payable in accordance with the relevant provisions of Chapter 11 of the Tauranga City Plan.

- 2.4.2 Situations in which Council will require financial contributions pursuant to the Resource Management Act 1991 (rather than development contributions pursuant to the Local Government Act 2002) are:
- a. To address the statutory exemption of the Crown from the provisions of the Local Government Act 2002, and so the Development Contributions system, by taking financial contributions for subdivision, land use and development undertaken by the Crown;
  - b. To enable the ongoing collection of and potential review of existing consent conditions that require a financial contribution;
  - c. To take contributions for local neighbourhood reserves and community infrastructure in existing urban growth areas and infill areas to mitigate the effects of greater population density resulting from subdivision, land use and development;
  - d. Special circumstances to mitigate the effects of the removal of a protected tree, landscape planting on industrial road frontages and parking impact fees to offset the physical provision of parking in the City Centre.

## 2.5 Applicable charges

- 2.5.1 For development contributions required to be made in respect of a resource consent (subdivision consent or land use consent) granted under the Resource Management Act 1991, the development contribution charges in the Council's operative Development Contributions Policy at the time the application for consent, accompanied by all required information, is submitted apply to that development.
- 2.5.2 However, in circumstances where Local Development Contributions are payable on subdivision resource consents granted prior to 1 July 2011 under Council's Development Contributions Policy, the contributions payable will be those that are operative at the time the 224(c) certificate under the Resource Management Act 1991 is granted. If this results in the contributions payable being higher than the operative contribution charges at the time the subdivision consent was granted, then this matter can be addressed through Council's Development Contribution Waiver Panel.
- 2.5.3 For development contributions required to be made in respect of a building consent granted under the Building Act 2004, the development contribution charges in the Council's operative Development Contributions Policy at the time the application for consent, accompanied by all required information, is submitted apply to that development.
- 2.5.4 For development contributions required to be made in respect of an authorisation for a service connection, the development contribution charges in the Council's operative Development Contributions Policy at the time the application for authorisation for a service connection, accompanied by all required information, is submitted apply to that development.
- 2.5.5 For development contributions required to be made in respect of a certificate of acceptance, the development contribution charges in the Council's operative Development Contributions Policy at the time the application for certificate of acceptance, accompanied by all required information, is submitted apply to that development.

## 2.6 Credits

- 2.6.1 Credits are provided in some circumstances to recognise infrastructure demand already generated on a allotment where a development is being undertaken. A credit offsets the amount of development contributions payable, either fully or in part.
- 2.6.2 The following general provisions should be viewed as a guide to the application of development contribution credits. Each individual case will be considered on its own merits

and the credit provided (if any) may not be consistent with the following provisions. If this occurs the reasons for this will be documented by the Development Contribution Waiver Panel and approved by the Chief Executive or his/her delegated representative:

- i. Where a development is replacing an existing building on the same allotment, the Citywide Development Contribution and Local Development Contribution that would currently be payable to establish the building being replaced will be deducted from the respective development contributions payable for each individual activity for which a Citywide Development Contribution and/or Local Development Contribution is required,
- ii. Where a development is replacing a building that previously existed on the same allotment, the Citywide Development Contribution and Local Development Contribution that would currently be payable to establish the building being replaced will be deducted from the respective development contributions payable for each individual activity for which a Citywide Development Contribution and/or Local Development Contribution is required provided that the building existed on-site on or after the date that Council first started charging the Citywide Development Contribution or Local Development Contribution (noting that the respective development contributions may have previously had a different name). If the building was removed, demolished or destroyed prior to the Citywide Development Contribution or Local Development Contribution first being charged by Council then no credit will be provided to offset these development contributions,
- iii. To avoid doubt, credits are deducted at an activity level and are not transferable across activities or between Citywide Development Contributions and Local Development Contributions. In circumstances where a credit is not fully exhausted by a new development, the remaining portion of the credit will be applied against subsequent development on that allotment if further development occurs. Council will in no circumstances refund development contribution credits that have not been fully exhausted by development,
- iv. In exceptional circumstances Council may decide not to charge a Citywide Development Contribution where gross floor area associated with a business activity, low demand business activity or community organisation is relocated from one site within the Tauranga City District to another site within the Tauranga City District on the basis that this does not increase demand for citywide infrastructure. If this occurs, it should be noted that a credit for the gross floor area that is relocated will not be provided on the allotment from which the gross floor area is relocated.

## 2.7 Special assessments

### Special assessments for residential citywide development contributions

- 2.7.1 If a household unit or household unit equivalent associated with other types of residential development that falls within the scope of the defined term residential activity is likely to have a significantly lesser impact on infrastructure or a significantly greater impact on infrastructure than the anticipated average demand on which the Citywide Development Contributions are based, a special assessment may be undertaken at the discretion of Council to determine the amount of Citywide Development Contributions payable.
- 2.7.2 To provide greater certainty, a special assessment may be undertaken at Council's discretion where demand for a activity or activities for which a Citywide Development Contribution is required is likely to be either 50 percent below or 100 percent above the anticipated average demand on which the Citywide Development Contribution is based. On this basis, the thresholds for special assessment are shown in the tables below in terms of demand per day per one-bedroom dwelling, per two-bedroom dwelling per three-bedroom dwelling and per Large-residential dwelling.

**Table 5: Special assessment conditions for residential development - one-bedroom dwelling**

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<170 litres	340 litres	>640 litres
Wastewater	<125 litres	250 litres	>500 litres
Transportation	<2.5 vehicle movements	5 vehicle movements	10 vehicle movements
Community infrastructure	<0.64 people	1.27 people	>2.54 people
Reserves	<0.64 people	1.27 people	>2.54 people

**Table 6: Special assessment conditions for residential development - two-bedroom dwelling**

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<230 litres	460 litres	>920 litres
Wastewater	<170 litres	340 litres	>680 litres
Transportation	<32.5 vehicle movements	6.5 vehicle movements	13 vehicle movements
Community infrastructure	<0.86 people	1.71 people	>3.42 people
Reserves	<0.86 people	1.71 people	>3.42 people

**Table 7: Special assessment conditions for residential development - three-bedroom dwelling**

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<370 litres	740 litres	>1,480 litres
Wastewater	<275 litres	550 litres	>1,100 litres
Transportation	<5.5 vehicle movements	11 vehicle movements	22 vehicle movements
Community infrastructure	<1.37 people	2.74 people	>5.48 people
Reserves	<1.37 people	2.74 people	>5.48 people

**Table 8: Special assessment conditions for residential development - large-residential dwelling**

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<481 litres	962 litres	>1,924 litres
Wastewater	<357 litres	715 litres	>1,430 litres
Transportation	<7.15 vehicle movements	14 vehicle movements	28 vehicle movements
Community infrastructure	<1.78 people	3.56 people	>7.12 people
Reserves	<1.78 people	3.56 people	>7.12 people

**Special assessments for residential citywide development contributions**

- 2.7.3 If a business, low demand business or community organisation development is likely to have a significantly lesser impact on infrastructure or a significantly greater impact on infrastructure than the anticipated average demand on which the Citywide Development Contributions are based, a special assessment may be undertaken at the discretion of Council to determine the amount of Citywide Development Contributions payable.
- 2.7.4 To provide greater certainty, a special assessment may be undertaken at Council’s discretion where demand for a particular activity or activities for which a Citywide Development Contribution is based is likely to be either 50 percent below or 100 percent above the anticipated average demand on which the Citywide Development Contributions are based. On this basis, the thresholds for special assessment are shown in the tables below in terms of demand per day per 100m<sup>2</sup> of gross floor area.

Table 9: Special assessment conditions for non-residential development - business activities

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<80 litres	160 litres	>320 litres
Wastewater	<74.5 litres	149 litres	>298 litres
Transportation	<6.25 vehicle movements	12.5 vehicle movements	25 vehicle movements

Table 10: Special assessment conditions for non-residential development - low demand business activities

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<18 litres	36 litres	>72 litres
Wastewater	<17.5 litres	35 litres	>70 litres
Transportation	<6.25 vehicle movements	12.5 vehicle movements	25 vehicle movements

Table 11: Special assessment conditions for non-residential development - community organisations

Activity	Low demand special assessment threshold	Average demand	High demand special assessment threshold
Water	<91 litres	182 litres	>364 litres
Wastewater	<91 litres	182 litres	>364 litres
Transportation	<1 vehicle movements	2 vehicle movements	4 vehicle movements

### Special assessments for local development contributions

2.7.5 The special assessment mechanism does not apply to Local Development Contributions.

#### Administrative details

2.7.6 A special assessment may be initiated by Council, the applicant or an agent working on behalf of an applicant. Applications for special assessment should be made in writing as follows:

TCC Development Contributions Team:

Tauranga City Council, Private Bag 12022, Tauranga 3143

[developmentcontributions@tauranga.govt.nz](mailto:developmentcontributions@tauranga.govt.nz)

2.7.7 The applicant may be required to provide detailed information of their development’s present and anticipated demand on infrastructure. Upon reasonable request from Council to the applicant for disclosure of relevant information the applicant’s request for special assessment will be suspended until such time that the requested information has been disclosed.

### 2.8 Timing of payment

2.8.1 Despite the provisions set out below, if a development contribution required by the Council is not invoiced at the specified time as the result of an error or omission on the part of Council, this development contribution will be invoiced when this error or omission is identified, and the development contribution remains payable.

2.8.2 For a development contribution required in respect of a subdivision resource consent granted under the Resource Management Act 1991, the development contribution is payable immediately prior to the issue of a certificate under section 224(c) of the Resource Management Act 1991 in relation to that consent.

2.8.3 However, where a building consent is granted on an allotment, - to which a subdivision consent relates before the development contribution required on the subdivision consent has

been paid, the council may at its sole discretion require a portion of the local development contribution to be paid immediately prior to the issue of a building consent for the development proposed. Where this situation applies the proportion of the local development contribution payable will be calculated on a site area or per lot basis as applicable.

- 2.8.4 In a circumstance where a certificate under section 224(c) of the Resource Management Act 1991 that relates only to a particular stage or certain allotments of a subdivision, the Local Development Contributions payable for subsequent stages or allotments in that subdivision will be payable when a further certificate (or certificates) under section 224(c) of the Resource Management Act 1991 relating to these allotments is (are) granted in the future.
- 2.8.5 For a development contribution required in respect of a land use resource consent granted under the Resource Management Act 1991, the development contribution is payable prior to the commencement of the land use permitted by the resource consent or such other time as specified in an advice note to that consent.
- 2.8.6 For a development contribution required in respect of a building consent granted under the Building Act 2004, the development contribution is payable immediately prior to the issue of that consent.
- 2.8.7 For a development contribution required in respect of a service connection authorisation, the development contribution is payable immediately prior to the issue of that authorisation.
- 2.8.8 For a development contribution required in respect of a certificate of acceptance granted under the Building Act 2004, the development contribution is payable immediately prior to the issue of that certificate.

## 2.9 Private development contribution agreements

- 2.9.1 Where it is in the best interests of all parties, at its sole discretion, Tauranga City Council may enter into a private development contribution agreement with a developer in respect of the development contributions payable for a specific development. An agreement of this nature will clearly set out any departures from Council's Development Contributions Policy.

## 2.10 Deferral/postponement of a development contribution payment

### Site area basis

- 2.10.1 In circumstances where Local Development Contributions are calculated on a site area basis, at Tauranga City Council's sole discretion, it may decide not to require the payment of these development contributions on a particular allotment or allotments associated with a subdivision consent and instead defer the requirement for these contributions until a future subdivision consent, or future building consents, authorisations for service connection or certificates of acceptance that relate to a land use consent, if it is in Council's view:
  - a. Overwhelmingly likely that the allotment(s) will be further subdivided or the subject of a land use consent prior to development commencing on it, and
  - b. The allotment(s) in question will not generate additional demand for Council provided infrastructure after the initial subdivision is completed, and
  - c. This Policy provides for the Local Development Contributions to be required on forthcoming subdivision, building consents, authorisations for service connection or certificates of acceptance, and
  - d. The developer and landowner expressly commit to advising prospective land purchasers that payment of Local Development Contributions has been deferred and will become payable upon the future development of the allotment(s) in question.

### Subdivision consent

2.10.2 Council will consider applications to defer the timing of payment of development contributions in respect of subdivision resource consent:

- a. All applications to defer payment must be made in writing to the development contributions team at [developmentcontributions@tauranga.govt.nz](mailto:developmentcontributions@tauranga.govt.nz).
- b. application to defer will be considered on a case by case basis with the decision to be made at the discretion of Council and subject to the customer agreeing to certain terms and conditions, not limited to:
- c. A bank bond or first ranking mortgage is in place which, to Council's sole satisfaction, adequately secures the full amount of the development contribution in the event of payment default,
- d. Deferment of payment only relates to development contributions and not to other Council fees and charges associated with subdivision consents and associated 224(c) certificates,
- e. All costs associated with putting a bank bond or first ranking mortgage in place, including costs incurred by Tauranga City Council, are payable by the applicant
- f. Approval to defer may be subject to parties entering into a deferral agreement which outlines the conditions of such an approval
- g. Payment of development contributions required on subdivision resource consents may be deferred until the sale of an allotment or a period of one year from the date of the s224(c) certificate under the Resource Management Act 1991 relating to that allotment being issued by Council, whichever comes first,
- h. Interest is payable on the amount of the development contribution being deferred over the period of deferral at the Local Government Agency 2 year fixed rate for non-guarantors plus a 1% margin. Council will provide information about the most recent LGFA upon request.
- i. If payment is not made in accordance with the above conditions, a penalty interest rate of 15% per annum will apply on the amount of the development contribution being deferred for the period between when payment was due and when payment is made,
- j. In any circumstances where Council does not approve a deferral, or the parties do not agree to enter into the deferral agreement, development contributions must be paid prior to the issue of the s224c.

### Building consent

2.10.3 Council will consider applications to defer the timing of payment of development contributions required in respect of building consents:

- i. All applications to defer payment must be made in writing to the development contributions team at [developmentcontributions@tauranga.govt.nz](mailto:developmentcontributions@tauranga.govt.nz),
- ii. Applications to defer will be considered on a case-by-case basis with the decision to be made at the discretion of Council and subject to the customer agreeing to certain terms and conditions,
- iii. All deferred development contributions must be paid, at the latest, prior to the issue of the code of compliance certificate required under the Building Act 2004. Council will withhold the issue of the code of compliance certificate until the development contributions are paid.
- iv. Only the GST exclusive portion of the development contribution invoice may be deferred. GST must be paid on the invoice due date. Deferment does not relate to other Council fees.

- v. Approval to defer will be subject to the parties entering into a deferral agreement which outlines the conditions of such approval
- vi. Interest is payable on the amount of the development contributions being deferred over the period of deferral at the Local Government Agency 2 year fixed rate for non-guarantors plus a 1% margin. Council will provide the most recent LGFA rates upon request.
- vii. If payment is not made in accordance with the above conditions, a penalty interest rate of 15% p.a. will apply on the amount of the development contribution being deferred for the period between when payment was due and when payment is made
- viii. In any circumstances where TCC does not approve a deferral, or the parties do not agree to enter into the deferral conditions must be paid prior to the issue of the building consent. Any development contributions fees not paid by the due date will be treated as an unpaid debt and pursued in accordance with Council's usual debt management processes. This may include the use of debt management services.

## 2.11 Overdue payments

- 2.11.1 Until a development contribution required in relation to a development has been paid or made, Council may use one or more of the following powers provided to it in accordance with section 208 of the Local Government Act 2002:
  - a. In the case of a development contribution required in relation to a resource consent:
    - i. withhold a certificate under section 224(c) of the Resource Management Act 1991 or,
    - ii. Prevent the commencement of a resource consent under the Resource Management Act 1991.
  - b. In the case of a development contribution required in relation to a building consent, withhold a code compliance certificate under section 95 of the Building Act 2004,
  - c. In the case of a development contribution required in relation to a service connection authorisation, withhold a service connection to the development,
  - d. In the case of a development contribution required in relation to a certificate of acceptance, withhold a certificate of acceptance under section 99 of the Building Act 2004,
  - e. In each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.
- 2.11.2 In addition to this Council may pursue an overdue development contribution through its normal debt collection processes.

## 2.12 Reconsideration of a development contribution

- 2.12.1 In accordance with section 199A of the Local Government Act 2002 a person may request that the Council reconsiders the requirement for a development contribution if that person has grounds to believe that:
  - a. The development contribution was incorrectly calculated or assessed under the Council's Development Contributions Policy, or
  - b. The Council incorrectly applied its Development Contributions Policy, or
  - c. The information used to assess the person's development against the Development Contributions Policy, or the way the Council has recorded or used it when requiring a development contribution, was incomplete or contained errors.

- 2.12.2 A request for reconsideration must be lodged within 10 working days after the date on which the person lodging the request received notice from the Council of the development contribution amount required. An application for reconsideration must be made in writing and addressed as follows:

Development Contributions Team

Tauranga City Council, Private Bag 12022, Tauranga 3143

[developmentcontributions@tauranga.govt.nz](mailto:developmentcontributions@tauranga.govt.nz)

- 2.12.3 The application should include all relevant details regarding the development for which the development contribution was assessed and clearly outline the basis for the request of the reconsideration.
- 2.12.4 All requests for reconsiderations will be considered in the first instance by the Tauranga City Council Development Contributions Advisor. If the DC Advisor agrees that an error was made, or the policy was applied incorrectly then a recalculation of the development contribution notice will be issued. If the DC Advisor confirms the original assessment, then they shall give written notice of this decision to the applicant.
- 2.12.5 If the applicant (person lodging the reconsideration request) objects to the decision of the DC Advisor, then they may request that the decision is considered by the Tauranga City Council's Development Contribution Waiver Panel (the "Waiver Panel").
- 2.12.6 The Waiver Panel will consider the request against the requirements of the development contributions policy and will make a recommendation to the General Manager: Strategy & Growth whom will decide on the issue.
- 2.12.7 The council must, within 15 working days after the date on which it received all required relevant information relating to the request give written notice of the outcome of its reconsideration to the person who made the request.

## 2.13 Objections to a development contribution

- 2.13.1 In accordance with section 199C of the Local Government Act 2002 a person may object to the assessed amount of the development contribution. The objection may only be made on the grounds that the Council has:
- Failed to properly consider features of the objector's development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities, or
  - required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments, or
  - required a development contribution in breach of section 2002 of the Local Government Act 2002, or
  - Incorrectly applied its development contributions policy to the development.
- 2.13.2 The right of objection does not apply to challenges to the content of the development contribution policy.
- 2.13.3 The decision of any development contribution objection is to be made by a development contribution commissioner named in the approved register and selected by the Council.
- 2.13.4 In accordance with section 150A of the Local Government Act 2002, if a person objects to a development contribution the Council recover from the person its actual and reasonable costs in respect of the objection for:

- a. the selection, engagement, and employment of the development contributions commissioners, and
  - b. the secretarial and administrative support of the objection process, and
  - c. preparing for, organising, and holding the hearing.
- 2.13.5 Staff time will be calculated in accordance with hourly rates as set out for the relevant staff member within the User Fees and Charges section of Tauranga City Councils operative Annual Plan.
- 2.13.6 Schedule 13A of the Local Government Act 2002 sets out the procedure for development contribution objections.

## 2.14 Remission and refund of development contributions

- 2.14.1 Refunds of development contributions will be made in accordance with sections 209 and 210 of the Local Government Act 2002.
- 2.14.2 There will be no remission or postponement of development contributions except in exceptional circumstances at the sole discretion of the Chief Executive or his or her nominated representative that are consistent with the principles or broad intent of the Policy, or direction provided by elected members. Any such request for remission or postponement shall be made to Council in writing.
- 2.14.3 Where Council has required a development contribution and the subdivision, land use or building consent or service connection authorisation lapses, then the original development contribution amount will be refunded to the consent holder or his or her personal representative upon written application to Council, after the consent period has lapsed. This refund does not prevent Council requiring development contributions on future subdivision, land use, building consent or service connection authorisation applications related to the subject land, when the circumstances for which a development contribution is payable are present. In determining the amount of refund Council will retain a portion of the contribution of a value equivalent to the costs incurred by Council in relation to the development or building and its discontinuance as provided for in section 210 of the Local Government Act 2002.
- 2.14.4 Council will consider making grants to offset development contributions payable in relation to developments undertaken by or for the benefit of community groups through submissions received to the Annual Plan or Long-term Plan processes. Eligible groups may also apply for grants through the Papakainga and Community Housing Policy.
- 2.14.5 Any refund will not be subject to any interest or inflationary adjustment.

# Section 3

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## Policy statement

Section 3



## Section 3. Policy Statement

### 3.1 Policy summary

3.1.1 **Policy title:** Development Contributions Policy

3.1.2 **Lead policy:** Revenue and Financing Policy

3.1.3 **Support documents:**

- Tauranga City Council Long-term Plan and Annual Plan,
- Tauranga City Council City Plan (Chapter 11 Financial Contributions),
- Western Bay of Plenty SmartGrowth Strategy,
- Infrastructure Development Code.

### 3.2 Policy objectives

3.2.1 To ensure that new development contributes fairly to the funding of Tauranga's infrastructural and servicing requirements.

3.2.2 To charge a development or financial contribution for residential and non-residential development in the city to fund capital expenditure for citywide network infrastructure, reserve land and community infrastructure.

3.2.3 To collect a development or financial contribution from residential and non-residential subdivision and development in the city to fund capital expenditure for local network infrastructure, reserve land and community infrastructure.

### 3.3 Purpose and principles of development contributions

3.3.1 The Development Contributions Policy has been developed to be consistent with the purpose of the development contribution provisions as stated in Section 197AA the Local Government Act 2002.

3.3.2 In the preparation and adoption of the Development Contributions Policy Council has considered the development contribution principles in Section 197AB of the Local Government Act 2002.

3.3.3 A supplementary document containing a full analysis of the way the development contributions purpose has been considered and the principles considered is available from Council on request.

### 3.4 Policy principles

3.4.1 Effective planning, provision and funding of infrastructure can assist sustainable resource use and prudent financial management by the Council. The expected capital expenditure on network infrastructure: new or additional assets or assets of increased capacity resulting from the effects of new development should be contributed to by that development.

3.4.2 Development contributions and financial contributions should be based on the likely and foreseeable capital expenditure that Council expects to incur from growth in the city. This includes capital expenditure Council has already incurred in anticipation of growth.

- 3.4.3 Development contributions and financial contributions should be applied in a fair and equitable manner and have due regard to Council’s other financial management policies. This includes assessing the benefits that may accrue to the whole or parts of the community.
- 3.4.4 Development contributions and financial contributions are reviewed on an annual basis, having regard to changes that affect the provision of services by Council, including cost estimates and construction costs.
- 3.4.5 Development contributions can be applied at both a local and citywide infrastructure level, based on the activity type or geographic spread of the service. The following approach is generally applied in Tauranga City.
- 3.4.6 Tauranga City Council has a legislative obligation under the Te Ture Whenua Māori Act 1993 to promote the retention of Māori land in the hands of its owners, their whanau and their hapu and to facilitate the occupation, development and utilisation of that land for the benefit of its owners, their whanau and their hapu.
- 3.4.7 Council achieves these outcomes by (i) operating a transparent, equitable and reliable development contributions scheme; and (ii) funding, procuring and delivering infrastructure to the boundary of Māori Land to enable development.

**Table 12: Types of infrastructure funded by development contributions**

Activity type	Type of infrastructure funded
<b>Water</b>	Local: A water asset that services a clearly defined area or catchment. Citywide: Main trunk network that services the entire city including water treatment plants.
<b>Wastewater</b>	Local: All wastewater pipes and related infrastructure such as pump stations that convey untreated wastewater. Citywide: Wastewater treatment plants and outfall pipelines.
<b>Stormwater</b>	Local: Clearly services a locally defined area or catchment. Citywide: Not applicable.
<b>Transportation</b>	Local: Transportation infrastructure only needed for growth in the area or areas. Citywide: Transportation infrastructure where the origin and destination of trips is from all over the city, beyond local trips.
<b>Reserves</b>	Local: Neighbourhood reserves generally located within 400-500m of residential properties Citywide: Active reserves designed to cater for a range of active sports and recreation needs of the city population.
<b>Community infrastructure</b>	Local: Specific local facility or development of local facility. Citywide: Interconnected network of facilities or development of facilities serving a city or sub regional catchment.

### 3.5 Contents of the development contributions policy

3.5.1 The following is a summary of the contents required by the Local Government Act 2002 (LGA) and an indication of where they are located within this policy.

Table 13: Contents of the development contributions policy

LGA Section	Summary of the requirements of the LGA	Location within this policy
106	A summary and explanation of the total cost of capital expenditure identified in the Long-term Plan that Council expects to incur to meet the increased demand for community facilities resulting from growth.	Section 3 Section 4 Section 6
106	The proportion of total cost of capital expenditure that will be funded by: <ul style="list-style-type: none"> <li>• development contribution,</li> <li>• financial contributions,</li> <li>• other sources of funding.</li> </ul>	Section 3 Section 6
106	An explanation of why Council has determined to use development (and/or financial) contributions to fund the total cost of growth related capital expenditure. This explanation must be in terms of the matters required to be considered under section 101(3) of the LGA.	Section 3 Section 5
106	Identify each activity or group of activities for which a development contribution or a financial contribution will be required.	Section 5 Section 6
106	In relation to each activity or group of activities specify the total amount of funding to be sought by development (or financial) contributions.	Section 4 Section 5
106	Summarise the provisions that relate to financial contributions in the district plan or regional plan prepared under the <a href="#">Resource Management Act 1991</a> .	Section 3 Section 4
197AB	The development contribution principles must be considered when preparing a development contributions policy or requiring development contributions.	Section 3
201	An explanation of and justification for the way each development contribution is calculated.	Section 4 Section 5

Table 14: Contents of the development contributions policy continued

LGA Section	Summary of the requirements of the LGA	Location within this policy
201	The significant assumptions underlying the calculation of development contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects.	Section 3 Section 4
201	The conditions and criteria that will apply in relation to the remission, postponement, or refund of development contributions, or the return of land.	Section 2
201A	A schedule of assets for which development contributions will be used.	Section 6
202	The development contributions payable in each district, calculated in accordance with the methodology in respect of: <ul style="list-style-type: none"> <li>• reserves, and</li> <li>• network infrastructure, and</li> <li>• community infrastructure</li> </ul>	Section 1 Section 6
202	The event that will give rise to a requirement for a development contribution	Section 2
202A	Information about how reconsideration of a development contribution request can be lodged and the steps that Council will apply when reconsidering the requirement for a development contribution.	Section 2
<b>Schedule 1AA</b>		
8 (3)	If development contributions are collected for community infrastructure under the transitional provisions of Schedule 1AA (Section 8(2)) the items must be identified along with the total cost of capital expenditure still to be recovered and the date by which Council expects to complete recovery.	Section 6
9 (3)	No later than 30 June 2015 the development contribution policy must be amended to comply with the act as amended by specified provisions.	
10 (3)	The development contributions policy must be amended to comply with Section 202A of the LGA no later than the dates set out in Section 10 (1) of Schedule 1AA.	

### 3.6 Delegations

- 3.6.1 The authority to set the quantum of development contributions or financial contributions is the responsibility of the elected members of Council.
- 3.6.2 The implementation of this policy and the charging of development contributions or financial contributions are delegated to the Chief Executive or his/her sub delegate.

### 3.7 Information available to the public

- 3.7.1 The operative objectives, policies and rules relating to Financial Contributions set out in Chapter 11 of the City Plan are available for public inspection at Council offices.
- 3.7.2 The assumptions, methodology and financial details for growth-related infrastructure and funding sources as set out in this policy can be made available for public inspection upon request at Council's main customer service centre, Civic Offices, Willow Street, Tauranga.

### 3.8 Growth-related capital expenditure

- 3.8.1 Strong growth rates are anticipated for the city as outlined in the SmartGrowth Strategy, the Long-term Plan and the City Plan. This has been translated into population, household and non-residential growth projections so that development contributions can be calculated. For non-residential growth, gross floor area projections have been prepared based on historical building consent information and the adopted population projections.
- 3.8.2 The proportion of growth-related capital expenditure for each activity or group of activities that is funded by various funding sources, including development contributions, over the relevant planning periods has been estimated as set out in Section 4.
- 3.8.3 Where possible Council will seek to initiate direct negotiations with appropriate parties including developers and Government agencies, to enter into voluntary agreements to forward fund growth-related capital expenditure.

### 3.9 Reasons for using development contributions

#### Strategic

- 3.9.1 Council plays a significant role in facilitating and where appropriate, coordinating development and providing infrastructure in a timely manner.
- 3.9.2 Council considers its role in the provision of network infrastructure as an essential part of its leadership and facilitation, public health and safety, growth management and sustainable development obligations to the city. It is a strategic role which neither individuals, the community, the private sector nor Central Government can appropriately fulfil on their own.
- 3.9.3 The physical effects of growth, particularly the cumulative effects of individual subdivision and development decisions, requires Council to incur capital expenditure, acting on behalf of the wider community, to appropriately provide for new or additional services including in many circumstances' capital expenditure in anticipation of growth. Funding tools such as development contributions are fundamental in meeting these needs.
- 3.9.4 Council's decision-making framework identifies the strategies and plans, Council Outcomes, and City Vision Statements that all guide decisions made by Council for the community. The activities to be funded by development contributions all support this framework in some way. This is identified in the Policy for each activity.

### Fairness and equity

- 3.9.5 A fair and equitable approach needs to be taken to funding the provision of infrastructure having regard to existing and future populations. The existing population has already made considerable investment in services and enjoys the benefit of using those services. Those undertaking new development benefit from using, connecting to or extending existing services or supplying new services and should pay a fair share of the capital expenditure for this. Developers and new residents/businesses are also the segment of the community that creates the need to undertake growth-related projects in respect of the activity types covered by the Development Contributions Policy.
- 3.9.6 Funding the capital expenditure for new or extended growth-related infrastructure from development contributions is considered a fair and equitable funding approach. They are to be applied alongside other funding tools to provide the appropriate balance of funding between the community, Council and those undertaking development.
- 3.9.7 Providing for infrastructure in anticipation of growth is also a core Council obligation in the promotion of the social, economic, environmental and cultural well-being of the community, in the present and for the future. In these situations, development contributions will assist in recouping the growth-related portion of the public investment made by Council on behalf of the community.
- 3.9.8 Two further factors of equity to have regards to in relation to each activity are; the distribution of any benefits between the community as a whole, any identifiable part of the community and individuals, and the period over which benefits are expected to occur. This is reflected in the cost allocation methodology. For example, where people in the existing community may get benefit from an improved level of service. Council has assessed this in relation to each activity (this consideration is set out in Section 5 of this Policy) and for the major projects for which development contributions are proposed to be a funding source. Council recognises the period over which benefits are expected to occur by including, within the cost of growth to be funded by contributions under this policy, only the cost of providing additional capacity to meet demand within the planning period or the life of the asset.
- 3.9.9 It should be noted that just because the existing community may use new infrastructure it does not mean that they necessarily benefit from it. A number of growth-related infrastructure projects will result in the demand generated by the existing community being diverted from existing infrastructure to new infrastructure but with no noticeable change in the service provided by Council to the existing community (e.g. the Southern Pipeline and the Waiāri water treatment plant). In some cases, the diversion of existing flows is necessary to free up additional capacity in local or citywide infrastructure to allow for further growth in areas where this existing infrastructure is at or near capacity. Where the diversion of existing demand occurs solely for this reason and the existing community notices no difference in the service provided by Council, a non-growth cost allocation associated with the diversion of existing flows is not recognised because there is no benefit to the existing community. However, Council will recognise a non-growth cost allocation if it is evident that the existing community will benefit from the diversion of flows (e.g. through a more satisfactory level of service) or where a project is required to replace existing infrastructure which is being abandoned.

### Identification of benefits

- 3.9.10 At a more detailed level the distribution of benefits in the funding of capital expenditure for growth related infrastructure can be identified by the percentage of development contribution/rates/other funding split for projects shown in the Schedule of assets for which development contributions are collected – Section 6. These benefits are either citywide (at the citywide services level), or localised neighbourhood/urban growth area (at the local services level) and differentiated between existing households (current population) and anticipated households (future population) for the planning period.

### Section 101(3) matters

- 3.9.11 Tauranga City has considered the matters included in section 101(3) of the Local Government Act 2002 in developing the existing policy and proposed amendments to it.
- 3.9.12 Using development contributions to fund the majority of growth-related costs for these infrastructure activities (rather than rates or other funding tools) is appropriate for the following reasons:
- Development contributions are fair because they allocate growth costs to the section of the community that creates the need for Council to incur that expenditure, i.e. developers, new residents and new business activities,
  - Development contributions allocate costs to those in the community who benefit most from the new assets or assets of additional capacity that are funded out of development contributions. They are based on the level of service that the Council has determined through the Long-term Plan. Some costs of growth are however still allocated to existing ratepayers (rather than the development community through development contributions); in recognition of the benefits they receive from these new or additional assets,
  - Development contributions send clear signals to the development community about the true cost of growth and the capital costs of providing infrastructure to support that growth,
  - Growth costs can be apportioned over time (a planning period or project life), so that members of the growth community pay for the capacity they use in the services network,
  - Development contributions, as a dedicated funding source, offer secure and transparent funding toward the infrastructure needed to accommodate growth. This is weighed up against the sustainable level of rates, financial contributions and other funding sources to support the sustainable development of the city.
- 3.9.13 Overall, it is considered fair and reasonable, and that the social, economic, environmental and cultural well-being of the community is best advanced through using development contributions to fund most of the costs of growth-related capital expenditure for activities covered by the Policy.

## 3.10 Significant assumptions

### Projected growth

- 3.10.1 Under the SmartGrowth Strategy Tauranga City must accommodate approximately 84 percent of the anticipated sub-regional household growth plus significant business development, for the next 50 years. This growth will be accommodated through a mix of Greenfield and infill development.
- 3.10.2 This will place significant strain on the existing services assets with a need to provide and fund increased capacity or extension/additional services to meet growth demand.
- 3.10.3 To enable local development contributions to be calculated assumptions are made that the SmartGrowth population projections and the spatial allocation of these on the Tauranga City Council district accurately represent the future growth of the district.

### Distribution of benefits

- 3.10.4 An assumption is made that all growth within a catchment benefits equally from the development and therefore all lots created within that area pay an equal share of the cost of servicing the development. The only exception to this is in relation to the Southern Pipeline project and in circumstances where catchments have been further broken into sub-catchments.

### Structure plans

- 3.10.5 Structure plans for each catchment have been prepared and indicate the location and extent of the local development contribution funded projects. In the case of any discrepancy between the structure plan and the project costing schedules contained in this policy the project costings take precedence.

### Consistent Development Contributions Policy

- 3.10.6 It is assumed that the policy approach of recovering growth-related capital expenditure through development contributions will be retained in the foreseeable future and that Council will continue to need to undertake capital expenditure to accommodate the city's growth.

### Other assumptions

- 3.10.7 Other general assumptions are that:
- a the development contribution amounts are based on the inflation adjusted project cost estimates, and
  - b project costs are reviewed and updated annually, and
  - c development contributions fully include the cost of capital (debt servicing costs) as it is an integral component of funding growth-related infrastructure; and
  - d New Zealand Transport Agency subsidy or other funding tools will be available for some transportation projects, and
  - e methods of service delivery will remain similar to those at present,
  - f rounding used in calculations has generally been to the nearest hundred and applies to total value,
  - g land values used to determine revenue and expenditure are G.S.T exclusive,
  - h development contributions required are G.S.T exclusive. G.S.T will be added at the time of payment.

## 3.11 Risks and monitoring

- 3.11.1 Council considers there are risks associated with the use of development contributions as a funding source. Types of risks include:
- a A decrease in development activity which will result in a decrease in development contribution revenue,
  - b Lags between expenditure incurred by council and contributions received as a result in land development trends,
  - c Differences in cost of capital to what was expected,
  - d Movements in capital costs of providing services and the link to project cost estimates.
- 3.11.2 Having regard to risk management, Council reviews and updates the Development Contributions Policy and associated schedules on an annual basis considering:
- a Information on costs as monitored through the delivery of the capital works programme,
  - b Development activity as monitored using a combination of subdivision statistics and development sector information,

- c Changes in policy direction as Council continues to implement the Long-term Plan, Revenue and Financing Policy and SmartGrowth Implementation plans,
- d Changes in population/dwelling growth or the pattern of development in the city,
- e Addition or deletion of growth projects,
- f Changes in estimated costs as determined by market rates, valuations, by reference to price indexes, or tender prices,
- g Changes to interest rates (relevant to the cost of capital),
- h Correction of errors or omissions to the project estimates,
- i Incorporation of actual costs of completed projects.

### **3.12 Activities for funding capital expenditure of growth**

- 3.12.1 Council activities for which development and financial contributions will be used to fund growth related capital expenditure are:
  - a Network infrastructure for stormwater, wastewater, water supply, transportation,
  - b Reserve land acquisition and development for sub-regional, active and neighbourhood reserves,
  - c Community infrastructure including the aquatic network and the indoor sports network.

### **3.13 Development contributions – Local Government Act 2002 Tests**

- 3.13.1 A subdivision and/or development project within the city which forms the subject of a consent application, application for a certificate of acceptance or application for a service connection will be considered for whether payment of a development contribution is required.
- 3.13.2 First, Council will determine whether it is a development as defined by section 197 of the Local Government Act 2002. That is, whether it generates a demand for reserves, network infrastructure or community infrastructure.
- 3.13.3 Second, if a demand is generated Council will consider whether the subdivision or development, either alone or in combination with another development, requires new or additional assets or assets of increased capacity and, consequently, Council incurs or has incurred capital expenditure to provide appropriately for reserves, network infrastructure and/or community infrastructure.
- 3.13.4 Third, Council will check that the Development Contributions Policy provides for the payment of a contribution in the circumstances.

### **3.14 Use of Development Contributions**

- 3.14.1 Funds collected by way of Development Contributions will only be spent on those projects / activities identified in Section 6 and any data supporting the asset schedules, or an alternate project that serves the same general purpose or provides the same level of service in that urban growth area or citywide. This may include new projects that were identified after the development contribution was required.

### 3.15 Timing of expenditure

3.15.1 Except for the purchase of land, funding will be allocated to projects annually by way of the Annual Plan process or the Long-term Plan process. Project allocation will be considered in the following ways:

- a. Inclusion of the project in the Annual Plan/Long-term Plan by the relevant Asset Manager; or
- b. Submission through the Annual Plan/Long-term Plan process by a developer or their representative, or
- c. Submission to the Annual Plan/Long-term Plan by any other interested party.
  - i. Where possible, ranking for consideration of Project funding will be assessed using the following table. However, due to the nature of some of the projects proposed by Asset Managers (such as bulk mains or arterial roads), these criteria will not always be applicable.

Table 15: Ranking of project funding

Score	Consolidation of infrastructure	Sequencing	Construction
2	The project is servicing development that is likely to be substantially sold within one year.	This is the next logical sequence for extension of the service.	All construction works completed
1	The project is servicing development that is likely to be substantially sold within one to two years.	Not entirely sequential for the service however it does promote sequential development of the land.	Construction works underway.
0	The project is servicing development that is likely to be substantially sold within two to three years.	Not sequential but is likely to support growth in the short term.	Construction contract let but works not yet started
-1	The project is servicing development that is likely to be substantially sold within three to five years.	Not sequential but is likely to support growth in the medium term.	Construction contract being prepared
-2	The project is servicing development that is unlikely to be substantially sold within five years.	Further use of the proposed service unlikely in the short to medium term.	Works proposed in the short term but not yet designed.

- d. A cut-off score will be established, and those projects achieving that score or higher will be recommended to Council for inclusion in the Annual Plan/Long-term Plan budget,
- e. Council may exercise discretion to exclude projects that score above the cut-off line or include projects scoring below the cut-off line by having regard to other factors such as:
  - i. A project may achieve a score that should be recommended for approval, but that project may be reliant on other projects being completed beforehand,
  - ii. A project may not achieve a score that would be high enough for recommendation for other reasons, Council believes the project should go ahead,
  - iii. Council's overall capacity to undertake capital projects when assessed on both a funding and resource availability basis.
- f. In the case of developers, or applications on behalf of developers by their representatives, a submission will only be considered if a contract has been let for the project work or the project work is completed,
- g. Allocations shown in the Long-term Plan are indicative. Final allocations are reviewed and confirmed on an annual basis by applying the above policy process,
- h. Timeframes and costs for projects shown in Council's Long-term Plan are indicative. Final project timelines and costs are reviewed and confirmed on an annual basis.

### 3.16 Developer reimbursements

- 3.16.1 Where a developer undertakes to construct works contained in the Development Contributions Policy, and has requested through an Annual Plan submission that reimbursement of the Local Infrastructure (LDC) component will be sought, the reimbursement/refund will be provided for in the Long-term Plan or Annual Plan budget by Council where:
- a. The reimbursement achieves a ranking within the Council's Local Development Contribution project capital expenditure budget for that financial year using Council's ranking criteria. (Note the method of project funding allocation and the ranking criteria are set out above), and either:
  - b. The project has been built and satisfactorily completed at the time the request is assessed by Council, or
  - c. The project has been committed through the letting of a contract at the time the request is assessed by Council and evidence is provided to Council of that contractual obligation.
- 3.16.2 Where reimbursement has been provided for in the Long-term Plan or Annual Plan budget, payment will be made to the consent holder by 31 July of the year in which the project has been budgeted, or on completion of construction if not complete at that date.

# Section 4

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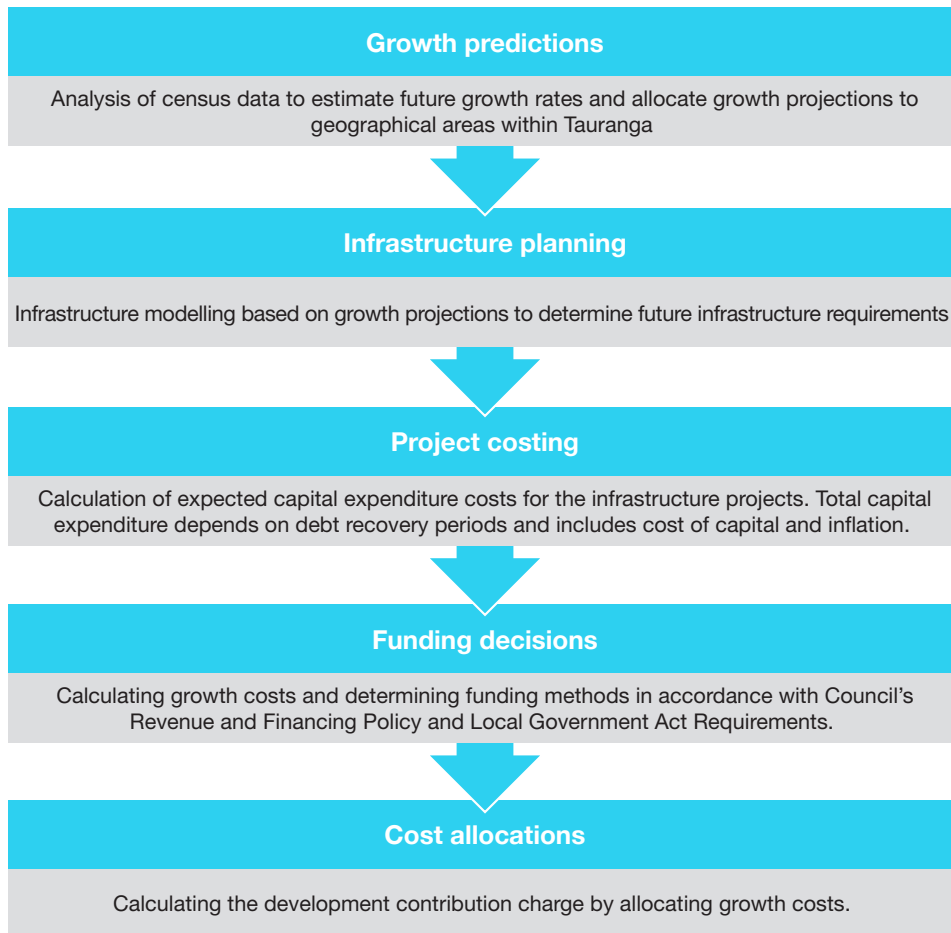
## Methodology

Section 4



## Section 4. Methodology

The following flow chart provides an overview of the methodology used to calculate development contributions.



## 4.1 Growth projections

- 4.1.1 To calculate development contributions growth projections (location, quantity and timing) are required. The growth projections used in this policy are based on Statistics New Zealand census data and projections produced for the Western Bay of Plenty SmartGrowth Strategy.
- 4.1.2 The growth projections from 2013 on are based on the figures produced for the Western Bay of Plenty SmartGrowth. SmartGrowth projections are based on work by the National Institute of Demographic and Economic Analysis (NIDEA) which has carried out an in-depth study of the demographics of the area, considering such issues as births, deaths, age and gains and losses due to national and international migration. The NIDEA figures were citywide and the Tauranga City Council Planning and Growth Team broke these down into an area unit projection for Tauranga City
- 4.1.3 The NIDEA report produced a population projection and a projection of the number of dwellings required to house these people; and called this the household projection. However, this did not consider the average of 10 percent of houses that are unoccupied at the time of the census. The calculation for development contributions needs to consider the total number of houses built in the city, therefore the SmartGrowth Household projections have been modified by adding 10 percent to them to produce the Dwelling unit projection.
- 4.1.4 The original SmartGrowth figures were produced in January 2004 and have been subsequently reviewed and amended in 2007, 2012, 2014 and again in 2017.
- 4.1.5 The revised projections were adopted by SmartGrowth Committee on 16 May 2017 as part of the key assumptions to inform the development of the 2018-2028 Long-term Plan.
- 4.1.6 The Tauranga City Population and Household Projection review 2014 is available on Tauranga City Council's website
- 4.1.7 <http://www.tauranga.govt.nz/council/council-documents/strategies-plans-and-reports/reports/population-and-household-projection-review>
- 4.1.8 The revised projections identified in this report are in five yearly increments from 2013 to 2063. For the purposes of the Development Contributions Policy where necessary growth projections for the interim years have been prorated.
- 4.1.9 The population and household projections that have been used within this policy are set out in the following tables.

Table 16: Resident population and household projections - Tauranga City

Year		2001	2006	2007	2012	2017	2022
<b>Total Population</b>	People	93,500	106,900	109,100	115,688	136,600	148,764
<b>Dwellings</b>	HUE	39,566	45,388	46,084	49,563	54,909	59,748
Year		2015	2016	2017	2018	2019	2020
<b>Total Population</b>	People	128,200	132,400	136,600	140,800	143,625	146,103
<b>Dwellings</b>	HUE	52,584	53,747	54,909	56,072	57,376	58,520
Year		2021	2022	2023	2024	2025	2026
<b>Total Population</b>	People	147,433	148,764	161,206	163,038	164,549	166,381
<b>Dwellings</b>	HUE	59,134	59,748	62,624	63,520	64,259	65,154
Year		2027	2028	2029	2030	2031	2032
<b>Total Population</b>	People	168,442	170,618	172,689	174,978	177,376	179,818
<b>Dwellings</b>	HUE	66,192	67,286	68,391	69,609	70,800	71,943
Year		2033	2034	2035	2036	2037	2038
<b>Total Population</b>	People	182,434	184,504	186,455	188,406	190,357	192,189
<b>Dwellings</b>	HUE	73,092	74,132	75,408	76,684	77,961	79,473
Year		2039	2040	2041	2042	2043	2044
<b>Total Population</b>	People	193,809	195,429	197,048	198,668	200,288	201,828
<b>Dwellings</b>	HUE	80,366	81,259	82,151	83,044	83,937	84,669
Year		2045	2046	2047	2048	2049	2050
<b>Total Population</b>	People	203,368	204,909	206,449	207,989	209,163	210,337
<b>Dwellings</b>	HUE	85,401	86,132	86,864	87,596	88,327	89,058
Year		2051	2052	2053	2054	2055	2056
<b>Total Population</b>	People	211,511	212,684	213,858	215,032	216,194	217,356
<b>Dwellings</b>	HUE	89,789	90,520	91,251	91,980	92,708	93,437
Year		2057	2058	2059	2060	2061	2062
<b>Total Population</b>	People	218,517	219,679	220,826	221,973	223,120	224,267
<b>Dwellings</b>	HUE	94,165	94,894	95,556	96,218	96,880	97,542
Year		2063	2064	2065	2066	2067	2068
<b>Total Population</b>	People	225,414	226,476	227,538	228,600	229,662	230,724
<b>Dwellings</b>	HUE	98,204	98,799	99,394	99,989	100,584	101,179

Table 17: Resident population and household projections - Western Bay of Plenty

Year		1996	2001	2006	2013	2026	2036	2051
<b>Total Population</b>		35,600	39,000	43,000	46,110	53,853	58,591	60,036
<b>Dwellings</b>		16,503	18,355	20,085	21,085	25,202	28,432	30,056

*These population projections will be updated in the next DC Policy once new SmartGrowth projections are approved.*

Continued on next page

Table 18: Population and household growth - Tauranga City

Year		2001-2007	2001-2012	2001-2013	2001-2014	2001-2015	2001-2016	2001-2017
Population Growth	People	15,600	22,188	26,300	30,500	34,700	38,900	43,100
Household Growth	HUE	6,518	9,997	10,693	11,856	13,018	14,181	15,343
Year		2001-2018	2001-2019	2001-2020	2001-2021	2001-2022	2001-2023	2001-2024
Population Growth	People	47,300	50,125	52,603	53,933	55,264	67,706	69,538
Household Growth	HUE	16,506	17,810	18,954	19,568	20,182	23,058	23,954
Year		2001-2025	2001-2026	2001-2027	2001-2028	2001-2029	2001-2030	2001-2031
Population Growth	People	71,049	72,881	74,942	77,118	79,189	81,478	83,876
Household Growth	HUE	24,693	25,588	26,626	27,720	28,825	30,043	31,234
Year		2001-2032	2001-2033	2001-2034	2001-2035	2001-2036	2001-2037	2001-2038
Population Growth	People	86,318	88,934	91,004	92,955	94,906	96,857	98,689
Household Growth	HUE	32,377	33,526	34,566	35,842	37,118	38,395	39,907
Year		2001-2039	2001-2040	2001-2041	2001-2042	2001-2043	2001-2044	2001-2045
Population Growth	People	100,309	101,929	103,548	105,168	106,788	108,328	109,868
Household Growth	HUE	40,800	41,693	42,585	43,478	44,371	45,103	45,835
Year		2001-2046	2001-2047	2001-2048	2001-2049	2001-2050	2001-2051	2001-2052
Population Growth	People	111,409	112,949	114,489	115,663	116,837	118,011	119,184
Household Growth	HUE	46,566	47,298	48,030	48,761	49,492	50,223	50,954
Year		2001-2053	2001-2054	2001-2055	2001-2056	2001-2057	2001-2058	2001-2059
Population Growth	People	120,358	121,532	122,694	123,856	125,017	126,179	127,326
Household Growth	HUE	51,685	52,414	53,142	53,871	54,599	55,328	55,990
Year		2001-2060	2001-2061	2001-2062	2001-2063			
Population Growth	People	128,473	129,620	130,767	131,914			
Household Growth	HUE	56,652	57,314	57,976	58,638			

## 4.2 Infrastructure planning

- 4.2.1 Infrastructure modelling based on growth projections is used to determine future infrastructure requirements.
- 4.2.2 For local infrastructure, Council has identified the capital infrastructure that needs to be in place when a growth area is full. Structure plans for each catchment have been prepared and indicate the location and extent of the local development contribution funded projects. In the case of any discrepancy between the structure plan and the project costing schedules contained in this policy the project costings take precedence.
- 4.2.3 For citywide infrastructure, Council has determined infrastructure requirements by looking at the impacts of projected future population growth on demand and identifying the point at which new infrastructure is required (such as additional water and wastewater treatment capacity).
- 4.2.4 The Annual Plan and Long-term Plan provide a full list of all planned infrastructure projects. Section 6 of this policy shows those projects which will be funded by development contributions.

## 4.3 Project costing

- 4.3.1 Capital expenditure used in both the Long-term Plan and in this policy are based on the best available knowledge at the time of preparation. Costs consider all known or likely construction costs, land values, inflation and cost of capital. Project costs are reviewed, and if necessary updated, annually.

- 4.3.2 The level of confidence in the accuracy of costs increases as the detailed knowledge of the project increases. The range of accuracy (from least to most accurate) is:
- a. Desktop assessment based on knowledge and experience with similar projects,
  - b. Estimated based on site visits and understanding of the extent of the work,
  - c. Engineer estimates prepared after project design,
  - d. A contract price for the work,
  - e. Actual costs (after the work is complete).

### **Inflation**

- 4.3.3 The impact of estimated future inflation on project cost estimates that are done in today's dollars is included in the calculation of development contributions. The inflation rates used are currently drawn from work specifically done for Local Government by BERL. The inflation rates used are reviewed annually to ensure they remain appropriate.

### **Cost of capital**

- 4.3.4 The total cost of capital expenditure (on which development contribution charges are based) includes the cost of capital. Cost of capital is the interest paid on loans that are used as an interim funding mechanism when expenditure occurs before the full amount of development contribution revenue is received.
- 4.3.5 Cost of capital calculations are based on the interest rates and assumptions as set out in Council's operative Long-term Plan. For interest that will be incurred or received outside the Long-term Plan period the interest rates used are based on the best information available to Council.
- 4.3.6 For the purposes of calculating cost of capital, Council adjusts the debt levels to consider actual growth levels and the current development contribution charge. If the cost of capital was based on actual debt levels, then it would be set an unfairly high level due to low development contribution charges in the past.
- 4.3.7 The net funding position is determined annually and is based on structure plans, project schedules, expected and annual expenditure and revenue forecasts. A net deficit attracts finance costs through the loans. The accumulated interest for the planning period is allocated equally across the forecast number of units of demand. This amount is then added to the relevant contribution for both the citywide and local infrastructure costs. In some circumstances only, interest costs expected to be incurred within the Long-term Plan period are included in the project cost – these are discussed below in the section regarding intergenerational equity.
- 4.3.8 In situations when the net funding position is in surplus Council earns interest instead of paying it. This reduces the development contributions payable.

### **Intergenerational equity**

- 4.3.9 To achieve fairness across time in the amount of development contributions payable, Council's position is that the amount of development contributions payable should remain constant in real terms. This means that contribution amounts would increase over time in line with inflation or income growth. The provisions of the Local Government Act 2002 however restrict Council's ability to implement this approach.

- 4.3.10 To achieve a limited form of intergenerational equity, interest costs in relation to the development contributions payable for the Southern Pipeline wastewater project and local infrastructure in Wairakei that are projected to be incurred beyond the period of the operative Long-term Plan are excluded from the calculation of development contributions. This results in contribution amounts being lower than they would if these interest costs had been included in their calculation.
- 4.3.11 Over time as new Long-term Plans are adopted these interest costs will progressively come with the calculation of these development contributions. This will lead to these contribution amounts increasing over time. The tables below show the projected development contribution if the interest costs were included and the projected increases to these contribution amounts based on the current methodologies.

**Table 19: Projected development contributions if interest costs beyond the Long-term Plan were included**

	Wairakei Area A	Wairakei Area B	Wairakei Area C	Southern Pipeline
Operative Charge	\$564,968.41	\$449,264.84	\$738,878.31	\$3,997
Charge if interest costs post Long-term Plan included	\$562,271.66	\$407,470.91	\$728,948.70	\$3,997

**Table 20: Expected increases to development contributions as a result of interest costs currently outside the Long-term Plan being progressively included. Rounded to the nearest \$100**

Year	Wairakei Area A	Wairakei Area B	Wairakei Area C	Southern Pipeline
24/25 to 26/27	\$564,968.41	\$449,264.84	\$738,878.31	\$3,997
27/28 to 29/30	\$564,968.41	\$449,264.84	\$738,878.31	\$3,997
30/31 to 32/33	\$564,968.41	\$449,264.84	\$738,878.31	\$4,284
33/34 to 35/36	\$564,968.41	\$449,264.84	\$738,878.31	\$4,522
36/37 to 38/39	\$564,968.41	\$449,264.84	\$738,878.31	\$4,688
39/40 to 41/42	\$564,968.41	\$449,264.84	\$738,878.31	\$4,752

### Land purchase

- 4.3.12 Land purchase cost estimates are based on property valuation evidence in a manner consistent with the Public Works Act 1981 and relevant case law. This includes both betterment and injurious effect. The only exception to this is where agreement has been reached in advance with a landowner to a specific dollar amount or to an alternate valuation methodology. Cost estimates are initially prepared by Tauranga City Council staff who are registered valuers. They are then peer reviewed by external registered valuers. Aside from where agreement has been reached with landowners it should be noted that the land purchase cost estimates contained in this Policy are subject to annual review and therefore may change over time. It should also be noted that, aside from where agreement has been reached with landowners, the compensation payable (if any) for land will be subject to a more detailed assessment in accordance with the Public Works Act at the time it occurs. As such, the amount of compensation paid may differ from the estimated amount shown in the Policy. Council will actively seek forward agreement with landowners to land purchase amounts with the aim of ensuring land purchase cost estimates used in the calculation of development contributions are as accurate as possible.

## 4.4 Funding decisions

- 4.4.1 Section 6 of this policy contains asset schedules for each activity and for each catchment for which development contributions will be collected. The schedules list all the growth related capital expenditure projects which will be funded using development contributions.
- 4.4.2 The schedules state the relative proportion, shown as a percentage, of each project that will be funded by development (and/or financial contributions) versus alternative methods. Cost of capital for the proportion of the project funded by development contributions is calculated and added to the project cost.
- 4.4.3 In some instances, the project is determined to be 100% growth related. In these instances, 100% of the capital expenditure costs are recovered by development contributions.
- 4.4.4 If an infrastructure project is not deemed to be entirely growth related, then a portion will be funded by alternative methods. For example, a percentage may be rate funded, loan funded or funded by external providers such as Waka Kotahi New Zealand Transport Authority. Costs that are not deemed to be growth related cannot be recovered by Council as development contributions.
- 4.4.5 The tables below show the proportion of planned capital expenditure (grouped by activity) that is funded by development or financial contributions compared to other funding sources.

Table 21: Capital expenditure - Water

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<b>Total Capital Expenditure</b>	31,530	74,856	65,629	68,195	64,243	72,467	84,213	106,097	95,751	92,128
<b>Capital Expenditure (Other Sources)</b>	3,716	6,531	2,977	2,815	2,239	1,433	1,386	1,139	1,165	-
<b>Capital Expenditure (Renewals)</b>	12,583	22,031	20,694	18,924	21,029	23,685	20,555	21,220	22,808	20,257
<b>Capital Expenditure (BIF)</b>	1,136	4,634	4,153	3,467	-	2,269	6,279	35,446	42,453	18,880
<b>Capital Expenditure (Infill)</b>	723	3,549	1,999	1,745	1,028	-	-	-	-	-
<b>Capital Expenditure (SIF)</b>	1,751	2,794	1,117	693	324	128	-	-	-	12,938
<b>Capital Expenditure (Loans)</b>	11,621	35,317	34,689	40,552	39,624	44,952	55,993	48,292	29,325	40,053
<b>Funded (BIF)</b>	3.60%	6.19%	6.33%	5.08%	0.00%	3.13%	7.46%	33.41%	44.34%	20.49%
<b>Funded (Infill)</b>	2.29%	4.74%	3.05%	2.56%	1.60%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Funded (SIF)</b>	5.55%	3.73%	1.70%	1.02%	0.50%	0.18%	0.00%	0.00%	0.00%	14.04%

Table 22: Capital expenditure - Wastewater

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<b>Total Capital Expenditure</b>	67,937	89,017	94,336	69,284	62,766	65,829	83,520	141,960	157,784	132,991
<b>Capital Expenditure (Other Sources)</b>	3,934	4,962	1,897	1,939	1,902	1,874	1,812	1,490	1,524	-
<b>Capital Expenditure (Renewals)</b>	22,614	40,469	28,324	28,366	23,112	22,492	24,669	27,542	25,350	30,892
<b>Capital Expenditure (BIF)</b>	18,859	10,090	34,402	19,102	19,443	21,426	25,092	49,063	56,014	19,420
<b>Capital Expenditure (Infill)</b>	830	1,530	5,203	2,095	3,322	3,464	50	330	802	992
<b>Capital Expenditure (SIF)</b>	14,615	27,721	19,629	8,798	-	557	720	22,402	28,233	23,532
<b>Capital Expenditure (Loans)</b>	7,086	4,245	4,880	8,984	14,987	16,017	31,177	41,133	45,861	58,155
<b>Funded (BIF)</b>	27.76%	11.33%	36.47%	27.57%	30.98%	32.55%	30.04%	34.56%	35.50%	14.60%
<b>Funded (Infill)</b>	1.22%	1.72%	5.52%	3.02%	5.29%	5.26%	0.06%	0.23%	0.51%	0.75%
<b>Funded (SIF)</b>	21.51%	31.14%	20.81%	12.70%	0.00%	0.85%	0.86%	15.78%	17.89%	17.69%

Table 23: Capital expenditure - Stormwater

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Total Capital Expenditure	15,992	28,410	31,833	56,226	61,011	59,604	75,123	98,804	101,690	112,911
Capital Expenditure (Other Sources)	5,433	5,909	5,788	6,905	6,950	6,997	6,986	9,455	5,550	2,875
Capital Expenditure (Renewals)	1,154	1,386	2,287	2,583	2,911	3,111	3,382	4,902	5,312	3,617
Capital Expenditure (BIF)	55	492	58	602	622	639	638	654	672	703
Capital Expenditure (Infill)	423	463	414	23	72	74	178	880	3,420	6,857
Capital Expenditure (SIF)	5,289	10,591	7,219	17,310	16,010	16,462	16,902	33,681	19,433	21,601
Capital Expenditure (Loans)	3,639	9,569	16,066	28,803	34,446	32,320	47,037	49,233	67,302	77,258
Funded (BIF)	0.34%	1.73%	0.18%	1.07%	1.02%	1.07%	0.85%	0.66%	0.66%	0.62%
Funded (Infill)	2.64%	1.63%	1.30%	0.04%	0.12%	0.12%	0.24%	0.89%	3.36%	6.07%
Funded (SIF)	33.07%	37.28%	22.68%	30.79%	26.24%	27.62%	22.50%	34.09%	19.11%	19.13%

Table 24: Capital expenditure - Transportation

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Total Capital Expenditure	130,946	171,940	143,576	225,321	139,509	136,302	166,589	114,708	136,067	256,144
Capital Expenditure (Other Sources)	61,294	85,875	139,646	132,012	80,688	66,215	57,951	31,918	36,294	93,463
Capital Expenditure (Renewals)	10,171	11,689	13,521	17,926	18,781	17,549	20,538	21,258	21,941	13,889
Capital Expenditure (BIF)	-	-	-	-	-	498	142	144	147	168
Capital Expenditure (SIF)	35,890	12,549	2,697	4,631	6,689	13,017	16,435	201	1,942	9,260
Capital Expenditure (Loans)	23,590	61,827	(12,288)	70,752	33,352	39,023	71,523	61,187	75,743	139,364
Funded (BIF)	0.00%	0.00%	0.00%	0.00%	0.00%	0.37%	0.09%	0.13%	0.11%	0.07%
Funded (SIF)	27.41%	7.30%	1.88%	2.06%	4.79%	9.55%	9.87%	0.18%	1.43%	3.61%

Table 25: Capital expenditure - Libraries and Community Hubs

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Total Capital Expenditure	42,785	5,885	1,624	1,839	1,571	1,635	1,785	1,536	1,859	1,543
Capital Expenditure (Other Sources)	2,440	747	-	-	-	-	-	-	-	-
Capital Expenditure (Renewals)	2,482	1,743	1,534	1,747	1,477	1,545	1,694	1,443	1,764	1,536
Capital Expenditure (BIF)	6,114	636	-	-	-	-	-	-	-	-
Capital Expenditure (Loans)	31,749	2,760	90	92	94	90	91	92	95	6
Funded (BIF)	14.29%	10.80%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Table 26: Capital expenditure – Spaces & Places

Budget Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
Total Capital Expenditure	65,899	117,911	108,176	107,829	65,794	61,036	55,168	48,877	57,467	52,852
Capital Expenditure (Other Sources)	3,166	14,633	9,607	4,870	1,992	1,212	1,173	964	986	-
Capital Expenditure (Renewals)	4,418	16,302	12,218	23,427	11,068	6,505	5,745	7,215	10,646	10,281
Capital Expenditure (BIF)	1,233	3,785	3,113	7,165	2,608	5,587	4,033	4,098	3,828	-
Capital Expenditure (SIF)	1,032	894	4,106	1,971	2,947	2,791	5,818	1,955	4,481	4,864
Capital Expenditure (Loans)	56,050	82,297	79,131	70,395	47,179	44,941	38,399	34,645	37,526	37,707
Funded (BIF)	1.87%	3.21%	2.88%	6.65%	3.96%	9.15%	7.31%	8.38%	6.66%	0.00%
Funded (SIF)	1.57%	0.76%	3.80%	1.83%	4.48%	4.57%	10.55%	4.00%	7.80%	9.20%

Development Contributions Funding

Funded Capital Expenditure (BIF)	27,396	19,635	41,727	30,336	22,673	30,420	36,184	89,406	103,114	39,172
Funded Capital Expenditure (Infill)	1,976	5,543	7,616	3,863	4,423	3,538	227	1,210	4,222	7,850
Funded Capital Expenditure (SIF)	58,576	54,549	34,788	33,403	25,970	32,954	39,875	58,239	54,089	72,194
	87,948	79,728	84,112	67,602	53,065	66,912	76,286	148,854	161,425	119,216

- 4.4.6 The funding allocations have been decided following consideration of factors outlined in Tauranga City Councils Revenue and Financing policy and those as required by the Local Government Act 2002 including the matters set out under [section 101\(3\)](#);
- a. the community outcomes to which the activity primarily contributes, and
  - b. the distribution of benefits between the community, any identifiable part of the community, and individuals, and
  - c. the period in or over which those benefits are expected to occur, and
  - d. the extent to which the actions or inaction of individuals or a group contribute to the need to undertake the activity, and
  - e. the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities, and
  - f. the overall impact of any allocation of liability for revenue needs on the community.
- 4.4.7 An overview of considerations regarding each of these aspects is contained in Section 3. Specific considerations in relation to each activity for which development contributions are collected are set out within Section 5.
- 4.4.8 As part of the Council's funding considerations steps are taken to ensure that at a geographic level the groups that contribute to the need for the service contribute towards the cost. For this purpose, Council has identified 13 geographic catchments within the city. These catchments are:
- a. Citywide
  - b. Bethlehem
  - c. Mount Maunganui Infill
  - d. Ōhauiti
  - e. Pāpāmoa
  - f. Pyes Pā
  - g. Pyes Pā West
  - h. Tauranga Infill
  - i. Tauriko
  - j. Tauriko (Stage 4)
  - k. Tauriko West
  - l. Te Papa Infill
  - m. Wairakei
  - n. Upper Ōhauiti
  - o. Welcome Bay
  - p. West Bethlehem

- 4.4.9 Catchment (a) is a citywide catchment. Projects are allocated to the citywide catchment if all developments across the city benefit equally from the provision of the infrastructure asset. Costs for these projects are recovered as a citywide development contribution.
- 4.4.10 Catchments (b) – (m) are local catchments and are known as ‘urban growth areas’. Projects are allocated to the urban growth areas if the project will benefit the households and business within the geographic area of the urban growth area and will have no impact on households and businesses beyond its boundaries. Development contributions for these catchments are recovered as a local development contribution.
- 4.4.11 The following factors are taken into consideration in determining whether a project is funded by a local or a citywide development contribution:

Local	Citywide
<ul style="list-style-type: none"> <li>• Households and businesses outside the direct geographic areas in which the projects are completed will not be impacted by the completion (or not) of these works</li> <li>• Completion of the project extends networks to provide capacity to geographic areas not serviced or not serviced with adequate capacity</li> <li>• The restricted geographic nature of the capital works projects will have no impact on all households and businesses in geographic areas beyond the individual growth areas</li> <li>• Completion of the projects only maintains the level of service outside the catchment they do not enhance it.</li> </ul>	<ul style="list-style-type: none"> <li>• All developments across the city benefit from the infrastructure</li> <li>• The project services the entire city</li> <li>• The project relates to interconnected networks rather than a series of discrete unconnected networks</li> <li>• The project/s will increase the total capacity of the citywide network creating the potential for new or existing properties to assume capacity in the network</li> <li>• Benefits will be conferred on new households and business across the city</li> </ul>

- 4.4.12 Some infrastructure projects specifically service one local catchment in which case 100% of the growth project costs will be attributed to that growth area. Other projects service multiple local catchments and costs are shared on a percentage basis. In some cases, individuals or groups undertaking development within a catchment may be exempt from a development contribution charge that would apply to others within the catchment. For example, those developments that cannot connect to Council’s wastewater network will not pay the development contribution charge relating to the wastewater activities – at either a citywide or a local level. These types of case by case criteria are applied upon the assessment of consents. Situations in which a development may be exempt from a specific charge are identified in Section 2.

## 4.5 Cost allocation

- 4.5.1 Following the consideration of funding aspects discussed above the projects are allocated to the appropriate catchment/catchments and the level of development contribution funding is determined (on a percentage basis).
- 4.5.2 The cost of capital expenditure is then multiplied by the percentage of development contribution funding to give the ‘total growth cost’. Inflation and cost of capital are added to give the total cost of capital expenditure.
- 4.5.3 The total growth costs then need to be apportioned across those that are expected to receive benefit from the growth projects. This is achieved by dividing total growth costs by a standardised unit of demand called a household unit equivalent (HUE).

$$\frac{\text{Total growth cost}}{\text{Units of demand}} = \text{Development contribution per unit of demand}$$

### Units of demand divisor for citywide development contributions

- 4.5.4 For citywide infrastructure 1 HUE is equal to the demand of an average household for each Council provided service. In most cases the HUE divisor that is used to allocate growth costs to the citywide catchment is the expected increase in household unit equivalents over the capacity life of the project. The Citywide HUE divisor needs to account for both residential

growth and non-residential growth. Residential growth is the expected increase in residential households over the capacity life of the project. Non-residential growth is converted to household unit equivalents using the following assumptions.

- a. Non-residential growth is made up of three components; business activities, low demand business activities and community organisations,
  - b. Growth projections for business activities are 38.8m<sup>2</sup> of gross floor area per additional person. Of the 38.8m<sup>2</sup> of gross floor area per additional person it is assumed that 20 percent of the floor area will be low demand business activities,
  - c. 5% of floor area will not attract citywide development contributions (e.g. because it is replacing existing floor area),
  - d. Growth projections for community organisations are 1.59m<sup>2</sup> of gross floor area per additional person.
- 4.5.5 The expected increase in gross floor area can be calculated based on the above assumptions. The gross floor area is then converted to household unit equivalents based on comparisons between the average demands placed on Council services for non-residential activity to the demand placed on council services by an average household. For example, if a non-residential activity generates, on average, 10 times as many vehicle movements per 100m<sup>2</sup> of floor area than an average residential dwelling then 100m<sup>2</sup> of non-residential floor area is the equivalent of 10 residential dwellings for transportation purposes. The table below sets out the scaling factors for citywide development contribution for non-residential development per 100m<sup>2</sup> of gross floor area.

**Table 27: Unit of demand scaling factors for citywide non-residential development contributions**

Local	Business activities	Low demand business activities	Community organisations
<b>Reserves &amp; Community infrastructure</b>	0	0	0
<b>Water</b>	0.24	0.6	0.27
<b>Wastewater</b>	0.31	0.7	0.27
<b>Transport</b>	1.25	1.25	0.2

- 4.5.6 The following is a worked example for converting the household unit equivalents for citywide development contributions. Tables with resulting household unit equivalents are shown on the following page.

**Table 28: Worked example of calculating household unit equivalents for citywide development contributions**

Process	Example
1 Identify the project type and the planning period	Project is for water and planning period is 2001-2026
2 Identify the increase in residential population over the planning period (as per growth tables)	The expected population growth between 2001 and 2026 is 52025
3 Calculate the expected increase in gross floor area for each type of non-residential development	The expected increase in gross floor areas: Business activities: 52025x 30.88m <sup>2</sup> = 1606563m <sup>2</sup> Low demand business: 52025 x 7.92m <sup>2</sup> = 412038m <sup>2</sup> Community organisations: 52025x1.59m <sup>2</sup> = 82720m <sup>2</sup>
4 Reduce the gross floor area expectations by 5% based on the assumption that only 95% will attract development contributions	Business activities: 1606563m <sup>2</sup> x95% =1526205m <sup>2</sup> Low demand business: 412038m <sup>2</sup> x95% = 391,436m <sup>2</sup> Community organisations: 82720m <sup>2</sup> x 95% =78,584m <sup>2</sup>
5 Multiply the gross floor area calculations by the relevant scaling factors (for water, wastewater, or transportation)	Business activities: 1,526,205m <sup>2</sup> /100 x 0.24= 3663 Low demand business: 391436m <sup>2</sup> /100 x 0.06= 235 Community organisations: 75584m <sup>2</sup> /100 x 0.27= 212
6 Add the resulting figures for growth in business activities, low demand business activities, community organisations and growth in residential households	Expected residential households over this period is 25,261 + 3,856+247+212 Total household unit equivalents is 29,371

Table 29: Growth in household unit equivalents (residential and non-residential growth)

<b>Year</b>	<b>2001-2007</b>	<b>2001-2012</b>	<b>2001-2013</b>	<b>2001-2014</b>	<b>2001-2015</b>	<b>2001-2016</b>	<b>2001-2017</b>
<b>Water</b>	7,750	11,750	12,771	14,265	15,759	17,254	18,748
<b>Wastewater</b>	8,082	12,222	13,331	14,914	16,498	18,082	19,666
<b>Transport</b>	13,753	20,287	22,890	26,001	29,111	32,221	35,332
<b>Year</b>	<b>2001-2018</b>	<b>2001-2019</b>	<b>2001-2020</b>	<b>2001-2021</b>	<b>2001-2022</b>	<b>2001-2023</b>	<b>2001-2024</b>
<b>Water</b>	20,243	21,770	23,110	23,829	24,548	28,407	29,447
<b>Wastewater</b>	21,250	22,837	24,229	24,977	25,724	29,848	30,928
<b>Transport</b>	38,442	41,057	43,350	44,581	45,812	54,458	56,204
<b>Year</b>	<b>2001-2025</b>	<b>2001-2026</b>	<b>2001-2027</b>	<b>2001-2028</b>	<b>2001-2029</b>	<b>2001-2030</b>	<b>2001-2031</b>
<b>Water</b>	30,306	31,346	32,546	33,812	35,081	36,480	37,860
<b>Wastewater</b>	31,818	32,897	34,142	35,454	36,767	38,214	39,646
<b>Transport</b>	57,643	59,388	61,382	63,485	65,551	67,830	70,133
<b>Year</b>	<b>2001-2032</b>	<b>2001-2033</b>	<b>2001-2034</b>	<b>2001-2035</b>	<b>2001-2036</b>	<b>2001-2037</b>	<b>2001-2038</b>
<b>Water</b>	39,196	40,552	41,755	43,186	44,616	46,046	47,703
<b>Wastewater</b>	41,034	42,445	43,692	45,164	46,636	48,108	49,804
<b>Transport</b>	72,409	74,771	76,771	78,952	81,133	83,314	85,676
<b>Year</b>	<b>2001-2039</b>	<b>2001-2040</b>	<b>2001-2041</b>	<b>2001-2042</b>	<b>2001-2043</b>	<b>2001-2044</b>	<b>2001-2045</b>
<b>Water</b>	48,724	49,745	50,766	51,786	52,807	53,661	54,514
<b>Wastewater</b>	50,859	51,915	52,970	54,025	55,080	55,967	56,853
<b>Transport</b>	87,320	88,964	90,608	92,252	93,896	95,342	96,788
<b>Year</b>	<b>2001-2046</b>	<b>2001-2047</b>	<b>2001-2048</b>	<b>2001-2049</b>	<b>2001-2050</b>	<b>2001-2051</b>	<b>2001-2052</b>
<b>Water</b>	55,368	56,221	57,075	57,898	58,722	59,546	60,369
<b>Wastewater</b>	57,739	58,625	59,512	60,360	61,209	62,058	62,907
<b>Transport</b>	98,234	99,681	101,127	102,402	103,677	104,953	106,228
<b>Year</b>	<b>2001-2053</b>	<b>2001-2054</b>	<b>2001-2055</b>	<b>2001-2056</b>	<b>2001-2057</b>	<b>2001-2058</b>	<b>2001-2059</b>
<b>Water</b>	61,193	62,015	62,835	63,655	64,476	65,296	66,049
<b>Wastewater</b>	63,755	64,602	65,447	66,292	67,137	67,982	68,759
<b>Transport</b>	107,504	108,777	110,044	111,311	112,579	113,846	115,040
<b>Year</b>	<b>2001-2060</b>	<b>2001-2061</b>	<b>2001-2062</b>	<b>2001-2063</b>			
<b>Water</b>	66,801	67,554	68,306	69,059			
<b>Wastewater</b>	69,536	70,313	71,090	71,867			
<b>Transport</b>	116,234	117,428	118,622	119,816			

### Unit of demand divisors for local development contributions

- 4.5.7 Each urban growth area has been assessed as to its potential for dwelling units in residential areas on a yield per hectare basis. In assessing each area, factors such as contour, accessibility and previous density patterns were considered. As a result, the following dwelling unit densities have been allowed for:

Table 30: Expected residential yield by urban growth area

Urban growth area	Expected number of residential dwellings per hectare (Expected yield)
Bethlehem	10 per hectare
Ōhauiti	10 per hectare
Pāpāmoa	11 per hectare
Pyes Pā	10 per hectare
Pyes Pā West	12.5 per hectare
Welcome Bay	9 per hectare
West Bethlehem	13.5 per hectare (average)
Wairakei	Not applicable, development contributions are assessed on a site area basis
Tauriko	Not applicable, development contributions are assessed on a site area basis
Tauriko West	Not applicable, development contributions are assessed on a site area basis
Upper Ōhauiti	Not applicable, development contributions are assessed on a site area basis

- 4.5.8 In rural residential areas a density of 1.6 dwellings per hectare has been allowed.
- 4.5.9 The yields include land associated with neighbourhood reserves and roads (except limited access roads) in their calculation but not land associated with stormwater reserves or active reserves.
- 4.5.10 The household unit equivalents used as the divisor for each of the urban growth areas are set out in the table below. These divisors include all allowances for residential, rural and commercial household unit equivalents.
- 4.5.11 The household unit equivalents for business/industrial zones within Tauriko Business Estate, Pāpāmoa, Pyes Pā West and West Bethlehem area based on comparisons between the average demands placed on Council services compared to standard household. For Tauriko, Pyes Pā West and West Bethlehem the household unit equivalents are measured per hectare of site area. In Pāpāmoa the household unit equivalents are measured per 900m<sup>2</sup> of site area.

Table 31: Household unit equivalents for commercial land in urban growth areas

Urban growth area	HUE Per	Water	Wastewater	Stormwater	Transportation
Pāpāmoa	Hectare	20	13	24	11
Tauriko	Hectare	19	19	22	35
Pyes Pā West	Hectare	19	19	22	35
West Bethlehem	Hectare	19	19	22	35

- 4.5.12 The above scaling factors for Tauriko, Pyes Pā West and West Bethlehem are based on the following assumptions and calculations:

Table 32: Assumptions and calculations for scaling of commercial household unit equivalents - water

Assumption	Calculation	Ratio
Average household occupancy		2.5 People per household
Average site yield		15 Lots per hectare
Average people per hectare	(2.5 x 15)	37.5 People per hectare
Peak water flow @ 15 lots / hectare		0.8025 Litre/second/hectare
Peak flow per household unit	0.8025/15	0.0535 Litre/second/hectare
Peak design flow for commercial/industrial uses		1.0 Litre/second/hectare
Household unit equivalent for water per hectare for commercial/industrial land		19 HUE

Table 33: Assumptions and calculations for scaling of commercial household unit equivalents - wastewater

Assumption	Calculation	Ratio
Average household occupancy		People per household
Peak design flow per person per day		Litres per person
5 PF	200 x 5	Litres per person
Peak design flow per household unit	1000 x 2.5	Litres per day
Convert to seconds	2500 / (24x 60 x60)	Litres per second/hectare
Peak design flow for commercial/industrial use (average)		Litres per second/hectare
Household unit equivalent for wastewater use on commercial/industrial land	0.55/0.0289	

Table 34: Assumptions and calculations for scaling of commercial household unit equivalents - stormwater

Assumption	Calculation	Ratio
Average residential run off co-efficient		0.65
Average industrial runoff coefficient	0.95/0.65	0.95
Industrial vs Residential comparison		1.46
Average households per hectare		15
Household unit equivalent of stormwater runoff for stormwater/industrial land	1.46 x 15	22 HUE

Table 35: Assumptions and calculations for scaling of commercial household unit equivalents - transport

Assumption	Calculation	Ratio
Average household vehicle movements per day		10
Average vehicle movements per hectare for commercial/ industrial		350 Vehicles/hour
Household equivalent per hectare for transportation commercial/industrial land	350/10	35 HUE

### Planning periods

4.5.13 The planning periods for development of urban growth areas have been identified and the cost of capital and projected development contribution revenue has been calculated on these assumptions. The planning periods area:

Table 36: Planning periods for urban growth areas

Urban growth area	Planning period
Bethlehem	1991-2041
Ōhauiti	1991-2026
Pāpāmoa	1991-2036
Pyes Pā	1991-2031
Pyes Pā West	2001-2026
Tauranga Infill	2001-2031
Tauriko	2006-2031
Te Papa Infill	2024-2054
Wairakei	2011-2036
Welcome Bay	1991-2021
West Bethlehem	2001-2046

4.5.14 The funding periods for specific projects may differ from the planning periods where a project or group of projects will provide for growth for either materially shorter or materially longer periods.

### Demand factor adjustments

- 4.5.15 Census data shows that on average, the more bedrooms a dwelling has, the more occupants it will have. Because of this, TCC has elected to charge an adjusted citywide development contribution charge for dwellings of different sizes. The assumptions used to adjust citywide development contribution charges for each different sized dwelling are set out below.

#### Demand adjustments

- a. A dwelling is 1.0 household unit equivalents,
- b. A one-bedroom dwelling attracts 0.50 units of demand and therefore will pay 50% of the citywide development contribution,
- c. A two bedroom dwelling 0.65 units of demand and therefore will 65% of the citywide development contribution,
- d. A three bedroom dwelling attracts 1 units of demand and therefore will pay 100% of the Citywide development contribution,
- e. A large dwelling attracts 1.3 units of demand and therefore will pay 130% of the Citywide development contribution,

#### Expected growth projections by dwelling size

Based on data from actual building consents received between 2014 - 2024, TCC projects that:

- a. 14.28% of all dwellings consented each year will be one-bedroom dwellings,
  - b. 17.22% of dwellings projected to be two-bedroom dwellings,
  - c. 44.91% of dwellings projected to be three bedroom dwellings,
  - d. 23.58% of dwellings projected to be large dwellings (four or more bedrooms).
- 4.5.16 The gross floor area per person projections for both business activities and community organisation activities is based on actual building consent data for Tauranga City from 1991 to 2008 and the population growth that occurred over this period.
- 4.5.17 The Citywide development contribution is adjusted to reflect the assumptions of lower and higher demand contributions to ensure a revenue neutral position. In other words the total amount of development contribution revenue collected after the adjustment has been made is projected to be equal to the development contribution revenue collected if all residential dwellings were treated as one unit of demand.
- 4.5.18 The calculations of low and high demand dwelling adjustment factors and resulting fees are shown in Section 6. The overall impact is that contributions for one, two, and three bedroom residential dwellings decrease by 3.41%.

## 4.6 Te Papa Infill catchment

- 4.6.1 Tauranga City Council introduced a Te Papa Infill catchment in the 2024/25 Development Contributions Policy. This catchment encompasses a brownfield area which is expected to undergo significant intensification over the coming decades.

In the Te Papa Infill catchment development contributions are collected for transport and reserves only.

The infrastructure projects funded from this catchment are designed to enable the projected growth in this area. As they will be delivered in an existing community, there is also substantial benefit to existing residents from this infrastructure. Consequently, only a portion of the costs of each project have been allocated to local development contribution funding. The projects and the relevant growth funding share are detailed in Section 6 and the methodology for calculating the growth funding share is detailed in Section 5.

# Section 5

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## Infrastructure

Section 5



## Section 5. Infrastructure

### 5.1 Types of infrastructure funded by development contributions

In accordance with the Local Government Act 2002, Council may use development contributions for the funding of community facilities which includes:

- a. Reserves,
- b. Community Infrastructure,
- c. Network infrastructure (roads, transport, water, wastewater, stormwater).

The table below indicates which types of infrastructure projects are funded using development contributions within each catchment of Tauranga City:

Urban growth area	Water	Wastewater	Stormwater	Transport	Community Infrastructure	Reserves
Citywide	✓	✓			✓	✓
Bethlehem	✓	✓	✓	✓		✓
Ōhauiti	✓	✓	✓	✓		
Pāpāmoa	✓	✓	✓	✓		
Pyes Pā	✓	✓	✓	✓		
Pyes Pā West	✓	✓	✓	✓		✓
Tauranga Infill		✓				
Tauriko	✓	✓	✓	✓		
Tauriko West	✓	✓			✓	
Wairakei	✓	✓	✓	✓		
Welcome Bay	✓	✓	✓	✓		
West Bethlehem	✓	✓	✓	✓		✓

This section provides an overview of the infrastructure services for which Council has chosen to use development contributions as a funding method and methodologies for calculating development contributions applicable to each activity.

## 5.2 Water

### Overview

TCC aims to supply urban and rural residential properties with a constant, adequate, sustainable and high-quality water supply.

The city's water supply comes from three sources, the Waiorohi, Tautau and Waiāri Streams. Joyce Road water treatment plant treats water supplied from the Tautau Stream, while Oropi treatment plant looks after water from the Waiorohi Stream. Joyce Road can process up to 33 million litres per day and Oropi up to 30 million liters per day.

The new processing plant along the Waiāri stream was commissioned in December 2022. The plant uses water from the pristine Waiāri stream and has the capacity to supply drinking water up to 35,000 households. The plant will mainly service the Pāpāmoa coastal strip and provide a backup for Western Bay of Plenty Districts Te Puke water supply in the future.

On average Tauranga uses 44 million litres of water per day. In summer this can rise up to 58 million litres per day.

The current resource consents that allow Council to take water from the Waiorohi and Tautau streams and treat it for use will expire in 2026 and needs to be reconsented. The consent to take water from the third stream, Waiāri, expires in 2044.

The provision of a potable bulk water supply across the city contributes to the community outcome statements:

- We value and protect our environment,
- We have a well-planned city,
- We support business and education,
- We are inclusive,
- We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.

Projects that relate to the provision of water to individual households are normally completed by individual developers and given (vested) to Council.

Properties that are not able to connect to Tauranga City Councils reticulated water network including some within rural zones do not pay development contributions for the water activity.

The following sections provide details on projects which are funded via citywide development contributions and those that are funded via local development contributions.

### 5.2 – Part 1. Citywide development contributions for water

Projects that are funded by citywide development contributions are water treatment plants, trunk mains and reservoirs which as a network service the entire reticulated part of the city. This network is interconnected rather than being a series of discrete unconnected networks.

These projects are funded over the expected capacity life which has been determined for each project, or group of projects. In general, the infrastructure associated with the Oropi and Joyce Road treatment plants has been funded from 2001. Infrastructure associated with the Wairari Water Treatment Plant is being funded over roughly 30,000 households starting from the 2022 financial year..

The schedule of assets in Section 6 includes a detailed list of all water related capital infrastructure

projects which are funded via a citywide development contribution and their specified capacity life over which the project costs are funded. In general, the four main funding periods have been used which represent the expected capacity life for those projects.

Capacity life/ recovery period	Generalised details of projects funded over this period
2001 – 2028	Several water mains and reservoirs which are required to support distribution of water from Joyce and Oropi Road treatment plants are funded over this timeframe. The projects funded over this period are expected to reach capacity and will need to be replaced or upgraded by 2028.
2001-2031	A small number of water mains projects primarily in the Ōhauiti and Welcome Bay areas are funded over this time frame. These works were largely completed in 2019-2021 timeframe.
2016-2051	A number of additional water reservoirs required to increase the citywide capacity and improve the resilience of cities the water supply are funded over the 2016-2051 timeframe.
2022-2052	Waiāri Water Supply Scheme and the associated mains networks will be funded over the expected capacity life of 2022-2052.

Key assumptions used in determining the capacity life of projects and funding apportionments are:

- Peak day demand: 450 litres per person per day
- Treatment plants: Sized for 1.1 times the peak day
- Trunk mains: Sized to cope with 25% above the peak to handle downstream effect
- Reservoirs: Sized for 48 hours or normal day use (twice the average daily demand)
- Service reservoirs: Provide 40 hours storage at average annual day demand

**Local Government Act considerations**

The following sets out the considerations by Council when considering funding project specifically related to the funding of the water activity for the citywide catchment in accordance with the principles of section 101(3)(a).

**Distribution of benefits**

The principal benefit of projects funded via citywide developments is that they increase the total capacity of the citywide network, creating the potential for new or existing properties to assume capacity in the network. This benefit is conferred on new households and businesses across the city. Given the significant nature of these capital works, Council believes that the impact of not completing these works will increase the risk that individual households and businesses will have insufficient water for their needs. It also increases the risk that the supply of water is insufficient to meet fire-fighting requirements, particularly as the city continues to grow. Each project is assessed and the benefits of completing the project are split amongst two groups – the existing community and the growth community.

Council’s Level of Service for the supply of water is that all water provided meets the water quality standard and NZ fire-fighting requirements. Given that this level of service is already being met we do not consider that the increase in capacity of the water supply is of significant benefit to the existing population except in relation to any catch-up.

**Period in or over which benefits occur**

The capital projects included are designed to ensure that all water supplied is potable and sufficient to meet fire-fighting requirements. Project costs funded via citywide development contributions are recovered over the period in which a project provides additional capacity to accommodate growth. This is because once a projects capacity is reached, a new project is required to provide additional capacity to allow growth to continue. The capacity period may differ from one project to another

given the nature of each project. The number of units of demand expected over the capacity period of a project will be used to calculate development contributions. The expected capacity life for each project funded via citywide development contributions is set out within the development contribution schedules in Section 6.

### **Extent to which groups or individuals contribute to the need to undertake the activity**

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) across the city. Development contributions allocate the cost of these works to that growth community. Individual properties who do not connect to Council's water network are not charged a development contribution for this activity.

### **Costs and benefits of funding the activity distinctly from other activities**

Given the benefits and causation factors outlined above, it is considered appropriate (for transparency and accountability reasons) for these works to be funded through a citywide development contribution rather than from a geographic area (local infrastructure contribution) or other funding sources such as rates or a Uniform Annual General Charge.

## **5.2 - Part 2. Local development contributions for water**

### **Local Government Act**

Sections 106(c) of the Local Government Act 2002 require that this policy sets out why Council has determined to use development contributions as a funding source. A general discussion around the use of development contributions is found in Section 6. The following sets out the considerations specifically related to the funding of the water activity for local catchments in accordance with the principles of section 101(3)(a).

### **Community outcomes**

The provision of water within a growth area contributes to the following community outcome statements:

- Protects and enhances the natural environment,
- Compact and well planned, with a variety of successful & thriving centres,
- Attracts businesses, people & visitors,
- Inclusive, safe, resilient & healthy.

These projects are also important in implementing Western Bay of Plenty's growth management strategy, SmartGrowth.

### **Distribution of benefits**

The principal benefit of these projects is that they extend the network and provide capacity to a geographic area currently not serviced or not serviced to enough capacity. This benefit is conferred on new households and businesses in the growth areas.

Given the restricted geographic nature of these capital works, Council believes that completing, or not completing, these works will have no impact at all on households and businesses in geographic areas beyond the individual growth areas.

For most growth areas there was an existing population (normally with a significantly lower housing density) before the growth area was opened for development. These existing properties already had

a water supply that met Council’s Level of Service. Therefore, the benefit to the existing residents within these growth areas is assessed as minimal. The only benefit identified is a slight increase in the security of supply in some of these areas. Council’s Level of Service for continuity of supply is currently set at no more than two hours per year without water and any loss of supply to be restored within two hours. Given that this level of service was/is already being met, we consider that the increase in security of supply is of no significant benefit to the existing households and businesses.

On this basis we have determined that, in the first instance, the entire benefit of the capital expenditure identified for this group of activities is received by the new developments. Despite this, the funding sources for each project are still considered on a case-by-case basis based on the merits of each situation.

**Period in or over which benefits occur**

The capital projects included are designed to ensure that all units of demand within the growth area can connect to Council’s water system. In most cases we have therefore assessed the period over which the benefits will be received is the development period of the Greenfield area, from when the growth area is first opened until it is full (to the maximum allowed density). Where this approach has been adopted, the divisor used in our calculations is the expected number of new lots over this period.

**Extent to which groups or individuals contribute to the need to undertake the activity**

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) in the specified growth areas. Development contributions allocate the cost of these works to that growth community.

**Costs and benefits of funding the activity distinctly from other activities**

Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for these works to be funded through this particular contribution, rather than the Citywide Development Contribution or other funding sources, such as rates or a Uniform Annual General Charge.

**Design parameters and assumptions**

It is the intention to supply the water mains required to provide a primary service and from these, subdivisions can be developed. The system is designed to meet the fire-fighting standards and will be able to supply an “adequate and constant” supply in terms of the water supply referendum of 1995.

The following design parameters have been adopted for the determination of water-main sizes:

**Table 37: Design parameters for local infrastructure water**

<b>House density</b>	varies from 9 - 15 / ha
<b>Population per dwelling</b>	3.5
<b>Commercial areas</b>	as for residential
<b>Industrial areas</b>	minimal allow for residential
<b>Average daily demand</b>	430 l/head/day
<b>Storage</b>	2 days supply @ average demand
<b>Fire-fighting - residential</b>	Class E : 25 l/s @ 100kPa

<b>Fire-fighting - industry/commercial</b>	Class D : 50 l/s @ 100kPa
<b>Fire-fighting - large industrial</b>	Class C : 100 l/s @ 100kPa

**Basis for costs estimates**

The following sets out the cost estimates used in calculated estimated project costs:

**Table 38: Parameters for cost estimates - local - water**

Description	NOMINAL   INTERNAL   PIPE   DIAMETER (mm)								
	100	150	200	225	250	300	375	400	450
<b>Cost per lineal metre (incl. P &amp; G, Contingency, Design &amp; Supervision)</b>									
Type 0A Greenfield under berm	\$264	\$375	\$468	\$753	\$907	\$958	\$1,102	\$1,257	\$1,413
Type 0B Greenfield under road	\$336	\$443	\$531	\$863	\$1,015	\$1,061	\$1,209	\$1,365	\$1,522
Type 1 under existing asphaltic concrete	\$503	\$621	\$715	\$1,064	\$1,223	\$1,274	\$1,442	\$1,610	\$1,780
Type 2 under existing chip seal	\$432	\$550	\$644	\$993	\$1,152	\$1,203	\$1,368	\$1,535	\$1,703
Type 3 under existing road berm	\$375	\$493	\$587	\$936	\$1,095	\$1,146	\$1,306	\$1,475	\$1,639
<b>Typical rates at February 2018</b>									

## 5.3 Wastewater

Tauranga City Council has adopted a comprehensive approach to sanitary sewer reticulation designed to ensure that residential and business zoned properties within the Tauranga City are serviced.

The wastewater network is designed to collect wastewater on a continuous basis and transport through drains and pipelines to treatment facilities where the wastewater must be treated to a suitable standard and disposed back into the environment.

Wastewater projects funded by the citywide development contribution are major projects that upgrade the treatment of the wastewater or the discharge of that treated wastewater through to the ocean. This includes treatment facilities and disposal facilities.

The projects funded by the local wastewater contribution are those that collect wastewater from within individual growth areas and convey it to the treatment plants.

Projects that relate to the reticulation of wastewater from individual households are normally completed by individual developers and given (vested) to Council.

### 5.3 Part 1- Citywide wastewater

#### Local Government Act

Sections 106(c) of the Local Government Act 2002 require that this policy sets out why Council has determined to use development contributions as a funding source. A general discussion around the use of development contributions is in Section 6. The following sets out the considerations specifically related to the funding of the citywide wastewater infrastructure in accordance with the principles of section 101(3)(a).

#### Community outcomes

The bulk collection, treatment and discharge of wastewater across the city contributes to the following community outcome statements:

- We value and protect our environment,
- We have a well-planned city,
- We are inclusive

#### Distribution of benefits

The principal benefit that these projects convey is that they increase the total capacity of the citywide network, creating the potential for new or existing properties to assume capacity in the network. This benefit is conferred on new households and businesses across the city.

Given the significant nature of these capital works, Council believes that the impact of not completing these works will increase the risk that a significant contamination event will occur, particularly as the city continues to grow. Each project is assessed and the benefits of completing the project are split amongst two groups – the existing community and the growth community.

Council's Level of Service for the treatment of wastewater is that all wastewater discharged into the ocean meets the ongoing resource consent conditions. Where this level of service is already being met then new projects that increase in capacity of wastewater treatment are of minimal benefit to the existing population and projects will be largely funded via development contributions. Funding from the existing community is required where individual projects are partially required in order to catch up to the meet the Level of Service targets. This catch-up is funded from rates.

### Period in or over which benefits occur

The period in which the benefits occur is generally assumed to mirror the expected capacity life of the asset, or group of assets. This is because new growth is able to occur as long as there is capacity in the wastewater network. The capacity life is based on the expected number of households able to be serviced by an infrastructure asset given assumptions related to wastewater flows. The benefits period is then determined by looking at the cities growth projections and calculating when the asset (or group of assets) are likely to reach capacity.

### Extent to which groups or individuals contribute to the need to undertake the activity

Both residential and non-residential activities require the use of a functioning wastewater network. Growth within both groups create a need for the expanding network and therefore the contributions allocate the cost of these works to that growth community. The level of residential growth is based on the expected increases in household growth. The level of non-residential growth is calculated based on scaling assumptions and expectations of the increases in non-residential activities. Scaling factors and methodology are set out in Section 4.

### Costs and benefits of funding the activity distinctly from other activities

Given the benefit and causation factors outlined above, it is considered appropriate (for transparency and accountability reasons) for these works to be funded through a citywide development contribution rather than from a particular geographic area (local development contribution) or other funding sources such as rates or a Uniform Annual General Charge.

### Design parameters and assumptions

Wastewater treatment plants are sized to meet the expected population with hydraulic capacity being expressed in terms of average dry weather flow. The rate of wastewater production is expressed in litres per head per day (l/h/d) and is used to estimate future loads to the treatment plants as follows:

For the purposes of the citywide development calculations, a flow of 270 l/h/d has been used.

**[Wastewater capacity in m3 per day = l/h/d x projected population at end of planning period]**

### Te Maunga Wastewater Treatment Plant

Prior to the adoption of the 2018/19 Long-term Plan and 2018/19 Development Contributions Policy detailed design and infrastructure planning was completed in relation to the upgrades for the Te Maunga Wastewater Treatment Plant. Full details regarding the planned upgrades are set out in the Tauranga City Council Wastewater Management 30 Year Plan (available from Council on request).

The capital expenditure projects identified within the Schedule of Assets for the Te Maunga Wastewater Treatment Plants have been updated to reflect the new design work and project costing. The schedules set out each component of the upgrade and the expected capacity life (funding period) is based on the expected capacity life for the group of assets being funded. For example, projects being funded over the 2019-2044 period will collectively enable growth development over approximately 33,000 additional houses and so are funded over that capacity life.

Some of the upgrade works identified are not required for the current growth community and therefore have a capacity life/planning period which starts in a future year. The costs of these projects do not currently make up part of the current development contribution charges, but these projects be progressively incorporated into the development contribution charges in the years identified within the schedules.

## 5.3 Part 2 - Local wastewater

### Local Government Act

Sections 106(c) of the Local Government Act 2002 require that this policy sets out why Council has determined to use development contributions as a funding source. A general discussion around the use of development contributions is found in section 6. The following sets out the considerations specifically related to the funding of the wastewater activity for the citywide catchment in accordance with the principles of section 101(3)(a).

### Community outcomes

The provision of wastewater reticulation within a growth area contributes to the community outcome statement

- We value and protect our environment,
- We have a well-planned city,
- We are inclusive
- We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

### Distribution of benefits

The principal benefit of these projects is that they extend the network and provide capacity to a geographic area currently not serviced or not serviced to sufficient capacity. This benefit is conferred on new households and businesses in the growth areas.

Council believes that the impact of completing, or not completing, these works will have no impact at all on households or businesses in geographic areas beyond the individual growth areas except for the limited benefits the Southern Pipeline project will provide to the existing community.

For most growth areas there was (or will be) an existing population (normally with a significantly lower housing density) before the growth area was opened for development. These existing properties already had a wastewater treatment system (many on-site) that met/meets Council's Level of Service. Therefore, the benefits to existing residents within these growth areas are assessed as minimal. The only benefit identified is in the rare instance where a house is still on septic tank can now connect to the reticulation system (and in most of these instances the original house is removed anyway). Given the lack of identifiable beneficiaries, we do not consider that there any targetable benefit to the existing population.

On this basis we have determined that, in the first instance, the entire benefit of the capital expenditure identified for this group of activities is received by the new developments. Despite this, the funding sources for each project are still considered on a case-by-case basis based on the merits of each situation.

### Period in or over which benefits occur

The capital projects included are designed to ensure that all units of demand within the growth area can connect to Council's wastewater system. In most cases we have therefore assessed the period over which the benefits will be received is the development period of the Greenfield area, from when the growth area is first opened until it is full (to the maximum allowed density). Where this approach has been adopted, the divisor used in our calculations is the expected number of new lots over this period.

In some situations, it is appropriate to use a 'capacity life' approach to determine the divisor. The capacity life is the period beginning when an infrastructure asset is first needed to accommodate growth and ending when this asset is at maximum capacity and another asset is required to accommodate

further growth. Where this approach has been adopted, the divisor used in our calculations is the expected number of new lots over the capacity life of the project.

The Southern Pipeline project is now expected to reach capacity in 2046 due to higher than anticipated growth, matching the funding recovery period adopted by Council in the 40 year funding methodology.

### Extent to which groups or individuals contribute to the need to undertake the activity

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) in the specified growth areas. Development contributions allocate the cost of these works to that growth community.

### Costs and benefits of funding the activity distinctly from other activities

Given the benefits and causation factors outlined above, it is considered appropriate (for transparency and accountability reasons) for these works to be funded through this particular contribution, rather than the citywide development contribution or other funding sources such as rates or a Uniform Annual General Charge.

### Design parameters and assumptions

The following parameters have been adopted for all Urban Growth Areas, except for Pāpāmoa where some modifications have been made. It is noted that these parameters are conservative values.

Table 39: Design parameters for local wastewater projects

House density per hectare	varies
Population per dwelling	3.5
Average daily flow per person	200 litres
Peak flow factor	5
Average dry weather flow per hectare	0.09 l/s
Peak wet weather flow per hectare	0.45 l/s

### Basis for costs estimates

The basis for cost estimates is summarised in the table below. This table was prepared by analysing construction costs from recent contracts and may be updated from time to time on the same basis.

Table 40: Parameters for wastewater cost estimates

Description	NOMINAL   INTERNAL   PIPE   DIAMETER (mm)								
	100	150	200	225	300	375	450	500	
<b>Cost per lineal metre (incl. P&amp;G, Contingency, Design &amp; Supervision)</b>									
Type 1 Gravity (under existing AC)	\$528	\$628	\$721	\$831	\$1,017	\$1,338	\$1,338	\$1,702	
Type 2 Gravity (under existing chip seal)	\$453	\$551	\$642	\$751	\$934	\$1,097	\$1,249	\$1,611	
Type 3A Gravity (greenfield - under berms)	\$245	\$318	\$391	\$481	\$594	\$716	\$828	\$1,125	
Type 3B Gravity (greenfield - under road/path)	\$335	\$414	\$492	\$583	\$746	\$877	\$1,025	\$1,348	
Rising Mains Type 1 (under existing asphalt)	\$528	\$583	\$651	\$893	\$1,106	\$1,358	\$1,690	\$1,961	
Rising Mains Type2 (under existing chip seal)	\$441	\$494	\$560	\$800	\$1,008	\$1,257	\$1,583	\$1,846	
Rising Mains Type 3A (greenfield under berm)	\$228	\$265	\$314	\$538	\$667	\$883	\$1,143	\$1,344	
Rising Mains Type 3B (greenfield under road)	\$343	\$392	\$452	\$690	\$884	\$1,125	\$1,440	\$1,690	

The cost estimates above comprise:

- a. Pipe supply for each of
  - i. PVC,
  - ii. Rubber Ring Joint Concrete (RRJC),
  - iii. Concrete Lined Steel (CLS),

For nominal diameters of 150mm, 225mm, 375mm and 450mm

- b. Base laying rate including excavation and backfilling based on an average bedding condition typically firm to stiff silts or clays (natural ground of volcanic ash origin and above groundwater levels).
- c. The cost of standard 1050 mm diameter manholes normally 2.0 to 2.5 metres deep including materials, excavated, backfill and benching to Council standard.
- d. Extra over costs for pipe laying for:
  - i. Piping across soft ground,
  - ii. Specialist reinstatement of ground surfaces,
  - iii. Welding of concrete lined steel pipes,
  - iv. Dewatering, and
  - v. Thrusting.

Composite rates for pipelines for each pipe diameter are then summarised at the bottom of the table 1 and three types of ground type are nominated:

- a. Type 1: Open country (generally PVC or concrete pipes, low reinstatement standard),
- b. Type 2: Carriageways (generally PVC or concrete pipes, higher reinstatement standard),
- c. Type 3: Swampy areas (concrete lined steel pipe, supported on piles).

### Southern Pipeline

The Southern Pipeline project consists of trunk wastewater pipes and pump stations which are being built to transport wastewater from developments on the Tauranga harbour side of the city to the wastewater treatment plant in Te Maunga. The project is primarily required to provide for growth that occurred after 2006 (i.e. if no growth had occurred after 2006 then the project would not have been required).

The project was completed in 2020 with a total construction cost of approximately \$107 million. The growth portion of the costs to be recovered as development contributions are based on the following:

**Table 41: Cost sharing for Southern Pipeline**

<b>Total Southern Pipeline Cost (excluding inflation)</b>	\$107,607,540
<b>Less Renewal and Catch Up</b>	-\$8,794,000
<b>Less Betterment (5% of total cost less catch up &amp; renewal)</b>	-\$4,940,677
<b>Less Transparent Discount</b>	-\$3,500,000
<b>Less Ōmokoroa (5,552 lots)</b>	-\$12,999,790
<b>Less Residential lots pre 1 July 2006</b>	-\$3,622,240
<b>Less 25% of other commercial/industrial</b>	-\$958,984
<b>Growth Related Share of Total Cost</b>	<b>\$72,791,849</b>

- a. The renewal and catch up allocation is the cost of bringing the storage at the Memorial Park and Judea pump stations up to Council’s level of service. This covers abandoning the existing Memorial Park and Maleme St pump stations which are part way through their useful lives and replacing them with new pump stations,
- b. The betterment allocation of 5% is to recognise the general benefits that the wider community will accrue from this project. They largely relate to emergency management benefits and the reduced risk of sewage overflows into the city’s waterways and the harbour,
- c. The \$3.5m ‘transparent’ discount was a negotiated outcome between Council and developers,
- d. 1,547 lots developed in the 2004/05 and 2005/06 financial years have been included in the funding model because local development contributions were first collected for the Southern Pipeline (or the Welcome Bay diversion as it was known then) from 1 July 2004.

The growth costs are to be funded by development occurring within the existing Bethlehem, Ōhauiti, Pyes Pā, Pyes Pā West, Tauranga Infill, Tauriko, Welcome Bay and West Bethlehem urban growth areas as well as from future urban growth areas.

The wastewater from some new properties within these catchments may not necessarily flow through the Southern Pipeline. However, the capacity in the pipes in which they will flow has been created by redirecting wastewater from existing properties to the Southern Pipeline. These existing properties do not benefit from the Southern Pipeline (i.e. there will no difference to them when the pipe becomes operational) whereas the new development could not take place if the Southern Pipeline was not completed.

The Southern Pipeline is expected to have operational capacity to service growth over a 40-year period (2006 – 2046), this was previously 45 years. The following table shows the expected number of lots to be developed over this period and share of this growth between residential and non-residential development.

**Table 42: Number of Lots share of growth costs for future urban growth area in the Southern Pipeline catchments**

Current and Future Urban Growth Area forming the Southern Pipeline Catchment	Number of lots	Lots %	Cost Share Per Urban Growth Area
<b>Residential post 2005/06 (Total)</b>	24,930	80.2%	\$58,379,063
<b>Tauriko</b>	4,494	14.5%	\$10,554,818
<b>Other commercial/industrial</b>	1,664	5.3%	\$3,857,968
	<b>31,088</b>	<b>100%</b>	<b>\$72,791,849</b>

Higher growth rates currently experienced and projected for the future within Tauranga City mean that the period over which the costs are recovered (the “recovery period”) are now based on a period equal to the capacity life of the project (i.e. 40 years). The number of lots which are expected to benefit from the Southern Pipeline project over the 40-year period are 31,088 lots as per the previous year’s Policy.

As with other development contribution funded projects the cost of capital that is expected to be incurred because of debt used to fund the growth-fund portion of the project is added to the development contribution charge. The cost of capital is calculated using the following assumptions:

- a. Lots developed, and growth distribution based on SmartGrowth projections (excludes rural residential lots not connecting to Councils wastewater network),
- b. Interest rate assumptions set out in the annual plan (6% for 2018/19 onwards).

For the Southern Pipeline project Council only includes the cost of capital that is estimated to be incurred in the current Long-term Plan period (or earlier). This means that as consecutive Long-term Plans are adopted by Council the cost of capital progressively increases and therefore the charge per

lot will increase over time (please read discussions regarding intergenerational equity in paragraph 4.3.9 for further information). If this approach was not adopted and instead the total cost of capital was spread over the recovery period, then the contribution amount for this project would be \$3,684 per lot.

### Southern Pipeline charge for non-residential development

For non-residential development (business activities, low demand business activities and community organisations) in business zones within the Tauranga Infill area, a local development contribution towards the Southern Pipeline is payable based on additional gross floor area rather than a per lot basis. The calculation of the amount payable is set out in the table below:

**Table 43: Calculation of Southern Pipeline charge for non-residential development**

<b>Total capital cost allocated to non-residential development (present value)</b>	\$3,857,968
<b>25% downwards adjustment</b>	\$(964,249)
<b>Total capital cost in today's dollars to be recovered</b>	\$2,893,476
<b>Total gross floor area projections (2006-2046)</b>	1,327,500
<b>Total gross floor area less 10% (multiples of 100m<sup>2</sup>)</b>	\$11,944,750
<b>Total capital cost divided by total gross floor area</b>	\$242.18
<b>Plus, inflation and cost of capital (calculated as per below)</b>	\$138.03
<b>Per 100m<sup>2</sup> additional gross floor area contribution</b>	<b>\$380.21</b>

- a. The calculation of the total cost allocated to non-residential is set out in Table 40 (5.3%),
- b. Of that amount, 4.0% relates to additional floor area because some additional flows will be generated from the more intensive use of existing buildings (e.g. more employees or longer working hours),
- c. The projected amount of floor area to be consented over the funding period for the Southern Pipeline within the business zones in the Tauranga Infill area is 1,327,500 (based on actual development over the ten years from the beginning of 1998 to the end of 2007). 10% of this floor area will not attract the local development contribution because it is replacing existing floor area, is in a residential zone (and therefore already pays a contribution towards the Southern Pipeline) or it will not be connected to the wastewater network,
- d. Cost of capital and inflation is added to the project cost in the same proportions as for residential development. i.e. the Southern Pipeline charge per residential allotment before cost of capital and inflation is \$2,341. The amount of interest and inflation that is added to the residential charge is \$1,334.49 which is 57% of \$2,341. 57% of \$242.11 is \$138. The total charge for non-residential development for Southern Pipeline is \$380 per 100m<sup>2</sup> of gross floor area.

## 5.4 Stormwater

A comprehensive approach to stormwater management designed to maintain water quality, avoid erosion, minimise flooding risk and protect downstream properties and the Tauranga Harbour has been adopted.

The projects funded through the Stormwater local development contribution are those projects that reticulate and treat stormwater from within a specified growth area.

Projects that relate to reticulating stormwater from individual households are normally completed by individual developers and given (vested) to Council.

The Urban Growth Areas have been broken down into further sub catchments which have been analysed to calculate stormwater runoffs and determine the most appropriate method of control.

### 5.4 Local Stormwater

#### Local Government Act

Sections 106(c) of the Local Government Act 2002 require that this policy sets out why Council has determined to use development contributions as a funding source. A general discussion around the use of development contributions is in Section 6. The following sets out the considerations specifically related to the funding of the stormwater activity in accordance with the principles of section 101(3)(a).

#### Community outcomes

The provision of stormwater reticulation within a growth area contributes to the following Community outcomes:

- We value and protect our environment,
- We have a well-planned city,
- We support business and education,
- We are inclusive
- We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

#### Distribution of benefits

The principal benefit that these projects convey is that they mitigate the impact of increasing the amount of impermeable surface within a growth area. If these projects are not completed there may be a significant detrimental impact on geographic areas not included in the individual growth areas. However, completing these projects only maintains the level of service outside the growth area, they do not enhance it. As such households and business areas outside the growth area do not benefit from the construction of these projects.

For most growth areas there was an existing population (normally with a significantly lower housing density) before the growth area was opened for intensification. These existing properties either already had a stormwater reticulation system that met Council's Level of Service or the density was such that no such system was required. The new dwellings within the growth area increase the potential for a detrimental stormwater impact on these existing properties. Therefore, these existing properties should not be required to fund the costs of this mitigation.

On this basis it has been determined that, in the first instance, the entire benefit of the capital expenditure identified for this group of activities is received by the new developments.

**Period in or over which benefits occur**

The capital projects included are designed to ensure that all units of demand within the growth area can connect to Council's stormwater system. We have therefore assessed the period over which the benefits will be received is the development period of the urban growth area, from when the growth area is first opened until it is full (to the maximum allowed density). The divisor used in our calculations is the expected number of new lots over this period.

**Extent to which groups or individuals contribute to the need to undertake the activity**

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) in the specified growth areas. Development contributions allocate the cost of these works to that growth community.

**Costs and benefits of funding the activity distinctly from other activities**

Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for these works to be funded through this particular contribution, rather than the citywide development contribution or other funding sources such as rates or a Uniform Annual General Charge.

**Design parameters and assumptions**

Stormwater Retention devices are designed for a 1:50 or 1:100 year event with overland flow paths to cope with larger flows.

The Rational Formula has been used to calculate the storm flows. The runoff factor has been analysed from recent subdivisions and 0.55 has been used in most cases. A rural value of 0.3 has generally been used for the existing rural regime calculation.

The water quality improvement is designed from the ARC Manual Publication No 10 and is for a 1:2 year event approximately.

New areas being urbanised are designed to discharge at no higher rate than the existing rural regime discharge.



## 5.5 Transportation

The transportation network is an essential component of the physical environment. Its maintenance is necessary, not only to protect the resource in its own right but is essential if the community is to be able to provide for its social and economic well-being. Therefore, planning of the roads must ensure a safe and efficient system of moving people and goods about the district. This is achieved by ensuring correct carriageway widths are allowed for now to cater for the predicted traffic densities of the future and the alignments are located so that the most efficient network can be achieved, while all the time addressing safety issues.

The projects funded through the Transportation Citywide Development Contributions are those projects that are citywide in nature and cannot be tied to any particular growth area or areas and that are only being completed, at least in part, because of growth. It does not relate to projects that replace existing assets or projects that provide access to the transportation network within individual growth areas. Note, TCC completed transport project funding through the citywide development contribution in 2024/25. This charge will be reviewed in advance of the 2026/27 policy.

The projects funded through local development contributions are those projects, or a share of those projects, that will primarily be used by residents within that growth area as collector and arterial roads within that area.

Projects that relate to providing road access to individual households are normally completed by individual developers and given (vested) to Tauranga City Council.

Other transport related assets, such as walkways, will be funded based on benefits received.

### 5.5 Part 1 - Citywide transportation

#### Local Government Act

The following sets out the considerations specifically related to the funding of the transportation network within the citywide catchment in accordance with the principles required by the Local Government Act section 101(3)(a).

#### Community outcomes

The provision of the citywide transportation assets contributes to the community outcomes

- We can move around our city easily
- We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

#### Distribution of benefits

The principal benefit of these projects is that they expand and extend critical portions of the existing transportation network and allow greater numbers of residents to gain access to existing parts of the city. This benefit is conferred on new households and businesses across the city. In the short term, these projects also reduce congestion at these critical portions of the network. This benefit is conferred on existing households and businesses across the city.

Given the nature of these capital works Council believes that the impact of not completing these works will increase the congestion levels and therefore the travel times of all residents and businesses within the city as the city grows.

For each project, Council will identify costs related to addressing backlog (rates funded) and costs not related to backlog (growth). For the costs not related to backlog council will attribute 25 percent to rates to reflect benefit to the community from improvements in the network (the short-term reduction in congestion). The remaining 75 percent of costs not related to backlog will be funded from Development Contributions.

**Period in or over which benefits occur**

Citywide development contribution funded transportation costs are recovered over the period in which a project provides additional capacity to accommodate growth because once the capacity is reached a new project is required to provide additional capacity to allow growth to continue. The capacity period may differ from one project to another given the nature of each project. The number of units of demand expected over the capacity period of a project will be used to calculate development contributions.

**Extent to which groups or individuals contribute to the need to undertake the activity**

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) across the city. Development contributions allocate the cost of these works between existing residents and that growth community.

**Costs and benefits of funding the activity distinctly from other activities**

Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for the balance of these works, after considering the benefit to existing ratepayers, to be funded through a citywide development contribution rather than from a particular geographic area (local development contribution) or other funding sources such as rates or a Uniform Annual General Charge.

**Design parameters and assumptions**

A citywide development contribution for the transportation activity was introduced in the 2006/7 financial year. This is intended to recover transportation costs already incurred or planned to be incurred before the end of the Long-term Plan period throughout the city where the respective projects are of a citywide nature and cannot be tied directly to any particular growth area or areas.

The criteria to establish whether a project should be included as a citywide development contribution funded project is to ask the question: If growth were to stop now, would we still proceed with this project at the planned size and scale? If the answer is no, then the following methodology is to be applied:

- a. For each project identify:
  - i. Costs related to addressing backlog (rates funded),
  - ii. Costs not related to backlog (growth),
- b. For the Costs not related to backlog attribute:
  - i. 25 percent to rates to reflect benefit to community from improvements in the network,
  - ii. 75 percent to growth (to be funded by transportation citywide network development contribution) to reflect that it primarily causes the need to incur the expenditure and receives the main benefit of that expenditure.

## 5.5 Part 2 - Local transportation

### Local Government Act

Sections 106(c) of the Local Government Act 2002 require that this policy sets out why Council has determined to use development contributions as a funding source. A general discussion around the use of development contributions is in Section 6. The following sets out the considerations specifically related to the funding of the transportation network within local catchments in accordance with the principles of section 101(3)(a).

### Community outcomes

The provision of access to the transportation network within a growth area contributes to the following community outcome statements

- We can move around our city easily
- We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

### Distribution of benefits

The principal benefit of these projects is that they extend the transportation network and allow local residents to gain access to (and be accessed from) the wider transportation network. For non primary arterial roads this benefit is conferred on new households and businesses in the growth areas. Households and businesses located outside the growth areas gain a relatively minor benefit in being able to access properties located in the growth areas. However, given the restricted geographic nature of most of these capital works and the connectedness of those households and businesses to an existing network, Council believes that any impact on geographic areas beyond the individual growth areas is likely to be neutral or minor.

Where possible, projects that relate to primary arterial roads will be examined using Council's traffic modelling software. This software will be used to assess what vehicles are likely to use the roads and how often. The costs of this road will then be apportioned according to the distribution of road usage. The proportion of road usage by existing residents will be funded from rates. The cost of replacing any portion of the road that already exists will also be paid for by existing ratepayers. The proportion of road usage by new residents will be funded from Development Contributions.

For most growth areas there was an existing population (normally with a significantly lower housing density) before the growth area was opened for intensification. These existing properties already had a transportation network in place. Therefore, the benefits to existing residents within these growth areas is assessed as low. The only benefit identified is a short-term reduction in congestion, but in the long term expected to be neutral. Given that, at the local road component level, the road widening will not actually create an extra lane. The actual impact on congestion will not be significant. Also given that the upgrading to the roading will generally be done in sections as the growth area is developed the benefit would be relatively short lived, maybe only two to three years. The replacement portion of any existing roading upgrade will be paid for by the existing ratepayers. On this basis we consider that projects funded by the transportation local development contribution provide no significant benefit to the existing population in growth areas.

### Period in or over which benefits occur

The capital projects included are designed to ensure that all units of demand within the growth area can connect to Council's transportation network. We have therefore assessed the period over which the benefits will be received is the development period of the urban growth area, from when the growth area is first opened until it is full (to the maximum allowed density). The divisor used in our calculations is the expected number of new lots over this period.

**Extent to which groups or individuals contribute to the need to undertake the activity**

The group that creates the need for these works is residential and non-residential growth (i.e. new households and businesses) in the specified growth areas. Development contributions allocate the cost of these works to that growth community.

**Costs and benefits of funding the activity distinctly from other activities**

Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for these works to be funded through this particular contribution, rather than the citywide development contribution or other funding sources such as rates or a Uniform Annual General Charge. Given the low nature of the impact and the relatively short duration of the benefit, we do not believe that collecting funds from existing ratepayers in a growth area, such as through a targeted rate, to be an efficient process, or justified in the circumstances.

**Design parameters and assumptions**

The structure plans and development contribution system are designed to ensure that each growth area is provided with the trunk services that are required to service the ultimate development of the area and that the developer pays a fair share of the cost of this work. In the case of transportation, the trunk services are the arterial, collector and sub-collector roads as defined in Council’s City Plan and Infrastructure Development Code. In addition to the streets listed within the Urban Growth Areas, the status of a number of peripheral streets identified in the roading hierarchy as arterials and collectors will require to be improved and widened to accommodate the increased traffic generated as a result of urban growth.

**Carriageway widths**

The following parameters have been used for the development of the Urban Growth Area structure plans and are taken from Council’s Infrastructure Development Code.

Table 45: Carriage way widths

Road Types	Indicative Traffic Volume (VPD)	Carriageway width
Secondary Arterial	7,000 – >15,000	12m plus
Collector	3000 – >15,000	10m plus
Local	< 3,500	3m – 10m
Commercial	Varies	Varies
Industrial	Varies	Varies

The following assumptions have been used in relation to traffic generation:

- a. Residential: 10 vehicle trips per day per dwelling unit,
- b. Commercial/Industrial: Specific design based on the Road Traffic Authority of NSW “Guide to Traffic Generating Developments”. The Transfund research report No. 209 “Trips and Parking Related to Land Use” (TRR209); and the Institution of Transportation Engineers Trip Generation (“ITE Guide”). Data sourced in New Zealand, Australia and United States is adopted in that order of preference dependent on the availability of relevant data.

### Unit rates parameters for cost estimates

Unit Rates for various aspects of the construction works have been determined from recent Council contract rates. In some instances, substantial earthworks will be required, and this has been independently assessed and built into the estimate. The rates are summarised as follows:

Table 46: Parameters for cost estimates - transportation

Item	Description	Rate	Units
<b>1.0</b>	<b>Enabling Works</b>		
1.1	Clear site of obstructions	\$5.00	m <sup>2</sup>
1.2	Break up and remove existing kerbs	\$20.00	Per m of road
1.3	Remove existing cesspits and leads	\$500.00	Each
1.4	Break up and remove existing footpath	\$15.00	m <sup>2</sup>
1.5	Break up and remove road construction	\$20.00	m <sup>2</sup>
<b>2.0</b>	<b>Earthworks</b>		
2.1	Strip topsoil and stockpile	\$13.00	m <sup>3</sup>
2.2	Cut to fill	\$25.00	m <sup>3</sup>
2.3	Cut to waste	\$26.00	m <sup>3</sup>
2.4	Import fill (pumice)	\$40.00	m <sup>3</sup>
2.5	Undercut soft material	\$26.00	m <sup>3</sup>
2.6	Trim and compact sub-grade	\$3.00	m <sup>2</sup>
2.7	Respread topsoil and sow in grass	\$16.80	m <sup>2</sup>
<b>3.0</b>	<b>Infrastructure</b>		
3.1	Machine laid vertical kerb and channel (\$61 each side)	\$122.00	Per m of road
3.2	Machine laid kerb and nib to median (\$58 each side)	\$116.00	Per m of road
3.3	Under kerb channel and rain garden drain (\$35 each side)	\$70.00	Per m of road
3.4	Sumps (two @ \$2,528 each/70m spacing)	\$72.20	Per m of road
3.5	Concrete footpaths 1.5m wide (\$69 each side)	\$138.00	Per m of road
3.6	Concrete footpaths 2.5m wide (\$115 each side)	\$230.00	Per m of road
3.7	Common service trenching	\$67.00	Per m of road
3.9	Street lighting collector road	\$113.30	Per m of road
3.10	Street lighting arterial road	\$128.57	Per m of road
3.11	Small roundabout - single lane local road	\$209,000.00	Each
	Major roundabout – dual lane arterial road	\$1,320,000.00	Each
	Traffic signals (cross-roads)	\$407,000	Each
<b>4.0</b>	<b>Pavement</b>		
4.1	Prepare subgrade	\$3.00	m <sup>2</sup>
4.2	Subgrade improvement (stabilised)	\$22.50	m <sup>2</sup>
4.3	Sub-base (supply, place and compact) GAP 65	\$102.00	m <sup>3</sup>
4.4	Basecourse (supply, place and compact) M/4 AP40	\$119.00	m <sup>3</sup>
4.5	1st coat seal	\$6.00	m <sup>2</sup>
4.6	2nd coat seal	\$5.50	m <sup>2</sup>
4.7	Asphalt/concrete 25mm thick (M/10 mix 10 incl. waterproof membrane)	\$25.00	m <sup>2</sup>
4.8	Asphalt/concrete 40mm thick (M/10 mix 14 incl. waterproof membrane)	\$35.00	m <sup>2</sup>
4.9	Asphalt/concrete 25mm thick (M/10 mix 10 incl. waterproof membrane)	\$70.00	m <sup>2</sup>
<b>5.0</b>	<b>Additional Construction Allowances</b>		
5.1	Environmental works	1.5%	
5.2	Traffic management areas (incl signs and associated infrastructure)	5.0%	

### Cost sharing for carriageways over 10m wide

In the case where the structure plan shows a requirement for a road over ten metres wide, and that road benefits other land outside the subdivision, the Local Development Contributions are designed to recompense the developer for the extra road width. A comparison of construction costs for carriageway widths has shown that the relationship between ten, twelve, thirteen and fifteen metre carriageways is:

Table 47: Cost sharing for carriageways over 10m wide

IDC Road Section ref	Road Width (m)	Cost c.f. 10m Carriageway	Reimbursement rate
<b>T114 or 115</b>	10 or 10.4	1	Nil
<b>Historical</b>	12	1.56	35%
<b>T111</b>	13.4	1.66	40%
<b>T110</b>	15.9	1.83	45%

This table was updated for the 2016/17 Development Contributions Policy in accordance with the Infrastructure Development Code criteria. In previous policies, the cost sharing was based on carriageways over 8m wide. Cost allocations for completed sections of roads (as at 2015) remain in accordance with previous cost sharing tables which are set out in the 2014/15 Development Contribution Policy.

### Other works

In addition to quantified improvements in the widths and lengths of road, the consequences of urban growth can also extend to the requirement for the provision and improvements of traffic control measures to manage the increased traffic volumes.

These measures range from intersection controls based on signals, roundabouts or grade-separated facilities, to traffic calming measures designed to manage the consequences of increased traffic speeds resulting from “add-on” sequential growth. These consequences may also require the provision of pedestrian facilities, particularly where residential suburbs are remote from community services.

## 5.6 Te Papa Infill catchment

Tauranga City Council has used a different methodology to that described above to allocate funding shares for transport infrastructure in the Te Papa Infill catchment. This is because the identified projects are designed to facilitate transport mode-shift away from transport in private vehicles and encourage use of active and public transport. As such, Council's existing transport modelling, which focuses on vehicle trips, does not adequately reflect the causation and benefit of active and public transport options.

The following factors were considered when assessing the appropriate share of funding to be allocated to the Te Papa Infill catchment:

- The local and citywide benefit of each project;
- Forecast residential and non-residential development compared to the size of the existing population;
- The incremental nature of growth over a 30-year period so the infrastructure projects will provide greater benefit to those who live in the catchment earlier; and
- The inconvenience associated with project in brownfield growth areas and the long-term horizons for project delivery which is detrimental to the existing community.

Taken together, Tauranga City Council has assessed an appropriate funding allocation to the Te Papa Infill catchment to be 20% of capital expenditure after Waka Kotahi NZTA and Crown Infrastructure Partners Shovel Ready funding is applied.

This funding allocation has been allocated between residential and non-residential growth. Tauranga City Council has commissioned independent economic advice forecasting the expected residential and non-residential growth in Te Papa.

Residential growth has been forecast as a number of HUEs.

Non-residential has been forecast as an increase in the number of employees (12,400). This has been converted to a HUE number for comparative purposes by:

- Converting the increase in employee numbers to an increase in gross floor area by allowing 15 square meters of non-residential development for each employee. 15 square meters is less than for other areas of the city but considered appropriate for Te Papa given it is the most densely populated employment area in the city and an area that largely consists of offices, hospitality and retail development rather than industrial, low density development.
- Applying a 5% discount in floor area to allow for applications being assessed on a per 100 square meter basis.
- Divide by 100 to create a per square meter rate.
- Multiplying this by a scaling factor of 1.25 (see citywide development contributions section of this policy for an explanation of scaling factors).

This gives a HUE figure to compare to residential growth. On this basis, residential growth is allocated 75% of growth costs and non-residential growth is allocated 25% of growth costs.

The non-residential share has then been divided by the projected increase in gross floor area to get a development contribution per 100 meters of gross floor area.

## 5.7 Reserves

### Introduction

The citywide development contribution for reserves is used to fund:

- Land purchase and development of active reserves (sports fields) and
- Land purchase and development of sub-regional parks.

The local development contribution for reserves is currently used to fund the land purchase and development of neighbourhood reserves within the following urban growth areas:

- West Bethlehem,
- Pyes Pā West (the land outside The Lakes development),

### Part 1 - Citywide reserves

#### Rationale

- a. TCC's Community Facilities Investment Plan (2021) assesses the need for community facilities and active reserves across the network and recommends priorities for new facility development, upgrades or disposals. This analysis builds on previous strategies and considers population growth, demographic changes, quality, capacity, location and utilisation of community facilities across the network.
- b. Council adopted the Active Reserves Level of Service Policy (2012) to provide principles and levels of service for Council's approach to the provision, development and management of the existing and future active reserve network. The level of service is based on application of the Sportsfield Model which has been widely used nationally and internationally to provide sound evidence to support the demand for field space and provide a basis for establishing new field requirements.
- c. Active reserves and sub-regional parks are funded through a citywide development contribution. Active reserves function as an interconnected network designed to ensure all residents have access to and benefit from sport, recreation and leisure opportunities across the city. Within the network, there are different facilities, services and programmes meaning that users often travel from areas across the city depending on what sport they play and the sports draw at the time. This means that as new capacity is added to the network, this can often have a flow on effect to existing reserves by freeing up capacity for a period of time. Therefore, these facilities are funded through a citywide development contribution rather than a local development contribution.
- d. Cost allocations for active reserve development contributions are based on those who benefit from the assets as well as those who create the need for those assets. The Sportsfield Model helps to determine the allocation to those who create the need for active reserves.
- e. Sub-regional parks service the city and wider sub-region therefore they are funded through a citywide development contribution rather than a local development contribution.
- f. Costings have been obtained for all projects. These are refined further as the projects progress through to detailed design and as an outcome of community engagement processes and facility development.
- g. Section 203(1) of the Local Government Act 2002 sets out the maximum contribution that may be required for reserves. Reserve contributions must not exceed the greater of 7.5 percent of the value of the additional allotments created by a subdivision or the value equivalent of 20m<sup>2</sup> of land for each additional household unit created by a development.

### Active reserves methodology and calculations

- h. The Active Reserves Level of Service Policy (2012) can be summarised as follows:
- Focuses on the demand and supply of sportsfields,
  - Uses field hours per week as the measure to determine demand and supply,
  - Uses a Sportsfield Demand Model to help determine sports code demand,
  - Relies on a mix of projects that both increase supply (land purchase and development) as well as increase capacity of existing sportsfields and active reserves (through improvements such as floodlights and irrigation/drainage).
- i. A Sportsfield Demand Model has helped to identify current and projected sports code demand. A range of factors are used to provide projections for this for each code, including population growth. The demand information is reviewed every three years to align with the Long-term Plan process.
- j. Approximately 50% of the sports code demand information can be attributed to population growth. In other words, if growth was to slow down then this it is likely to see a reduction in the demand from sports codes. To this extent 50% of the costs of projects that achieve the active reserve level of service are conferred on new households across the city, recognising the benefits that the growth population will receive from increased capacity and/or increased supply of sportsfields. This proportion of Council's capital expenditure projects that increase capacity and/or supply of grass sportsfields are funded from development contributions.
- k. The remaining 50% of demand information relates to a range of factors that are not directly influenced by population growth including code popularity and sport development trends. To this extent 50% of the cost of projects that achieve the active reserve level of service is conferred on existing households across the city recognising the benefits that the existing population will also receive from increased capacity and/or increased supply of sports fields. The costs to provide the level of service to existing households will be funded from rates to reflect this benefit.
- l. For capital expenditure projects which relate to the purchase and development of new active reserves in the city:
- The planning periods are based on the periods from when the project was identified to the time at which the project is likely to be fully developed and utilized,
  - The divisors are the number of households over the planning period,
  - It should be noted that Parau Farms also provides for a neighbourhood reserve. The costs associated with land purchase for this have been deducted from the total cost of the active reserve and are recovered via the local development contribution for West Bethlehem (project ID 2296).
- m. For capital expenditure projects on existing sports fields:
- Only the elements of the project which will increase the capacity of the sports fields will be funded using development contributions. For example, additional floodlights can be funded via development contributions as the lighting extends the operational hours of the fields and therefore increase the capacity.
  - The planning periods adopted for these capacity improvement projects will be based on the planned delivery timeframes and will depend on the expected capacity life of the enhancements.
  - As per the discussion above 50% of the costs of the capacity projects are recovered as development contributions. This 50% is not directly reflected in the asset schedules as the total capital expenditure shown will include works which do not improve sports field capacity.

- n. Changes to the location, type, cost and timing of these projects may occur across the active reserve network if priorities or demand information changes. These changes will occur through Council's Long-term Plan and Annual Plan processes and will be reflected in Council's annual review of the Development Contributions Policy if required.
- o. TCC is reviewing the Sportsfield Demand Model for 2022. The outcome of this review will confirm what projects are required to meet existing and future demand by sports codes and is likely to include a mix of new land purchase and development in the eastern and western corridors and projects that capacity of the existing active reserves network such as the development of artificial surfaces.
- p. TCC intends to commence collection of development contributions for active reserves in 2023/2024, following completion of this review. The methodology and calculations for active reserves will be included in the 2023/2024 Development Contributions Policy.

**Sub-regional parks methodology and calculations**

- a. The TECT All Terrain Park and the Huharua Harbour Parks were purchased in accordance with the joint Tauranga City Council and WBOPDC Sub regional parks policy. The land purchase and the development of these parks is funded by citywide reserve contributions.
- b. The planning period of 2001-2051 has been adopted. This is to recognise that the benefits received from the purchase and development of these parks will be enjoyed by people now and into the future. The divisors are the number of new households over this period.
- c. The distribution of benefits is determined by calculating the proportion of population growth over the planning period as a percentage of the total population growth at the end of the planning period. The growth proportion will then be discounted by 25 percent. The 25 percent is to reflect additional benefit to the existing community in the sense that they are key facilities in that network and provide a wide range of services and higher level of service than local community facilities,
- d. The balance of the benefits received is attributable to existing residents and will be collected from rates. The total amount collected from both these sources is the net cost of the projects after all other external funding has been applied (including donations, external grants and contributions from other local authorities),
- e. The table below shows the calculation of the development contribution funding percentages and unit of demand divisors shown in the asset schedules.

**Table 48: Funding percentage for sub regional parks**

<b>Total households at start of planning period (2001)</b>	39,566
<b>Total households at end of planning period (2051)</b>	93,201
<b>New households in planning period</b>	53,635
<b>New households as a percentage of total households</b>	57.55%
<b>Less 25% discount</b>	14.39%
<b>Proportion of project cost to be recovered through development contributions</b>	43.16%

## Part 2 – Local reserves

### Rationale

- a. The reserve requirement for local catchments has been determined by Council's Open Space Level of Service Policy and supported by the relevant structure plan and Plan Change information. The Policy outlines the open space level of service standards relating to the quality, function, quantity and accessibility of the open space network.
- b. Local reserves service local communities therefore they are funded through a local development contribution rather than a citywide development contribution.
- c. Reserve contributions for the purchase and development of open space in the Pāpāmoa Urban Growth Area will be taken as financial contributions under the Operative Tauranga City Plan rather than as development contributions under this Policy. For convenience these level of service projects and contributions are shown in the summary of fees schedule within Section 10 even though they are not required as development contributions.
- d. Reserve contributions for the purchase and development of neighbourhood reserves are not required in The Lakes development in Pyes Pā West, or in Wairakei as Council has (or intends to have) agreements with the developers in these areas that they will provide and develop the reserve land instead of Council.
- e. As per Council's Open Space Level of Service Policy, contributions towards local reserves and the development of local reserves are not required in areas outside the urban growth areas or in the Rural Residential, Rural Marae Community, Urban Marae Community and Ngati Kahu Papakainga zones within the urban growth areas. In addition, contributions towards local reserves and the development of local reserves are not required on multiple-owned Māori land within 500 metres of the Rural Marae Community, Urban Marae Community and Ngati Kahu Papakainga zones.

### Reserves methodology and calculations

- f. The methodology for calculation of neighbourhood reserve requirements is based on applying the open space level of service standards (outlined in the Open Space Level of Service Policy) to each growth area. The neighbourhood reserve requirements and the associated cost of this is then calculated as a total cost and divided by the number of household units projected to be accommodated within the relevant planning period for the relevant growth area.

### Te Papa Infill catchment

- g. In the Te Papa Infill catchment Council has identified a series of projects which have been, in part, caused by and benefit new developments. These projects have been identified as providing a higher level of amenity than exists currently in order to support more intensive use of existing reserves or to fund land purchase to expand existing reserves.

The following factors were considered when assessing the appropriate share of funding to be allocated to the Te Papa Infill catchment:

- Each project is assumed to benefit the Te Papa catchment only (as opposed to having any citywide benefit).
- Population and dwellings in Te Papa are expected to grow by approximately 20% between 2024 and 2034.
- Intensification in Te Papa will result in less private outdoor space as higher density developments are delivered. This will place greater demand on, and result in increased use of, reserves and recreational assets.

Taken together, Tauranga City Council has assessed an appropriate funding allocation to the Te Papa Infill catchment to be 20% of capital expenditure.

**Table 49: Local Government Act 2002 - Section 101(3)(a) assessment**

	Citywide Development Contributions for Active Reserves and Sub-regional Parks	Local Development Contributions for Local Reserves
<b>Community outcomes</b>	<p>The provision of active reserves, sub-regional parks and local reserves contributes to the community outcomes:</p> <ul style="list-style-type: none"> <li>• We value and protect our environment,</li> <li>• We have a well-planned city,</li> <li>• We are inclusive, value culture and diversity, and people of all ages and backgrounds are included, feel safe, connected and healthy</li> </ul> <p>Provision of active reserves and sub-regional parks is also important in implementing Western Bay of Plenty’s growth management strategy, SmartGrowth. This sub-regional focus means that in some cases both TCC and Western Bay of Plenty District Council make capital contributions to joint projects that provide for the sub-regional population.</p>	
<b>Distribution of benefits</b>	<p>The principal benefit is provision of a network of destination spaces and places for a diverse range of sport, leisure, recreation, social and cultural opportunities.</p> <p>Active reserves also provide significant open space and amenity to surrounding communities.</p> <p>Some of this benefit is conferred on new households across the city as these facilities are required to ensure as the city grows, the community continue to have access to the benefits described above.</p> <p>Some of this benefit is conferred on existing households across the city as these facilities also increase capacity and access to these opportunities for the existing population. To recognise the benefit to both existing households and to new households the general approach is to recover the appropriate percentage of costs as development contributions and the balance to be funded from rates. The methodology section sets out more details about how each percentage has been determined and how growth costs are distributed.</p>	<p>The principal benefit is provision of a focal point for local communities and space for a diverse range of outdoor activity within a local area. They also minimise the extent that the community have to travel to access these facilities.</p> <p>The benefit of this activity is primarily conferred on new households within the catchment serviced by these facilities given the restricted nature of these capital works in terms of location, scope and capacity.</p>
<b>Period in or over which benefits occur</b>	<p>The capital projects included are designed to ensure that all residents have access to a diverse range of leisure, social and cultural opportunities across the city. The period over which the benefits occur is assessed based on the SmartGrowth planning periods, the expected life or the asset or the point at which it is expected that there will be no surplus capacity based on Council’s level of service. The divisors are generally based on the increase in household unit equivalents over the planning period.</p>	<p>The capital projects included are designed to ensure that all households within the growth area can have access to local reserves. Council has therefore assessed that the period over which the benefits will be received is the development period of the greenfield area, from when the growth area is first opened until it is full (to the maximum allowed density). The divisor used in Council’s calculations for growth portion of costs is the expected number of new lots over this period.</p>
<b>Extent to which groups or individuals contribute to the need to undertake these services</b>	<p>The group that creates the need for these works is residential growth (i.e. new households) across the city. Development contributions allocate the cost of these works to that growth community.</p>	<p>The group that creates the need for these works is residential growth (i.e. new households) in the specified growth areas. Development contributions allocate the cost of these works to that growth community. Completion of these projects extends networks to provide capacity to geographic areas not serviced or not serviced with adequate capacity.</p>
<b>Costs and benefits of funding these services distinctly from other services</b>	<p>Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for the growth portion of these works to be funded through the citywide development contribution rather than from a particular geographic area (local development contribution) or other funding sources such as rates or a Uniform Annual General Charge.</p>	<p>Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for these works to be funded through this particular contribution, rather than the citywide development contribution or other funding sources such as rates or a Uniform Annual General Charge</p>

## 5.8 Community infrastructure

Community infrastructure means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and includes land that the territorial authority will acquire for that purpose. TCC collects community infrastructure development contributions for the expansion and development of:

- Aquatic centres
- Indoor sports centres
- Libraries
- Community centres and halls

Aquatic centres, indoor sports centres and libraries are funded via citywide development contributions, and community centres/halls are funded via local development contributions.

### 5.8 Part 1 - Citywide development contributions for community infrastructure

#### Rationale

TCC's Community Facilities Investment Plan (2021) assesses the need for community facilities across the network and recommends priorities for new facility development, upgrades or disposals. This analysis builds on previous strategies and considers population growth, demographic changes, quality, capacity, location and utilisation of community facilities across the network.

The Plan covers council's core 'multi-use' facilities, aquatic centres, indoor sports centres, libraries, community centres, and active reserves. It seeks to ensure the right facility is provided in the right place, at the right time, taking into consideration wider priorities for growth and investment, and financial constraints. It informs TCC's approach to community infrastructure projects in the LTP and Infrastructure Strategy.

Aquatic centres, indoor sports centres and libraries are funded through a citywide development contribution. These facilities function as an interconnected network designed to ensure all residents have access to and benefit from a diverse range of leisure, social and cultural opportunities across the city.

The network approach recognises that construction of new facilities frees capacity in existing facilities, providing benefits to catchments even if they are not close to the new facility. For example, if a new pool is built in the Tauranga Central area, more users from the Tauranga suburbs are likely to use this facility, therefore reducing capacity issues and improving user experience at Baywave.

Within the network, facilities can provide different programmes and services meaning that users often travel from areas across the city rather than only using local services. Access to these facilities is not restricted or limited to certain areas or catchment like other core infrastructure (e.g. water mains). Therefore, these facilities are funded through a citywide development contribution rather than a local development contribution.

Cost allocations for development contributions are based on those who benefit from the assets as well as those who create the need for those assets. To determine who is creating the need for community facilities, TCC uses a level of service guide for each facility category as detailed below.

Costings have been obtained for all projects. These are refined further as the projects progress through to detailed design and as an outcome of community engagement processes and facility development.

## General methodology and assumptions

The following general methodology and assumptions have been used to calculate development contributions for aquatic centres, indoor sports centres and libraries:

- a. If the project includes a replacement or expansion of an existing facility, then a proportion of the costs will be funded as renewals funding.
- b. For each facility type TCC has identified a population-based target level of service. If the current facilities provided in TCC's existing network do not meet the targeted level of service, then that 'shortfall' or 'catchup' is funded from rates as it is for the benefit of existing residents.
- c. A minimum of 25% of any new capex project is funded from rates. The 25% recognises the higher level of benefit that the existing community and early facility users will receive compared to those who develop at a later stage when the facility has less capacity.
- d. The portion of a development over and above what is required to meet the level of service for the existing population will provide a service for future growth, and most will be funded through development contributions.
- e. There is likely to be growth in the network from causes other than property development (which pay development contributions) such as visitors to the area and Western Bay residents. In some cases, the minimum rate payer funding of 25% is sufficient to account for this. Where the shortfall in existing facilities is above 25%, an additional 5% will be funded through rates to account for non-property development related growth.
- f. Development contributions will only be collected on one new facility at a time and funded over the expected capacity life for that individual facility (calculated based on Council's level of service guidelines). This approach ensures that the funding recovery period aligns with the expected capacity life of the facility, reduces debt costs associated with longer term recovery periods and reduces the risk of potential refunds that could eventuate if the project does not get delivered. It should be noted that when funding projects sequentially (i.e. collecting for one project at a time) if a planned infrastructure project is delivered earlier than required for the adopted level of service targets, then the amount that can be funded via development contributions may decrease.
- g. The capacity life of community facilities is based on the level of service guidelines and measured in terms of population. Level of service guidelines may be adjusted from time to time and therefore may impact recommended growth funding allocations.
- h. We have assumed a level of external funding for some community infrastructure projects. For some projects the level of external funding assumed is significant. The total project cost used to calculate the split between rates and development contributions excludes any potential external funding. Any reduction in the assumed level of external funding would therefore increase both the rates and the development contribution cost.

## Use of development contributions collected

Development contributions for community infrastructure projects are based on the best information available at the time the Policy is adopted, including levels of service and the cost, timing, location and specifications of projects. Community infrastructure projects can change over time meaning the specific project or projects that contributions are used to fund may differ from the specific project or projects that were in the Policy at the time the development contribution was required. However, the specific projects in the Policy at the time the DC was required or projects substituted post the payment will all be contributing to achieving the level of service for community infrastructure. This reflects the citywide network approach to delivering community infrastructure outcomes.

## Aquatic centre network - methodology and calculations

### Level of service calculations

The level of service target for aquatic centers is 1m<sup>2</sup> of year-round pool space per 45 people. This is considered a reasonable and achievable level of service for the community, given usage rates, community expectations and growth.

The population of Tauranga in 2023 was estimated to be 161,206 people. The required amount of indoor pool space to meet the level of service target is over 3,582m<sup>2</sup>.

In 2023, when TCC started collecting development contributions towards the aquatic network, TCC had approximately 2,681m<sup>2</sup> of indoor pool space. No outdoor pool space was included in the benchmark assessment. Mount Maunganui pool was also excluded on the basis this was assessed as primarily benefitting non-resident customers.

In 2023 the estimated shortfall in the Level of Service (LOS) was 901m<sup>2</sup>.

The total aquatics network is summarised in the table below.

Table 50: Aquatic visits per head of population or catchment population

	POP.	WATER SIZE	VISITS	VISITS/POP.	POP./M2	VISITS/M2
<b>All Tauranga pools</b>	134,600	3,966	740,000	5.5	33.9	186.6
<b>Indoor pools</b>	134,600	2,681	419,787	3.1	50.2	156.6
<b>Baywave</b>	29,663	1,353	278,402	9.4	21.9	205.8
<b>Greerton</b>	20,475	728	90,213	4.4	28.1	123.9
<b>Memorial</b>	28,993	759	28,705	1.0	38.1	37.8
<b>Otumoetai</b>	18,398	600	51,172	2.8	30.7	85.3
<b>Mount Maunganui</b>	77,511	526	292,576	3.8	147.4	556.2

### Planned projects

TCC's LTP and infrastructure strategy includes provision for three new aquatic facilities. The first planned project to be constructed is the Memorial aquatic facility.

The adopted methodology means that council will collect citywide development contributions towards the Memorial aquatic facility and will fund the future planned facilities sequentially as they are delivered.

Projects to be included in future years are provision of two additional aquatic centres to service the eastern and western growth areas of the city.

### Growth funding calculations

The development at Memorial aquatic centre will provide an additional 1732m<sup>2</sup> of indoor pool space (over and above what exists currently across the city).

901m<sup>2</sup> (or 52%) of the new pool space is required to bring the existing level of service up to meet the needs of the existing population. The remaining 831m<sup>2</sup> will ensure the pool space provides for future development. The majority of this development is likely to come from within the city however the development contribution share is reduced by 5% to reflect that some demand may come from users from outside of the city.

The project will therefore be funded 42.9% via development contribution.

These funding assumptions were updated June 2025 following a decision by the Council to retain the Ōtūmoetai Pool within its network.

Summary:

- Level of service funding: 52%
- Development contribution funding: 43%
- Non-development related growth funding: 5%

### Funding period

The project will be funded over the period 2023-2041. This is reasonably consistent with the expected capacity life of the project.

Extending the funding period beyond the expected capacity life does not increase the portion of costs funded via development contributions - but it increases the number of households who will contribute towards the growth funded costs which therefore decrease the amount paid per household.

Council will update the funding period annually to reflect updated growth projections and any timing changes to projects.

### Renewal and external funding

The following table shows the detailed calculations discussed above used to calculate growth funded and level of service portions. It also sets out the adjustments to these costs to reflect the portion of total capital costs already allocated to renewals funding and portions anticipated to be funded externally.

**The project cost details and charges per HUE are shown in Section 6 of the development contributions policy and will be updated on an annual basis**

**Table 51: Memorial Aquatic Facilities**

Funding calculation for Memorial Aquatic Facilities		
Existing citywide indoor pool provisions	m2	2,681
Proposed additional facilities at Memorial Aquatic centre	m2	1,732
Adopted level of service benchmark for indoor pools	people per m2	45
Year start collecting DC's		2023
Population at start year	persons	161,206
Households at start year	HUE's	62,624
Pool space required to meet LOS target	m2	3,582
Shortfall in current LOS (measured in m2)	m2	901
Max population provided for by 2023 indoor pool network	persons	120,645
Total population served by development	persons	77,940
Shortfall in service (at start of DC funding period)	persons	40,561
s	persons	37,379
Proportion of development related to LOS catch up	%	52.04%
Portion of development related to growth	%	47.96%
Non property development related growth adjustment (5%)	%	42.96%
Population when new facilities (current + new) will exceed LOS benchmark	persons	198,585
Expected capacity life end based on growth projections	years	2041
Expected number of households when capacity reached	HUES	82,151
Funding recovery period/useful life	years	18
Additional households expected over funding period	HUEs	19,527
<b>Total construction cost</b>		<b>\$122,762,976</b>
Less: cost of non aquatic/commercial development	16%	20,000,000
<b>Estimated external/third party funding</b>	<b>15%</b>	<b>14,100,000</b>
Less cost of renewals	38%	47,000,000
<b>Remaining costs to be funded via level of service/growth funding</b>		<b>41,662,976</b>

Funding calculation for Memorial Aquatic Facilities		
Level of service shortfall (from existing community)	57.0%	23,765,109
Growth funding	43.0%	17,897,867
Level of service funding as a proportion of total costs + 5% growth		19.4%
Development contribution funding as a proportion of total project costs		14.6%
Estimated \$ per HUE		\$917

## Indoor sports centre network - methodology and calculations

### Level of service calculations

The level of service guide for indoor sports centres is 1 court for every 13,000 people. This is currently considered a reasonable and achievable level of service for the community, given usage rates, community expectations and growth. Indoor sports centre are facilities that have fully marked courts for codes such as basketball and netball. Council expects to review this level of service through the Long-term Plan 2027-37 to ensure it is still fit for purpose.

The population of Tauranga as at 2023 is approximately 161,206 people. The required number of indoor courts to meet the level of service is 12.5 courts.

There are currently 14 indoor courts in Tauranga: 6 at BayPark Arena, 4 at Haumaru, 3 at Queen Elizabeth Youth Centre and 1 at Mount Sports Hall. Together, these provide a level of service beyond that required for Tauranga’s current population. This means there is capacity for growth available in the current network.

Therefore, there is evidence that the most recently delivered facility, Haumaru (on Cameron Road) provides for both existing residents and for the future growth community.

### Planned projects

The Long-term plan includes provision to build 6 new indoor courts at Baypark. This project will be funded once Haumaru reaches capacity and no longer provides for growth.

### Growth funding calculations

The current indoor network provides indoor court facilities that meet the level of service expectations for 182,000. This means that the existing network has capacity for an extra 20,794 people.

At Haumaru, 60% of the courts are for existing residents in the form of increased service. 40% of the benefit will be conferred on the growth community.

Not all growth that will benefit from the increased capacity will be related to property development that pays development contributions. Further, existing residents will benefit from greater provision of services while the city grows. To recognise this, a further 5% allocation has been transferred from growth to non-growth funding. This gives a final allocation of 65% to the existing community and 35% to the growth community.

### Funding period

Based on growth projections in 2023 and the LOS targets, the Haumaru court facilities will provide for growth until 2032 and the costs will be funded over the expected increase in households constructed over that time period.

Council will update the funding period annually to reflect updated growth projections and any timing

changes to projects.

### Renewal and external funding

The following table shows the detailed calculations discussed above used to calculation growth funded and level of service portions. It also sets out the adjustments to these costs to reflect the portion of total capital costs already allocated to renewals funding and portions anticipated to be funded externally.

The project cost details and charges per HUE are shown in Section 6 of the development contributions policy and will be updated on an annual basis.

**Table 52: Haumaru Indoor Courts**

Funding calculation for Memorial Indoor Courts		
Existing citywide indoor court provisions	courts	10
Proposed additional courts	courts	4
Adopted level of service benchmark for indoor courts	people per court	13,000
Year start collecting DC's		2023
Population at start year	persons	161,206
Number of households at start year	persons	62,624
Population provided for by current (2023) network	persons	130,000
Total population served by development (based on benchmark LOS)	persons	52,000
Population when new facilities (current + new) will exceed LOS benchmark		182,000
Shortfall in service (at start of DC funding period)	persons	31,206
Beneficiaries - growth community	persons	20,794
Catch up portion to meet level of service requirements	%	60%
Portion to provide for growth	%	40%
Non development contribution funded portion	%	65%
Development contribution funding	%	35%
Population when new facilities (current + new) will exceed LOS benchmark	persons	182,000
End of capacity life based on growth projections	years	2032
Expected number of households when capacity reached	HUES	71,943
Funding recovery period/useful life	years	9
Additional households expected over funding period	HUES	9,319
Adjusted DC/LOS split to reflect other funding sources		
Total construction cost (as at March 2026)		27,031,312
Renewals	0%	
Expected external funding	0%	-
<b>Remaining costs to be funded</b>		<b>27,031,312</b>
<b>Non development contribution funded costs</b>	65%	<b>17,573,472</b>
<b>Development contribution funded costs</b>	35%	<b>9,457,840</b>
<b>Non development contribution funded portion as percentage of total cost</b>		<b>65%</b>
<b>Development contribution funding as a proportion of total costs</b>		<b>34.988%</b>
<b>Estimated \$ per HUE</b>		<b>\$1,014.90</b>

## Libraries network - methodology and calculations

### Planned library projects

The Long-term Plan includes provision for three new library facilities across the city:

- A new library facility is currently being constructed on Willow Street. This library will replace the previous city centre library which was demolished.
- A second new library is proposed in the eastern corridor of the city
- A third library is proposed in the western growth areas of the city

There is a temporary City Centre Library located between Devonport and Grey Streets in Tauranga. For the purposes of this Development Contributions Policy the floor area and costs of this library

facility have not been considered as the use is temporary during the construction of the new City Centre library and will not contribute towards long term library space to provide for the City.

As set out in the general assumptions and methodology section, development contributions only fund one new library facility at a time. The first project being constructed is the central library and the funding calculation details for that project are set out below. Future planned libraries will be introduced into the development contributions policy based on the funding period for the first library and the expected construction dates for future libraries.

### Tauranga Central Library and Community Hub Growth funding calculations

Council can use development contributions to fund the “growth related capital expenditure” related to the library facility. Expenditure that is not growth funded is:

- Renewal costs: The expected costs to replace the previous library facility when one has been removed
- Level of service costs: the expected costs associated with increasing the library services to meet the needs of the existing population. Level of service funding is only required if the cities current facilities (at the time that DC funding starts) do not provide
- Capital expenditure for non-library related development: capital expenditure that relates to growth outside of Tauranga
- External funding: If Council is expecting any external funding this may reduce the amount of development contribution funding required. External funding assumptions will be updated on annual basis based on the best information available at the time

The table below shows the funding apportionment calculation methodology for the central library and community hub:

Table 53: Funding Calculation for Central Library

Funding calculation for Central Library			Notes
Existing indoor library provisions (citywide)	m2	5,150	1
Proposed total size of new building	m2	4,779	See floor plans
Total m2 of new building that relates to library	m2	4,779	0
Proposed additional m2 of Library	m2	2,379	2
Adopted level of service benchmark for libraries	m2 per 1000 people	41	3
Year start collecting DC's	financial year	2023	No change
Population at start year	persons	161,206	No change
Number of households at start year	persons	62,624	No change
Max population provided for by 2023 libraries	persons	125,610	
Total population served by development	persons	58,024	
Shortfall in service (at start of DC funding period)	persons	35,596	
Beneficiaries - growth community	persons	22,428	
Level of service proportion	%	61%	Maintenance
Growth proportion	%	39%	Growth
Internal funding required (in addition to LOS)	%	5%	
Development contribution funding proportion	%	34%	DCs
Population when new facilities (current + new) will exceed LOS benchmark	persons	183,634	
Expected capacity life end based on growth projections	years	2033	
Expected number of households when capacity reached	HUES	73,092	
Funding recovery period	years	10	
Additional households expected over funding period	HUES	10,468	10,468
<b>Adjusted DC/LOS split to reflect other funding sources</b>			
Total construction cost (as at 26 03 2024)		\$95,681,547	
less external (third party) funding	3.7%	3,500,000	as per conversation with Helen on 9 Jan 2025
Cost to TCC after external funding		92,181,547	

Renewal cost estimate	50.2%	48,050,996.61
Costs after external funding and renewal costs		44,130,550
Level of service costs + non development related growth	66%	29,279,312
Development contribution funded costs	34%	14,851,238
Percentage external funding		4%
Renewal funding as a proportion of total costs		50%
Level of service funding as a proportion of total costs		31%
Growth funding as as proportion of total costs		16%
<b>Estimated DC Charge per HUE</b>	<b>\$ per HUE</b>	<b>1,419</b>

### Explanatory notes

- Level of service**

TCC's intention for the library network, as guided by the CFIP and Infrastructure Strategy, is to provide 1m<sup>2</sup> of library space per 24 people in the city. Alternatively, this measure is sometimes written as 41m<sup>2</sup> of library space per 1000 people<sup>1</sup>. This is considered a reasonable and achievable standard for the community, given usage rates, community expectations and growth.

This level of service (LOS) guideline has been used in the infrastructure planning and investment.

Where the existing network provision is lower than the level of service guide then the network is considered to have a shortfall. Investment is required to bridge the shortfall. It is not considered appropriate to growth fund the level of service shortfall.

The calculations above show TCC estimate of the financial investment required in the current network to meet level of service targets.
- Existing citywide library network**

In 2023, TCC had approximately 5150m<sup>2</sup> of library space<sup>2</sup>. This was made up as follows:

  - Tauranga Central Library: 2400m<sup>2</sup>
  - Pāpāmoa Library: 930m<sup>2</sup>
  - Greerton Library: 960m<sup>2</sup>
  - Mount Maunganui Library 860m<sup>2</sup>

Total: 5150m<sup>2</sup>

Note the total library space in TCC has been updated compared to the areas shown in the 2024/25 Development Contributions Policy.
- Library area**

The consented plans for the City Centre Library and Community Hub are for a building with a total gross floor area of over 5,600m<sup>2</sup> plus an open terrace area of 195m<sup>2</sup>.

The following areas of the new building have not been considered as library space:

  - The internal and external services area which house plant and mechanical machinery such as air conditioning units
  - The small floor area of the café kitchen facilities (approximately 10m<sup>2</sup>). Note the capital expenditure for fit out for the café area is not include in the project budget
  - The proposed i-site kiosk 96m<sup>2</sup>

**Total excluded area: 1055m**

The following areas of the new building have been considered as library space:

  - All public areas of the building used for library and community purposes
  - Library staff areas
  - The public seating area for the proposed café (as this can be used by all library patrons and is integrated into the main floor area)
  - The outdoor terraced area

**Total library space in new build: 4799m<sup>2</sup>**
- Non development related growth**

In accordance with assumptions above the policy acknowledges that some of the development in the city network is likely to come from causes other than property development which cause growth. This 5% reduction is to account for non-property development related growth.
- Funding periods**

The Tauranga Central Library replacement and redevelopment will be funded from 2023 to 2033. This period reflects both the expected capacity life of the facility (based on current growth projections) and aligns with expected construction dates for future facilities. Council may update the funding period annually to reflect updated growth projections and any timing changes to projects.
- External funding**

This reflects TCC's current best estimate of external funding towards this project but remains subject to confirmation and may change over time.
- Renewal funding**

The previous library facility at Willow Street was 2400m<sup>2</sup>. The renewal funding set out in the calculations below is based on the expected cost to Council to rebuild the same or similar facility

<sup>1</sup> Note the 2023/24 and 2024/25 Development Contribution Policies had incorrectly stated that the Level of Service benchmark of 25m<sup>2</sup> per 1000 people. This has been reviewed and updated in line with current library targets.

<sup>2</sup> The gross floor areas is based on numbers set out in Table 3.1 of the Visitor Solutions Report dated March 2021, "Tauranga Central Library Community Hub Strategic Case & Analysis" <https://www.tauranga.govt.nz/Portals/0/data/future/civic-redevelopment/files/library-hub-strategic-case.pdf>

## 5.8 Part 2 - Local development contributions for community centres

### Introduction

TCC's Community Facilities Investment Plan (2021) and Community Centres Action & Investment Plan (2023), include and describe Council's current and proposed provision for community centres and halls, and priority projects to replace, expand or develop new facilities. These are included in the LTP.

Community centres provide a focal point for local communities and space for a diverse range of community, education, recreation and leisure opportunities. The location, scope and capacity of these facilities means that they are primarily used by the local community which they service. Therefore, these facilities are intended to be funded through a local development contribution rather than a citywide development contribution.

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

The methodology and calculations for community centres will be included in future Development Contributions Policy.

**Table 54: Local Government Act 2002 Section 101(3)(a) assessment for community infrastructure**

	Citywide Development Contributions for Aquatic Facilities, Indoor Sports Centers and Libraries	Local Development Contributions for Community Halls
<b>Community outcomes</b>	<p>The provision of aquatic facilities, indoor sports centres and libraries contributes to the community outcomes:</p> <ul style="list-style-type: none"> <li>We value and protect our environment</li> <li>We have a well-planned city</li> <li>We are inclusive, value culture and diversity, and people of all ages and backgrounds are included, feel safe, connected, and healthy</li> </ul>	
<b>Distribution of benefits</b>	<p>All residents in the city will have the opportunity to access the community facilities being provided across the city.</p> <p>To ensure a fair and reasonable apportionment of this benefit, it is broken down as follows:</p> <ul style="list-style-type: none"> <li>Those who use the community facilities</li> <li>Those in areas where existing facilities are already at or over capacity</li> <li>Future residents of the city</li> <li>Visitors</li> </ul> <p>The methodology section explains how each percentage has been determined and how growth costs are distributed.</p>	<p>As assessment of these local government act provisions in relation to local development contributions for community infrastructure will be included upon the completion of the Community Centre Strategic Plan and/or when we start collecting development contributions for community halls.</p>
<b>Period in or over which benefits occur</b>	<p>Development contributions are collected on one new facility at a time and funded over the expected capacity life for that individual facility (based on Council's level of service guidelines).</p> <p>This is the period from when additional capacity is required to when it is expected there is no additional capacity based on the level of service. The divisors are based on the increase in household unit equivalents over the planning period.</p>	
<b>Extent to which groups or individuals contribute to the need to undertake these services</b>	<p>The need (or cause) for these projects has been created by under investment in existing facilities and residential growth impacting the capacity of these facilities.</p>	
<b>Costs and benefits of funding these services distinctly from other services</b>	<p>Given the benefits and causation factors outlined above, it is considered appropriate (in particular for transparency and accountability reasons) for the growth portion of these works to be funded through the citywide development contribution rather than from a particular geographic area (local development contribution) or other funding sources such as rates or a Uniform Annual General Charge.</p>	

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# Section 6

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## Schedule of assets

Section 6



## Section 6. Schedule of assets

- 6.1.1 This section contains tables (schedules) which set out detailed costing information for each asset (or group of assets) for which council collects development contributions. The schedules contained within this section have been prepared in accordance with requirements of the Local Government Act 2002 which requires that the schedules:
- a. list each new asset, additional asset, asset of increased capacity, or program of works for which development contributions are intended to be used or have already been used, and
  - b. state the estimated capital cost and the proportion to be recovered through development contributions versus other sources, and
  - c. group assets into logical and appropriate groups of assets that reflect the intended or completed program of works or capacity expansion, and
  - d. group assets according to the district or parts of the district for which development contribution is required, and by the activity or group of activities for which the development contribution is required.
- 6.1.2 The tables within this policy are grouped by the catchment. Each section also includes copies of the catchment structure plans relating to the proposed development. The purpose of the structure plans is to guide subdivision and development generally so that there is a consistency between the land use and subdivision pattern that will evolve and Council's planning objectives and policies for that area – as outlined in the Tauranga City Plan.
- 6.1.3 Structure plans also provide clear illustration of the bulk service infrastructure needed to support urbanisation of the urban growth area including the projects to be funded by development contributions for local infrastructure. Structure plans are reviewed annually, along with the various projects and will be amended as required from that review process.

Maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

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Citywide

# Citywide

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## Schedule of assets: citywide

6.1.1 The basis for the requirement of development contributions for citywide network infrastructure is the effects of development, the demand for additional assets and assets of increased capacity as the result of the growth of the city.

6.1.2 To make adequate and timely provision for services required because of development in the city, development contributions to fund growth related infrastructure are required.

6.1.3 Citywide network infrastructure generally includes the following:

### Water supply

- Raw water abstraction facilities
- Pumping stations
- Conveyance mains
- Treatment facilities
- Storage facilities

### Wastewater

- Treatment facilities
- Disposal facilities

### Transportation

- Traffic lights
- Travel demand management · Walkways/cycleways
- Land purchase and road construction

### Reserves

- Land purchase and development of active reserves and sub-regional parks

### Community infrastructure

- Memorial Park Recreation Hub
- Central Library Extension
- Memorial aquatics facility

6.1.4 The planning periods for the citywide projects are shown within the tables for each activity and are based on assumptions, growth projections and design parameters set out in Sections 4 and 5.

### Calculation of the low demand dwelling adjustment

6.1.5 The following calculations show the methodology for incorporated assumptions for low demand dwellings without reducing total contribution revenue. The revenue from 100 dwellings at the non-adjusted rate (b) is approximately equal to the revenue from 100 dwellings at the adjusted rate (g). This shows that low demand adjustment is revenue neutral, i.e. does not increase or decrease development contribution revenue collected by Council.

**Table 55: Calculation to show calculation of low demand discount percentage for citywide development contributions.**

Citywide development contribution per household unit before low demand discount adjustment		\$35,124
<b>Step 1</b>	<b>Total projected revenue from 100 dwellings if there were no low demand households (i.e. 1 and 2 bedroom dwellings)</b>	<b>\$3,512,391</b>
	Expected number of 1 bedroom dwellings (from 100 households)	14.28%
	Expected number of 2 bedroom dwellings (from 100 dwellings)	17.22%
	Expected number of dwellings with 3 (from 100 dwellings)	44.91%
	Expected number of dwellings with 4 or more bedrooms (from 100 dwellings)	23.58%
<b>Step 2</b>	<b>Expected revenue from 100 dwellings when low demand discounts applied without an adjusted HUE charge</b>	
	Revenue from 1 bedroom dwellings (charge fee of 0.5 HUE)	0.5 \$250,757
	Revenue from 2 bedroom dwellings (charge fee of 0.68 HUE)	0.65 \$393,218
	Revenue from 3 bedroom dwellings (charge fee of 1 HUE)	1 \$1,577,531
	Revenue from 4 bedroom dwellings (charge fee of 1.3 HUE)	1.3 \$1,076,912
	Total project revenue if no adjustment was made to the HUE charge	\$3,298,419
<b>Step 3</b>	<b>Loss in revenue from applying discounted charge for 1 and 2 bedroom dwellings</b>	<b>213,972</b>
<b>Step 4</b>	<b>Percentage loss in revenue (revenue loss/total revenue)</b>	<b>6.49%</b>
<b>Step 5</b>	<b>Increase in fee required full revenue recovery</b>	<b>\$2,279</b>
<b>Step 6</b>	<b>Adjusted household charge for residential dwellings with 3 or more bedrooms</b>	<b>\$37,402</b>
<b>Step 7</b>	<b>Projected revenue from 100 dwellings with adjusted HUE charge to reflect low demand discount</b>	
	Revenue from 1 bedroom dwellings (charged 50% of the HUE charge)	0.5 \$267,024
	Revenue from 2 bedroom dwellings (charged 65% of the standard HUE charge)	0.65 \$418,727
	Revenue from 3 bedroom dwellings (charge fee of 1 HUE)	1 \$1,679,867
	Revenue from 4+ bedroom dwellings	1.3 \$1,146,773
		<b>\$3,512,391</b>

**Calculation of citywide development contribution for non-residential development**

6.1.6 To applying development contributions to non-residential development the charge per household unit equivalent is scaled based on the unit of demand factors set out in Section 4.

**Table 56: Citywide development contributions for non-residential development.**

	Water (\$)	Wastewater (\$)	Transport (\$)	Total (\$)
Charge per household unit equivalent (before low demand discount)	\$17,194.98	\$10,858.08	\$-	\$28,053.06
<b>Business activities charge</b>				
Scaling factors	0.24	0.31	1.25	
Charge per 100m <sup>2</sup> of gross floor area for Business activities	\$4,126.80	\$3,366.00	\$-	\$7,492.80
<b>Low Demand Business activities charge</b>				
Scaling factors	0.06	0.07	1.25	
Charge per 100m <sup>2</sup> of gross floor area for Business activities	\$1,031.70	\$760.07	\$-	\$1,791.76
<b>Community organisations</b>				
Scaling factors	0.27	0.27	0.2	
Charge per 100m <sup>2</sup> of gross floor area for community organisations	\$4,642.64	\$2,931.68	\$-	\$7,574.33

### Citywide | Water

Project ID	Project Group	Project Name	Expenditure period	Capacity life	Total CAPEX (\$)	% Non DC Funded	% Local DC funding	% DC Funded Citywide	\$ Citywide DC funded	% funded this period	Dwelling Units	\$ per unit
280210	Reservoir	Joyce Rd reservoir	Complete	2001-2028	\$1,863,258	12.00		88.00	\$1,639,667	100%	32,636	\$50.24
162/121618	Reservoir	Joyce Rd reservoir No.2	Complete	2001-2028	\$6,373,000	50.00		50.00	\$3,186,500	100%	32,636	\$97.64
280211	Reservoir	Kaitemako Rd reservoir inlet main	Complete	2001-2028	\$92,796			100.00	\$92,796	100%	32,636	\$2.84
280212	Reservoir	Poplar Lane reservoir purchase	Complete	2001-2028	\$925,054			100.00	\$925,054	100%	32,636	\$28.34
280213	Reservoir	Waikite Rd reservoir No.2	Complete	2001-2028	\$481,625			100.00	\$481,625	100%	32,636	\$14.76
280214	Reservoir	Waikite Rd reservoir preload	Complete	2001-2028	\$102,094			100.00	\$102,094	100%	32,636	\$3.13
280215	Reservoir	Waikite reservoir inlet main	Complete	2001-2028	\$180,522			100.00	\$180,522	100%	32,636	\$5.53
280305	Mains networks	Coronation Park to Nikau Cres - P15	Complete	2001-2028	\$75,239			100.00	\$75,239	100%	32,636	\$2.31
256/0	Mains networks	Link Main Sandhurst/SH2 to coast	Complete	2001-2028	\$604,886			100.00	\$604,886	100%	32,636	\$18.53
280173	Mains networks	Mangatawa to Gloucester - P10	Complete	2001-2028	\$27,404			100.00	\$27,404	100%	32,636	\$0.84
280306	Mains networks	Mount reservoir to Adams Ave - P16	Complete	2001-2028	\$586,354			100.00	\$586,354	100%	32,636	\$17.97
255/0	Mains networks	Parton Rd main (Bell Rd to Tara Rd)	Complete	2001-2028	\$2,376,137			100.00	\$2,376,137	100%	32,636	\$72.81
273/0	Mains networks	Parton Road (Tara Rd to coast)	Complete	2001-2028	\$315,537			100.00	\$315,537	100%	32,636	\$9.67
2223/123338	Mains networks	Site 14 to Kairua Rd (Stage1)	Complete	2001-2028	\$1,054,244			100.00	\$1,054,244	100%	32,636	\$32.30
280174	Mains networks	The Mall to Coronation Park - P14	Complete	2001-2028	\$896,000			100.00	\$896,000	100%	32,636	\$27.45
238/122058	Mains networks	Nikau Cres to Hull Road main (design costs only)	Complete	2001-2028	\$943			100.00	\$943	100%	32,636	\$0.03
280189	Reservoir	Cambridge Rd reservoir land purchase	Complete	2001-2028	\$249,196			100.00	\$249,196	100%	32,636	\$7.64
280186	Reservoir	Cambridge Rd reservoir No.3	Complete	2001-2028	\$753,559		34.50	65.50	\$493,581	100%	32,636	\$15.12
280188	Reservoir	Cambridge Rd reservoir overflow	Complete	2001-2028	\$35,846			100.00	\$35,846	100%	32,636	\$1.10
280187	Reservoir	Cambridge Rd reservoir preload	Complete	2001-2028	\$112,638		34.50	65.50	\$73,778	100%	32,636	\$2.26
153/0	Reservoir	Oropi Rd reservoir No.3 land purchase	Complete	2001-2028	\$205,242			100.00	\$205,242	100%	32,636	\$6.29
171/122410	Reservoir	Pyes Pā West RL60 reservoir No.1	Complete	2001-2028	\$5,723,000			100.00	\$5,723,000	100%	32,636	\$175.36
307/0	Reservoir	Reservoir land - Pyes Pā	Complete	2001-2028	\$500,000			100.00	\$500,000	100%	32,636	\$15.32
615/121620	Mains networks	Joyce Rd main (Pyes Pā Rd to Res)	Complete	2001-2028	\$2,639,270			100.00	\$2,639,270	100%	32,636	\$80.87
170/121237	Reservoir	Eastern reservoir No. 1	Complete	2001-2028	\$5,431,425			100.00	\$5,431,425	100%	32,636	\$166.42
610/123335	Mains networks	Welcome Bay high level main	Complete	2001-2028	\$4,064,000			100.00	\$4,064,000	100%	32,636	\$124.53
1843/0	Mains networks	Ōhauiti Rd main (Taylor to Summerhaven)	Complete	2001-2031	\$128,000			100.00	\$128,000	100%	38,085	\$3.36
280190	Reservoir	Oropi Rd treatment plant reservoir No.2	Complete	2001-2031	\$2,790,154			100.00	\$2,790,154	100%	38,085	\$73.26

Continued on next page

Citywide | Water cont.

Project ID	Project Group	Project Name	Expenditure period	Capacity life	Total CAPEX (\$)	% Non DC Funded	% Local DC funding	% DC Funded Citywide	\$ Citywide DC funded	% funded this period	Dwelling Units	\$ per unit
1851/0	Mains networks	Thornlea Dr main	Complete	2001-2031	\$7,000			100.00	\$7,000	100%	38,085	\$0.18
1848/0	Mains network	Truman Lane main	Complete	2001-2031	\$15,000			100.00	\$15,000	100%	38,085	\$0.39
1847/123198	Mains networks	Distribution Mains Improvements	Complete	2001-2031	\$416,000			100.00	\$416,000	100%	38,085	\$10.92
148/120844	Reservoir	Cambridge Rd reservoir No.4	2031-2034	2016-2051	\$32,419,470			100.00	\$32,419,470	100%	37,480	\$864.98
166/122167	Reservoir	Oropi reservoir No.3	2034-2037	2016-2051	\$17,073,604			100.00	\$17,073,604	100%	37,480	\$455.54
178/122411	Reservoir	Pyes Pā West RL60 reservoir No.2	2035-2039	2016-2051	\$6,777,450			100.00	\$6,777,450	100%	37,480	\$180.83
1942/122693	Waiāri	SH2 Main- From Poplar Lane to Domain Road	Complete	2022-2052	\$20,553,545			90.00	\$18,498,191	100%	30,685	\$602.84
253/122313	Waiāri	Poplar Lane Inlet Main (SH2 - Poplar Lane Res)	Complete	2022-2052	\$4,236,187			90.00	\$3,812,568	100%	30,685	\$124.25
242/0	Waiāri	SH2 Main- Mangatawa Lane to Domain Road	Complete	2022-2052	\$1,884,729			90.00	\$1,696,256	100%	30,685	\$55.28
272/0	Waiāri	Tara Road Main (Domain to Parton Road)	Complete	2022-2052	\$1,574,459			90.00	\$1,417,013	100%	30,685	\$46.18
2221/121236	Waiāri	Eastern Reservoir Inlet and Outlet Mains	Complete	2022-2052	\$5,741,175			90.00	\$5,167,058	100%	30,685	\$168.39
870/122809	Waiāri	Subregional water resource agreement	Complete	2022-2052	\$-			90.00	\$-	100%	30,685	\$-
876/0	Waiāri	Waiāri water project - planning and consents	Complete	2022-2052	\$619,641			90.00	\$557,677	100%	30,685	\$18.17
280171	Waiāri	Waiāri WS - Land purchase	Complete	2022-2052	\$2,078,480			90.00	\$1,870,632	100%	30,685	\$60.96
1604/0	Waiāri	Waiāri Reservoir	Complete	2022-2052	\$340,164			90.00	\$306,148	100%	30,685	\$9.98
1597/123179	Waiāri	Waiāri intake and water treatment plant	2023-2025	2022-2052	\$119,145,392			90.00	\$107,230,853	100%	30,685	\$3,494.57
1614/123183	Waiāri	Trunk main - Wairai to Poplar Lane	Complete	2022-2052	\$43,664,819			90.00	\$39,298,337	100%	30,685	\$1,280.70
247/123339	Waiāri	Welcome Bay Road Main (Eastern Res to SH2)	Complete	2022-2052	\$4,923,000			90.00	\$4,430,700	100%	30,685	\$144.39
3366/123290	Waiāri	Water Lane Booster Pump Station	2034-2037	2022-2052	\$6,899,715			90.00	\$6,209,744	100%	30,685	\$202.37
<b>Subtotal</b>					<b>\$306,957,252</b>				<b>\$282,082,193</b>			<b>\$8,776.84</b>
<b>Cost of Inflation</b>												<b>\$436.16</b>
<b>Cost of Capital</b>												<b>9,795.95</b>
<b>\$ per HUE</b>												<b>\$19,008.95</b>
<b>Plus impact of low demand dwelling</b>												<b>\$1,233.13</b>
<b>\$ per standard dwelling</b>												<b>\$20,242.08</b>

Citywide | Wastewater

Project ID	Project Name	Expenditure period	Funding period	Total CAPEX	% Non DC Funded	% DC Funded Other Areas	% DC Funded Citywide	Citywide DC	% to be recovered this period	Capacity life	\$ per unit
293/122943	Te Maunga - Ponds to Wetlands and Landscaping - actual costs	2029-2032	2007 - 2051	5,044,704	0.00		100.00	\$5,044,704	100	49,012	\$102.93
1556/122183	Outfall Pipeline - Seaward Section Upgrade	Complete	2007 - 2051	434,392	73.92		26.08	\$113,289	100	49,012	\$2.31
1550/0	Outfall Pipeline - Landward Section	Complete	2007 - 2051	3,051,131	73.92		26.08	\$795,735	100	49,012	\$16.24
3608/122969	Te Maunga WWTP - Flume Bypass	Complete	2019-2044	9,299,944	20.00		80.00	\$7,439,955	100	33,129	\$224.58
3677/122958	Te Maunga WWTP - Effluent Bypass	Complete	2019-2044	90,599	90.00		10.00	\$9,060	100	33,129	\$0.27
3606/122970	Te Maunga WWTP - Landward section of outfall	Complete	2019-2044	23,324,003	51.00		49.00	\$11,428,761	100	33,129	\$344.98
3672/122960	Te Maunga WWTP - Headworks	2025-2030	2019-2044	76,462,992	0.00		100.00	\$76,462,992	100	33,129	\$2,308.04
3605/122959	Te Maunga WWTP - Bioreactor 2	2023-2026	2019-2044	52,998,062	0.00		100.00	\$52,998,062	100	33,129	\$1,599.75
3673/122957	Te Maunga WWTP - Clarifier 3	2023-2027	2019-2044	29,994,902	0.00		100.00	\$30,425,067	100	33,129	\$918.38
122955	Te Maunga WWTP - Aeration Upgrade Stage 1	2026-2027	2026-2051	4,373,858	0.00		100.00	\$4,373,858	100	29,160	\$150.00
208432	Te Maunga WWTP - Electrical Power Upgrade	2026-2027	2026-2051	13,958,960	0.00		100.00	\$13,958,960	100	29,160	\$478.70
208428	Te Maunga WWTP - Picket Fence Thickner 3	2030-2034	2026-2051	4,493,296	0.00		100.00	\$4,493,296	100	29,160	\$154.09
208428	Te Maunga WWTP - Picket Fence Thickner 3	2030-2034	2026-2051	4,063,334	0.00		\$4,063,334	100	29,160	\$139.35	
<b>Subtotal</b>				<b>\$223,526,843</b>				<b>\$207,543,740</b>			<b>\$6,300.26</b>
<b>Cost of Inflation</b>											<b>423.15</b>
<b>Cost of Capital</b>											<b>4,895.40</b>
<b>\$ per HUE</b>											<b>11,618.81</b>
<b>Plus low demand dwelling</b>											<b>754.04</b>
<b>\$ per standard dwelling</b>											<b>12,372.85</b>

### Citywide | Reserves

Project ID	Project Group	Project Name	Planned expenditure timeframe	Planning period	Total CAPEX (\$)	% Non DC Funded	% Local DC funded	% Citywide DC Funded	Citywide DC	% to be recovered this period	Dwelling Units	Cost per unit
144/123011	Sub Regional Parks	TECT All Terrain Sub Regional Park Development	Complete	2001 - 2051	\$4,309,502	56.84		43.16	\$1,859,981	100%	46,668	\$39.86
143/121536	Sub Regional Parks	Huharua Harbour Park Development	Complete	2001 - 2051	\$597,396	56.84		43.16	\$257,836	100%	46,668	\$5.52
280309	Sub Regional Parks	TECT All Terrain - Active Rural	Complete	2001 - 2051	\$1,500,000	56.84		43.16	\$647,400	100%	46,668	\$13.87
280309	Sub Regional Parks	TECT All Terrain - Passive Harbourside Park	Complete	2001 - 2051	\$1,300,000	56.84		43.16	\$561,080	100%	25,565	\$21.95
749/122079	Active Reserves	Ocean down Reserves	Complete	2018 - 2028	\$1,634,697	51.92		48.08	\$785,962	100%	11,557	\$68.01
3325/122098	Western Corridor	Ōhauiti Reserve Development	2030-2031	2022 - 2053	\$3,308,482	50.00		50.00	\$1,654,241	100%	26,847	\$61.62
<b>Subtotal</b>					<b>\$12,650,077</b>							<b>\$210.83</b>
<b>Cost of Inflation</b>												<b>\$77.27</b>
<b>Cost of Capital</b>												<b>\$123.44</b>
<b>\$ per HUE</b>												<b>\$411.54</b>
<b>Plus low demand dwelling</b>												<b>\$26.70</b>
<b>\$ per standard dwelling</b>												<b>\$438.24</b>

### Citywide | Community Infrastructure

Project ID	Project Group	Project name	Planned expenditure timeframe	Funding period	Funding period finish	Total capital expenditure	Funding source				\$ funded via citywide DCs	% to be recovered this period	HUEs	Charge per HUE	
							Internal loan/renewal	External funding	Non DC funded costs	Level of service					Citywide DCs
199774	Indoor courts	Haumara Cameron Road	2025/2026	2023	2032	\$27,031,312	0%			65%	34.9885%	\$9,457,840	100%	9319	1,014.90
199773	Aquatics facility	Memorial aquatics facility	2024-2028	2023	2041	\$122,762,976	38.3	15.0	16.3	19.4	14.579%	\$17,897,867	100%	19527.4	916.55
121980	Libraries	Central Library and Community Hub	2023-2027	2023	2033	\$95,681,547	50.22	3.66		30.6	16%	\$14,851,238	100%	10468	1,418.73
<b>Subtotal</b>						<b>\$245,475,835</b>									<b>3,350.18</b>
<b>Cost of Inflation</b>												<b>15.08</b>			
<b>Cost of Capital</b>												<b>719.35</b>			
<b>\$ per HUE</b>												<b>4,084.61</b>			
<b>Plus low demand dwelling</b>												<b>265.84</b>			
<b>\$ per standard dwelling</b>												<b>4,350.45</b>			

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Bethlehem

# Bethlehem

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## Schedule of assets: Bethlehem

- 6.2.1 The Bethlehem Urban Growth Area is made up of four distinct sections, North East Bethlehem, the Bethlehem Triangle, Bethlehem West and South Bethlehem. These are shown on Structure Plan 1 through to Structure Plan 4.
- Structure Plan 1 shows North East Bethlehem. This consists of land north of State Highway 2 and east of Bethlehem Road. The northern part is largely covered by a Marae zone which is currently rural. It is anticipated that this will change in the future to an Urban Marae and all the services and development contributions have been set up ready for this to occur,
  - Structure Plan 2 shows the Bethlehem Triangle. This area is primarily zoned residential and is bounded by Moffat Road, Cambridge Road and Stage Highway 2,
  - Structure Plan 3 shows Bethlehem West. This area is west of Moffat Road is primarily zoned rural residential,
  - Structure Plan 4 shows South Bethlehem. This is the area between Cambridge Road and Takitimu Drive.
- 6.2.2 The expected yield for Bethlehem is based on 10 dwellings per hectare.
- 6.2.3 The planning period used is 1991-2041.
- 6.2.4 The household divisor used to calculate the per unit rates for each activity are set out below.

Table 57: Household unit divisors for Bethlehem

	Water	Wastewater	Stormwater	Transport	Reserves
<b>Residential</b>	2,850	3,000	2,850	2,850	
<b>Rural residential</b>	249			249	
<b>Less: growth 1992 - 2001</b>					
<b>Total</b>	<b>3,099</b>	<b>3,000</b>	<b>2,850</b>		<b>0</b>

- 6.2.5 The attached schedules set out the infrastructure projects planned for Bethlehem Urban Growth Area and funded by local development contributions.

## Bethlehem | Water

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding sources (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Other catchments	Bethlehem			
280216/920	Beaumaris Boulevard Link	Complete	\$106,808			100.00	\$106,808	3099	\$34.47
280251/879	Bethlehem Rd Stage 2 Watermains - Bethlehem to end	Complete	\$102,863			100.00	\$102,863	3099	\$33.19
280250/945	Bethlehem Rd Stage 2 Watermains - Marae to end	Complete	\$92,690			100.00	\$92,690	3099	\$29.91
280005	Bethlehem Road (SH2 to Carmichael) 300mm dia	Complete	\$99,850			100.00	\$99,850	3099	\$32.22
280249/943	Bethlehem Rd Watermains - Carmichael Road to Marae	Complete	\$133,717			100.00	\$133,717	3099	\$43.15
280248/1085	Cambridge Road (south of Moffat) - 200mm dia	Complete	\$114,412			100.00	\$114,412	3099	\$36.92
280902	Castlewold Drive - watermains 150mm dia difference	Complete	\$13,830			100.00	\$13,830	3099	\$4.46
280300/1163	Mayfield Road to Carmichael Link - 150mm dia	Complete	\$118,964			100.00	\$118,964	3099	\$38.39
280002	Moffat Road	Complete	\$310,903			100.00	\$310,903	3099	\$100.32
280001	Orange Lane	Complete	\$13,002			100.00	\$13,002	3099	\$4.20
280004	Reservoir, Cambridge Road	Complete	\$866,197	64.50		35.50	\$307,500	3099	\$99.23
280903	St Andrews Drive - watermains dia difference	Complete	\$36,000			100.00	\$36,000	3099	\$11.62
<b>280003</b>	<b>Water Main from Reservoir to Moffat Road - 300mm dia</b>	<b>Complete</b>	<b>\$94,220</b>			<b>100.00</b>	<b>\$94,220</b>	<b>3099</b>	<b>\$30.40</b>
<b>Subtotal</b>			<b>\$2,103,456</b>				<b>\$1,544,759</b>		<b>\$498.48</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$152.22</b>
<b>Total</b>									<b>\$650.70</b>

### Bethlehem | Wastewater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding sources (%)				\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Renewal	West Bethlehem	Bethlehem DCs			
280055	Bethlehem Triangle - Jonathon Street to Cambridge/Moffat Road Intersection	Complete	\$705,596				100.00	\$705,596	3000	\$235.20
280056	Mayfield Lane to Point B, Rising Main, Thrusting, + 2 x Pumpstations	Complete	\$683,596	10.00		24.30	65.70	\$449,123	3000	\$149.71
280057	Point B Southwest to SH2	Complete	\$265,183	10.00		24.30	65.70	\$174,225	3000	\$58.08
280058	Point B to Carmichael Road	Complete	\$294,400	10.00		24.30	65.70	\$193,421	3000	\$64.47
280252	Carmichael Road to Bethlehem Road (cross country) - 150mm dia mains, rising main and pump station	Complete	\$432,723				100.00	\$432,723	3000	\$144.24
280253	Carmichael Road to Bethlehem Road - 200mm dia Type 1	Complete	\$375,000	10.00		24.30	65.70	\$246,375	3000	\$82.13
280059	Bethlehem to Birch Avenue to Judea pump station and pipe work	Complete	\$1,652,687	10.00	40.70	6.60	42.70	\$705,697	3000	\$235.23
280060	Judea rising main and pump station upgrade	Complete	\$836,802	10.00	53.50	4.50	32.00	\$267,777	3000	\$89.26
280061	Bethlehem pump station construction	Complete	\$1,289,808	10.00	40.70	6.60	42.70	\$550,748	3000	\$183.58
1467/0	Beaumaris Boulevard Link	Complete	\$128,761				100.00	\$128,761	3000	\$42.92
2122	Carmichael Road to Bethlehem Road (cross country) - pump station and 1500mm dia rising main	Complete	\$460,528	10.00		72.00	18.00	\$82,895	3000	\$27.63
297/122738	Southern Pipeline. *The Southern Pipeline charge per unit is calculated different to other projects. Details regarding the funding calculation are set out Section 5.8. The DC charge per unit shown in the final column is inclusive of inflation and capital costs unlike other projects.	Complete	\$103,718,735	10.00		72.00				\$3,676.00
<b>Subtotal</b>			<b>\$110,843,818</b>					<b>\$3,937,340</b>		<b>\$4,988.45</b>
<b>Cost of Inflation (excluding Southern Pipeline)</b>										<b>\$-</b>
<b>Cost of Capital (excluding Southern Pipeline)</b>										<b>\$480.37</b>
<b>Total</b>										<b>\$5,468.82</b>

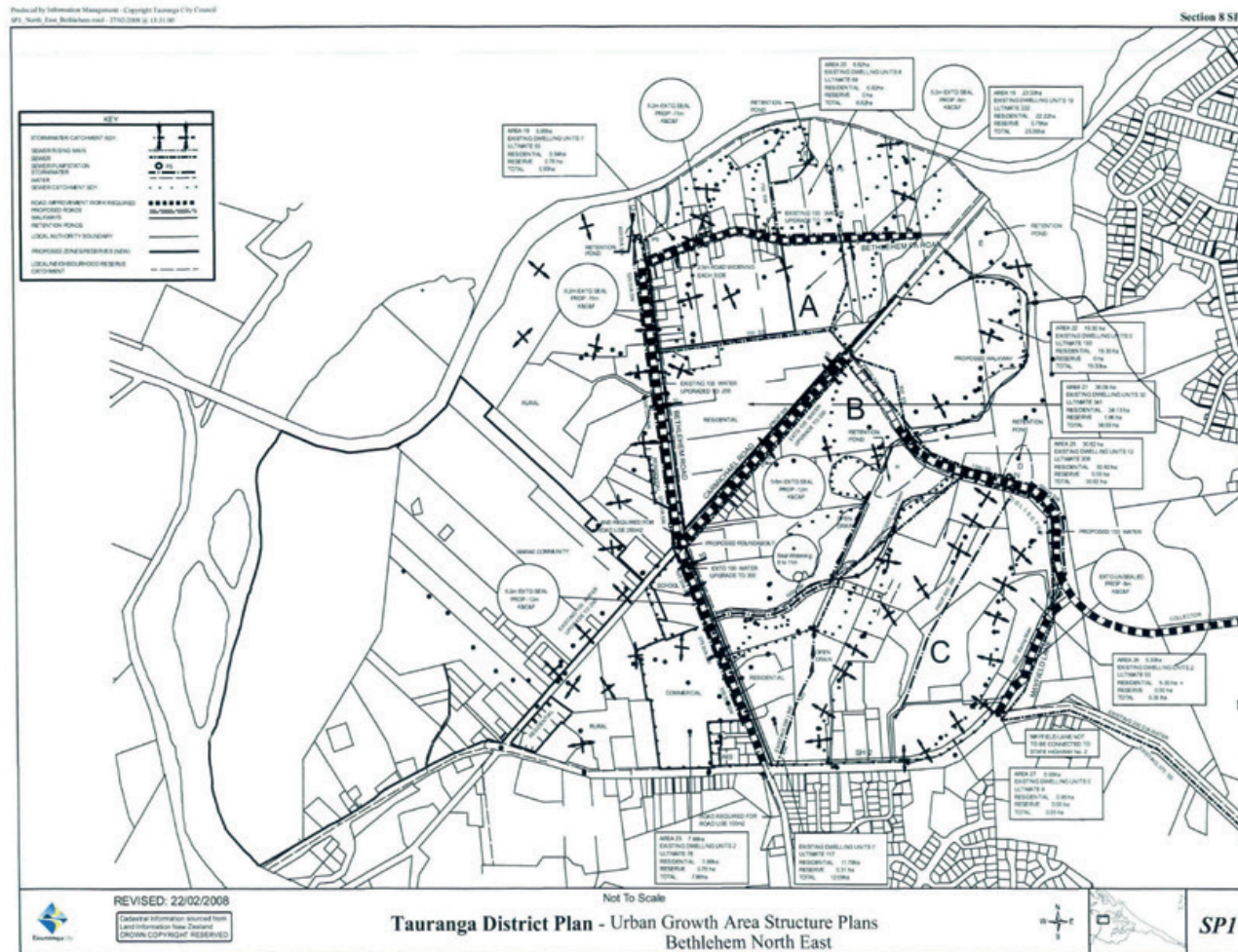
### Bethlehem | Stormwater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding sources (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	West Bethlehem	Bethlehem			
280102	Ponds A1 & A2 (land purchase, construction, landscaping)	Complete	\$171,726			100.00	\$171,726	2850	\$60.25
280103	Pond A4 (land purchase, construction, landscaping)	Complete	\$55,736			100.00	\$55,736	2850	\$19.56
280104	Pond A5 - land purchase, construction and landscaping	Complete	\$223,857			100.00	\$223,857	2850	\$78.55
280105	Pond A6 - Land purchase (easement)	Complete	\$132,310			100.00	\$132,310	2850	\$46.42
280106	Pond A7 (land purchase, construction of Pond and Outlet)	Complete	\$276,387			100.00	\$276,387	2850	\$96.98
280107	Pond B1 (land, construction, landscaping)	Complete	\$401,455			100.00	\$401,455	2850	\$140.86
280108	Roading Associated - Moffat Road	Complete	\$286,460	46.00		54.00	\$154,689	2850	\$54.28
280109	Roading Associated - Cambridge Rd	Complete	\$581,450	72.00		28.00	\$162,806	2850	\$57.12
280110	Roading Associated -South Cambridge	Complete	\$433,200	64.00		36.00	\$155,952	2850	\$54.72
280222	Bethlehem SIF Pond E - Land Purchase	Complete	\$71,100			100.00	\$71,100	2850	\$24.95
280238	Pond C - Roading Associated	Complete	\$504,836		6.29	93.71	\$473,082	2850	\$165.99
280239	Pond D - Dam Construction	Complete	\$319,470			100.00	\$319,470	2850	\$112.09
280240	Pond D - Roading Associated	Complete	\$150,197			100.00	\$150,197	2850	\$52.70
280241	Pond H	Complete	\$169,218		20.00	80.00	\$135,374	2850	\$47.50
280242	Carmichael Farm Ponding Area	Complete	\$2,184,734	30.00	3.50	66.50	\$1,452,848	2850	\$509.77
280269	Roading associated stormwater - Millers to Bellevue	Complete	\$193,938			100.00	\$193,938	2850	\$68.05
280271	Carmichael Road south - Roading associated stormwater	Complete	\$86,426			100.00	\$86,426	2850	\$30.32
280272	Bethlehem SIF Pond A3 (previously Lips 981) - land purchase and landscaping and planting	Complete	\$266,851			100.00	\$266,851	2850	\$93.63
1360/0	Beaumaris Boulevard Link - Roading Associated	Complete	\$637,549			100.00	\$637,549	2850	\$223.70
981/0	Bethlehem SIF Pond F - dam construction	Complete	\$135,040			100.00	\$135,040	2850	\$47.38
1573/0	Bethlehem SIF Pond E Construction, Dam, Landscaping	Complete	\$91,490			100.00	\$91,490	2850	\$32.10
1578/120761	Land Purchase of Simonek Property for A3 Pond in 2010	Complete	\$5,400			100.00	\$5,400	2850	\$1.89
1582/120765	Bethlehem Road East Stormwater Management Programme - Low Impact Design Option - Stage 1 (replaces Pond D and G works)	Engineers estimate	\$2,227,831		70.00	30.00	\$668,349	2850	\$234.51
<b>Subtotal</b>			<b>\$9,606,661</b>						<b>\$2,253.32</b>
<b>Cost of Inflation</b>									<b>\$2.74</b>
<b>Cost of Capital</b>									<b>\$527.74</b>
<b>Total</b>									<b>\$2,783.80</b>

### Bethlehem | Transport

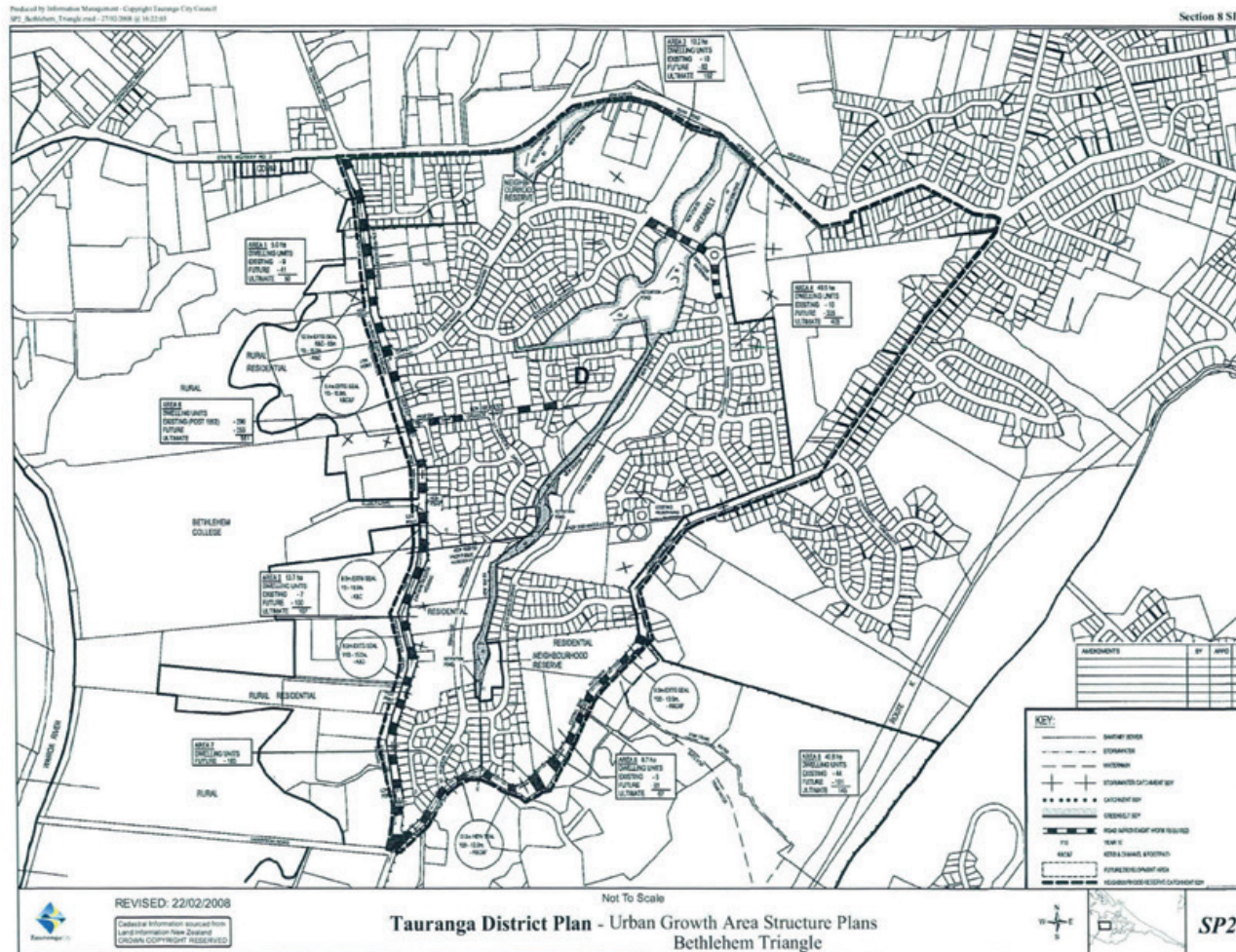
Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)	
				Loan	Renewal	NZTA				West Bethlehem
280226	Millers Road Reconstruction Ext to Mayfield Lane	Complete	\$300,764	37.00			63.00	\$189,481	3099	61.14
280035	Millers Road Widening (Unformed Section) - 390m - 930m	Complete	\$615,785	67.00			33.00	\$203,209	3099	65.57
280030	Moffat Road Widening - 2.1km	Complete	\$943,763	46.00			54.00	\$509,632	3099	164.45
280033	Orange Lane Widening - 0.465km	Complete	\$126,924				100.00	\$126,924	3099	40.96
280036	Pavement Widening - Mayfield Subdivision	Complete	\$431,800	80.00			20.00	\$86,360	3099	27.87
280036	Mayfield subdivision access (land)	Complete	\$10,850	80.00			20.00	\$2,170	3099	0.70
280031	Road Widening.- Moffat Road - Land Purchase	Complete	\$1,370,625	46.00			54.00	\$740,138	3099	238.83
280273	Beaumaris Boulevard Link	Complete	\$401,301				100.00	\$401,301	3099	129.49
280034	Bethlehem Road Widening (SH2 to Carmichaels Rd)	Complete	\$167,647		50.79		49.21	\$82,499	3099	26.62
280034	Bethlehem Rd (SH2- Carmichael)2	Complete	\$504,624		50.79		49.21	\$248,325	3099	80.13
280029	Cambridge Road Widening (Moffat Rd intersection south)	Complete	\$776,894	64.00			36.00	\$279,682	3099	90.25
280032	Cambridge Road Land Purchase	Complete	\$206,938	64.00			36.00	\$74,498	3099	24.04
280225	Cambridge Road Upgrade	Complete	\$379,470	72.00			28.00	\$106,252	3099	34.29
280263	Carmichael Rd Upgrading (previously Lips 174)	Complete	\$454,088	4.00			96.00	\$435,924	3099	140.67
280258	Intersection Upgrades - Bethlehem/Carmichael Road	Complete	\$503,881	20.00			40.00	\$201,552	3099	65.04
280274	Millars Rd Reconstruction From Bellevue Rd	Complete	\$767,456	37.00			63.00	\$483,497	3099	156.02
280278	Mayfield Lane to Carmichael Rd	Complete	\$665,540	56.00			44.00	\$292,838	3099	94.49
145/0	Beaumaris Boulevard Link (carriageway construction)	Complete	\$3,166,079			15.23	84.77	\$2,683,885	3099	866.05
163/0	Bethlehem Rd widening Carmichael Road to 200m nt	Complete	\$842,855	6.00	25.00		34.50	\$290,785	3099	93.83
227/0	Mayfield Lane to Carmichael Road (1.045km new road)	Complete	\$238,931				100.00	\$238,931	3099	77.10
175/0	Mayfield Lane Upgrading	Complete	\$31,279	8.00			92.00	\$28,777	3099	9.29
177/0	Millers Rd (connect to Mayfield)	Complete	\$855,805	37.00			63.00	\$539,157	3099	173.98
2247/120748	Bethlehem Road Reconstruction Stage 2 - From House 109 to Marae Corner. Widening kerb and channel and footpath one side plus lighting	Engineers estimate	\$1,746,899	-	31.00		34.50	\$602,680	3099	194.48
164/120750	Bethlehem Road Upgrading Stage 3 (from Marae Corner to 610m east). Requires land purchase	Engineers estimate	\$2,839,945	14.45	15.00		70.55	\$2,003,581	3099	646.53
<b>Subtotal</b>			<b>\$18,350,143</b>					<b>\$10,852,079</b>		3,501.82
<b>Cost of Inflation</b>										(4.15)
<b>Cost of Capital</b>										209.37
<b>Total</b>										3,707.04

Urban Growth Area Structure Plans - Bethlehem North East



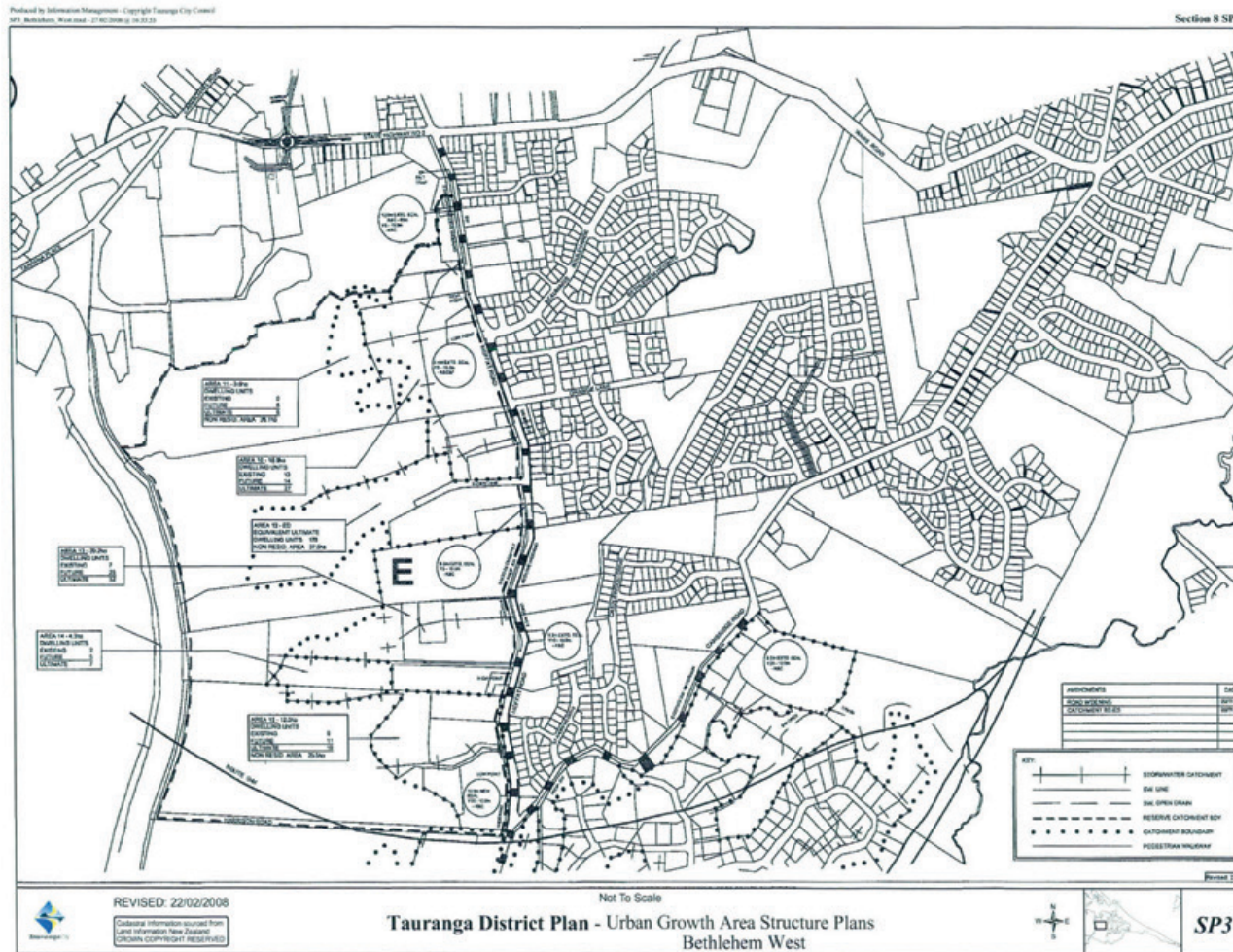
All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

Urban Growth Area Structure Plans - Bethlehem Triangle



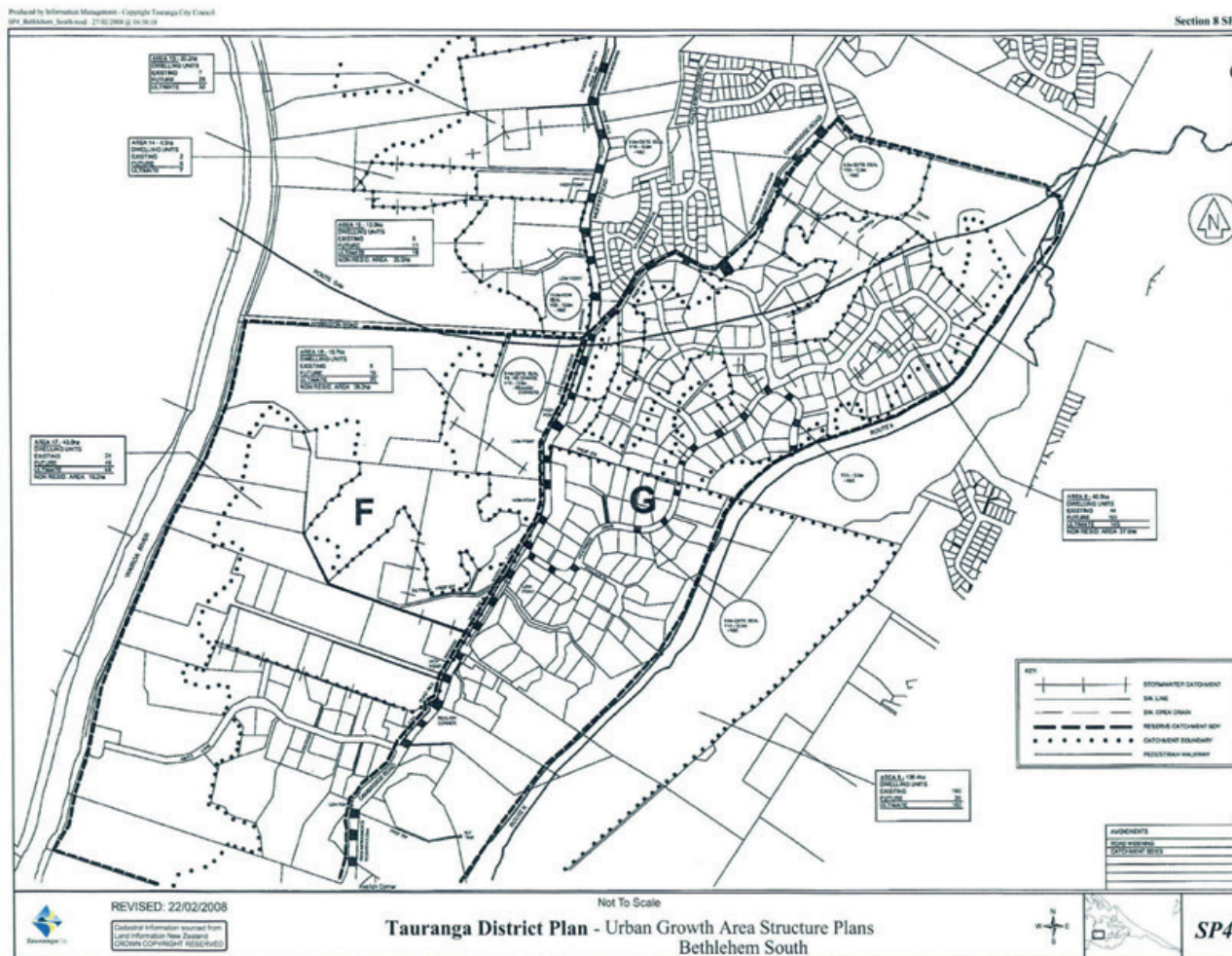
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Urban Growth Area Structure Plans - Bethlehem West



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

### Urban Growth Area Structure Plans - Bethlehem South



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# Ōhauiti

Ōhauiti



## Schedule of assets: Ōhauiti

- 6.3.1 Ōhauiti Urban Growth Area borders the Tauranga Infill area on the Southern boundary of Tauranga City Council. Development within the catchment is a mixture of infill development and Greenfield development. Structure plan 6 sets out bulk infrastructure provisions for the Ōhauiti.
- 6.3.2 The planning period used for all infrastructure in Ōhauiti growth area is 1991-2026.
- 6.3.3 The expected yield for Ōhauiti growth area is based on 10 dwellings per hectare.
- 6.3.4 The growth divisors are based on the following:

Table 58: Household unit divisors for Ōhauiti

	Water	Wastewater	Stormwater	Transport	Reserves
<b>Residential</b>	1,293	1,293	1,293	1,293	
<b>Residential Development 1992-1995</b>	3	3	3	3	
<b>Rural Residential development 1995-1995</b>	74			74	
<b>Total</b>	<b>1,370</b>	<b>1,296</b>	<b>1,296</b>	<b>1,370</b>	

- 6.3.5 The attached schedules set out the infrastructure projects planned for Bethlehem Urban Growth Area and funded by local development contributions.

### Ōhauiti | Water

Project ID	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Ōhauiti			
280217	Hollister Lane Extension	Complete	\$41,500			100.00	\$41,500	1370	\$30.29
280007	Hollister Lane	Complete	\$30,994			100.00	\$30,994	1370	\$22.62
280008	Hollister Lane Link	Complete	\$12,686			100.00	\$12,686	1370	\$9.26
280006	Ōhauiti Road (200)	Complete	\$394,914			100.00	\$394,914	1370	\$288.26
280006	Ōhauiti Road (300)	Complete	\$188,585			100.00	\$188,585	1370	\$137.65
280009	Pump Station	Complete	\$528,691			100.00	\$528,691	1370	\$385.91
2800100	Ōhauiti High Level Reservoir	Complete	\$4,309,684			100.00	\$4,309,684	1370	\$3,145.75
<b>Subtotal</b>			<b>\$5,507,054</b>				<b>\$5,507,054</b>		<b>\$4,019.74</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$594.70</b>
<b>Total</b>									<b>\$4,614.44</b>

### Ōhauiti | Wastewater

Project ID	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Ōhauiti			
280064	McFetridge Lane to Rowe Property, 225mm dia + 150m rising main	Complete	\$183,114			100.00	\$183,114	1296	\$141.29
280067	Northwest of Hollister Lane to Windermere Drive	Complete	\$78,934			100.00	\$78,934	1296	\$60.91
280066	Poike Road to West of Hollister Lane	Complete	\$169,709			100.00	\$169,709	1296	\$130.95
280068	Pump Station and Rising Main	Complete	\$210,038			100.00	\$210,038	1296	\$162.07
280065	Up Gully East of Hollister Lane	Complete	\$211,009			100.00	\$211,009	1296	\$162.82
302	Ōhauiti Sewer Duplication	Complete	\$478,112			100.00	\$478,112	1296	\$368.91
297	Southern Pipeline	Complete	\$107,607,540	33.36		1.37			\$3,996.84
*** Details regarding the Southern Pipeline are set out in Section 5.8. The total cost of the project is currently estimated at \$107,607,540. Approximately 1/3 of costs are funded via development contributions. The per unit cost shown in this table is inclusive of the inflation and interest costs.									
<b>Subtotal</b>			<b>\$108,938,456</b>				<b>\$1,330,916</b>		<b>\$5,023.79</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital (excluding Southern Pipeline)</b>									<b>\$162.84</b>
<b>Total</b>									<b>\$5,186.63</b>

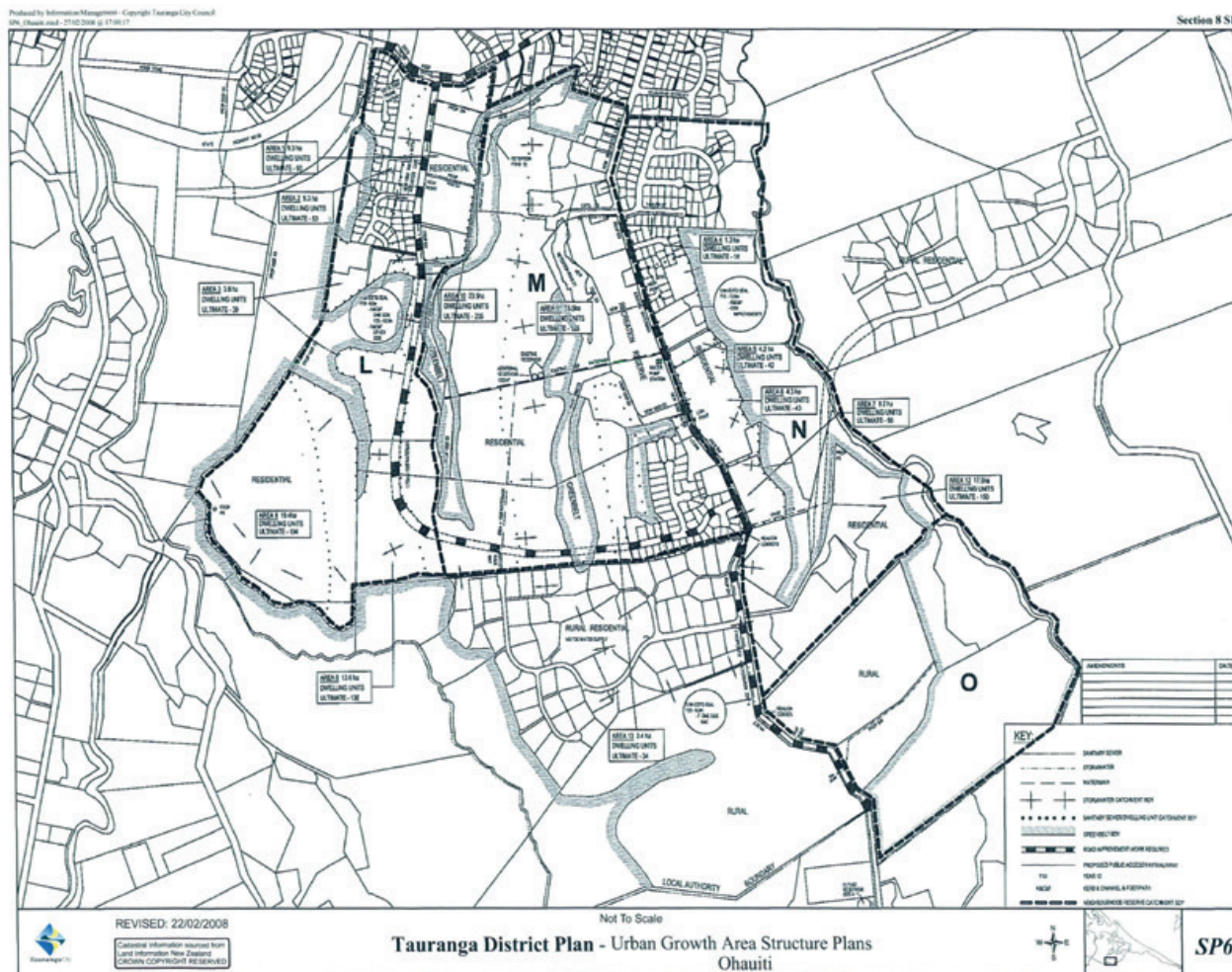
### Ōhauiti | Stormwater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Ōhauiti			
							\$	1296	
280114	Hollister Lane- Rooding Associated	Complete	\$143,900			100.00	\$143,900	1296	\$111.03
280113	Hollister Lane Pond	Complete	\$323,640			100.00	\$323,640	1296	\$249.73
280112	McFetridge Lane Rooding Associated	Complete	\$210,258	71.00		29.00	\$60,975	1296	\$47.05
280111	McFetridge Lane Pond	Complete	\$156,015			100.00	\$156,015	1296	\$120.39
<b>Subtotal</b>			<b>\$833,813</b>				<b>\$684,530</b>		<b>\$528.20</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$143.67</b>
<b>Total</b>									<b>\$671.87</b>

### Ōhauiti | Transport

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	DC: Ōhauiti			
280038	Hollister Lane - 0.57km (widen 4.m to 11m + upgrades)	Complete	\$375,223			100.00	\$375,223	1370	\$273.89
280229	Hollister Lane Extension	Complete	\$262,794	82.00		18.00	\$47,303	1370	\$34.53
280228	Ōhauiti Rd (Boscobel South - 1st stage - widen to 12m)	Complete	\$752,419	71.00		29.00	\$218,201	1370	\$159.27
280037	Poike Road - 1.04km (widen from 6m to 12m)	Complete	\$734,178	29.18		70.82	\$519,945	1370	\$379.52
104	Hollister Lane Extension	Complete	\$32,240	82.00		18.00	\$5,803	1370	\$4.24
122097	Ōhauiti Road upgrades (Boscobel development to City Boundary + Corner improvements)	Engineers estimate	\$517,807	71%		29%	\$150,164	1370	\$109.61
<b>Subtotal</b>			<b>\$2,674,661</b>						<b>\$961.06</b>
<b>Cost of Inflation</b>									<b>\$9.72</b>
<b>Cost of Capital</b>									<b>\$121.18</b>
<b>Total</b>									<b>\$1,091.96</b>

Urban Growth Area Structure Plans - Ōhauiti



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

# Upper Ōhauiti

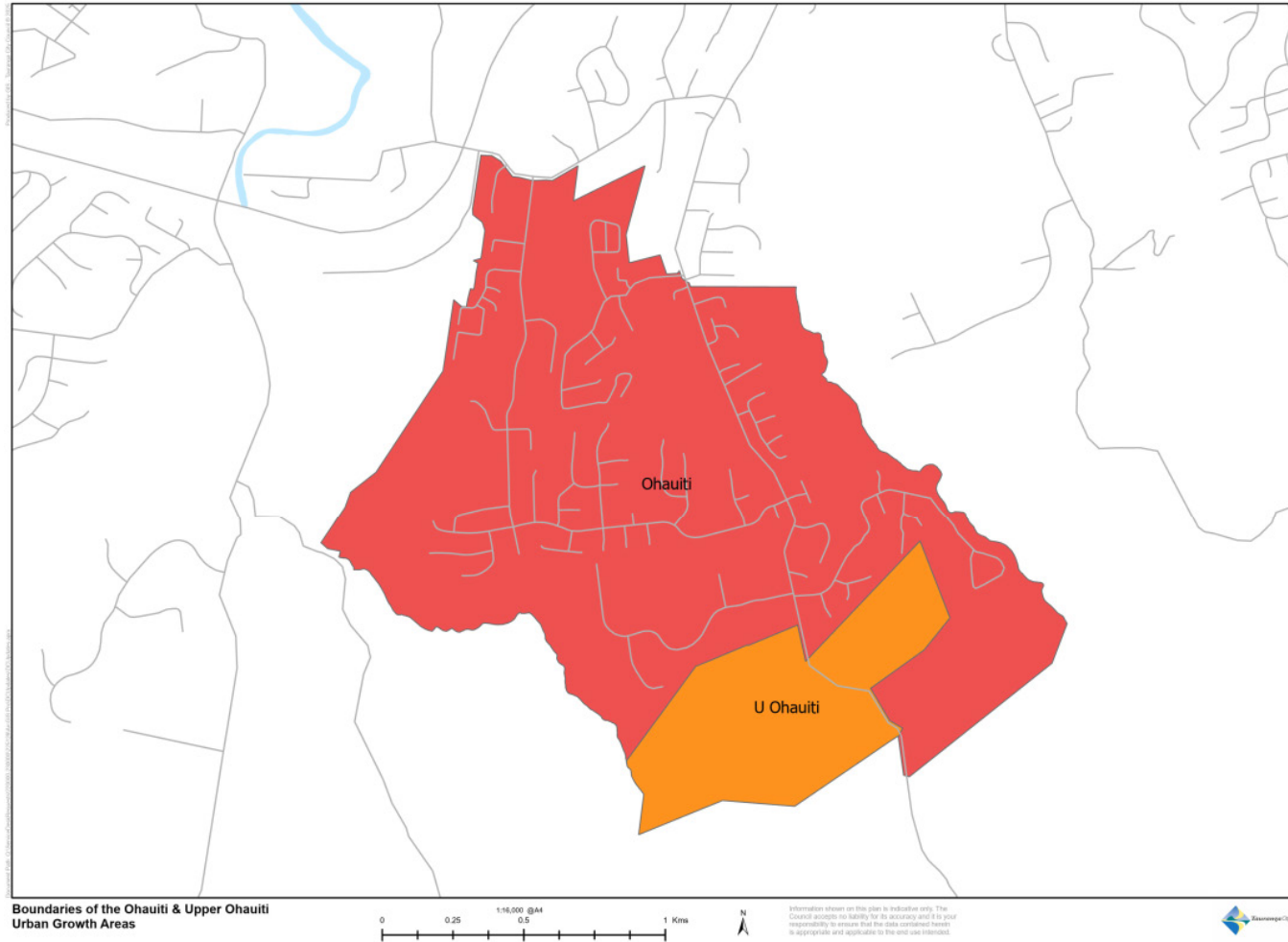
Upper Ōhauiti



## Schedule of assets: Upper Ōhauiti

- 6.4.1 Upper Ōhauiti is a new catchment located south of Ōhauiti at 120 and 125 Upper Ōhauiti Road enabled through recently approved and notified Private Plan Change 39 which rezones 56.423 ha of land from rural and greenbelt zones to medium density residential zoning. Historically, this land formed part of the Ōhauiti catchment.
- 6.4.2 The overall area is held in two land parcels (Lot 1 DPS 18834 and Lot 2 DPS 2195) totaling 56.423 ha located on the western and eastern sides of Upper Ōhauiti Road, bordering the established urban Ōhauiti catchment to the north, and rural land including TCC's territory authority boundary to the south. See map below for illustrative purposes.
- 6.4.3 Local development contributions for this area are not yet effective and are yet to be included in the Long-term Plan, however once included, will be collected in relation to new wastewater infrastructure. For clarity, Upper Ōhauiti development contributions will not be charged until the Long-term Plan is updated to include the relevant capex projects. Development will be required to contribution towards Southern Pipeline charges. These charges are effective from the date this Policy becomes operative.
- 6.4.4 Local development contributions for residential development have been calculated on a per lot basis. For non-residential development, local contributions will be charged per additional m<sup>2</sup> of gross floor area. It is likely that in time, once the total developable area of the area is known, Development Contributions will be charged on a per hectare basis.
- 6.4.5 Further information regarding the calculation of charges can be found in Section 5.

The Upper Ōhauiti catchment area is shown in orange on the map below.



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

### Upper Ōhauiti | Wastewater

Project ID	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Ōhauiti			
	Awaiti Place Gravity sewer upgrade (from await pi to Poike rd)	By 2034	\$3,000,000	0.25		75.00	\$2,250,000	469	4,797
	Ila Place Pump station upgrade	By 2044	\$1,720,000	0.25		75.00	\$1,290,000	469	2,751
122738 / 297	Southern Pipeline. *** Southern Pipeline charge per unit is calculated different to other projects. Details regarding the funding calculation are set out Section 5.8. The DC charge per unit shown in the final column is inclusive of inflation and capital costs unlike other projects.		\$103,718,935	33.36					3,997
<b>Subtotal</b>			<b>\$108,438,935</b>				<b>\$3,540,000</b>		<b>11,545</b>
<b>Cost of Inflation</b>									<b>-</b>
<b>Cost of Capital (excluding Southern Pipeline)</b>									<b>123</b>
<b>Total</b>									<b>11,668</b>

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# Pāpāmoa

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Pāpāmoa



## Schedule of assets: Pāpāmoa

- 6.5.1 The Pāpāmoa Urban Growth Area starts at Maranui Street and continues along the coast out to the boundary of the Te Tumu blocks. The Pāpāmoa growth area borders the Mount Infill area, the Wairakei Urban Growth Area and the future Te Tumu Urban Growth Area.
- 6.5.2 The planning period used for all infrastructure in Ōhauiti growth area is 1991-2026.
- 6.5.2 Development within Pāpāmoa is a mix of infill and greenfield development along with some commercial. There are 4 structure plans for Pāpāmoa:
  - Structure Plan 8 starts at Maranui Street through to Evans Road/Hartford Avenue area,
  - Structure Plan 9 continues from Evans to Domain Road/Opal Road area,
  - Structure Plan 10 is from Opal Drive through to the end of Simpson Road near Taylors Reserve,
  - Structure Plan 11 shows from Taylors Road to the end of Pāpāmoa. This plan also shows the outline of the area which is now Wairakei Urban Growth Area (which is detailed in structure plan 15).
- 6.5.3 The expected yield used for calculating residential divisors for Pāpāmoa is 11 dwelling per hectare. The total expected household units and commercial scaling factors are set out below. In Pāpāmoa the household unit equivalents for non-residential development (and the commercial scaling factors) are based on 900m<sup>2</sup> sections.
- 6.5.4 The growth divisors are based on the following:

Table 59: Household unit divisors for Pāpāmoa

	Water	Wastewater	Stormwater	Transport	Reserves
<b>New Residential</b>	5,660	5,660	5,660	5,660	2,584
<b>Serviced Infill</b>			1,045	1,045	
<b>Development 1992-1995</b>	449	499	499	499	
<b>Commercial Lots</b>	439	439	439	439	439
<i>x Commercial Multiplier</i>	1.80	1.20	2.20	1.00	0.00
<b>Subtotal Commercial</b>	790	527	966	439	0
<b>Total</b>	<b>6,949</b>	<b>6,686</b>	<b>8,170</b>	<b>7,643</b>	<b>2,584</b>

### Pāpāmoa | Water

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			Costs funded via Catchment	Growth divisor (HUE)	Cost per unit (\$)
				Loan	Renewal	DCs: Pāpāmoa			
280011	Grenada Street extension	Complete	\$22,137			100	\$22,137	6949	\$3.19
280012	Evans Road Extension	Complete	\$2,121			100	\$2,121	6949	\$0.31
280013	Gravatt Road	Complete	\$125,108			100	\$125,108	6949	\$18.00
280014	Domain Road 200	Complete	\$39,053			100	\$39,053	6949	\$5.62
280014	Domain Road 225	Complete	\$59,623			100	\$59,623	6949	\$8.58
280015	Longview Drive	Complete	\$14,914			100	\$14,914	6949	\$2.15
280016	Pāpāmoa Beach to Majori Lane	Complete	\$507,937			100	\$507,937	6949	\$73.09
280218	Gloucester Street Extension	Complete	\$92,078			100	\$92,078	6949	\$13.25
280219	SH2/Maranui Street	Complete	\$14,382			100	\$14,382	6949	\$2.07
280219	Link SH2-Maranui Street 225	Complete	\$208,750			100	\$208,750	6949	\$30.04
280276	Wairakei Stream Crossing - Emerald Shores	Complete	\$8,100			100	\$8,100	6949	\$1.17
1089/121220	Doncaster Drive Watermain	Complete	\$71,405			100	\$71,405	6949	\$10.28
929/0	Wairakei Stream Crossing: Golden Sands	Complete	\$13,232			100	\$13,232	6949	\$1.90
949/0	Parton Road Reconstruction - Watermain	Complete	\$275,000			100	\$275,000	6949	\$39.57
121392	Gloucester Street Watermain in new road corridor.	Engineers estimate	\$75,032			100	\$75,032	6949	\$10.80
<b>Subtotal</b>			<b>1,528,871.24</b>						<b>\$220.02</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$23.59</b>
<b>Total development contribution charge per household unit equivalent (HUE)</b>									<b>\$243.61</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>									
<b>Commercial scaling factor for 900m2 sites (water)</b>									<b>1.80</b>
<b>\$ per 900m2 site for commercial development in Pāpāmoa</b>									<b>438.50</b>
<b>\$ per hectare for commercial development in Pāpāmoa</b>									<b>4,872.20</b>

### Pāpāmoa | Wastewater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			Costs funded via Catchment	Divisor (HUE)	Cost per unit (\$)
				Loan	Renewal	DC: Pāpāmoa			
280069	Pump Stations - Catchment No 2	Complete	\$102,591			100	\$102,591	6686	\$15.34
280070	Pump Stations - Catchment No 4	Complete	\$239,553			100	\$239,553	6686	\$35.83
280071	Pump Stations - Catchment No 6	Complete	\$126,050			100	\$126,050	6686	\$18.85
280072	Pump Stations - Catchment No 7 + rising main	Complete	\$126,705			100	\$126,705	6686	\$18.95
280073	Pump Station - Catchment 13	Complete	\$75,813			100	\$75,813	6686	\$11.34
280074	Pump Stations - Catchment No 15	Complete	\$58,454			100	\$58,454	6686	\$8.74
280075	Pump Stations - Catchment No 18	Complete	\$107,981			100	\$107,981	6686	\$16.15
280076	Pump Stations - Catchment No 20	Complete	\$72,046			100	\$72,046	6686	\$10.78
280077	Pump Stations - Catchment 22	Complete	\$80,200			100	\$80,200	6686	\$12.00
280078	Pump Stations - Catchment No 23	Complete	\$97,200			100	\$97,200	6686	\$14.54
280079	Pump Stations - Catchment No 26	Complete	\$28,503			100	\$28,503	6686	\$4.26
280080	Pump Stations - Catchment No 27	Complete	\$102,474			100	\$102,474	6686	\$15.33
280081	Pump Stations - Catchment No 28	Complete	\$138,888			100	\$138,888	6686	\$20.77
280082	Pump Stations - Catchment No 29	Complete	\$66,400			100	\$66,400	6686	\$9.93
280083	Pump Stations - Catchment No 30	Complete	\$124,355			100	\$124,355	6686	\$18.60
280084	Pump Stations - Catchment No 34	Complete	\$215,325			100	\$215,325	6686	\$32.21
280085	Pump Stations - Catchment No 36	Complete	\$134,365			100	\$134,365	6686	\$20.10
280086	Pump Stations - Catchment No 38	Complete	\$110,480			100	\$110,480	6686	\$16.52
280087	Pump Stations - Catchment No 40	Complete	\$100,251			100	\$100,251	6686	\$14.99
280088	Pump Station (Doncaster Dr to Summerlands Subd)	Complete	\$12,403			100	\$12,403	6686	\$1.86
280089	Efford Block (150mm pipe through Gordon Spratt)	Complete	\$8,475			100	\$8,475	6686	\$1.27
280090	Trunk Rising Main - Opal Drive to Truman Lane	Complete	\$1,416,074		30	70	\$991,252	6686	\$148.26
280091	Trunk Rising Main - Marjorie Lane to Opal Drive	Complete	\$1,374,776		26	74	\$1,017,334	6686	\$152.16
280092	Crisp Subdivision Reticulation	Complete	\$29,759			100	\$29,759	6686	\$4.45
280093	Pump Station Upgrade - Opal Drive Biofilter	Complete	\$52,110		30	70	\$36,477	6686	\$5.46
280221	Opal Drive Pump Station	Complete	\$439,274	41		59	\$259,172	6686	\$38.76
2071/0	Pump Station Catchment 17 + rising main	Complete	\$265,122			100	\$265,122	6686	\$39.65
<b>Subtotal</b>			<b>\$5,705,627</b>						<b>\$707.10</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$158.53</b>
<b>Total</b>									<b>\$865.63</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>									
<b>Commercial scaling factor for 900m2 sites (wastewater)</b>									<b>1.2</b>
<b>\$ per 900m2 site for commercial development in Pāpāmoa</b>									<b>\$1,038.76</b>
<b>\$ per hectare for commercial development in Pāpāmoa</b>									<b>\$11,541.73</b>

**Pāpāmoa | Stormwater**

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)				Costs funded via Catchment	Divisor (HUE)	Cost per unit (\$)
				Loan	DC: Wairakei	DC: Te Tumu	DC: Pāpāmoa			
280115	Upgrade culvert under SH2 to Maungatawa	Complete	\$332,434				100	\$332,434	8170	\$40.69
280116	Upgrade - deepen and widen existing channel	Complete	\$124,183				100	\$124,183	8170	\$15.20
280117	Harrisons cut stormwater detailed in historical DCP	Complete	\$1,570,784	41			59	\$926,763	8170	\$113.43
280122	Harrisons Cut Catchment Land Purchases	Complete	\$1,520,770				100	\$1,520,770	8170	\$186.14
280124	Grant Place Catchment - Main Channel, Extend discharge from Commercial zone to Wairakei stream	Complete	\$837,491				100	\$837,491	8170	\$102.51
280125	Grant Place (LIPS 280125,280126,280128)	Complete	\$506,241	16			84	\$425,242	8170	\$52.05
280127	Grant Place Catchment - Land Purchase + Discharge from commercial zone	Complete	\$1,296,159				100	\$1,296,159	8170	\$158.65
280129	Parton Rd./Tara Rd.	Complete	\$24,200				100	\$24,200	8170	\$2.96
280130	600 stormwater channel for 'catchment 34. Land purchase, landscaping and planting	Complete	\$551,935				100	\$551,935	8170	\$67.56
280246	Johnson Estate Tara Rd - Land Purchase	Complete	\$601,251				100	\$601,251	8170	\$73.59
280268	Wairakei Stream Channel (Parton Rd - Marjorie Ln)	Complete	\$792,489		32		68	\$538,734	8170	\$65.94
280279, 280281, 280280	Pāpāmoa Beach Roading associated works (LIPS 280279,280280,208280, 280123)	Complete	\$892,547	33			67	\$598,007	8170	\$73.20
280284	Maranui Street stormwater works - detailed in historical DC policies	Complete	\$186,453				100	\$186,453	8170	\$22.82
280297	Western Channel 20 metres wide x 280m	Complete	\$41,289				100	\$41,289	8170	\$5.05
280304	Wairakei Stream - Land Purchase	Complete	\$1,750,000		32		68	\$1,189,650	8170	\$145.61
280920	Wairakei Stream - Overflow to Kaituna	Complete	\$371,906		33	33	33	\$123,956	8170	\$15.17
2037/121612	Johnson Estate Tara Road - Eastern Channel	Complete	\$45,288				100	\$45,288	8170	\$5.54
1026/0	Roading Assciated Stormwater for Parton Road	Complete	\$457,736	16			84	\$384,498	8170	\$47.06
1570/121788	Sandhurst Dr Stormwater pond adjoining Sandhurst interchange and whitepine development	Complete	\$1,352,349				100	\$1,352,349	8170	\$165.53
1918/123233	Wairakei Stream Culvert Upgrade: Palm Springs Blvd -	Complete	\$558,176		42		58	\$325,863	8170	\$39.89

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**Pāpāmoa | Stormwater cont.**

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)				Costs funded via Catchment	Divisor (HUE)	Cost per unit (\$)
				Loan	DC: Wairakei	DC: Te Tumu	DC: Pāpāmoa			
1919/0	Wairakei Stream Culvert Upgrade: Golden Sands	Complete	\$667,094		42		58	\$389,449	8170	\$47.67
2014/0	Wairakei Stream Realignment and landscpaing - Reserve East of Parton adjoining Pāpāmoa Business Park	Complete	\$300,000		32		68	\$203,940	8170	\$24.96
2168	Harrisons Cut Catchment - Landscaping	Complete	\$33,477	41			59	\$19,751	8170	\$2.42
992/121216	Domain Road Stormwater Upgrades	Complete	\$1,566,891	33			67	\$1,049,817	8170	\$128.50
280285	Maranui SIF Channel parallel to SH2 thru 2A	Complete	\$139,259				100	\$139,259	8170	\$17.05
280286	Maranui SIF Channel parallel to SH2 thru 4B	Complete	\$83,521				100	\$83,521	8170	\$10.22
280287	Maranui SIF Channel through 4A	Complete	\$105,685				100	\$105,685	8170	\$12.94
280288	Maranui SIF Channel parallel to SH2 thru 7B	Complete	\$22,988				100	\$22,988	8170	\$2.81
280289	Maranui SIF Channel parallel to SH2 thru 7B	Complete	\$32,053				100	\$32,053	8170	\$3.92
280290	Maranui SIF Channel parallel to SH2 thru Lot 1 DPS 6596	Complete	\$105,422				100	\$105,422	8170	\$12.90
280291	Maranui SIF Channel parallel to SH2 thru Lot 1 DPS 4697	Complete	\$45,190				100	\$45,190	8170	\$5.53
280292	Channel on 7D East Boundary (to school)	Complete	\$173,876				100	\$173,876	8170	\$21.28
280293	Maranui SIF Land Purchases	Complete	\$3,456,365				100	\$3,456,365	8170	\$423.06
123243	Wairakei Stream Culvert Upgrade: Emerald Shores Drive	Complete	\$772,500		42		58	\$450,986	8170	\$55.20
121413	Grant Place - Main Channel Landscaping	Complete	\$137,832				100	\$137,832	8170	\$16.87
122191	Land Purchase for Wairakei Stream corridor	Complete	\$1,596,757		32		68	\$1,085,795	8170	\$132.90
995/123237	Wairakei Stream Landscaping and cultural plan	Engineer estimate	\$418,451		32		68	\$284,463	8170	\$34.82
2480/123224	Wairakei Stream - Overflow to Kaituna	Engineer estimate	\$81,661,819		33	33	33	\$27,216,251	8170	\$3,331.24
<b>Subtotal</b>			<b>\$105,132,863</b>					<b>\$46,429,160</b>		<b>\$5,682.88</b>
<b>Cost of Inflation</b>										<b>\$1,205.29</b>
<b>Cost of Capital</b>										<b>\$(3,188.52)</b>
<b>Total</b>										<b>\$3,699.65</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>										
<b>Commercial scaling factor for 900m2 sites (stormwater)</b>										<b>2.2</b>
<b>\$ per 900m2 site for commercial development in Pāpāmoa</b>										<b>\$8,139.23</b>
<b>\$ per hectare for commercial development in Pāpāmoa</b>										<b>\$90,435.89</b>

### Pāpāmoa | Transport

Project Id	Project description	Cost basis	Total CAPEX (\$)	WK funding	Total CAPEX after WK subsidy	Funding source (%)					Cost funded via Catchment	Divisor	Cost per unit (\$)
						Loan	Vested	NZTA	DC: Wairakei	DC: Pāpāmoa			
280039	Pāpāmoa Beach Road - widen, kerb, channel	Complete	\$1,577,791	\$-	\$1,577,791	33.00				67.00	\$1,057,120	7643	138.31
280040	Range Road - 0.91km widen, kerb, channel, footpath	Complete	\$240,174	\$-	\$240,174	50.00				50.00	\$120,087	7643	15.71
280041	Logan Road - 0.09km	Complete	\$13,992	\$-	\$13,992	50.00				50.00	\$6,996	7643	0.92
280042	Percy Road - 0.75km, widen, kerb, channel, footpath	Complete	\$76,880	\$-	\$76,880	87.00				13.00	\$9,994	7643	1.31
280043	Stella Place - 0.09km - widen, kerb, channel	Complete	\$23,050	\$-	\$23,050	87.00				13.00	\$2,996	7643	0.39
280044	Dickson Road - 0.88km - widening	Complete	\$89,083	\$-	\$89,083	25.00				75.00	\$66,812	7643	8.74
280045	Grant Place - 0.11km - road widening	Complete	\$33,763	\$-	\$33,763	16.00				84.00	\$28,361	7643	3.71
280046	McCallum Place - 0.11km - widen	Complete	\$26,967	\$-	\$26,967	16.00				84.00	\$22,652	7643	2.96
280047	Simpson Road - 0.97km - widen, kerb, channel	Complete	\$243,571	\$-	\$243,571	16.00				84.00	\$204,600	7643	26.77
280048	Kirkpatrick Place - 0.10km - widening	Complete	\$28,067	\$-	\$28,067	8.00				92.00	\$25,822	7643	3.38
280049	Longview Drive Pavement Widening	Complete	\$254,346	\$-	\$254,346	85.00				15.00	\$38,152	7643	4.99
280050	Golden Sands Subdivision Pavement Widening	Complete	\$380,000	\$-	\$380,000	63.00				37.00	\$140,600	7643	18.40
280051	Emerald Shores Subdivision Pavement Widening	Complete	\$315,100	\$-	\$315,100	63.00				37.00	\$116,587	7643	15.25
280052	Gravatt Rd. - Evans Drain Crossing	Complete	\$37,456	\$-	\$37,456					100.00	\$37,456	7643	4.90
280053	Wairaki Stream Crossings - longview Drive	Complete	\$291,983	\$-	\$291,983					100.00	\$291,983	7643	38.20
280231	Maranui St Kerb And Channelling	Complete	\$4,869	\$-	\$4,869	33.00				67.00	\$3,262	7643	0.43
280232	Tara Rd/Parton Rd Intersection Control - Land Purchase	Complete	\$929,748	\$-	\$929,748	5.00				95.00	\$883,261	7643	115.56
280301	Gravatt Road Pavement Widening	Complete	\$3,718,539	\$-	\$3,718,539	63.00				37.00	\$1,375,859	7643	180.02
280302	Grenada Street Pavement Widening	Complete	\$1,158,078	\$-	\$1,158,078	63.00				37.00	\$428,489	7643	56.06
280303	Doncaster Drive Pavement Widening	Complete	\$929,791	\$-	\$929,791	63.00				37.00	\$344,023	7643	45.01
265/0	Doncaster Drive Road Widening	Complete	\$497,809	\$-	\$497,809	63.00				37.00	\$184,189	7643	24.10
258/122654	Sandhurst Drive Extension - Grenada and Gravatt	Complete	\$1,161,252	\$-	\$1,161,252					100.00	\$1,161,252	7643	151.94
264/0	Grenada St Extension (Pavement Widening)	Complete	\$134,092	\$-	\$134,092		85.00			15.00	\$20,114	7643	2.63
563/0	Land Purchase Domain Rd	Complete	\$909,921	\$-	\$909,921	39.00				61.00	\$555,052	7643	72.62
564/0	Land Purchase Tara Rd (1460m x 10m)	Complete	\$827,003	\$-	\$827,003	30.00			34.14	35.86	\$296,563	7643	38.80
137/121782	Mangatawa interchange SH2 (Sandhurst link)	Complete	\$10,710,966	\$-	\$10,710,966	67.31				32.69	\$3,501,415	7643	458.12
2355/121792	Maranui Street / Sandhurst Dr Upgrade & Traffic Signals	Complete	\$575,234	\$-	\$575,234					100.00	\$575,234	7643	75.26

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**Pāpāmoa | Transport cont.**

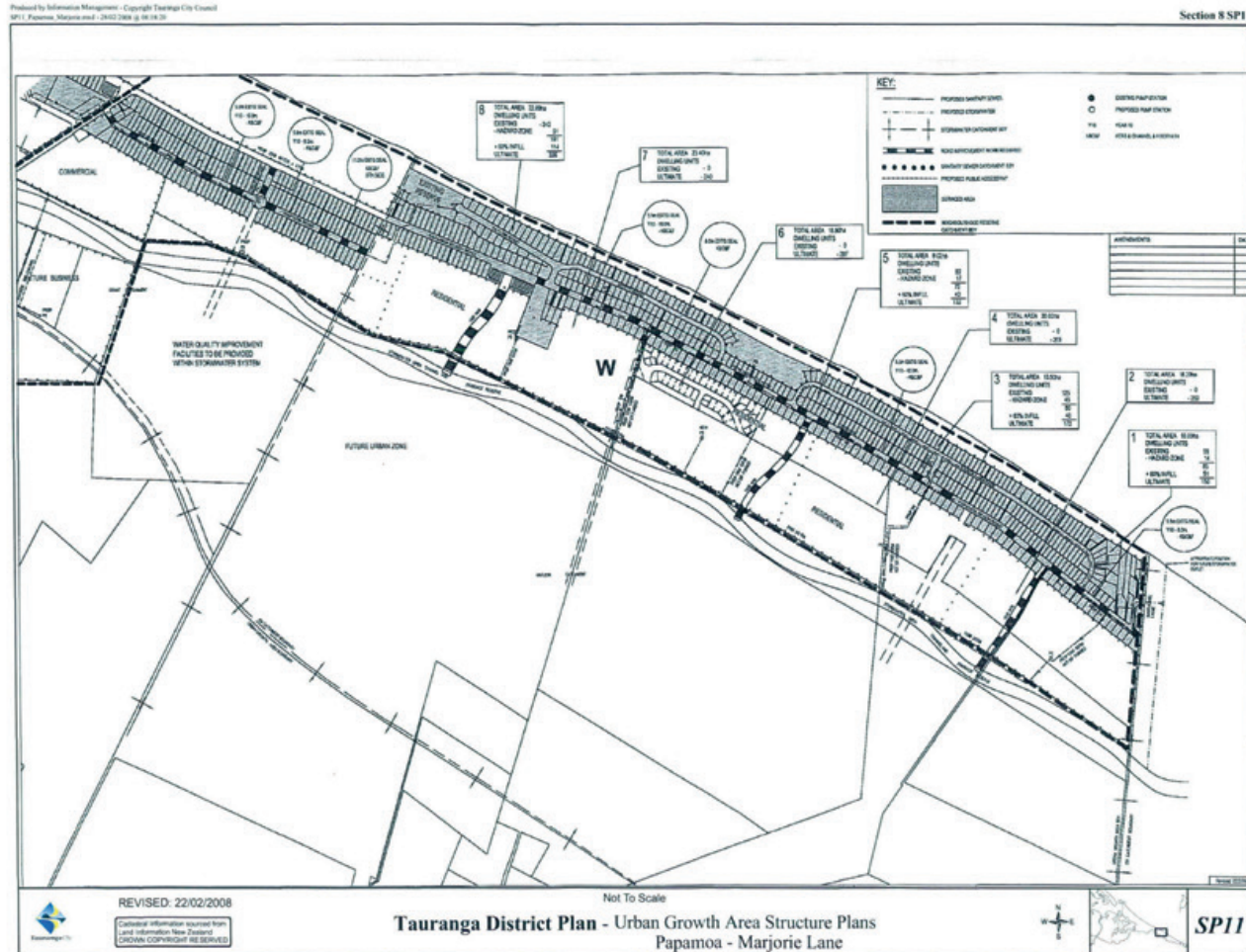
Project Id	Project description	Cost basis	Total CAPEX (\$)	WK funding	Total CAPEX after WK subsidy	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)	
						Loan	Vested	NZTA				DC: Wairakei
245/0	Parton Rd Reconstruction	Complete	\$2,132,987	\$-	\$2,132,987	49.91			50.09	\$1,068,413	7643	139.79
2259/122195	Parton Road / Pāpāmoa Beach Road Roundabout	Complete	\$364,207	\$-	\$364,207	29.41	20.50		50.09	\$182,431	7643	23.87
260/122653	Sandhurst Extension - Gravatt to SH2 and Truman Link	Complete	\$4,018,716	\$-	\$4,018,716				100.00	\$4,018,716	7643	525.80
246/122833	Tara Rd Planning & Reconstruction	Complete	\$10,411,319	\$-	\$10,411,319	17.10	29.00		26.95	\$2,805,850	7643	367.11
249/0	Roundabout - Tara/Parton Road	Complete	\$2,140,345	\$-	\$2,140,345	5.00			46.34	\$1,041,492	7643	136.27
268/0	Wairakei Stream Crossing - Golden Sands (Developer Reimbursement)	Complete	\$761,358	\$-	\$761,358				48.78	\$389,968	7643	51.02
267/123227	Wairakei Stream Crossing - Motitit Road Shopping Centre	Complete	\$329,818	\$-	\$329,818				48.78	\$168,933	7643	22.10
269/123239	Wairakei Stream Crossing - Motitit Road Shopping Centre	Complete	\$1,781,899	\$-	\$1,781,899				51.00	\$873,131	7643	114.24
244/121215	Domain Road Upgrades	In progress	\$12,448,153	\$4,992,150	\$7,456,003	27.60		9.00	63.40	\$4,727,106	7643	618.49
240/121791	Maranui St Kerb And Channelling (widening from 10-12m, channel and footpath both sides). NZTA Subsidy approved through Low Cost Low Risk at 51%	Engineers estimate	\$3,179,592	\$1,621,592	\$1,558,000	38.00			62.00	\$965,960	7643	126.38
2924/122192	Pāpāmoa Beach Road Intersection improvements	Engineers estimate	\$1,804,003		\$1,804,003	28.96			71.04	\$1,281,564	7643	167.68
121390	Gloucester Street Extension	Engineers estimate	\$1,851,964	\$-	\$1,851,964		85.00		15.00	\$277,795	7643	36.35
<b>Subtotal</b>			<b>\$66,413,885</b>							<b>\$29,300,289</b>		<b>3,833.59</b>
<b>Cost of Inflation</b>												<b>82.05</b>
<b>Cost of Capital</b>												<b>(888.80)</b>
<b>Total</b>												<b>3,026.84</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>												
<b>Commercial scaling factor for 900m2 sites (transport)</b>												<b>1.00</b>
<b>\$ per 900m2 site for commercial development in Pāpāmoa</b>												<b>3,026.84</b>
<b>\$ per hectare for commercial development in Pāpāmoa</b>												<b>33,631.56</b>







Urban Growth Area Structure Plans - Pāpāmoa - Marjorie Lane



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

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# Pyes Pā

Pyes Pā



## Schedule of assets: Pyes Pa

- 6.6.1 Pyes Pā Urban Growth Area sits at the southern edge of the Tauranga Infill area and the West of the newer Pyes Pā West Urban Growth Area. Structure Plan 5 shows the original infrastructure planning models for Pyes Pā. The Pyes Pā land is a mix of rural and residential development.
- 6.6.2 The expected yield for Pyes Pā is based on 10 dwellings per hectare.
- 6.6.3 The planning period for projects is 2001-2031. Growth that occurred prior to 2001 is removed from the divisor

Table 60: Household unit divisors for Pyes Pā

	Water	Wastewater	Stormwater	Transport	Reserves
<b>Residential</b>	2,104	2,104	2,104	2,104	
<b>Rural Residential</b>	65			65	
<b>Residential Development 1992-2001</b>	84	84	84	84	
<b>Rural Residential Development 1995-2001</b>	23			23	
<b>Total</b>	<b>2,276</b>	<b>2,188</b>	<b>2,188</b>	<b>2,276</b>	<b>0</b>

### Pyes Pā | Water

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)	
				Loan	Pyes Pā West	Tauriko				Pyes Pā
280021	Cheyne Road	Complete	\$85,803				100.00	\$85,803	2276	\$37.70
280020	Freeburn Road	Complete	\$14,535				100.00	\$14,535	2276	\$6.39
280018	Pyes Pā Road North	Complete	\$137,066				100.00	\$137,066	2276	\$60.22
280019	Pyes Pā Road South	Complete	\$258,407				100.00	\$258,407	2276	\$113.54
280023	Reservoir - Joyce Road	Complete	\$1,863,258	88.00			12.00	\$223,591	2276	\$98.24
280022	Second supply from Oropi Main	Complete	\$12,500				100.00	\$12,500	2276	\$5.49
331/122405	Pyes Pā Booster Pump Station	Complete	\$1,602,447		71.80	24.10	4.10	\$65,700	2276	\$28.87
	High Level Supply	Complete	\$87,868				4.10	\$3,603	2276	\$1.58
<b>Subtotal</b>			<b>\$4,061,883</b>					<b>\$801,205</b>		<b>\$352.03</b>
<b>Cost of Inflation</b>										<b>\$-</b>
<b>Cost of Capital</b>										<b>\$57.36</b>
<b>Total</b>										<b>\$409.39</b>

### Pyes Pā | Wastewater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)	
				External	Other catchments	Tauranga Infill				
3754/297	Southern Pipeline. *** Southern Pipeline charge per unit is calculated different to other projects. Details regarding the funding calculation are set out Section 5.8. The DC charge per unit shown in the final column is inclusive of inflation and capital costs unlike other projects.	Complete	\$103,718,735	33.09	58.89	25.80				\$3,997.00
<b>Subtotal</b>										<b>\$3,997.00</b>
<b>Cost of inflation</b>										<b>\$-</b>
<b>Cost of capital</b>										<b>\$-</b>
<b>Total</b>										<b>\$3,997.00</b>

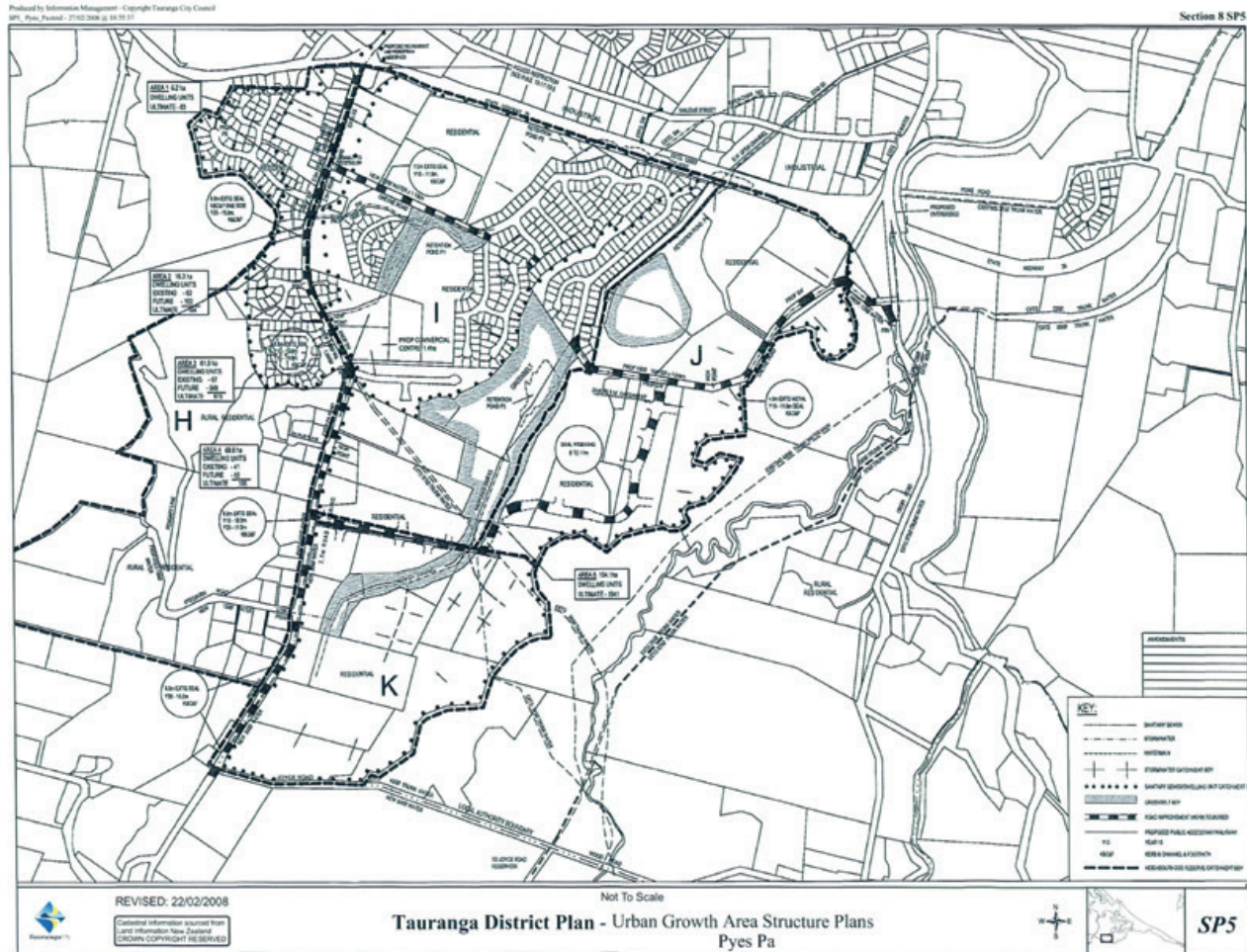
### Pyes Pā | Stormwater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Pyes Pā West	Pyes Pā			
280131	Pond 1 (Southwest of Cheyne Road to Pyes Pā Road)	Complete	\$53,926			100.00	\$53,926	2188	\$24.65
280132	Pond 2 (South Side SH No.29 west to Pyes Pā Road)	Complete	\$93,357			100.00	\$93,357	2188	\$42.67
280133	Pond 3 (South side of Cheyne Road toward Oropi Road)	Complete	\$580,653			100.00	\$580,653	2188	\$265.38
280134	Pond 4 (South Side of SH9 east towards Oropi Road)	Complete	\$171,287			100.00	\$171,287	2188	\$78.28
280135	Roading Associated - Cheyne Road	Complete	\$524,290	6.00		94.00	\$492,833	2188	\$225.24
280136	Roading Associated - Pyes Pā Road	Complete	\$777,137	64.00		36.00	\$279,769	2188	\$127.87
280267	Roading Associated - Pyes Pā Rd / Cheyne Rd	Complete	\$344,630	64.00		36.00	\$124,067	2188	\$56.70
<b>Subtotal</b>			<b>\$2,545,282</b>				<b>\$1,795,893</b>		<b>\$820.79</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$196.17</b>
<b>Total</b>									<b>\$1,016.96</b>

### Pyes Pā | Transport

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	NZTA	Pyes Pā			
280259 (was 37)	Cheyne Road Stage 3	Complete	\$1,911,268	6.00		94.00	\$1,796,592	2276	\$789.36
280261& 280260	Pyes Pā Joyce Rd to Kennedy Rd	Complete	\$3,063,038	66.00		34.00	\$1,041,433	2276	\$457.57
280227	Pyes Pā Proposed Collector to Cheyne Rd	Complete	\$771,161	82.00		18.00	\$138,809	2276	\$60.99
	Pyes Pā Rd - 2.25km	Complete		66.00				2276	
44/0	Pyes Pā Proposed Collector to Cheyne Rd	Complete	\$222,680			100.00	\$222,680	2276	\$97.84
1167/122412	Pyes Pā Road upgrade	Complete	\$840,033	34.10		65.90	\$553,582	2276	\$243.23
159386	Pyes Pā Road upgrade from Aquinas college to City boundary	Engineers estimate	\$1,464,361	32.27	51.00	16.73	\$244,988	2276	\$107.64
<b>Subtotal</b>			<b>\$8,272,541</b>				<b>\$3,998,083</b>		<b>\$1,756.63</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$97.99</b>
<b>UGA Total</b>									<b>\$1,854.62</b>

### Urban Growth Area Structure Plans - Pyes Pā



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

# Pyes Pā West

Pyes Pā West



## Schedule of assets: Pyes Pa West

6.7.1 The Pyes Pā West Urban Growth Area is bordered by the Pyes Pā catchment and Tauriko. Structure Plan 13 for Pyes Pā West was updated in 2015 and shows the existing and planned infrastructure for the growth area. The growth area can be viewed in three sections.

- The northern section bordering Stage Highway 29 is known as the Hastings Road area. This is of a mix of rural and rural residential properties,
- The bulk of Pyes Pā West including the area running parallel to Takitimu Drive and the southern section of Pyes Pā West is known as “The Lakes”
- The third section is known as the Kennedy Road area. This is the middle section of the area either side of Kennedy Road.

6.7.2 The planning period is 2001-2026.

6.7.3 The expected yield for Pyes Pā West is 12.5 dwellings per hectare.

Table 61: Household unit divisors for Pyes Pā West

	Water	Wastewater	Stormwater	Transport	Reserves
<b>Residential</b>	2,560	2,560	2,560	2,560	888
<b>Rural Residential</b>	11			11	
<b>Subtotal Residential</b>	<b>2,571</b>	<b>2,560</b>	<b>2,560</b>	<b>2,571</b>	<b>888</b>
<b>Commercial Area (Hectares)</b>	2	2	2	2	2
<b>Commercial scaling factor</b>	19	19	22	35	0
<b>Subtotal Commercial</b>	<b>38</b>	<b>38</b>	<b>44</b>	<b>70</b>	<b>0</b>
<b>Total</b>	<b>2,609</b>	<b>2,598</b>	<b>2,604</b>	<b>2,641</b>	<b>888</b>

**Pyes Pā West | Water**

Project Id	Project description	Cost Basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)	
				Loan	Pyes Pā	Tauriko				Pyes Pā West
331/122405	Pyes Pā Back Up Booster Pumpstation	Complete	\$1,590,179		4.10	24.10	71.80	\$1,141,749	2609	\$437.62
1407/122404	Pyes Pā Boosted Main - Reservoir to East (300mm dia)	Complete	\$82,608.00				100.00	\$82,608	2609	\$31.66
1626/120809	Bradley Ave 200 DIA link main (Kennedy to Bradley)	Complete	\$186,129.00	7.20			92.80	\$172,728	2609	\$66.20
1668/121633	Kennedy Rd (Northern Collector to the West)	Complete	\$5,656.00				100.00	\$5,656	2609	\$2.17
1669/122732	South Collector Lakes/Matai pacific south to SH36	Complete	\$126,908.00				100.00	\$126,908	2609	\$48.64
2380/121643	Kennedy Road Water Supply	Complete	\$97,242.00				100.00	\$97,242	2609	\$37.27
2642/122740	Southern Trunk Main from Reservoirs to Boulevard	Complete	\$368,797.00			75.00	25.00	\$92,199	2609	\$35.34
280017	SH 29/Route K Roundabout to Kennedy Rd. Extension	Complete	\$55,005.00				100.00	\$55,005	2609	\$21.08
280236	Trunk Mains from Barks Corner	Complete	\$936,043.00			63.20	36.80	\$344,464	2609	\$132.03
280254	Bradley Ave connection for supply above 40m contour	Complete	\$14,000.00	50.00			50.00	\$7,000	2609	\$2.68
280256	Hastings Road Loop	Complete	\$70,810.00				100.00	\$70,810	2609	\$27.14
280294	Kennedy Rd (South Collector to Northern Collector)	Complete	\$48,000.00				100.00	\$48,000	2609	\$18.40
280295	Bradley Ave 200 DIA link main (Kennedy to Bradley)	Complete	\$114,821.00	7.20			92.80	\$106,554	2609	\$40.84
2992/122323	Pump Station Pressure Reducing Valve (was LIPS 2992)	Complete	\$81,198.00				100.00	\$81,198	2609	\$31.12
New 2992	Pyes Pā Booster Pump Station (was LIPS 2992)	Complete	\$87,868.00		4.10	24.10	71.80	\$63,089	2609	\$24.18
1670/121488	Hastings Road Water Reticulation	Complete	\$227,996.00				100.00	\$227,996	2609	\$87.39
3172/122413	Pyes Pā Road Upgrade - Joyce to Kennedy Watermain	Complete	\$210,575.00				100.00	\$210,575	2609	\$80.71
280017	Watermains	Complete	\$131,085.00				100.00	\$131,085	2609	\$50.24
<b>Subtotal</b>			<b>\$4,434,920.00</b>					<b>\$3,064,865</b>		<b>\$1,174.71</b>
<b>Cost of Inflation</b>										<b>\$-</b>
<b>Cost of Capital</b>										<b>\$15.33</b>
<b>Total</b>										<b>\$1,190.04</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>										
<b>Commercial scaling factor (water)</b>										<b>19</b>
<b>\$ per hectare</b>										<b>\$22,537.80</b>

### Pyes Pā West | Wastewater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Pyes Pā	Tauriko	Pyes Pā West			
1653/121642	Kennedy Rd Extension - Pump Station (Vested)	Complete	\$920,083				100.00	\$920,083	2598	\$354.15
1671/122464	Trunk Main along Bypass Rd - South of Kennedy	Complete	\$345,327				100.00	\$345,327	2598	\$132.92
2271/121487	Hastings Road - Pump Station	Complete	\$1,049,398				100.00	\$1,049,398	2598	\$403.93
280094	Lakes Boulevard to Hastings Road	Complete	\$223,252				100.00	\$223,252	2598	\$85.93
280234	Köpurererua Bridge System - Design Costs, land purchase (Lot 188), landscaping, legal costs, rising mains	Complete	\$5,502,029			55.10	44.90	\$2,470,411	2598	\$950.89
280235	Gravity Main Barkes Cnr - Maleme St Pump Station (450mm dia + design and supervision costs)	Complete	\$1,346,107	4.30		52.70	43.00	\$578,826	2598	\$222.80
280320	Kennedy Road and Extension Pyes Pā West	Complete	\$134,537				100.00	\$134,537	2598	\$51.78
280327	Trunk Main along Bypass Road - South Kennedy	Complete	\$825,701				100.00	\$825,701	2598	\$317.82
3133/122463	Pump Station 163 - Pyes Pā Gully (Land, Rising Main and large pumpstation)	Complete	\$557,699			54.50	45.50	\$253,753	2598	\$97.67
297/122738	Southern Pipeline * Costs for this project are shown inclusive of cost of capital and inflation - full details for funding apportionments are set out in Section 5.8	Complete	\$103,718,735	33.36		-	66.64	\$72,773,515	31088	\$3,997.00
280803	Pyes Pā Gully Storage Reticulation to Pumpstation	Complete	\$51,904				100.00	\$51,904	2598	\$19.98
1674/121637	Kennedy Rd Pump Station Pyes Pā West	Engineers estimate	\$1,813,470				100.00	\$1,813,470	2598	\$698.03
1674/121637	Kennedy Rd Pump Station Pyes Pā West	Engineers estimate	\$1,766,483				100.00	\$1,766,483	2598	\$679.94
<b>Subtotal</b>			<b>\$116,488,242</b>					<b>\$81,440,177</b>		<b>\$7,332.90</b>
<b>Cost of Inflation</b>										<b>\$18.52</b>
<b>Cost of Capital Excluding Southern Pipeline</b>										<b>\$(195.06)</b>
<b>Total</b>										<b>\$7,156.36</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>										
<b>Commercial scaling factor (wastewater)</b>										<b>19</b>
<b>\$ per hectare</b>										<b>\$135,970.80</b>

**Pyes Pā West | Stormwater**

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				NZTA	Vested assets	Pyes Pā West			
1531/122440	Pond 1		\$306,700		27.00	73.00	\$223,891	2604	\$85.98
1555/122426	Dam 2 - Construction (Pyes Pā West)	Complete	\$1,105			100.00	\$1,105	2604	\$0.42
2125/121148	Dam 21 - Land Purchase (Pyes Pā West)	Complete	\$8,791			100.00	\$8,791	2604	\$3.38
1646/121149	Dam 21 - Construction (Vested Assets)	Complete	\$1,306,091			100.00	\$1,306,091	2604	\$501.57
280910	Floodway F1 - Land Purchase	Complete	\$199,705			100.00	\$199,705	2604	\$76.69
1966/122428	Floodway F1 - Land Purchase	Complete	\$51,043			100.00	\$51,043	2604	\$19.60
1568/122431	Floodway F3 - Construction /(33,000m3) /	Complete	\$251,145			100.00	\$251,145	2604	\$96.45
1968/121326	Floodway F3 - Land Purchase (was 1968)	Complete	\$55,526			100.00	\$55,526	2604	\$21.32
280323	Kennedy Road Extension - Roading Associated Stormwater	Complete	\$991,966		63.00	37.00	\$367,027	2604	\$140.95
2995/0	Overland flow path from Matai Pacific - Pyes Pā West	Complete	\$94,572			100.00	\$94,572	2604	\$36.32
1923/122439	Pond 1 - Land Purchase	Complete	\$24,199	33.33		66.67	\$16,133	2604	\$6.20
1675/122303	Pond 1 - Pyes Pā West - Construction and Landscaping	Complete	\$-		27.00	73.00	\$-	2604	\$-
1532/122451	Pond 2 - Construction (was 1532)	Complete	\$308,507			100.00	\$308,507	2604	\$118.47
1951/122450	Pond 2 - Land purchase (was 1951)	Complete	\$66,874			100.00	\$66,874	2604	\$25.68
2989/0	Pond 2 - Roading associated (was 2989)	Complete	\$315,228		60.00	40.00	\$126,091	2604	\$48.42
280243	Pond 12 - Construction, land purchase and landscaping	Complete	\$982,985			100.00	\$982,985	2604	\$377.49
280244	Pond 12 - Roading Associated Stormwater	Complete	\$72,000		63.00	37.00	\$26,640	2604	\$10.23
1962/122448	Ponds 13,14,15,16 -Land Purchase (Pyes Pā West)	Complete	\$51,361			100.00	\$51,361	2604	\$19.72
280907	Pond 13, 14, 15 ,Lake - Construction including inlet and outlet	Complete	\$5,103,398			100.00	\$5,103,398	2604	\$1,959.83
280908	Pond 13, 14, 15 - Lake - Land Purchase	Complete	\$576,380			100.00	\$576,380	2604	\$221.34
1554/122449	Pond 13,14,15,16 - Landscaping - Lakes Construction (Pyes Pā West)	Complete	\$341,554			100.00	\$341,554	2604	\$131.17
2377/122733	Southern Collector - Roading Related Stormwater	Complete	\$727,955		49.00	51.00	\$371,257	2604	\$142.57
280909	Pond 16 - Construction	Complete	\$20,086			100.00	\$20,086	2604	\$7.71
2990/122305	Pond 16 - Roading associated Stormwater (West of Takitimu round about)	Complete	\$95,466		55.00	45.00	\$42,960	2604	\$16.50
c 1563/122306	Pond 21 - Construction (was 1563)	Complete	\$1,191,281			100.00	\$1,191,281	2604	\$457.48

Continued on next page

**Pyes Pā West | Stormwater cont.**

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				NZTA	Vested assets	Pyes Pā West			
1961/122453	Pond 21 - Land Purchase	Complete	\$70,558			100.00	\$70,558	2604	\$27.10
2991/122307	Pond 21 - Roading associated (From NR21 to Pond 21)	Complete	\$344,051		60.00	40.00	\$137,620	2604	\$52.85
1950/122442	Pond 11 - Land Purchase (Pyes Pā West)	Complete	\$188,674			100.00	\$188,674	2604	\$72.46
1545/122441	Pond 11 - Construction and Landscaping	Complete	\$1,138,647			100.00	\$1,138,647	2604	\$437.27
2278/122443	Pond 11 - Roading Associated SW Works	Complete	\$80,000			100.00	\$80,000	2604	\$30.72
1549/122445	Pond 11A - Construction	Complete	\$944,704			100.00	\$944,704	2604	\$362.79
1953/122446	Pond 11A - Costs of land design etc	Complete	\$2,728			100.00	\$2,728	2604	\$1.05
1551/122444	Pond 11A - Roading Associated Works	Complete	\$452,399			100.00	\$452,399	2604	\$173.73
1565/122454	Roading associated works from Kennedy Road to Pond 25	Complete	\$430,900			100.00	\$430,900	2604	\$165.48
1536/122423	Roading associated works from Pyes Pā Road to Pond 25	Complete	\$383,009			100.00	\$383,009	2604	\$147.08
1964/122456	Land Purchase for Ponds 3 and 25	Complete	\$1,296,311			100.00	\$1,296,311	2604	\$497.82
1542/122461	Pond 7 - Construction	Complete	\$3,090,775			100.00	\$3,090,775	2604	\$1,186.93
2065/122462	Pond 7 - Land Purchase	Complete	\$1,226,861			100.00	\$1,226,861	2604	\$471.14
1569/122432	Floodway F4 - Construction	Complete	\$246,436			100.00	\$246,436	2604	\$94.64
2993/122429	Floodway F2 and Pond 12B - Land purchase	In progress	\$373,572			100.00	\$373,572	2604	\$143.46
2994/122430	Floodway F2 - Construction	Engineers estimate	\$311,763			100.00	\$311,763	2604	\$119.72
2280/122447	Pond 12B - Construction	Engineers estimate	\$1,806,409			100.00	\$1,806,409	2604	\$693.71
2279/122304	Pond 12B - Inlet Pipelines	Engineers estimate	\$1,049,800			100.00	\$1,049,800	2604	\$403.15
1965/122433	Pond 5, Floodway F4, 2 Dams - Land purchase	Valuations	\$2,846,202			100.00	\$2,846,202	2604	\$1,093.01
1538/122460	Damn 5 and Wetland 5 - consent, design and construction	Engineers estimate	\$16,117,576			100.00	\$16,117,576	2604	\$6,189.55
1564/122455	Pond 25 - Construction	Engineers estimate	\$4,183,176			100.00	\$4,183,176	2604	\$1,606.44
1956/122420	Pond 17 - Land	Complete	\$26,494			100.00	\$26,494	2604	\$10.17
<b>Subtotal</b>			<b>\$49,754,963</b>				<b>\$48,189,018</b>		<b>\$18,506</b>
<b>Cost of Inflation</b>									<b>\$51.15</b>
<b>Cost of Capital</b>									<b>\$(1,452.38)</b>
<b>Total</b>									<b>\$17,104.53</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>									
<b>Commercial scaling factor (stormwater)</b>									<b>\$22.00</b>
<b>\$ per hectare</b>									<b>\$376,299.65</b>

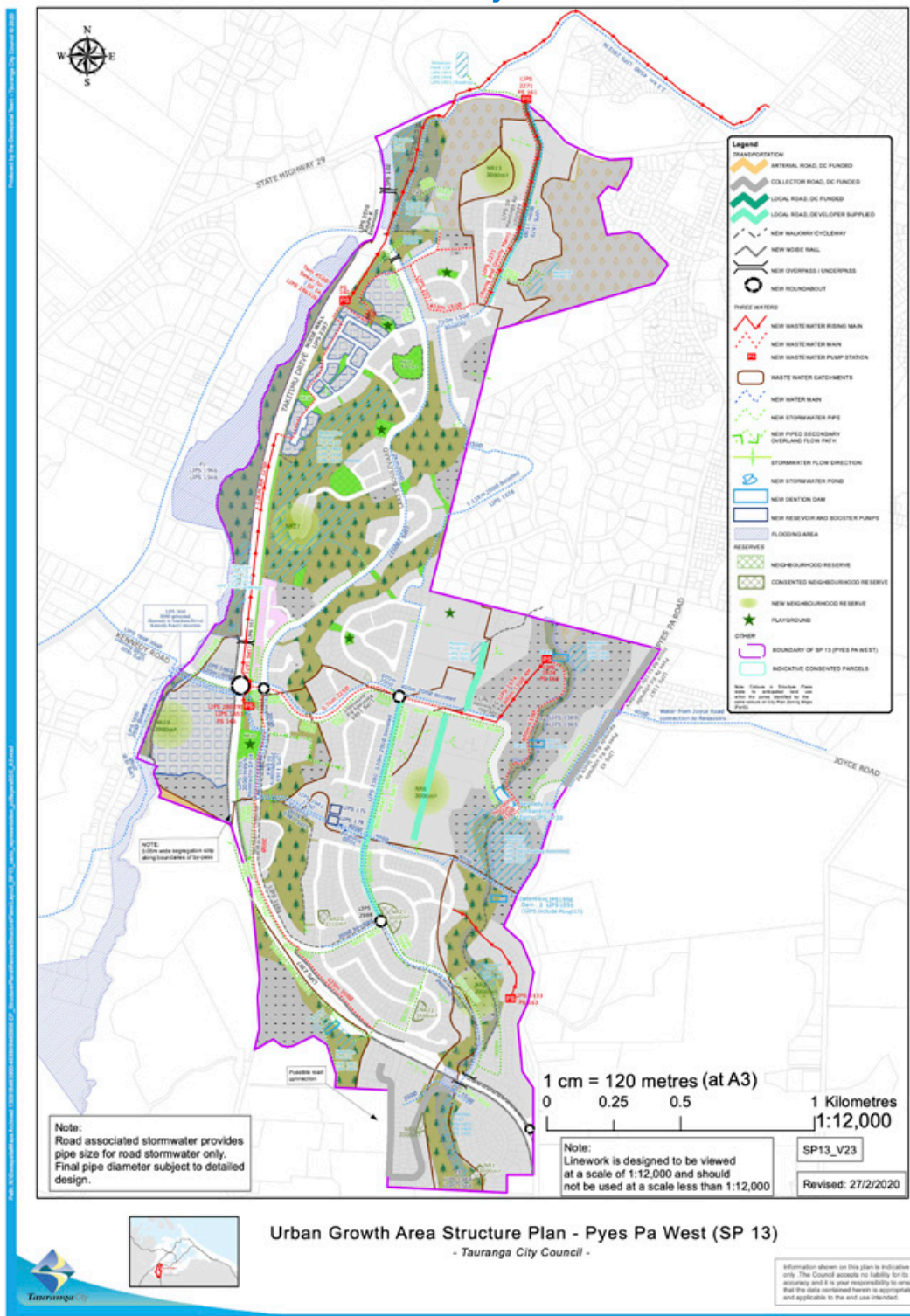
### Pyes Pā West | Transport

Project Id	Project description	Cost basis	Total CAPEX (\$)	WK subsidy	Total capex after WK subsidy	Funding source (%)					\$ funded via catchment	Divisor	Cost per unit (\$)
						Loan	NZTA	Vested	Tauriko	Pyes Pā West			
63/122437	Pyes Pā West Land Costs 3 lots in Lieu - vested assets	Complete	\$534,312	\$-	\$534,312				100.00	534,312	2641	\$202.31	\$202.31
122434	Kennedy Road Extension - funding for extra width required by TCC	Complete	\$355,647		\$355,647		55.00		45.00	160,041	2641	\$60.60	\$60.60
122438	Pyes Pā West Noise Wall Stage 2 and 3	Complete	\$872,809		\$872,809				100.00	872,809	2641	\$330.48	\$330.48
122435	Kennedy Road Roundabout	Complete	\$392,477		\$392,477				100.00	392,477	2641	\$148.61	\$148.61
122735	Southern Collector -Stage 1 from Kennedy Road to Neighbour Reserve 21 (15.9w width)	Complete	\$3,121,138		\$3,121,138		49.00		51.00	1,591,780	2641	\$602.72	\$602.72
122734	Southern Collector - roundabout @ intersection of Southern Collector and Neighbourhood reserve 21	Complete	\$225,657		\$225,657				100.00	225,657	2641	\$85.44	\$85.44
122736	Southern Collector - Stage 2 - From Neighbour Reserve to SH36 underpass (was 2378)	Complete	\$2,052,045		\$2,052,045		60.00		40.00	820,818	2641	\$310.80	\$310.80
280262	Lakes Boulevard - North Collector (Pyes Pā West)	Complete	\$428,400		\$428,400		63.00		37.00	158,508	2641	\$60.02	\$60.02
280264	Contribution to Route K Southern Extension to Pyes Pā Rd SH36	Complete	\$16,100,000		\$16,100,000		29.50	50.00	20.50	3,300,000	2641	\$1,249.53	\$1,249.53
280324	Route K Extension Overpass	Complete	\$750,000		\$750,000			8.97	91.03	682,725	2641	\$258.51	\$258.51
280325	Kennedy Road extension		\$1,434,432		\$1,434,432		63.00		37.00	530,740	2641	\$200.96	\$200.96
280326	Lakes Boulevard Underpass	Complete	\$437,597		\$437,597				100.00	437,597	2641	\$165.69	\$165.69
122268	Pedestrian Overbridges at the Lakes/Tauriko.	Complete	\$5,841,710	\$2,967,589	\$2,874,121			8.80	91.20	2,621,199	2641	\$992.50	\$990.73
122436	Pyes Pā West Land Costs 3 lots in Lieu	Complete	\$125,199		\$125,199	12.00			88.00	110,175	2641	\$41.72	\$47.41
121638	Kennedy Road Upgrade	Complete	\$6,076,393	\$3,098,960	\$2,977,433	12.00			88.00	2,620,141	2641	\$992.10	\$986.58
121641	Kennedy Road Embankment Dam	Complete	\$6,659,630		\$6,659,630				100.00	6,659,630	2641	\$2,521.63	\$2,530.86
121489	Hastings Road Upgrade	Complete	\$4,513,439		\$4,513,439	6.10			93.90	4,238,119	2641	\$1,604.74	\$651.07
122409	Pyes Pā Road - Kennedy to Joyce	In delivery	\$2,073,757	\$1,057,616	\$1,016,141	1.40			98.60	1,001,915	2641	\$379.37	\$357.93
<b>Subtotal</b>			<b>\$51,994,642</b>							<b>26,958,643</b>		<b>\$10,207.73</b>	<b>\$9,303.17</b>
<b>Cost of Inflation</b>													<b>\$29.56</b>
<b>Cost of Capital</b>													<b>\$(270.55)</b>
<b>Total</b>													<b>\$9,966.74</b>
<b>CALCULATION OF DEVELOPMENT CONTRIBUTION RATE PAYABLE FOR COMMERCIAL DEVELOPMENT</b>													
<b>Commercial scaling factor (transport)</b>												<b>35</b>	
<b>\$ per hectare</b>												<b>\$348,835.90</b>	

### Pyes Pā West | Reserves

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding Sources (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				External	Other catchments	Pyes Pā West			
2181/121640	Kennedy Rd/Hastings Rd Reserve Land Purchase		\$3,550,026			100.00	\$3,550,026	888	\$3,997.78
2183/121639	PPW - Kennedy Rd/ Hastings Rd Development		\$423,741			100.00	\$423,741	888	\$477.19
<b>Subtotal</b>			<b>\$3,973,767</b>				<b>\$3,973,767</b>		<b>\$4,474.96</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$452.86</b>
<b>Total</b>									<b>\$4,927.82</b>

### Urban Growth Area Structure Plans - Pyes Pā West



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

# Tauranga Infill

Tauranga Infill



## Schedule of assets: Tauranga Infill

- 6.8.1 The boundaries of the Tauranga Infill area are shown on the catchment map in Section 1. Local development contributions for development within this area are collected in relation to Wastewater assets, specifically the Southern Pipeline.
- 6.8.2 Local development contributions for residential development are charged per additional allotment.
- 6.8.3 For non-residential development, local development contributions are charged per additional m<sup>2</sup> of gross floor area.
- 6.8.4 Further information regarding the calculation of the charges for Transport and Reserves assets can be found in Section 5.

Note, in the event a development is located in both the Tauranga Infill and Te Papa Infill catchments, development contributions associated with both catchments will apply.

### Tauranga Infill | Wastewater

Project ID	Project Name	Cost basis	Total CAPEX (\$)	Funding sources (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				External	Other catchments	Bethlehem			
297 / 122378	Southern Pipeline. *** Southern Pipeline charge per unit is calculated different to other projects. Details regarding the funding calculation are set out Section 5.8. The DC charge per unit shown in the final column is inclusive of inflation and capital costs unlike other projects.		\$103,693,111						3,997
<b>Subtotal</b>			<b>\$103,693,111</b>						<b>3,997</b>
<b>Cost of Inflation</b>									-
<b>Cost of Capital</b>									-
<b>Total</b>									<b>3,997</b>

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Tauriko

# Tauriko

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## Schedule of assets: Tauriko

- 6.9.1 Tauriko Business Estate consists of an area of approximately 256 hectares bounded by the Kōpurererua Stream to the north and east, SH29 to the west and Belk Rd to the south. The net industrial land area is approximately 195 hectares (net) or 236.5 hectares (gross). No residential activities are envisaged in this area.
- 6.9.2 The Local Development Contributions are payable on a per (gross) hectare basis and are calculated by dividing the total costs for each activity by the number of (gross) hectares.
- 6.9.3 The planning period for Tauriko is currently based on 2006-2031.
- 6.9.4 The infrastructure is shown on Structure Plan 14.

Table 62: Household unit divisors for Tauriko

	Water	Wastewater	Stormwater	Transport	Reserves
Commercial Area (Hectares)	236.5	236.5	236.5	236.5	236.5
Commercial scaling factor	19	19	22	35	0
<b>Total</b>	<b>4,493</b>	<b>4,494</b>	<b>5,203</b>	<b>8,277</b>	<b>0</b>

### Development contributions for Tauriko stormwater

- 6.9.5 Tauranga City Council has reached a funding agreement with IMF New Zealand Limited regarding development contributions for stormwater ponds (The Dataworks reference number for the funding agreement including drawing SK110 Rev 3 is 1226653). The agreement refers to the drawing titled “Pond Catchment Areas for Development Contributions” SK 110 Rev 3 dated 2 November 2006 (see Figure 1). The principals of the agreement are as follows:

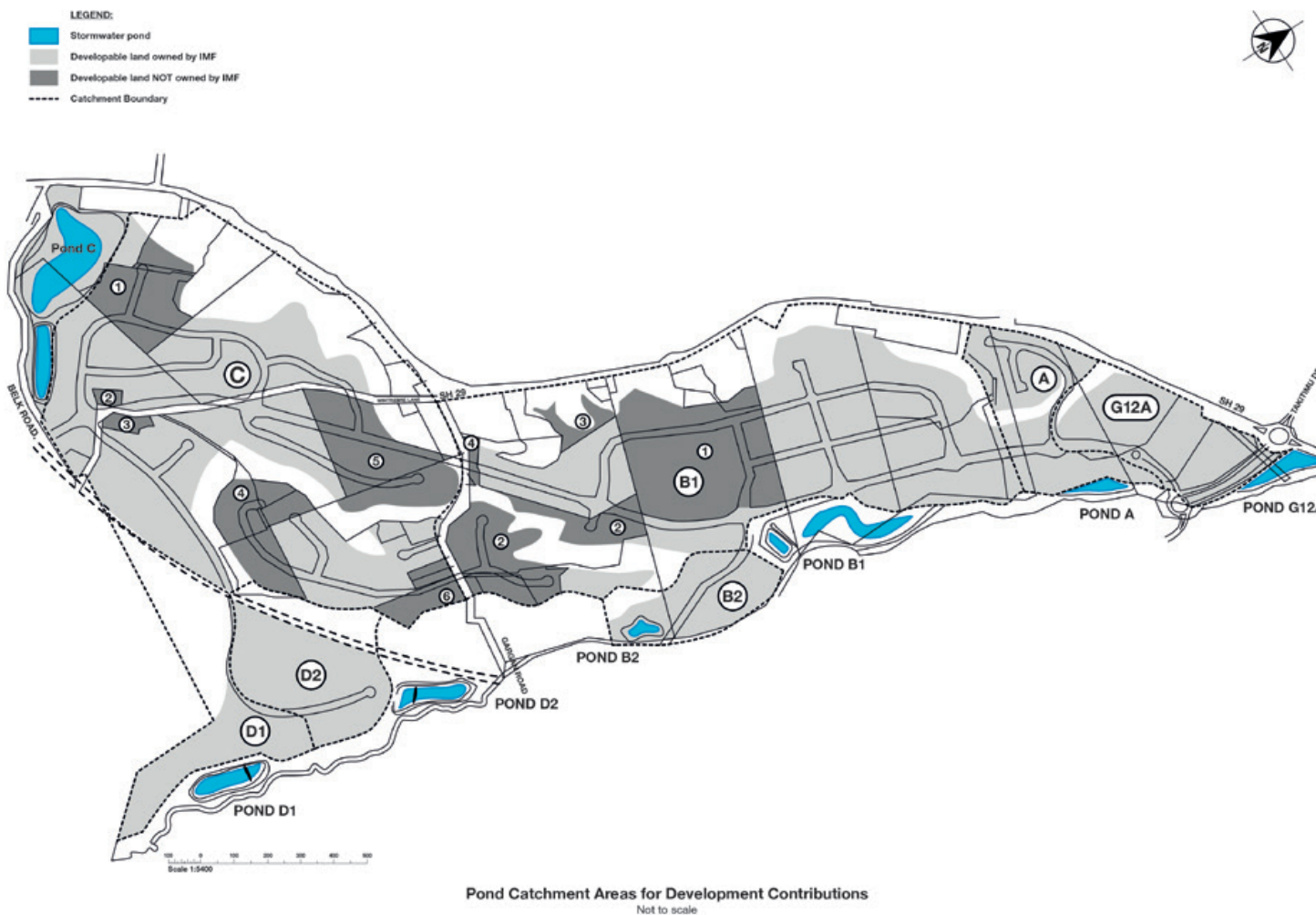
#### Ponds G12A, A, B2, D1 and D2

- i. Ponds G12A, A, B2, D1 and D2 serve catchments that are exclusively owned by IMF and will be constructed by IMF, or subsequent landowners within the catchments shown on the above-mentioned drawing. Construction includes inlet and outlet structures and landscaping in consultation with Tauranga City Council development Engineers and is subject to any Engineering Approval conditions,
- ii. No Development Contributions will be collected by Tauranga City Council or reimbursement claimed by IMF or subsequent landowners within the catchments shown on the above-mentioned drawing for these ponds. Stormwater local development contributions for other stormwater infrastructure will still be payable,
- iii. Ponds will be vested in Tauranga City Council by IMF or subsequent landowners as per the Development Contributions Policy and normal procedure,
- iv. IMF shall advise any potential purchasers of land owned by IMF (or subsidiaries etc) within the catchments of Ponds G12A, A, B2, D1 and D2 of landowner obligations to construct ponds and / or portions of ponds as per conditions above i.e. engineering approval, inlet, outlet, landscaping,

**Ponds B1 and C**

- v. The catchments for ponds B1 and C include landowners other than IMF,
  - vi. IMF will construct ponds B1 and C including inlet and outlet structures and landscaping, in consultation with Tauranga City Council development engineers and subject to any engineering approval conditions,
  - vii. The cost of construction and pond land is to be divided by the stormwater catchment area (divisor) for each pond, as per the Tauranga City Council Development Contributions Policy. Resulting in pond B1 costs / Household Unit Equivalent and pond C1 costs / Household Unit Equivalent (HUE),
  - viii. No development contributions will be collected from IMF for ponds B1 and C. Based on the drawing titled "Pond Catchment Areas for Development Contributions" SK 110 Rev 2 dated 31 November 2006. Development contributions will be charged to "land owned by others" shown on the drawing. As some changes to stormwater catchments have occurred since the stormwater catchment map was prepared it is necessary to clarify that land owned by others that is physically serviced by Pond B1 will attract the Pond B1 stormwater catchment charge even if this is inconsistent with the stormwater catchment map. In addition, land owned by others that was planned to be serviced by Pond C but will be physically serviced by Pond D will still attract the Pond C charge (noting this charge would be lower than a charge for Pond D if it was introduced),
  - ix. As the "land owned by others" pay costs / HUE and provided the relevant ponds have been constructed, IMF will be reimbursed at the costs/HUE rate in accordance with Tauranga City Council Development Contributions Policy,
  - x. IMF will receive reimbursement only up to the dollar value of Development Contributions collected for each of Ponds B1 and C,
  - xi. IMF shall advise any potential purchasers of land owned by IMF (or subsidiaries etc) within the catchments of Ponds B1 and C of landowner obligations to construct ponds and / or portions of ponds. Construction includes inlet and outlet structures and landscaping in consultation with Tauranga City Council development engineers and will be subject to any engineering approval conditions,
  - xii. Values for ponds B1 and C have been agreed between Tauranga City Council and IMF through a valuation process and will not be further updated or amended in future.
- 6.9.6 Local development contributions for Tauriko stormwater will be applied in the following manner:
- a. All Household Unit Equivalents (HUE) will pay a Tauriko Stormwater local development contribution, based on the fee shown in Section 1,
  - b. The drawing titled "Pond Catchment Areas for Development Contributions", SK 110 Rev 3 dated 31 November 2006 identifies the Pond B1 and Pond C catchments owner by "other owners". Subject to clause viii above, developments within the Pond B1 catchment will pay the Local development contribution charge for Tauriko Pond B1 (this includes the charge for Tauriko stormwater plus items that relate to Pond B1. Developments within the Pond Catchment will pay the Local development contribution charge for Tauriko Pond C (this includes the charge for Tauriko stormwater plus items that relate to Pond C,
  - c. Subject to clause viii above, in the Pond G12A, A, B2, D1 and D2 catchments all HUEs will pay a Tauriko Stormwater local development contribution.

Figure 1: Pond catchment areas for development contribution in Tauriko



## Tauriko | Water

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor	Cost per unit (\$)	
				Loan	Pyes Pā West	Pyes Pā	Vested				Tauriko
280236	Trunk Mains from Barkes Corner '450mm dia bulk main (Thrusting Cameron Rd included)	Complete	\$936,043		36.80			63.20	\$591,579	4493	\$131.67
1165	Trunk Water Mains from Reservoir to Kennedy Road Bridge	Complete	\$261,077					100.00	\$261,077	4493	\$58.11
1860	Trunk Water Mains from Reservoir to Kennedy Road Bridge	Complete	\$450,222					100.00	\$450,222	4493	\$100.21
280401	Pyes Pā Booster Pump Station	Complete	\$87,868		71.80	4.10		24.10	\$21,176	4493	\$4.71
2642	Southern Trunk Main from Reservoirs to Kennedy	Complete	\$368,797				25.00	75.00	\$276,598	4493	\$61.56
331	Pyes Pā Booster P/S	Complete	\$1,539,642		71.80	4.10		24.10	\$371,054	4493	\$82.58
1620	Boosted Trunk Main from Kennedy Bridge to Gargan Plateau	Complete	\$915,309					100.00	\$915,309	4493	\$203.72
1898	Southern Trunk Main From Taurikura to Kennedy Road Bridge	Complete	\$135,780					100.00	\$135,780	4493	\$30.22
695	Tauriko internal reticulation mains	Complete	\$560,706					100.00	\$560,706	4493	\$124.80
1835 / 122928	Tauriko - Catchment D Ringmain to Kennedy	Complete	\$734,481					100.00	\$734,481	4493	\$163.47
1834 / 122930	Gargan Road to Roundabout closest to Belk Road (250mmdia x 1330m @ \$297)	In progress	\$567,866					100.00	\$567,866	4493	\$126.39
<b>Subtotal</b>			<b>\$6,557,791</b>						<b>\$4,885,848</b>		<b>\$1,087.44</b>
<b>Cost of Inflation</b>											<b>\$2.26</b>
<b>Cost of Capital</b>											<b>\$(17.78)</b>
<b>Total (per lot)</b>											<b>\$1,071.92</b>
<b>Commercial scaling factor (water)</b>											<b>19</b>
<b>\$ per hectare</b>											<b>\$20,366.48</b>

### Tauriko | Wastewater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)	
				Loan	Pyes Pā West	Future growth catchments				
280235	Barkes Corner to Maleme Street Pump Station	Complete	\$1,346,107	4.30	43.00		52.70	\$709,398	4493	\$157.89
280234	Kōpururerua Bridge System	Complete	\$5,502,029		44.90		55.10	\$3,031,618	4493	\$674.74
780/0	Tauriko Business Estate Stage 1 Pump Station	Complete	\$275,837				100.00	\$275,837	4493	\$61.39
1515/0	Trunk Main from Spine Rd Sapon at Pond A to Pump Station	Complete	\$654,178				100.00	\$654,178	4493	\$145.60
1516/122931	Trunk Main - Taurikura from Gargan to 375mm	Complete	\$313,856				100.00	\$313,856	4493	\$69.85
1517/123090	Trunk Main Kennedy Rd to Spine Rd	Complete	\$249,173				100.00	\$249,173	4493	\$55.46
1518/123089	Trunk Main Gargan Rd & Gargan Plateau	Complete	\$106,887				100.00	\$106,887	4493	\$23.79
1522/120899	Catchment D Pump Station	Complete	\$863,598				100.00	\$863,598	4493	\$192.21
297/122738	Southern Pipeline. *Details regarding the Southern Pipeline are set out in Section 5.8	Complete	\$103,718,735				100.00	\$72,773,515	31,088	\$3,997.00
1519/122905	Internal Tauriko Wastewater Mains for Stage 3A/Pump Station C	Complete	\$216,073				100.00	\$216,073	4493	\$48.09
3784/123371	Stage 1A Western Wastewater	Estimate	\$13,835,832	14.00		61.00	25.00	\$3,458,958	4493	\$769.85
<b>Subtotal</b>			<b>\$127,082,305</b>					<b>\$82,653,091</b>		<b>\$6,195.87</b>
<b>Cost of Inflation</b>										<b>\$1.83</b>
<b>Cost of Capital (excludes Southern Pipeline)</b>										<b>\$10.93</b>
<b>Total</b>										<b>\$6,208.63</b>
<b>Commercial scaling factor (wastewater)</b>										<b>19</b>
<b>\$ per hectare</b>										<b>\$117,963.97</b>

## Tauriko | Stormwater

### Tauriko base charge (payable by all development in Tauriko Business Estate)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Tauriko			
1001/0	Tauriko Business Estate - Floodway Catchment A & Floodway 2 Assoc with Pond G12A	Complete	\$180,602	100.00			\$180,602	5203	\$34.71
1001/0	Floodway F2		\$31,544	100.00			\$31,544	5203	\$6.06
1001/0	Walkways from Pond G12A Kennedy Rd Ext		\$40,281	100.00			\$40,281	5203	\$7.74
2360/122899	Tauriko Business Estate - Floodway Catchment A	Complete	\$28,308	100.00			\$28,308	5203	\$5.44
1602/122893	Reticulation - Gargan Plateau to Kennedy Rd & Pond B1	Complete	\$572,259	100.00			\$572,259	5203	\$109.99
1611/122889	Tauriko - Floodway Catchment B	Complete	\$302,866	100.00			\$302,866	5203	\$58.21
1600/122892	Reticulation - Spine Rd North of Gargan Rd to Pond B1	Complete	\$2,034,000	100.00			\$2,034,000	5203	\$390.93
1613/122890	Floodway Catchment D	In progress	\$986,400	100.00			\$986,400	5203	\$189.58
2398/122891	Tauriko - Gargan Plateau to Pond D1	In progress	\$1,623,079	100.00			\$1,623,079	5203	\$311.95
1616/122896	Tauriko - Walkways/Cycleways.	Engineers estimate	\$253,749	100.00			\$253,749	5203	\$48.77
	From Access C around pond C (1690m x \$60)								
	From Access D to Kennedy Rd extension (940m x \$60)								
	Concrete Walkway/cyclepath access D								
	Accessway from pond G12A to Kennedy Road extension								
1683/122929	Tauriko Business Estate - Stormwater Bypass Channel at Pond C. Channel to discharge stormwater from pre-development catchment (\$900m2 x \$38.89)	Engineers estimate	\$34,998	100.00			\$34,998	5203	\$6.73
1605/122895	Reticulation - Taurikura Drive - from Gargan Road - Pond C	Engineers estimate	\$3,387,655	100.00			\$3,387,655	5203	\$651.10
<b>Subtotal</b>			<b>\$9,475,741</b>				<b>\$9,475,741</b>		<b>\$1,821.21</b>
<b>Plus Inflation</b>									<b>\$10.98</b>
<b>Plus Cost of capital</b>									<b>\$(11.69)</b>
<b>DCs that apply to all development in Tauriko</b>									<b>\$1,820.50</b>
<b>Commercial scaling factor</b>									<b>22</b>
<b>\$ per hectare for all landowners not in catchments for Pond B1 and Pond C</b>									<b>\$40,050.94</b>

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**Tauriko | Stormwater cont.**

**Pond B1 charge (payable by developers in Pond B1 catchment)**

Project Id	Description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Tauriko			
	Base cost for development in Tauriko as calculated above								\$1,820.50
1458/280413	Pond B1. See project details set out in 2020/21 DCP and prior	Fixed	\$6,143,623			100.00	\$6,143,623	1840	\$3,338.93
<b>Stormwater contributions payable for development in Pond B1 catchment</b>									<b>\$5,159.42</b>
<b>Commercial scaling factor</b>									<b>22</b>
<b>\$ per hectare for all land in catchment B1</b>									<b>\$113,507.30</b>

**Pond C charge (payable by developers in Pond C catchment)**

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Tauriko			
	Base cost for development in Tauriko as calculated above								\$1,820.50
	plus: payment for Pond B1 as detailed above								
1607	Tauriko Business Estate - Pond C. See cost detail breakdown in policies prior to 2021	Fixed	\$4,226,651			100.00	\$4,226,651	1935	\$2,184.32
<b>Stormwater contributions payable for development in Pond C catchment</b>									<b>\$4,004.81</b>
<b>Commercial scaling factor</b>									<b>\$22.00</b>
<b>\$ per hectare for all landowners in catchment for Pond C</b>									<b>\$88,105.88</b>

**Tauriko | Transport**

Project Id	Project Name	Cost basis	Cost details (\$)	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)	
					Vested	NZTA	Pyes Pā West				
									8277		
280233	Road Widening 1 metre - Tauriko	Complete		\$1,262,900	69.00			31.00	\$391,499	8277	\$47
280324	Route K Extension Overpass	Complete		\$750,000			91.03	8.97	\$67,275	8277	\$8
280904	Spine Rd sub-arterial	Complete		\$860,363	92.00			8.00	\$68,829	8277	\$8
280264	Capital Contribution to Route K Southern Extension to Pyes Pā Rd SH36	Complete		\$2,001,862				100.00	\$2,001,862	8277	\$241
280264	Route K extension (vested portion)	Completed		\$1,298,138				100.00	\$1,298,138	8277	\$156
280905	Tauriko Business Park Land Costs	Complete		\$2,377,378				100.00	\$2,377,378	8277	\$287
74/120810	Bridge over Kōpururerua Stream on Kennedy Road	Complete		\$5,633,219				100.00	\$5,633,219	8277	\$680
72/121636	Kennedy Rd Land Costs (land purchase for link across SH36 from Tauriko)	Complete		\$1,417,384				100.00	\$1,417,384	8277	\$171
73/122909	Tauriko to Kennedy Road Link			\$1,170,080				100.00	\$1,170,080	8277	\$141
102/122268	Pedestrian Overbridges at the Lakes/Tauriko	Complete		\$5,821,710		47.00	48.00	5.00	\$291,086	8277	\$35
2070/122700	SH29/SH36 and Taurikura Drive Roundabout Improvements (includes slipways)	Complete		\$5,372,179		51.00		49.00	\$2,632,368	8277	\$318
75/121358	Gargan Rd Widening Land Purchase			\$220,892				100.00	\$220,892	8277	\$26
76/121359	Gargan Road Widening	Completed		\$3,104,543				100.00	\$3,104,543	8277	\$375
76	Gargan Road Widening - Land Loss Portion	Completed		\$1,164,433				100.00	\$1,164,433	8277	\$140
71/120837	Bus Shelters - Tauriko			\$232,718				100.00	\$232,718	8277	\$28
100/121667	Land Mark Entry Features Tauriko Business Estate	Partially completed		\$400,644				100.00	\$400,644	8277	\$48
82/122897	Tauriko Business Estate Land Purchase For Offroad Cyclepaths	Future		\$261,896				100.00	\$261,896	8277	\$31
	Accessway A - 9m x 50m = 313m <sup>2</sup>	Actual	65,001								
	Accessway C - 9m wide X 60m = 540m <sup>2</sup> @ \$177 per m <sup>2</sup>	Non standard	95,580								
	Accessway D - 9m wide X 60m = 540m <sup>2</sup> @ \$177 per m <sup>2</sup>	Non standard	95,580								
1173/122903	Extra overs for TBE Roundabouts			\$2,140,119				100.00	\$2,140,119	8277	\$258

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Tauriko | Transport cont.

	Project Id	Project Name	Cost basis	Cost details (\$)	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)	
						Vested	NZTA	Pyes Pā West				Tauriko
i.30	68/122887	Land Purchase on Taurikura Drive			\$4,287,037				100.00	\$4,287,037	8277	\$517.95
i.13		Future land purchases - Taurikura Drive	Non standard	1,271,861								
i.32		Actual land purchase to date	Actual	3,015,176								
i.86												
i.84	70/122917	Taurikura Drive - extra overs (8%) funded via DCs	Engineers Estimate		\$3,432,748	92.00			8.00	\$274,620	8277	\$33.18
i.23												
i.59	3426/120733	*Land purchase to upgrade Belk Road (1500m2 @ \$161 per m2)*	Fixed \$ rate		\$241,500				100.00	\$241,500	8277	\$29.18
i.24	1172/120732	Road upgrade for connection of Taurikura Drive to SH29 (previously Belk Road)	Engineers Estimate		\$3,000,000				100.00	\$3,000,000	8277	\$362.45
i.37												
i.17	206227	Construction of Belk Road Roundabout (costs were previously part of LIPS 1172)	Engineers Estimate		\$1,003,581	-			100.00	\$1,003,581	8277	\$121.25
i.03	120734	TSP - Intersection Kaweroa Drive and State Highway 29	Engineers Estimate		\$14,622,067				43.09	\$6,300,000	8277	\$761.15
i.69												
i.08	206227	Construction of Belk Road Roundabout (costs were previously part of LIPS 1172)	Engineers Estimate		\$975,203	-			100.00	\$975,203	8277	\$117.82
i.68												
i.12	199746	TSP - Intersection Kaweroa Drive and State Highway 29	Engineers Estimate		\$6,300,000	-			100.00	\$6,300,000	8277	\$761.15
i.40		<b>Subtotal</b>			<b>\$62,077,391</b>					<b>\$39,981,100</b>		<b>\$4,830.41</b>
		<b>Cost of Inflation</b>										<b>\$121.22</b>
i.64		<b>Cost of Capital</b>										<b>\$227.46</b>
		<b>Total</b>										<b>\$5,179.09</b>
		<b>Commercial scaling factor (transport)</b>										<b>35</b>
i.56		<b>\$ per hectare</b>										<b>\$181,268.15</b>

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# Tauriko (Stage 4)

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Tauriko (Stage 4)



## Schedule of assets: Tauriko (Stage 4)

- 6.11.1 Tauriko (Stage 4 ) is the next stage of development associated with the Tauriko Business Estate industrial area and is located south of Belk Road. The structure plan for Tauriko Stage 4 is under development and review. Figure 1 below shows plan change maps for the area which identify key land development features and boundaries of the catchment..
- 6.11.2 Development in Tauriko Stage 4 is expected to occur in two stages shown marked as Stage 4A and 4B on the following plans.
- 6.11.3 The local development contributions payable in 4A and 4B differ due to developer funded infrastructure.
- 6.11.4 TCC reserves the right to determine which stage subdivision ultimately occurs in where evidence is inconclusive
- 6.11.3 Local developable contributions in Tauriko Stage 4 will be charged on a site area basis with contributions payable for all site area associated with a development except for those areas specified in Section 2 of this policy.

Table 64: Developable land area for Tauriko Stage 4 (used as divisors)

	Land area (hectares)
<b>Stage 4A land area:</b>	50.1 hectares (estimated developable land)
<b>Stage 4B land area:</b>	40.5 hectares (estimated developable land)
<b>Total</b>	<b>90.6</b>

Figure 1: Urban Growth Area - Tauriko (Stage 4)

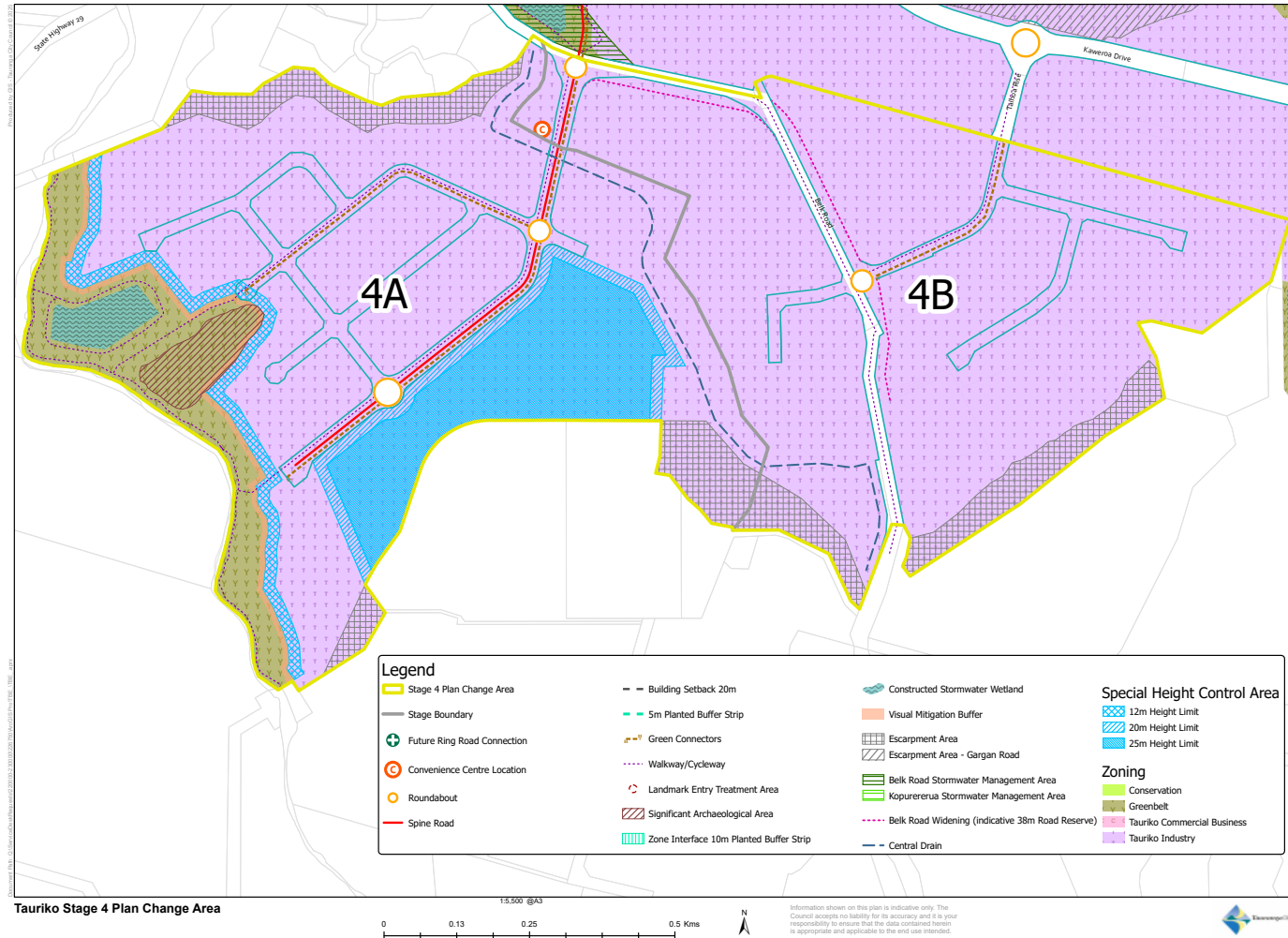
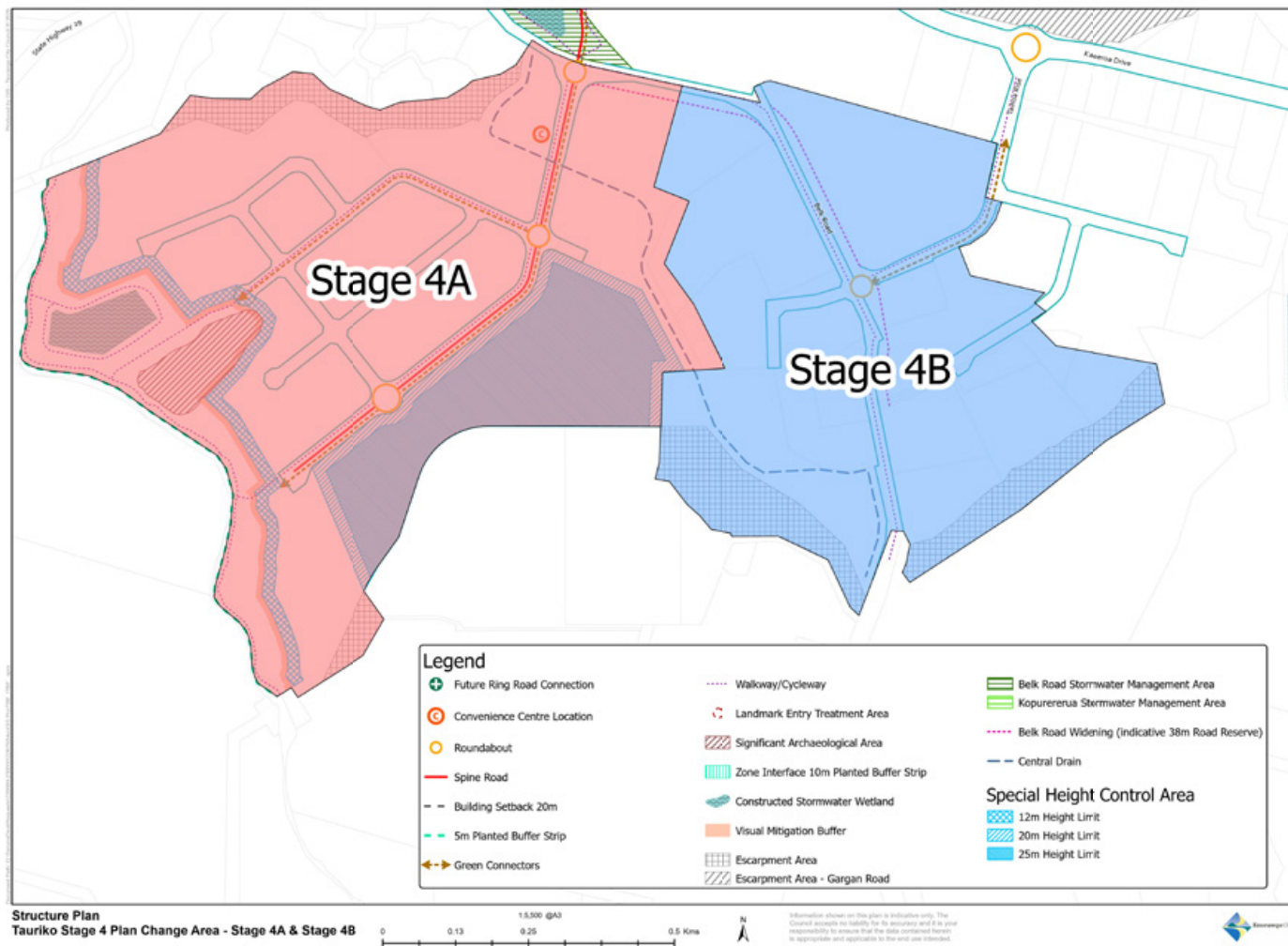


Figure 2: Stage 4A and Stage 4B land areas



### Tauriko (Stage 4A): Water (50 Ha)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)					\$ funded via Catchment	Divisor (Hectares)	Cost per hectare (\$)
				Loan	Other Crown	Tauriko West	Tauriko (Stage 4A)	Tauriko (Stage 4B)			
150192	Western Corridor Stage 1 West		\$6,561,724	0.0%	67.3%	15.2%	0.0%	17.5%	\$1,148,492	50	\$22,969.84
150193	Western Corridor Water Stage 2 (Phase 7)		\$22,362,743	56.0%	0.0%	28.4%	7.0%	8.6%	\$1,930,308	50	\$38,606.17
<b>Subtotal</b>			<b>\$28,924,467</b>						<b>\$3,078,800</b>		<b>\$61,576.01</b>
<b>Cost of Inflation</b>											<b>\$15,583.49</b>
<b>Cost of Capital</b>											<b>\$4,595.40</b>
<b>\$ per hectare</b>											<b>\$81,754.90</b>

Notes: TBE4 contribution to 150193 is \$3494858.8. The forecast cost of the project will change to by \$12.4m. TBE 4 reflects 28% contribution of the project once the CAPEX has been adjusted

### Tauriko (Stage 4B): Water (40.5 Ha)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)					\$ funded via Catchment	Divisor (Hectares)	Cost per unit (\$)
				Loan	Other Crown	Tauriko West	Tauriko (Stage 4A)	Tauriko (Stage 4B)			
150193	Western Corridor Water Stage 2 (Phase 7)		\$22,362,743	56.0%	0.0%	28.4%	8.6%	7.0%	\$1,563,550	40.5	\$38,606.17
<b>Subtotal</b>			<b>\$22,362,743</b>						<b>\$1,563,550</b>		<b>\$38,606.17</b>
<b>Cost of Inflation</b>											<b>\$15,594.20</b>
<b>Cost of Capital</b>											<b>9,024.00</b>
<b>\$ per hectare</b>											<b>\$63,224.37</b>

### Tauriko (Stage 4A) | Wastewater (50 Ha)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per hectare (\$)	
				Loan	Other Crown	Tauriko West	Tauriko				Tauriko (Stage 4B)
123371	WC WW Strategy Stage 1A		\$13,835,572		67.55	20.44		16.09	\$2,226,816	50	\$44,536.32
297/122738	Southern Pipeline. *Details regarding the Southern Pipeline are set out in Section 5.8	Complete	\$103,693,111					100.00	\$3,797,150	50	\$75,943.00
121778	Maleme St Upgrade		\$4,636,329	26.53		47.55		11.61	\$663,459	50	\$13,269.17
<b>Subtotal</b>			<b>\$122,165,012</b>						<b>\$6,687,425</b>		<b>\$133,748.49</b>
<b>Cost of Inflation</b>											<b>\$3,665.29</b>
<b>Cost of Capital</b>											<b>\$25,699.94</b>
<b>\$ per hectare</b>											<b>\$163,113.72</b>

\*Sthrn Pipeline charge 2025 = \$3997 per HUE

\*Sthrn Pipeline per hectare charge based on 19 dwelling per hectare yield to reflect Tauriko Commercial scaling factor - to be reviewed annually

### Tauriko (Stage 4B) | Wastewater (40.5)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per unit (\$)	
				Loan	Other Crown	Tauriko West	Tauriko				Tauriko (Stage 4A)
297/122738	Southern Pipeline. *Details regarding the Southern Pipeline are set out in Section 5.8	Complete	\$103,693,111						\$3,075,692	40.5	\$75,943.00
121778	Maleme St Upgrade		\$4,636,329	26.53		47.55		14.31	\$538,278	40.5	\$13,290.81
<b>Subtotal</b>			<b>\$103,693,111</b>						<b>\$3,075,692</b>		<b>\$89,233.81</b>
<b>Cost of Inflation</b>											<b>\$4,242.15</b>
<b>Cost of Capital</b>											<b>\$12,677.87</b>
<b>\$ per hectare</b>											<b>\$106,153.83</b>

\*Sthrn Pipeline charge 2025 = \$3997 per HUE

\*Sthrn Pipeline per hectare charge based on 19 dwelling per hectare yield to reflect Tauriko Commercial scaling factor - to be reviewed annually

### Tauriko (Stage 4A) | Transport (50 Ha)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per hectare (\$)	
				Loan	NZTA	Tauriko	Tauriko (Stage 4B)				Tauriko (Stage 4A)
120734	TSP009 Intersection Kaweroa Dr & SH29 (Southern RAB)		\$14,622,067	-	-	42.75	-	57.25	\$8,371,133	50	\$167,422.67
<b>Subtotal</b>			<b>\$14,622,067</b>						<b>\$8,371,133</b>		<b>\$167,422.67</b>
Cost of Inflation											\$48.95
Cost of Capital											\$48,095.13
\$ per hectare											\$215,566.75

### Tauriko (Stage 4B) | Transport (40.5 Ha)

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per hectare (\$)	
				Loan	NZTA	Tauriko	Tauriko (Stage 4B)				Tauriko (Stage 4A)
123741	TSP029 - Belk Road Futureproofing		\$22,549,304	20.00	-	-	-	80.00	\$18,039,443	40.5	\$445,418.35
<b>Subtotal</b>			<b>\$22,549,304</b>						<b>\$18,039,443</b>		<b>\$445,418.35</b>
Cost of Inflation											\$79,851.07
Cost of Capital											\$206,971.09
\$ per hectare											\$732,240.51

# Tauriko West

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Tauriko West

## Schedule of assets: Tauriko West

6.10.1 Tauriko West Urban Growth Area is a greenfield development in the Western Corridor of Tauranga City across State Highway 29 from the Tauriko Business Estate.

Local developable contributions in Tauriko West will be charged on a site area basis with contributions payable for all site area associated with a development except for those areas specified in Section 2 of this policy.

6.10.2 The expected yield for the Tauriko West Urban Growth Area is 23.5 dwellings per hectare

Table 63: Household unit divisors for Tauriko West

	Water	Wastewater	Stormwater	Transport	Community Infrastructure
<b>Residential (hectares)</b>	136	136	136	136	136
<b>Total</b>	<b>136</b>	<b>136</b>	<b>136</b>	<b>136</b>	<b>136</b>

6.10.3 The attached schedules set out the infrastructure projects planned for the Tauriko West Urban Growth Area and the structure plan.

6.10.3 The current divisor is an estimate based on projected landform expectations and is subject to change in future iterations of this policy as final landform and developable area are confirmed. As a result, the Development Contribution charge payable per hectare may change.

### Tauriko West | Water

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per unit (\$)
				Loan	Future DC Funded	Tauriko (Stage 4)	Tauriko West			
122907	Tauriko Drive Water Main Upgrade		\$296,078				100.00	\$296,078	136	\$2,177.04
150193	Western Corridor Stage 2 (Phase 7)		\$22,362,000	60.42		19.70	19.88	\$4,445,566	136	\$32,687.98
<b>Subtotal</b>			<b>\$22,658,078</b>					<b>\$4,741,644</b>		<b>\$34,865.03</b>
<b>Cost of Inflation</b>										<b>\$13,071.68</b>
<b>Cost of Capital</b>										<b>\$(2,724.24)</b>
<b>\$ per hectare</b>										<b>\$45,212.47</b>

### Tauriko West | Wastewater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via Catchment	Divisor (Hectares)	Cost per unit (\$)
				Loan	Future DC Funded	Tauriko (Stage 4)	Tauriko West			
297/122738	Southern Pipeline. *Details regarding the Southern Pipeline are set out in Section 5.8	Complete	\$103,718,735					\$10,871,840	136	\$79,940.00
121778	Maleme St Upgrade		\$4,636,330	26.53		25.92	47.55	\$2,204,575	136	\$16,210.11
<b>Subtotal</b>			<b>\$108,355,065</b>					<b>\$13,076,415</b>		<b>\$96,150.11</b>
<b>Cost of Inflation</b>										<b>\$280.91</b>
<b>Cost of Capital</b>										<b>\$7,215.49</b>
<b>\$ per hectare</b>										<b>\$103,646.51</b>

\*Sthrn Pipeline charge 2025 = \$3997 per HUE

\*Sthrn Pipeline per hectare charge based on 20 dwelling per hectare yield - to be reviewed annually

### Tauriko West | Community Infrastructure

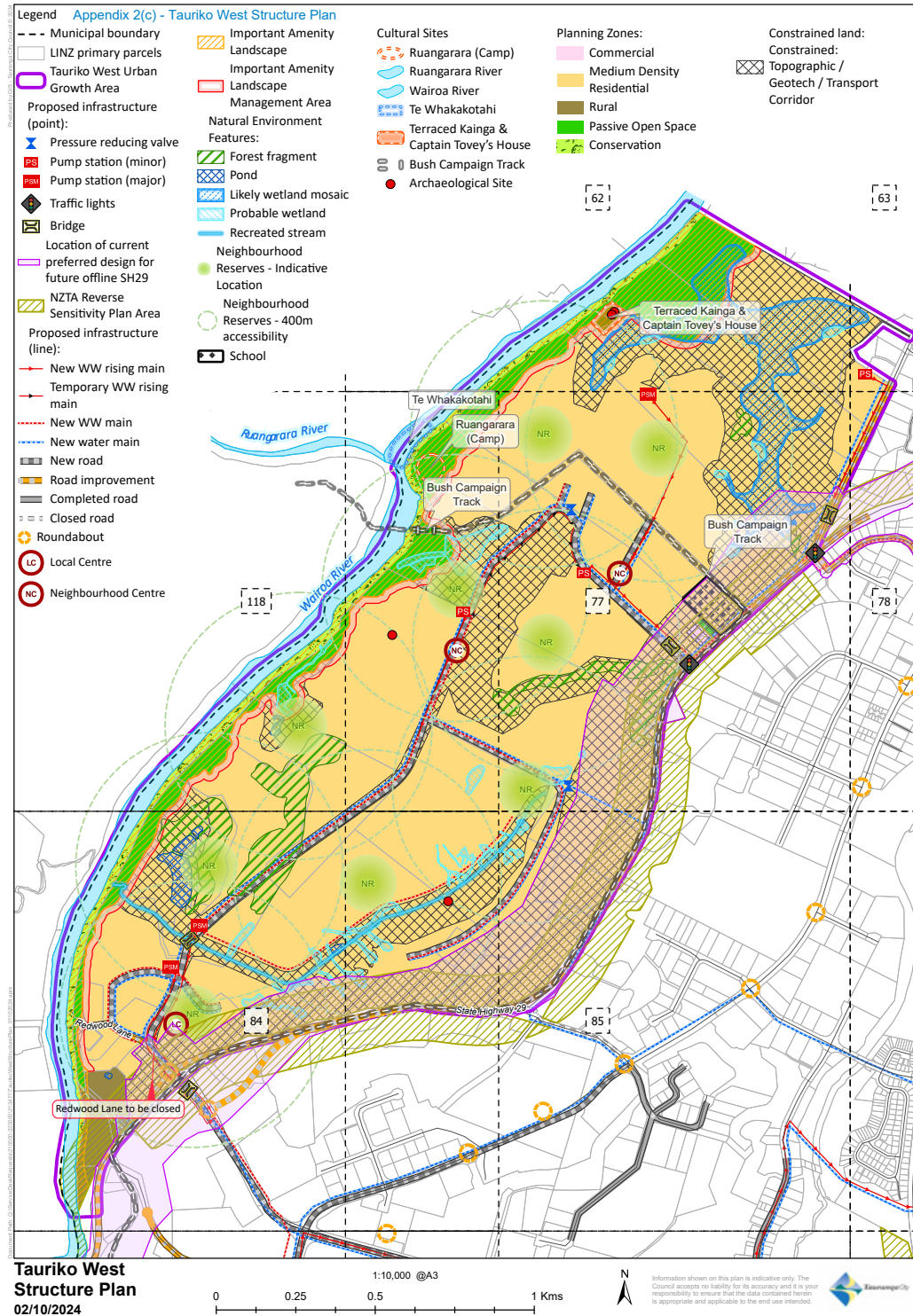
Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor (Hectares)	Cost per unit (\$)
				Loan	Other	Tauriko West			
123363	CFIP Western Corridor Community Centre land purchase and construction	Estimate	\$13,218,244	68.54	-	31.46	\$4,158,460	136	\$30,576.91
<b>Subtotal</b>			<b>\$13,218,244</b>				<b>\$4,158,460</b>		<b>\$30,576.91</b>
<b>Cost of Inflation</b>									<b>\$6,167.64</b>
<b>Cost of Capital</b>									<b>\$(37.74)</b>
<b>\$ per hectare</b>									<b>\$36,706.80</b>

Notes

Capex for 123363 needs to reduce to \$11.28m when IBIS is opened again. The Tauriko West share of \$3.548m is reflective of the true share against the \$11.28m. Once the CAPEX is revised in IBIS. The Tauriko West % needs to be amended to keep their share at \$3.548m.

From then on the % will remain at 31.46% and the notional \$\$ payable by Tauriko West will fluctuate with the cost of the project (in other words, the % in the 25/26 DCP of 27.48% is artificial and is only there temporarily in order to reflect the correct \$\$ contribution until the ibis project CAPEX is adjusted).

### Urban Growth Area Structure Plans - Tauriko West



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

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# Te Papa Infill

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Tauranga Infill



## Schedule of assets: Te Papa Infill

- 6.12.1 The boundaries of the Te papa Infill area are shown on the catchment map in Section 1. Local development contributions for development within this area are collected in relation to transport and reserves infrastructure projects. Further local development contributions charges apply for developments in the Tauranga Infill catchment relating to Wastewater assets.
- 6.12.2 Local development contributions for residential development are charged per additional allotment.
- 6.12.3 For non-residential development, local development contributions are charged per additional m<sup>2</sup> of gross floor area.
- 6.12.4 Further information regarding the calculation of the charges for Transport and Reserves assets can be found in Section 5.

Note, in the event a development is located in both the Tauranga Infill and Te Papa Infill catchments, development contributions associated with both catchments will apply.

### Te Papa | Transport

Project Id	Project Name	Cost basis	Total CAPEX (\$)	External funding (Crown)	TCC capex after external funding	Funding source (%)					\$ funded via Catchment	Divisor	Cost per unit (\$)
						Loan	NZTA	Other Crown	TSP IFF	Te Papa			
123428	Cameron Road Stage 1	Complete	\$85,116,789	45,500,000	\$39,616,789	8%		46%	26%	20%	\$7,923,358	9224	\$858.99
123429	TSP018 - Cameron Road Stage 2	Engineers estimates	\$99,257,912	56,442,998	\$42,814,914	0%	0%		54%	46.366%	\$19,781,583	9224	\$2,144.58
<b>Subtotal</b>			<b>\$184,024,702</b>	<b>\$101,942,998</b>	<b>\$82,081,704</b>						<b>\$27,704,940</b>		<b>\$3,003.57</b>
<b>Cost of Inflation</b>													<b>\$137.84</b>
<b>Cost of Capital</b>													<b>\$2,176.83</b>
<b>Total</b>													<b>\$5,318.24</b>
<b>Commercial scaling factor (transport)</b>													<b>1.25</b>
<b>\$ charge per 100 sqm for non-residential development</b>													<b>\$6,647.80</b>

### Te Papa | Reserves

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)		\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Te Papa			
123520	Te Papa neighbourhood area open space land purchase and development		\$19,527,079	80.00	20.00	\$3,905,416	1380	\$2,830.01
<b>Subtotal</b>			<b>\$19,527,079</b>			<b>\$3,905,416</b>		<b>\$2,830.01</b>
<b>Cost of Inflation</b>								<b>\$196.99</b>
<b>Cost of Capital</b>								<b>\$26.73</b>
<b>Total</b>								<b>\$3,053.73</b>

# Wairakei

Wairakei



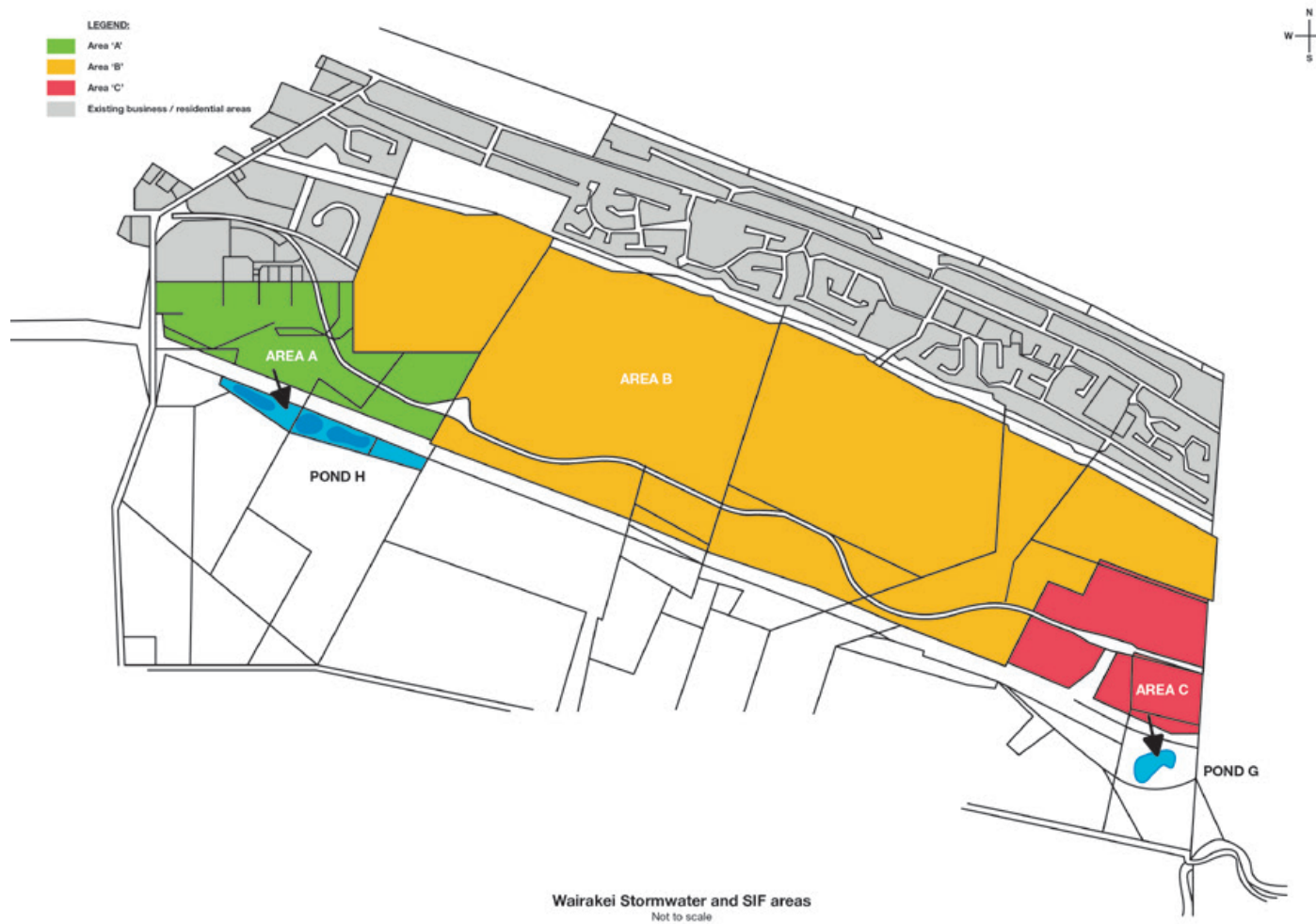
## Schedule of assets: Wairakei

- 6.13.1 The Wairakei Urban Growth Area is located towards the eastern end of Pāpāmoa. The Local Development Contributions are payable on a per (gross) hectare basis and are calculated by dividing the total costs for each activity by the number of (gross) hectares.
- 6.13.2 Each hectare of land is treated equally regardless of underlying zoning. The justification for this is that local infrastructure costs are primarily determined by the land area to be serviced as opposed to the underlying infrastructure demand (i.e. usage) generated by different types of land uses (e.g. residential, commercial and industrial).
- 6.13.3 Wairakei has been separated into three different stormwater catchments, Area A, Area B and Area C as shown on the attached map - Figure 2. In Area B most stormwater infrastructure is developer funded. In Areas A and C stormwater infrastructure is funded by development contributions and consequently the per hectare rates are higher in these areas than they are in Area B.
- 6.13.4 At the time this Policy became operative:
  - The boundary between Areas A and B was the boundary of Lot 2 DPS 24826 (Area B) with Lot 3 DPS 82613, Lot 1 DP 429801 and Section 4 SO 410927 (Area A) and the boundary of Section 4 SO 428937 (Area B) with Section 4 SO 410937 (Area A),
  - The exact boundary between Area B and Area C had not been determined. Further work will be undertaken to define this boundary accurately prior to development being undertaken within close vicinity of this boundary.
- 6.13.5 The planning period for the area is 2011-2036.
- 6.13.6 The total land area used in the divisors is as follows:

Table 65: Household unit divisors for Wairakei

	Water	Wastewater	Stormwater	Transport	Reserves
<b>Total land area (hectares)</b>	383	383	383	383	
<b>Less:</b>					
<b>Stormwater Reserves</b>	-17	-17	-17	-17	
<b>Historic Reserves</b>	-18	-18	-18	-18	
<b>Road designations</b>	-13	-13	-13	-13	
<b>Total</b>	<b>335</b>	<b>335</b>	<b>335</b>	<b>335</b>	

Figure 2: Stormwater sub catchments in Wairakei Urban Growth Area



### Wairakei | Water

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)
				Loan	Te Tumu	Wairakei			
								335	
2110	Parton Road/Te Okuroa Drive Watermains	Complete	\$310,898			100.00	\$310,898	335	\$928.05
2229	Wairakei Watermain Pāpāmoa Beach Road / Palm Springs/Wairakei Reserve	Complete	\$531,845			100.00	\$531,845	335	\$1,587.60
274 / 120738	Upgrade of Bell Road water main (450mm dia steel) to Wairakei, new reticulation for Wairakei fed from Poplar Lane Reservoir	Complete	\$1,174,369			100.00	\$1,174,369	335	\$3,505.58
710/123246	Te Okuroa Drive Water Mains up to end of TOD Stage F	Complete	\$2,342,000			100.00	\$2,342,000	335	\$6,991.04
199708	Te Okuroa Drive Water Mains (from Sands Avenue to Boundary)	Complete	\$920,086			100.00	\$920,086	335	\$2,746.53
728 / 123221	Internal Wairakei Reticulation Mains (excluding Te Okuroa Drive) as per Wairakei structure plan	Engineers estimate	\$2,788,605			100.00	\$2,788,605	335	\$8,324.19
3376 / 120737	Bell Road 450mm Main - Wairakei and Te Tumu	Engineers estimate	\$33,422,258		50.00	50.00	\$16,711,129	335	\$49,883.97
<b>Subtotal</b>			<b>\$41,490,061</b>				<b>\$24,778,932</b>		<b>\$73,966.96</b>
<b>Cost of Inflation</b>									<b>\$26,620.08</b>
<b>Cost of Capital</b>									<b>\$(53,637.51)</b>
<b>Total</b>									<b>\$46,949.53</b>

### Wairakei | Wastewater

#### Development contributions payable for development in Wairakei subcatchment A

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)
				Loan	Renewal	DC: Pāpāmoa			
								335	
Subtotal from projects detailed in subcatchment B calculation plus project/s below which only provides for development in catchment A									\$163,034.15
1595	Pump Station 16	Complete	\$446,690				100.00	43	\$10,388.14
<b>Subtotal</b>			<b>\$446,690</b>				<b>\$446,690</b>		<b>\$173,422.29</b>
<b>Cost of Inflation</b>									<b>\$31,798.77</b>
<b>Cost of Capital</b>									<b>\$(73,878.41)</b>
<b>Total Wastewater DC payable in Wairakei subcatchment A</b>									<b>\$131,342.65</b>

## Wairakei | Wastewater cont.

### Development contribution fees payable for development in Wairakei subcatchment B

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)		
				Loan	Renewal	DC: Pāpāmoa				DC: Te Tumu	DC: Wairakei
280922	Opal Drive Pump Station - Actual costs	Complete	\$230,412		31.00	-	-	69.00	\$158,984	335	\$474.58
296	Pāpāmoa East Trunk Main. Investigation & Design	Complete	\$770,042	50.00				50.00	\$385,021	335	\$1,149.32
2936 / 120656	Ashley Place Sewer Upgrades	Development engineer	\$776,884					100.00	\$776,884	335	\$2,319.06
3613 / 121771	Main Wairakei Pump Station - Pāpāmoa East.	Development engineer	\$40,717,828				74.00	26.00	\$10,586,635	335	\$31,601.90
3614 / 122115	Opal Drive Pump Station	Development engineer	\$38,309,785		44.00		41.00	15.00	\$5,746,468	335	\$17,153.64
1596 / 123222	Wairakei Rising Main Upgrade (from Wairakei P/s to Opal Drive P/s) - Phase 1	Development engineer	\$19,649,382	-	60.00		15.00	25.00	\$4,912,346	335	\$14,663.72
218658	Wairakei Rising Main - (New 2nd Main from Wairakei P/s to Opal Drive P/s) - Phase 2	Development engineer	\$81,491,857	-	-		97.50	2.50	\$2,037,296	335	\$6,081.48
3586 / 121302	Opal Drive to Te Maunga Rising Main	Development engineer	\$100,042,690				70.00	30.00	\$30,012,807	335	\$89,590.47
<b>Subtotal</b>			<b>\$281,988,880</b>						<b>\$54,616,441</b>		<b>\$163,034.15</b>
<b>Cost of Inflation</b>											<b>\$31,798.77</b>
<b>Cost of Capital</b>											<b>\$(79,199.55)</b>
<b>Total Wastewater DC payable in Wairakei subcatchment B</b>											<b>\$115,633.37</b>

### Development contributions payable for development in Wairakei subcatchment C

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			Cost funded via Catchment	Divisor	Cost per unit (\$)		
				Loan	Renewal	DC: Pāpāmoa				DC: Te Tumu	DC: Wairakei
Subtotal from projects detailed in subcatchment B calculation (see prior page) plus project/s below which only provides for development in catchment C:									\$163,034.15		
1585/122389	Pump Station Catchment 2 to service Pāpāmoa East Stage 1 development	In progress	\$1,502,299					100.00	\$1,502,299	37	\$40,602.68
<b>Subtotal</b>			<b>\$1,502,299</b>						<b>\$1,502,299</b>		<b>\$203,636.83</b>
<b>Cost of Inflation</b>											<b>\$32,149.49</b>
<b>Cost of Capital</b>											<b>\$(72,706.67)</b>
<b>Total Wastewater DC payable in Wairakei subcatchment C</b>											<b>\$163,079.65</b>

## Wairakei | Stormwater

### Projects which are funded across all Wairakei catchments

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)					Cost funded via Catchment	Divisor	Cost per unit (\$)
				Loan	Te Tumu	NZTA	Pāpāmoa	Wairakei			
280257	Forward Planning, Consents and Design for Wairakei Stormwater	Complete	\$915,431					100.00	\$915,431	335	2,732.63
1918	Palm Springs Blvd Culverts - Twin 3 x 2 Culverts	Complete	\$558,176				58.38	41.62	\$232,313	335	693.47
1919	Golden Sands Culverts - Twin 4 x 2 Culverts	Complete	\$667,094				58.38	41.62	\$277,645	335	828.79
1679A	Wairakei Pond G - costs associated with managing roading related stormwater	Complete	\$1,653,269	2.45	26.71	51.00		19.84	\$328,009	335	979.13
123243	Wairakei Stream Culvert Upgrade: Emerald Shores Drive	Complete	\$772,500				58.38	41.62	\$321,515	335	959.74
<b>Subtotal for projects that relate to all Wairakei subcatchments (used in calculations below)</b>			<b>\$4,566,470</b>						<b>\$2,074,911</b>		<b>6,193.77</b>

### Projects which are funded via catchments A and C

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)					Costs funded via Wairakei A and C	Divisor	Cost per unit (\$)
				Loan	Te Tumu	External	Pāpāmoa	Wairakei A & C			
1619	Pāpāmoa East I - Bell Rd Flood Pump Station	Complete	\$2,480,232			46.59		53.41	\$1,324,692	80	16,558.65
<b>Subtotal for projects that relate to Area A and C</b>			<b>\$2,480,232</b>						<b>\$1,324,692</b>		<b>16,558.65</b>

### Stormwater development contributions payable in Wairakei subcatchment A

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)					Costs funded via Wairakei A	Divisor	Cost per unit (\$)
				Loan	Te Tumu	External	Pāpāmoa	Wairakei - A			
Projects funded via all catchments - \$ per hectare calculated above											6,193.77
Plus subtotal of projects which are funded via catchments A and C (as calculated above)											16,558.65
1509	Construction of Pond H and associated culverts- (includes costs for LIPS 1509, 1647, 1648, 1649, 3101 and 1657)	Complete	\$4,929,532					100.00	\$4,929,532	43	114,640.28
1650	Te Okuroa Drive - Stormwater Management - Area 4 - Pond H	Complete	\$640,826					100.00	\$640,826	43	14,902.93
<b>Subtotal for projects that relate to Area A only</b>			<b>\$5,570,358</b>						<b>\$5,570,358</b>		<b>152,295.62</b>
<b>Cost of Inflation</b>											-
<b>Cost of Capital</b>											78,760.70
<b>Total</b>											<b>231,056.32</b>

### Wairakei | Stormwater cont.

#### Stormwater development contributions payable in Wairakei subcatchment B

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)					Cost funded via Wairakei B	Divisor	Cost per unit (\$)
				Loan	Te Tumu	NZTA	Pāpāmoa	Wairakei - B			
Projects funded via all catchments - \$ per hectare calculated prior page										6,193.77	
280920	Wairakei Stream - Overflow to Kaituna - Historic/Actual Costs	Complete	\$371,906		33.34		33.33	33.33	\$123,956	255	486.10
280304 / 2014	Wairakei Stream - Land Purchase	Complete	\$2,050,000				67.98	32.02	\$656,410	255	2,574.16
280268	Wairakei Stream Channel (Parton Rd - Marjorie Ln)	Complete	\$792,489				67.98	32.02	\$253,755	255	995.12
2197 / 122191	Pāpāmoa - Wairakei Stream Land Purchase	Complete	\$1,605,357				68.00	32.00	\$513,714	255	2,014.57
1514	Te Okuroa Drive SW - Servicing Area 2	Complete	\$2,036,745	49.40				50.60	\$1,030,593	255	4,041.54
1678/ 123245	Te Okuroa Drive SW - Servicing SW Area 3	In progress	\$1,577,441					100.00	\$1,577,441	255	6,186.04
199710	Te Okuroa Drive SW - Servicing Area 3 (part of PEI Phase 2)	Complete	\$536,150					100.00	\$536,150	255	2,102.55
2480 /123224	Wairakei Stream - Overflow to Kaituna	Engineer estimate	\$81,661,819		33.34		33.33	33.33	\$27,217,884	255	106,736.80
995 / 123237	Wairakei Stream Landscaping	Engineer	\$418,451				68.00	32.00	\$133,904	255	525.11
<b>Subtotal for projects that relate to Area B only</b>			<b>\$91,050,358</b>						<b>\$32,043,808</b>		<b>131,855.76</b>
<b>Cost of Inflation</b>										<b>38,328.34</b>	
<b>Cost of Capital</b>										<b>(90,632.18)</b>	
<b>Total - Area B</b>										<b>79,551.92</b>	

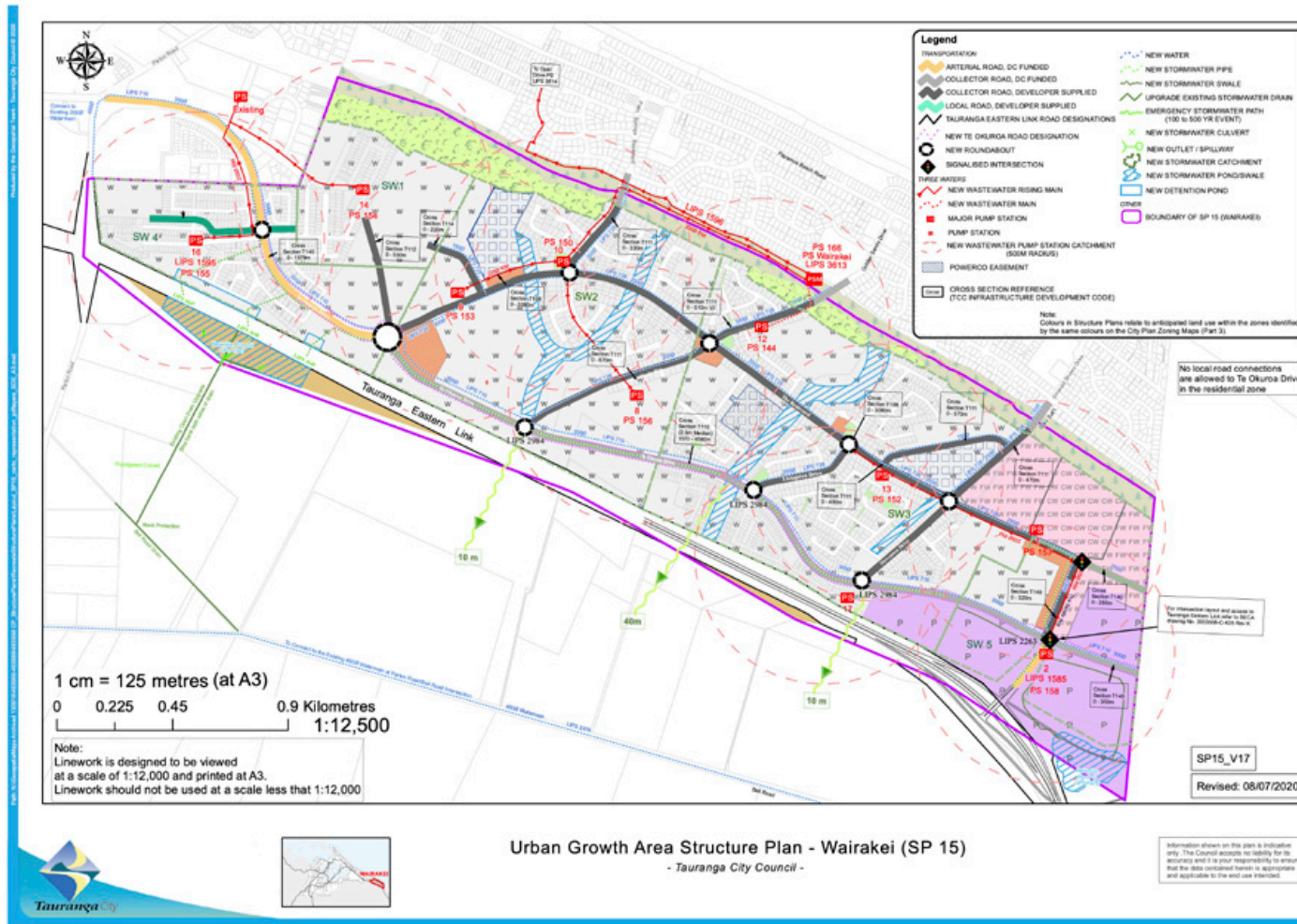
#### Stormwater development contributions payable in Wairakei subcatchment C

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)					Cost funded via Catchment C	Divisor	Cost per unit (\$)
				Loan	Te Tumu	NZTA	Pāpāmoa	Wairakei - C			
Subtotal of projects funded via all catchments - \$ per hectare calculated above										6,193.77	
Plus subtotal of projects which are funded via catchments A and C as calculated above										16,558.65	
1512 / 123036	Te Okuroa Drive Servicing Area 5 Pond G Discharge	Engineer	\$1,429,758					100.00	\$1,429,758	37	38,642.11
1679 / 123215	Wairakei Pond G Construction & Land	Complete	\$4,251,264					100.00	\$4,251,264	37	114,899.02
1680 / 123216	Wairakei Pond G Roading Associated	Estimate	\$492,742					100.00	\$492,742	37	13,317.35
<b>Subtotal</b>			<b>\$6,173,764</b>								<b>189,610.89</b>
<b>Cost of Inflation</b>										-	
<b>Cost of Capital</b>										<b>152,013.51</b>	
<b>Total costs for Area C</b>										<b>341,624.40</b>	

## Wairakei | Transport

Project Id	Project description	Cost basis	Total CAPEX (\$)	WK subsidy	TCC capex after WK subsidy	Funding source (%)				Costs funded via Catchment	Divisor	Cost per unit (\$)			
						Loan/ Rates	Renewal	Pāpāmoa	Te Tumu				Wairakei		
280277	Designations in Pāpāmoa (previously Lips 916)	Complete	\$35,000	\$-	\$35,000				57	43	\$14,938	335	\$44.59		
280232	Tara Rd/Parton Rd Intersection Control	Complete	\$929,748		\$929,748	5		49		46	\$430,845	335	\$1,286.11		
2262	Te Okuroa Dr - Boulevard Intersection	Complete	\$1,364,783		\$1,364,783					100	\$1,364,783	335	\$4,073.98		
249	Tara Rd/Parton Rd Intersection Control	Complete	\$2,140,345		\$2,140,345	5		49		46	\$991,836	335	\$2,960.70		
2259	Parton Road / Pāpāmoa Beach Road Roundabout	Complete	\$364,207		\$364,207			51		49	\$177,660	335	\$530.33		
267	Wairakei Stream Crossing - Shopping Centre	Complete	\$329,817		\$329,817			51		49	\$160,885	335	\$480.25		
268	Wairakei Stream Crossing - Golden Sands	Complete	\$513,007		\$513,007			51		49	\$250,245	335	\$747.00		
246	Tara Rd Planning & Reconstruction	Complete	\$10,411,319	\$3,019,283	\$7,392,036	24		38		38	\$2,806,017	335	\$8,376.17		
564	Land Purchase Tara Rd	Complete	\$827,003		\$827,003	30		36		34	\$282,339	335	\$842.80		
2933	Te Okuroa Drive Roundabout at CH870	Complete	\$620,011		\$620,011					100	\$620,011	335	\$1,850.78		
2984	Te Okuroa Drive signalised intersections	Complete	\$1,399,669		\$1,399,669					100	\$1,399,669	335	\$4,178.12		
1171/120831	Bus Bays and Shelters - 4 on Te Okuroa Drive	Complete	\$81,863	\$41,751	\$40,112					100	\$40,112	335	\$119.74		
269/123239	Wairakei Stream Crossing - Emerald Shores Subdivision	Complete	\$1,781,899	\$-	\$1,781,899			49		51	\$912,314	335	\$2,723.33		
2260 / 122980	Te Okuroa Drive - Parton Road to start of Wairakei														
	Costs incurred prior 2022 with no NZTA subsidy	Complete	\$1,526,057		\$1,526,057					34		67	\$1,014,828	335	\$3,029.34
	Improvements and widening to existing road	Complete	\$153,256	\$78,161	\$75,095					34		67	\$49,938	335	\$149.07
	<b>Total</b>		<b>\$1,679,313</b>												
259 / 122978	Te Okuroa Drive - Wairakei Boundary to end of Stage F	Complete	\$21,937,571	\$7,646,940	\$14,290,631	-		-		-		100	\$14,290,631	335	\$42,658.60
261/122982	Sands Avenue - historical land purchase allocation	Complete	\$122,000	\$-	\$122,000	5			55	41	\$49,410	335	\$147.49		
	Pāpāmoa East Interchange budgets														
262 / 122203	PEI - land, design, early works	Actual	\$11,659,601	\$4,879,265	\$6,780,336	5.0			54.5	40.5	\$2,746,036	335	\$8,197.12		
199698	PEI - Phase 1	Actual	\$14,689,790	\$7,491,793	\$7,197,997	5.0			54.5	40.5	\$2,915,189	335	\$8,702.06		
199711	PEI - Phase 2 - (ITA) - Intersection of Sands and TOD	Engineers estimate	\$7,026,690	\$3,583,612	\$3,443,078	5.0			54.5	40.5	\$1,394,447	335	\$4,162.53		
199724	PEI - Phase 3 - PEI + Sands Avenue	Engineer estimate	\$56,779,443	\$28,957,516	\$27,821,927	5.0			54.5	40.5	\$11,267,880	335	\$33,635.46		
	<b>Total PEI (Transport budget only)</b>		<b>\$90,155,524</b>	<b>\$44,912,186</b>	<b>\$45,243,338</b>										
2261 / 122977	Te Okuroa Drive Stage H and I (Phase 4 PEI)	In progress	\$8,271,542		\$8,271,542				57	43	\$3,530,294	335	\$10,538.19		
	<b>Subtotal</b>		<b>\$142,964,621</b>										<b>\$139,433.75</b>		
	<b>Cost of Inflation</b>												<b>\$435.19</b>		
	<b>Cost of Capital</b>												<b>\$30,785.33</b>		
	<b>Total costs for Area C</b>												<b>\$170,654.27</b>		

### Urban Growth Area Structure Plans - Wairakei



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

# Welcome Bay

Welcome Bay



## Schedule of assets: Welcome Bay

6.14.1 The Welcome Bay Urban Growth Area is located on the South East side of Tauranga. It borders the Tauranga Infill catchment. Structure Plan 7 shows the boundaries of the growth area. The majority of the infrastructure provisions are complete. The schedules identify which costs are complete (Actual costs) and which costs are still planned (standard estimates or nonstandard estimates).

6.14.2 The expected yield and divisor for Welcome Bay is based on 9 dwellings per hectare. The planning period is 1991-2021.

Table 66: Household unit divisors for Welcome Bay

	Water	Wastewater	Stormwater	Transport	Reserves
Residential	1,421	1,421	1,421	1,421	
Rural Residential	159			159	
Residential Development 1992-1995	39	39	39	39	
Rural Residential Development 1995-1995	10			10	
<b>Total</b>	<b>1,629</b>	<b>1,460</b>	<b>1,460</b>	<b>1,629</b>	

### Welcome Bay | Water

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Welcome Bay			
280028	Pump station	Complete	\$140,000			100.00	\$140,000	1629	\$85.94
280027	Waikite Reservoir - 1000m3	Complete						1629	
280025	Waikite Road	Complete	\$79,712			100.00	\$79,712	1629	\$48.93
280024	Waitaha road	Complete	\$87,200			100.00	\$87,200	1629	\$53.53
280307& 280027	Welcome Bay Reservoir	Complete	\$1,834,575			100.00	\$1,834,575	1629	\$1,126.20
280026	Welcome Bay Road	Complete	\$20,419			100.00	\$20,419	1629	\$12.53
<b>Subtotal</b>			<b>\$2,161,906</b>				<b>\$2,161,906</b>		<b>\$1,327.14</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$282.69</b>
<b>Total</b>									<b>\$1,609.83</b>

### Welcome Bay | Wastewater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding Source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Welcome Bay			
280237	Sewer in Central Gully - Welcome Bay	Complete	\$430,256			100.00	\$430,256	1460	\$294.70
280099	Sewer from end of Meander Street	Complete	\$128,997			100.00	\$128,997	1460	\$88.35
280100	Road Crossings across Welcome Bay Road	Complete	\$19,401			100.00	\$19,401	1460	\$13.29
280101	Pump station upgrade - Waitaha road Rising Main	Complete	\$345,091			100.00	\$345,091	1460	\$236.36
122738 / 297	Southern Pipeline		\$103,718,935	33.36					\$3,997.00
<b>Subtotal</b>			<b>\$104,642,680</b>				<b>\$923,745</b>		<b>\$4,629.70</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$169.47</b>
<b>Total</b>									<b>\$4,799.17</b>

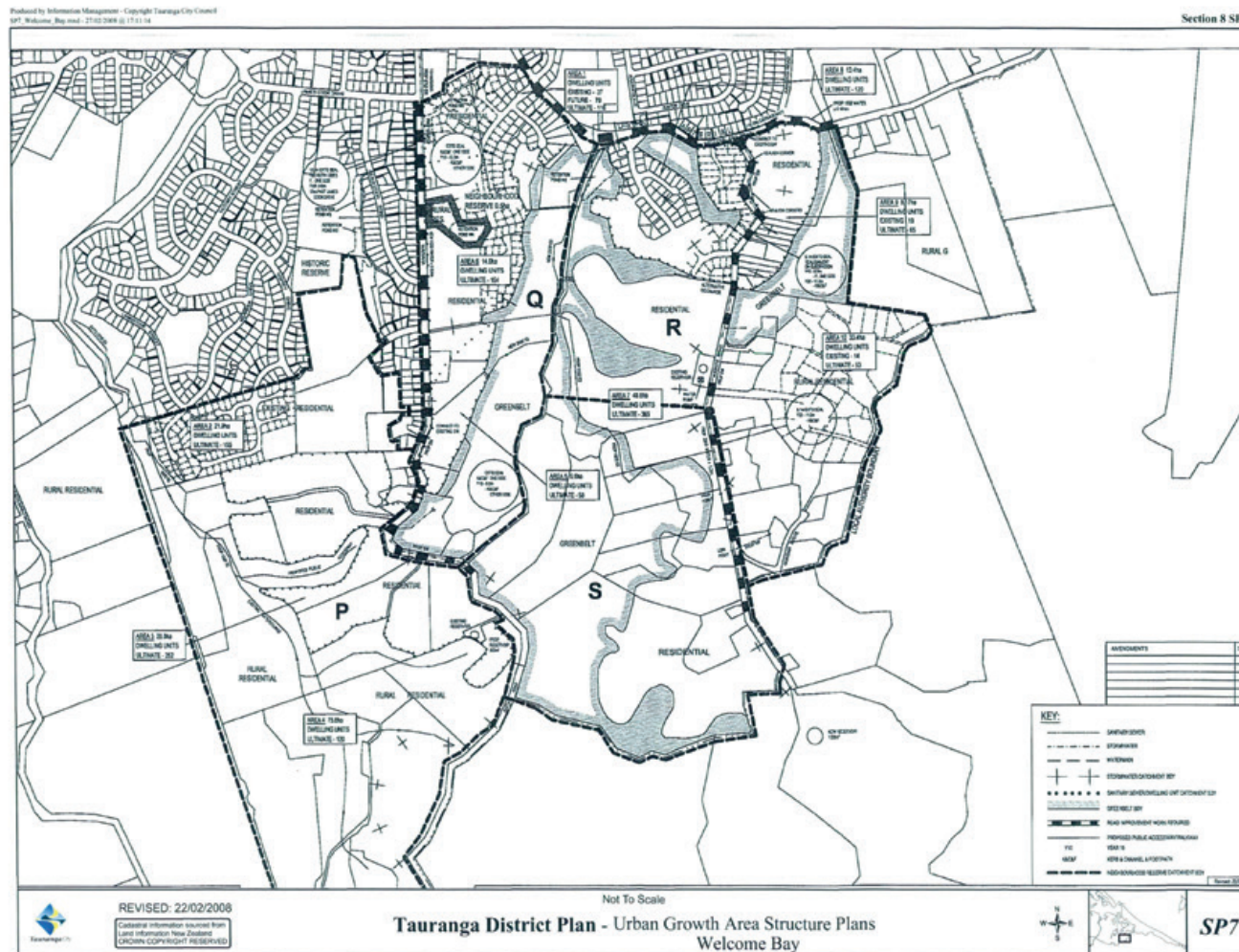
### Welcome Bay | Stormwater

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via Catchment	Divisor	Cost per unit (\$)
				Loan	External	Welcome Bay			
								1460	
280137	Resolution Road Catchment - Pond W2	Complete	\$115,511			100.00	\$115,511	1460	\$79.12
280138	Resolution Road Catchment - Pond W3	Complete	\$201,615			100.00	\$201,615	1460	\$138.09
280139	Waitaha Rd by Osprey Drive	Complete	\$8,028	5.00		95.00	\$7,627	1460	\$5.22
280141	Waitaha Road North (W5)	Complete	\$231,365			100.00	\$231,365	1460	\$158.47
280140	Waitaha Road South (W4)	Complete	\$205,838			100.00	\$205,838	1460	\$140.99
280223	Welcome Bay SIF: Waioraki Stream	Complete	\$42,213			100.00	\$42,213	1460	\$28.91
280265	Welcome Bay SIF: Waioraki Stream (previously Lips 978)	Complete	\$30,000			100.00	\$30,000	1460	\$20.55
280224	Welcome Bay SIF: Waitaha/Waikite Road	Complete	\$209,340	9.00		91.00	\$190,499	1460	\$130.48
1175 / 123262	Waitaha Road Top End (520m @ \$457)	Engineers estimate	\$308,696	5.00		95.00	\$293,261	1460	\$200.86
<b>Subtotal</b>			<b>\$1,352,606</b>				<b>\$1,317,929</b>		<b>\$902.69</b>
<b>Cost of Inflation</b>									<b>\$6.19</b>
<b>Cost of Capital</b>									<b>\$94.64</b>
<b>Total</b>									<b>\$1,003.52</b>

### Welcome Bay | Transport

Project Id	Project Name	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	External	DC: Welcome Bay			
								1629	
280230	Waitaha Road	Complete	\$453,904	5.00		95.00	\$431,209	1629	\$264.71
280270	Waikiti Road Upgrade	Complete	\$1,286,795	9.00		91.00	\$1,170,983	1629	\$718.84
105 / 123341	Welcome Bay Road Upgrade (870m upgrade 9m - 14.4m arterial)	Engineers estimate	\$3,785,971	76.97		23.03	\$871,909	1629	\$535.24
107 / 123260	Waitaha Road (525m widening 1180m to 1705m)	Engineers estimate	\$729,567	5.00		95.00	\$693,089	1629	\$425.47
<b>Subtotal</b>			<b>\$6,256,237</b>				<b>\$3,167,190</b>		<b>\$1,944.26</b>
<b>Cost of Inflation</b>									<b>\$349.76</b>
<b>Cost of Capital</b>									<b>\$(628.97)</b>
<b>Total</b>									<b>\$1,665.05</b>

Urban Growth Area Structure Plans - Welcome Bay



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

# West Bethlehem

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West Bethlehem



## Schedule of assets: West Bethlehem

- 6.15.1 The West Bethlehem Urban Growth Area was zoned for development in 2001. Based on current growth projections the land development is expected to be complete by 2046. West Bethlehem includes a mixture of residential and rural residential zoned land with approximately one hectare of commercial zone. Structure plan 12 shows the boundaries of the West Bethlehem area and the bulk infrastructure services planned.
- 6.15.2 For most of West Bethlehem (excluding the Papakainga zone and the rural residential zone) local development contributions are calculated based on the entire site area associated with a development except site area associated with:
- i. Stormwater reserves,
  - ii. Historic reserves,
  - iii. Local/neighbourhood reserves,
  - iv. Non-building area resulting from historical/cultural considerations,
  - v. The road corridor associated with non-local roads (roads with a land corridor more than 20m in width).
- 6.15.3 Land zoned residential or rural residential and with a scheduled site overlay in the City Plan the charge for the wastewater activity will be that of the Bethlehem Urban Growth Area rather than the West Bethlehem Urban Growth Area
- |                                   |   |
|-----------------------------------|---|
| <b>Planning period: 2001-2046</b> | <b>Expected yield: 13.5 per hectare (average)</b> |
|-----------------------------------|---|
- 6.15.4 The potential yield for future dwelling units in West Bethlehem is based on an average anticipated yield of 13.5 lots per hectare across the Carmichael West structure plan excluding the Ngati Kahu Papakainga Zone and the Northwest Bethlehem structure plan (the expected yield within Northwest Bethlehem is 15 lots per hectare). The expected yield in the Ngati Kahu Papakainga Zone of Carmichael West is 12 lots per hectare.
- 6.15.5 The divisors used in the determination of the per unit divisor shown in the asset schedules are based on the following tables.

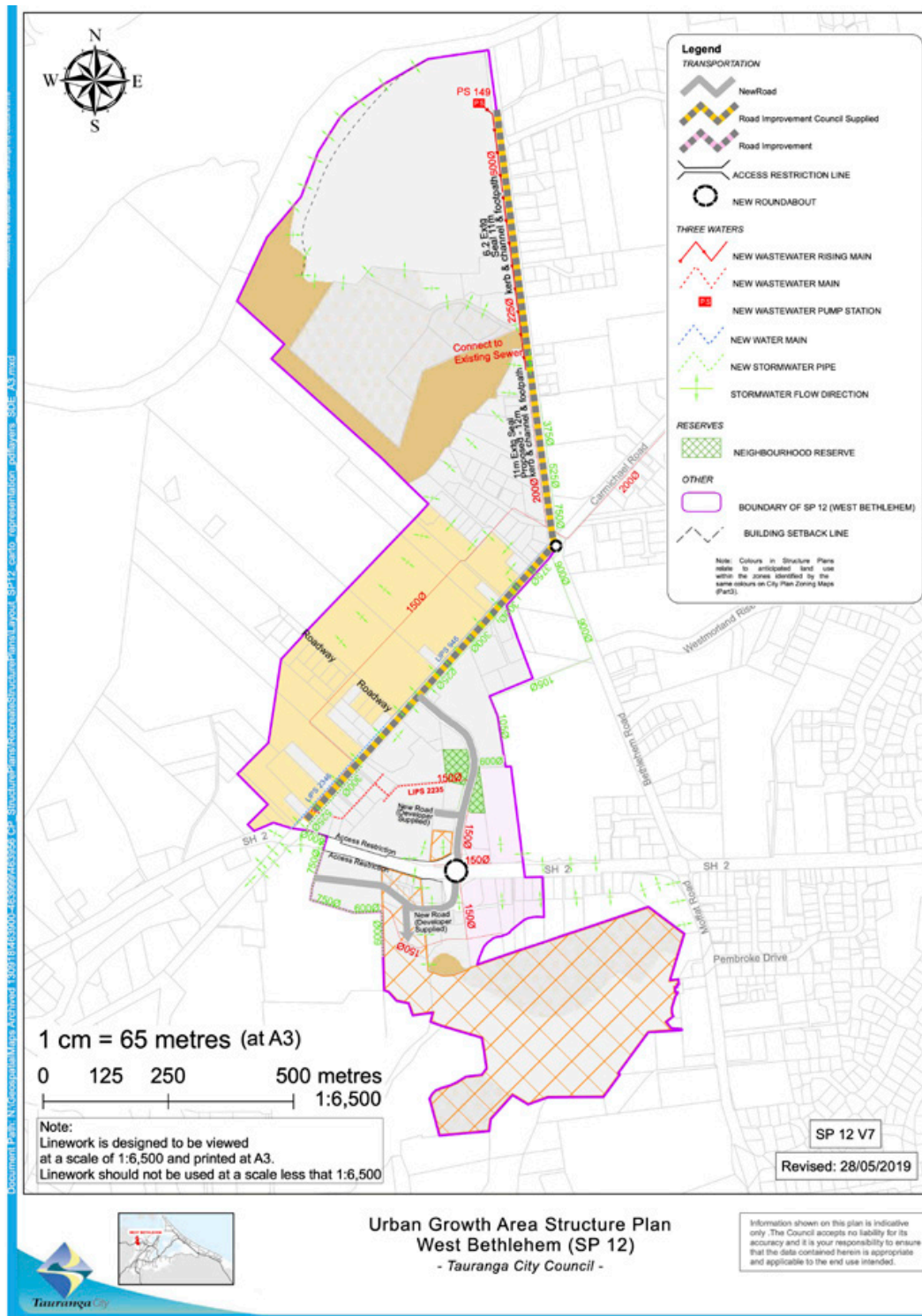
Table 67: Divisors for West Bethlehem

	Water	Wastewater	Stormwater	Transport	Reserves
Residential – Carmichael West	379	229	379	379	229
Residential – North West Beth	191	191	191	191	191
Rural Residential – North West Beth	11			11	
<b>Subtotal Residential</b>	<b>581</b>	<b>420</b>	<b>570</b>	<b>581</b>	<b>420</b>
Commercial area (hectares)	1	1	1	1	1
<i>Commercial scaling factor</i>	<i>19</i>	<i>19</i>	<i>22</i>	<i>35</i>	<i>0</i>
<b>Subtotal commercial</b>	<b>19</b>	<b>19</b>	<b>22</b>	<b>35</b>	<b>0</b>
<b>Total</b>	<b>600</b>	<b>439</b>	<b>592</b>	<b>616</b>	<b>420</b>

Table 68: Divisors for West Bethlehem excluding the Papakainga zone

	Water	Wastewater	Stormwater	Transport	Reserves
Total land area (hectares)	61.04	46.11	61.04	61.04	61.04
<b>Less:</b>					
Non-local roads	-1.72	-1.72	-1.72	-1.72	-1.72
Local Reserves	-0.43	-0.43	-0.43	-0.43	-0.43
Stormwater Reserves	-3.09	-1.81	-3.09	-3.09	-3.09
Non-buildable area	-4.10	-1.05	-4.10	-4.10	-4.10
Rural Residential	-13.62	-7.52	-13.62	-13.62	-13.62
<b>Total</b>	<b>38.08</b>	<b>33.58</b>	<b>38.08</b>	<b>38.08</b>	<b>38.08</b>

### Urban Growth Area Structure Plans - West Bethlehem



All maps included within this policy are scaled to A4. Higher resolution maps will be available online and boundary lines can be shown on councils online mapping systems.

### West Bethlehem | Water

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Renewal	West Bethlehem			
946	Carmichael Road to Bethlehem Road	Complete	\$134,186	11.00		89.00	\$119,426	600	\$199.04
2346 / 120884	Carmichael Road Watermain (Bethlehem - SH2) Stage 2. Approx 270m	Engineers estimate	\$356,066	24.00	38.00	38.00	\$135,305	600	\$225.51
<b>Subtotal</b>			<b>\$490,252</b>				<b>\$254,731</b>		<b>\$424.55</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$247.80</b>
<b>Total before Council discount</b>									<b>\$672.35</b>
<b>Less reduction adopted by Council</b>									<b>\$(423.02)</b>
<b>Total</b>									<b>\$249.33</b>
<b>Expected yield per hectare</b>									<b>\$13.50</b>
<b>\$ charge per hectare</b>									<b>\$3,365.97</b>
<b>Commercial scaling factor (water)</b>									<b>\$19.00</b>
<b>\$ charge per hectare for commercial development</b>									<b>\$4,737.29</b>

### West Bethlehem | Wastewater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)				\$ funded via West Bethlehem	Divisor	Cost per unit (\$)
				Loan	Renewal	Bethlehem	West Bethlehem			
280061	Bethlehem Pump Station	Complete	\$1,289,808	10.00	40.70	42.70	6.60	\$85,127	439	\$193.91
280059	Bethlehem to Birch Avenue to Judea Pump Station	Complete	\$1,652,687	10.00	40.70	42.70	6.60	\$109,077	439	\$248.47
280060	Judea Pump Station Rising Main and Pump Station Modifications	Complete	\$836,802	10.00	53.50	32.00	4.50	\$37,656	439	\$85.78
280056	Mayfield Lane to Point B	Complete	\$683,596	10.00		65.70	24.30	\$166,114	439	\$378.39
280057	Point B Southwest toward State Highway 2	Complete	\$265,182	10.00		65.70	24.30	\$64,439	439	\$146.79
280058	Point B to Carmichael Road	Complete	\$294,400	10.00		65.70	24.30	\$71,539	439	\$162.96
280253	Carmichael Rd to Bethlehem Rd (previously Lips 772)	Complete	\$375,001	10.00		65.70	24.30	\$91,125	439	\$207.57
1663/280299	Block A West Bethlehem	Complete	\$189,127	10.00			90.00	\$170,214	439	\$387.73
2122/120883	Carmichael Road to Bethlehem Road (cross country)	Complete	\$460,528	10.00		18.00	72.00	\$331,580	439	\$755.31
2235/0	Block C West Bethlehem Sewer (6.1.3)	Complete	\$52,510	10.00			90.00	\$47,259	439	\$107.65
775/0	Bethlehem West SIF Projects - Block D	Complete	\$364,482	10.00			90.00	\$328,034	439	\$747.23
1664/123360	West Bethlehem Wastewater Reticulation Carmichael Cnr SH2	Engineers estimate	\$670,555	10.00			90.00	\$603,500	439	\$1,374.71
297/122738	Southern Pipeline. *** Southern Pipeline charge per unit is calculated different to other projects. Details regarding the funding calculation are set out Section 5.8. The DC charge per unit shown in the final column is inclusive of inflation and capital costs unlike other projects.		\$103,718,735				1.96			\$3,997.00
<b>Subtotal</b>			<b>\$110,853,412</b>					<b>\$2,105,665</b>		<b>\$8,793.50</b>
<b>Cost of Inflation</b>										<b>0</b>
<b>Cost of Capital</b>										<b>6,606</b>
<b>Total before Council discount</b>										<b>\$15,399.46</b>
<b>Less reduction adopted by Council</b>										<b>\$(2,729.61)</b>
<b>Total</b>										<b>\$12,669.85</b>
<b>Expected yield per hectare</b>										<b>13.5</b>
<b>\$ charge per hectare</b>										<b>\$171,042.98</b>
<b>Commercial scaling factor (wastewater)</b>										<b>19</b>
<b>\$ charge per hectare for commercial development</b>										<b>\$240,727.15</b>

### West Bethlehem | Stormwater

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding sources (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Bethlehem	West Bethlehem			
280242	Carmichael Farm Ponding Area	Complete	\$2,184,734	30.00	66.50	3.50	\$76,466	592	\$129.17
280283	Parau Pond Farm Reticulation associated with pond	Complete	\$31,086			100.00	\$31,086	592	\$52.51
280238	Pond C - Roading Associated	Complete	\$504,836		93.71	6.29	\$31,754	592	\$53.64
280241	Pond H	Complete	\$169,218		80.00	20.00	\$33,844	592	\$57.17
280255	Reticulation Block A	Complete	\$557,844			100.00	\$557,844	592	\$942.30
280298	Reticulation Block C	Complete	\$168,153			100.00	\$168,153	592	\$284.04
280282	Roading Associated - Carmichael Rd - Eastern End	Complete	\$165,077			100.00	\$165,077	592	\$278.85
1583	Reticulation Block C - West Bethlehem SIF Pond G Roading Associated	Complete	\$89,155			100.00	\$89,155	592	\$150.60
1582/120765	Bethlehem Road East Stormwater Management Programme - Low Impact Design Option - Stage 1 (replaces Pond D and G works)	Engineers estimate	\$2,227,831	30.00		70.00	\$1,559,482	592	\$2,634.26
1661/120772	Bethlehem West Stormwater Upgrade under State Highway 2 (was Carmichael Road Stormwater)	Engineers estimate	\$6,795,683			100.00	\$6,795,683	592	\$11,479.19
1659/120771	Upgrade of Carmichael Road Stormwater in conjunction with Roading, Wastewater and Water upgrades	Engineers estimate	\$456,581			100.00	\$456,581	592	\$771.25
<b>Subtotal</b>			<b>\$13,350,198</b>				<b>\$9,965,124</b>		<b>\$16,832.98</b>
<b>Cost of Inflation</b>									<b>\$115.78</b>
<b>Cost of Capital</b>									<b>\$(1,382.40)</b>
<b>Total before Council discount</b>									<b>\$15,566.36</b>
<b>Less low demand or discount</b>									<b>\$(10,038.12)</b>
<b>Total</b>									<b>\$6,860.61</b>
<b>Expected yield per hectare</b>									<b>13.5</b>
<b>\$ charge per hectare</b>									<b>\$92,618.24</b>
<b>Commercial scaling factor (stormwater)</b>									<b>22</b>
<b>\$ charge per hectare for commercial development</b>									<b>\$150,933.42</b>

### West Bethlehem | Transport

Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Renewal	Bethlehem			
280275	Designation process for Roads in Bethlehem Plan Change 15 (previously Lips 922)	Complete	\$2,113				100.00	616	\$3.43
280258	Intersection Upgrades - Bethlehem Rd/Carmichael Rd (previously Lips 224)	Complete	\$503,881	20.00		40.00	40.00	616	\$327.20
230/0	Bethlehem SH2 Roundabout	Complete	\$3,600,592	25.00			51.00	616	\$2,981.01
163/0	Bethlehem Rd	Complete	\$842,855	6.00	25.00	34.50	34.50	616	\$472.05
2247/120748	Bethlehem Rd reconstruction Stage 2 (approx 510m from House 109 to Marae corner). Widening kerb and channel, footpath one side, lighting.		\$1,746,899.00		31.00	34.50	34.50	616	\$978.38
235/120878	Carmichael Road Reconstruction SH2 To Te Paeroa Rd (approx 400m including renewals/upgrades to existing road)		\$2,182,088	33.00	32.00		35.00	616	\$1,239.82
<b>Subtotal</b>			<b>\$8,878,428</b>				<b>\$3,697,163</b>		<b>\$6,001.89</b>
<b>Cost of Inflation</b>									<b>\$306.99</b>
<b>Cost of Capital</b>									<b>\$7,456.52</b>
<b>Total before Council discount</b>									<b>\$13,765.40</b>
<b>Less discount adopted by Council</b>									<b>\$(6,066.61)</b>
<b>Total</b>									<b>\$7,698.79</b>
<b>CALCULATION OF CHARGE PER HECTARE FOR COMMERCIAL DEVELOPMENT</b>									
	Expected yield per hectare								13.5
	\$ charge per hectare								\$103,933.67
	Commercial scaling factor (transport)						\$141		35
	\$ charge per hectare for commercial development								\$269,457.65

### West Bethlehem | Reserves

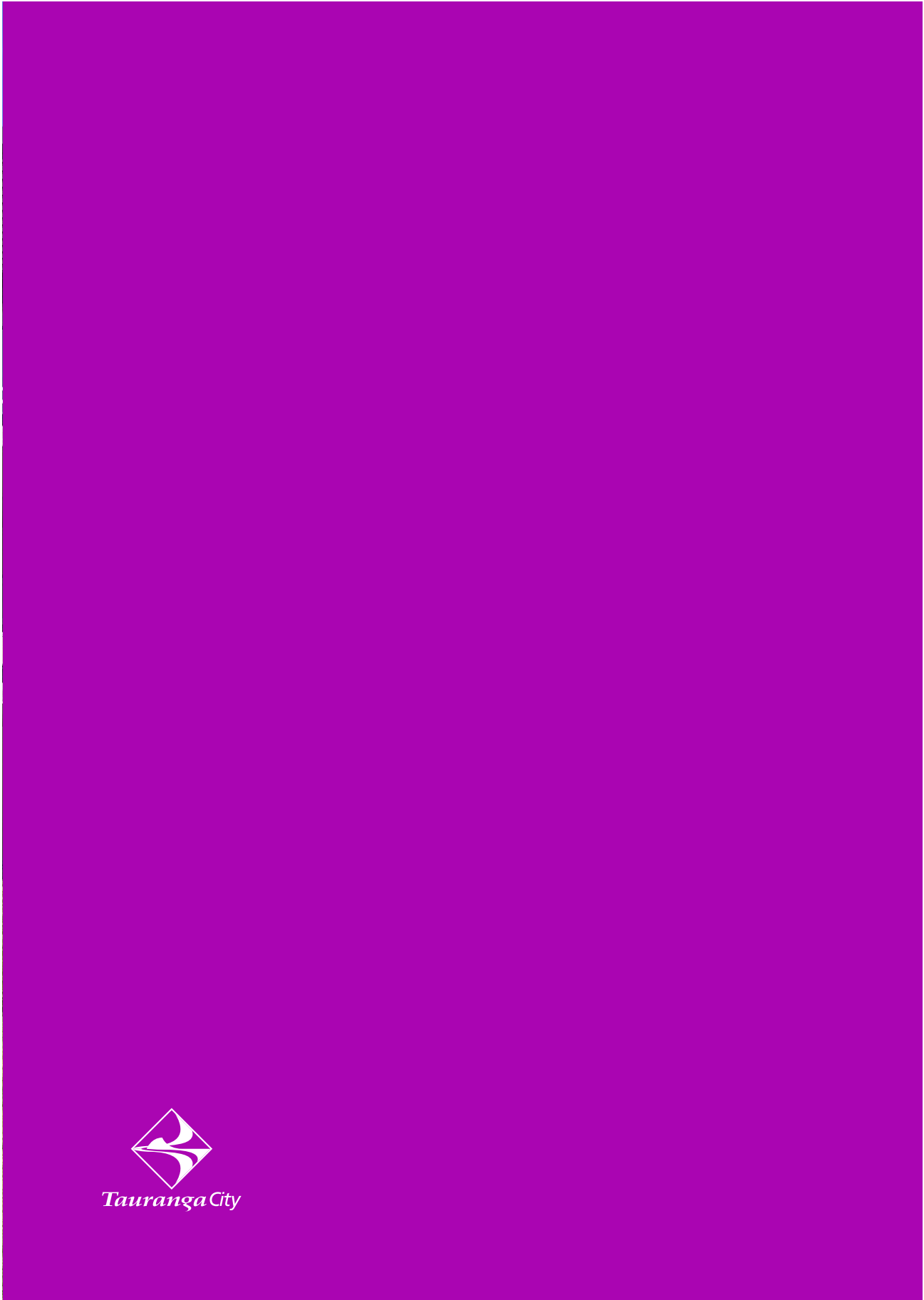
Project Id	Project description	Cost basis	Total CAPEX (\$)	Funding source (%)			\$ funded via catchment	Divisor	Cost per unit (\$)
				Loan	Bethlehem	West Bethlehem			
632/0	Neighbourhood Reserve Land Purchase	Complete	\$1,836,677	46.00		54.00	\$991,806	420	\$2,361.44
280900 and 123358	Neighbourhood reserve development (Te Paeroa Road Playground)	Complete	\$247,221	10.00		90.00	\$222,499	420	\$529.76
<b>Subtotal</b>			<b>\$2,083,898</b>				<b>\$1,214,304</b>		<b>\$2,891</b>
<b>Cost of Inflation</b>									<b>\$-</b>
<b>Cost of Capital</b>									<b>\$3,564.01</b>
<b>Total before Council discount</b>							<b>\$1,214,304</b>		<b>\$6,455.21</b>
<b>Discount</b>									<b>\$-</b>
<b>Total (\$ per lot)</b>									<b>\$6,455.21</b>
	Expected yield per hectare								13.5
	\$ charge per hectare								\$87,145.34

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## 11.5 January Weather Event - Recovery Progress Report

**File Number:** A20315505

**Author:** Nick Chester, Principal Strategic Advisor

**Authoriser:** Charlie Rahiri, Recovery Manager

### PURPOSE OF THE REPORT

1. To provide the Council with an update on the Tauranga Recovery Programme

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### RECOMMENDATIONS

That the Council:

- (a) Receives the report "January Weather Event - Recovery Progress Report".

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### EXECUTIVE SUMMARY

2. Following the severe weather event in January 2026, a Recovery Office has been set up within Tauranga City Council.
3. A recovery programme is underway. It is anticipated that recovery will be a long-term, dynamic process. Although much of the public focus has been on recovery at Mauao, there are several other projects taking place across the city that require coordination and regular reporting on progress.
4. The attached report outlines progress to date and anticipated next steps. Updates that are new since the last report on 12 May 2026 are listed in red.
5. Key activities that have occurred since the last report are:
  - (a) Remediation works (slip repair) on the Motukauri (summit) track are complete, with restoration works underway to prepare tracks.
  - (b) The Pilot Bay Boat Ramp reopened on Friday 29 May 2026.
  - (c) A new slip on the oceanside of Mauao has occurred following rainfall in early June. Geotech experts have assessed the slip and advised that there is now an increased risk, with severity now assessed as severe.
  - (d) A structured programme of community catch-ups, market attendance, library drop-in sessions, focused sessions with stakeholders and targeted business and community workshops is now underway. These events are designed to provide the community with clear visibility of recovery progress and creating opportunities to gather community insights and perspectives that can inform future decision-making. These events are occurring alongside an online survey that aims to gather insights, perspectives, and values on Mauao and its surrounding areas.

### BACKGROUND

6. Recovery from the January 2026 severe weather event is ongoing. A Recovery Plan has been developed to guide this process and ensure the ongoing recovery programme is guided by clear principles, goals and actions. Tauranga City Council has established a Recovery Office that will implement this Plan.

7. As Recovery continues, it is critical to ensure regular updates are provided that allow the Council and the community to understand where work is being carried out and what future actions will be.
8. The attached status update has been developed to give an overview of current progress on the recovery programme. The report outlines progress to date and anticipated next steps.
9. Progress reports will continue to be presented to the Council on at least a six-weekly basis, using a consistent template.

### STRATEGIC ALIGNMENT

10. The Recovery programme contributes to the promotion or achievement of the following strategic community outcome(s):

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

11. The recovery programme will influence and contribute to all of Tauranga City Council's Community Outcomes. It supports:
  - (a) an inclusive city by focusing on the needs of affected whānau, households, and communities;
  - (b) values and enhances the environment through resilient, sustainable recovery approaches;
  - (c) reinforces a well-planned city by restoring infrastructure in a safe and efficient way
  - (d) support business continuity, employment and education by restoring confidence and capacity for normal business activities, events and community activity to occur, especially near affected areas

### FINANCIAL CONSIDERATIONS

12. Financial considerations are discussed in **Attachment 1**.

### TE AO MĀORI APPROACH

13. The recovery programme has a strong alignment with the principles in Council's Te Ao Māori approach. Engagement with Iwi and hapū has been central to response and recovery activities to date, and partnership with the Mauao Trust and Ngā Poutirāo o Mauao is essential to decisions around recovery of Mauao. In particular, the principles of the Te ao Maori approach are being demonstrated through Manaakitanga, Rangatiratanga, Kaitiakitanga, Whanaungatanga, Wairuatanga and Tūmanako.

### CLIMATE IMPACT

14. The Recovery Programme provides an opportunity to address two key areas of climate impact;
  - (a) Adapt to a changing climate: the weather event has highlighted the need to better understand weather related risks, especially landslide risk across the city. One of the recovery strands is focussed on learning lessons from the event and recommending any improvements required to better mitigate risks in the future.

- (b) Enhance nature and biodiversity – the event resulted in significant damage to natural areas across the city. Recovery offers an opportunity to remediate spaces in a way that increased biodiversity can be considered.

## CONSULTATION / ENGAGEMENT

- 15. There is a high level of public interest in the recovery programme, especially actions at Mauao. As recovery transitions into a longer-term phase, public engagement will have a focus on regular updates, clear engagement processes, and decision points where communities can have their say. More detail about community engagement work underway is detailed in the attachment.

## SIGNIFICANCE

- 16. 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.
- 17. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
  - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
  - (b) any persons who are likely to be particularly affected by, or interested in, the .
  - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
- 18. The matter is technically assessed as low significance under Council's policy framework; however, the level of community interest and concern has been a key consideration in determining the reporting and engagement approach

## ENGAGEMENT

- 19. No further engagement is required to receive the report. However, engagement will be a critical component of the recovery programme and will inform future reporting.

## NEXT STEPS

- 20. Reporting on the recovery programme will be ongoing, with reports to be presented on at least a six-weekly basis.

## ATTACHMENTS

- 1. **Recovery Progress Report - 23 June 2026 - A20506988**  

**Recovery Progress Report – 23 June 2026**

**Key Facts Dashboard**

Current Placards (by suburb)	Yellow	Red
Mount Maunganui	2	2
Ōtūmoetai	2	-
Bellevue	2	-
Bethlehem	2	-
Greerton	2	-
Mangatawa	1	-
Mayoral Relief Fund	\$212, 575k allocated, \$15,765 remaining in fund	
Quantitative Landslide Risk Assessment (QLRA)	Mauao - Underway, on track Te Auhi Reserve – lite QLRA being undertaken Mangatawa – no QLRA being undertaken	
Welfare needs	No current welfare needs	
Financial overview	<ul style="list-style-type: none"> <li>Total spend to date \$3.3m.</li> <li>Forecast spend to 30 June 2026 \$3.8m</li> <li>Detailed table provided at bottom of report.</li> </ul>	
Communications and Engagement	<ul style="list-style-type: none"> <li>There is high public interest in the recovery programme, especially relating to the remediation and reopening of Mauao.</li> <li>Information being shared through several channels: Korero Mai – Let's Talk Tauranga Newsletter, Media Releases and Advisories, Latest updates on webpage, social media posts, and videos, Weekly Bulletin</li> <li>Ongoing additions to council's website to provide regular updates – this includes a dedicated FAQ webpage which is updated as new information becomes available. Video footage and photographs have been taken of landslides on Mauao to help the community better understand the scale of the damage and the extent of work required to remediate the maunga.</li> <li>A structured programme of community catch-ups, market attendance, library drop-in sessions, focused sessions with stakeholders and targeted business and community workshops is now underway. These events are designed to provide the community with clear visibility of recovery progress, particularly in relation to Mauao, while also creating opportunities to gather community insights and perspectives that can inform future decision-making.</li> <li>Over 70 people visited Council stalls at recent weekend markets, and 50+ attendees joined the mayor, deputy mayor and Councillors in workshopping their ideas on the recovery of Mauao and surrounds.</li> <li>These events are occurring alongside an online survey that aims to gather insights, perspectives, and values on Mauao and its surrounding areas, building a clear understanding of how the maunga is experienced, valued, and connected to by both local communities and those beyond Tauranga.</li> </ul>	

Workstream	Status	Current Actions	Upcoming Actions
Mauao	On Track	<ul style="list-style-type: none"> <li>• Remediation works (slip repair) on the Motukauri (summit) track are complete, with restoration works underway to prepare tracks.</li> <li>• A new slip on the oceanside of Mauao has occurred following rainfall in early June. Geotech experts have assessed the slip and advised that there is now an increased risk, with severity now assessed as severe.</li> <li>• The Pilot Bay boat ramp reopened on Friday 29 May. Initial use over the weekend was moderate and generally manageable. .</li> <li>• Work on the Te Ara Tūtanga (Base track) remains more complex, with remediation options still being developed. This requires input from multiple technical specialists, as well as consideration of cultural and environmental factors, before options can be presented to Mauao Trust and elected members.</li> <li>• The QLRA process is ongoing for sites on Mauao Recreation Reserve (Mount Hot Pools, Mount Maunganui Beachside Holiday Park, Mount Maunganui Surf Rescue Club)</li> <li>• Trigger Response Action Plans (TARPs) remain in place at Mauao The triggers in the plan relate to rainfall volumes and intensity, slope conditions and monitoring and earthquakes.</li> </ul>	<p>Over the coming weeks, the focus will be on progressing the summit track toward reopening while continuing to refine remediation planning for the base track in response to evolving geotechnical conditions.</p> <p>Restoration works on the Motukauri (summit) track will be completed and safety readiness confirmed, enabling reopening discussions to commence. In parallel, technical assessments will continue to develop robust remediation options for the base track, with the intent to present these to Mauao Trust and Councillors in the coming weeks. Permanent fencing at Pilot Bay is being installed, although intended for safety reasons and closures in the case of severe weather events, emergencies, and if further remedial work is required in the area</p> <p>Following the recent escalation in risk at the TT29 oceanside slip, work will prioritise updating the remediation methodology to reflect the increased hazard. This will be supported by detailed landslide mapping across the affected area, providing a clearer understanding of the broader slope stability risks. These inputs will inform a reassessment of the sequencing and delivery approach for remediation works, including consideration of alternative solutions where required, to ensure a safe and sustainable pathway toward reopening.</p>
Citywide Impacts and Remediation	On Track	<ul style="list-style-type: none"> <li>• Initial landslide assessments from Mangatawa landslide received.</li> <li>• Following the weather event in January, several landslides and slips impacted on spaces and</li> </ul>	<ul style="list-style-type: none"> <li>• Staff to process Managtawa landslide assessments to understand what remediation work will be required and develop a</li> </ul>

		<p>places across the city, causing temporary closures and remediation. Further weather events in March and April further exacerbated these issues. There are currently no closures at any parks or reserves across the city (excluding Mauao). There are several reserves where damage requires temporary closures in the event of orange or red weather warnings. A standard operating procedure (SOP) has been established to guide this process, and gates and signage are being installed at these spaces to ensure these closures are clear to the public.</p> <ul style="list-style-type: none"> <li>Placarded buildings being assessed as required by landowners</li> </ul>	<p>Mangatawa Recommissioning Plan</p> <ul style="list-style-type: none"> <li>Work closely with Mangatawa community on next steps of remediation process.</li> <li>Installation of gates and signage at parks and reserves that will be closed during weather warnings.</li> </ul>
Marae community resilience and infrastructure needs on Māori land	On Track	<ul style="list-style-type: none"> <li>Whareroa Marae successfully received funding to support resilience work following flooding in the January event.</li> <li>TCC supporting recovery at Maungatapu Marae following weather event in April 2026</li> </ul>	<ul style="list-style-type: none"> <li>Marae resilience planning to begin</li> </ul>
Landslide Risk	On Track	<ul style="list-style-type: none"> <li>Workshop held on 4 March 2026 with technical experts to review and learn from the geotechnical observations of landslides triggered by the event.</li> </ul>	<ul style="list-style-type: none"> <li>Review of current landslide risk settings is underway.</li> </ul>
Supporting community, business and economic recovery	On Track	<ul style="list-style-type: none"> <li>Mayoral Fund has provided assistance to a several businesses who were affected by the road closures/cordons.</li> <li>In-person economic recovery-focused update with Mount-based businesses held on 20 April which also connected businesses with Council's key economic development partners and other support agencies.</li> <li>Fortnightly hui with key economic development partners including the Mount Business Association and Tourism Bay of Plenty.</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a programme of engagement workshops with elected members, partners, businesses, recreational users and the community to inform a shared understanding of current experiences, future aspirations and opportunities for the Mauao Recreational Reserve.</li> </ul>

**Partner Updates**

Iwi/hapū	<p>Following receipt of the TCC and WBOPDC Recovery Plan, iwi have secured DIA funding to engage a dedicated writer to complete the Tauranga Moana Iwi Recovery Plan.</p> <p>We anticipate that our Iwi role will work closely alongside local government to ensure alignment between recovery frameworks and support a coordinated, streamlined approach to the implementation of recovery initiatives across Tauranga Moana.</p>
Mauao Trust	<p>We will continue to work closely with the Mauao Trust as we progress remediation works, including exploring options for future management of slips, supporting governance-level discussions, and aligning public messaging. The Mauao Trust has attended Council information sessions to provide regular updates, and the recovery team has offered reciprocal support by attending iwi hui where appropriate, with a focus on providing technical updates and advice as required.</p>
Mount Maunganui Surf Lifeguard Service	<p>Red placard downgraded to white 28 April 2026. Currently awaiting the results of the QLRA to inform future decision making.</p>
Mount Business Association	<p>A Mount Business Event was held on 20 April 2026. Providing continued collaboration with the Recovery Office and support at Community meetings and workshops.</p>
Bay Venues	<p>Bay Venues are focused on recovery efforts at Mauao Recreation Reserve, specifically Mount Hot Pools. The current closure of the facility has resulted in a reduction in revenue and a requirement to redeploy staff until there is clarity over the future of the venue.</p>
Tourism BOP	<p>Providing continued collaboration with the Recovery Office and support at Community meetings and workshops.</p>

**Risks**

Risk	Mitigation
Further weather events adding to recovery work – rain events in March, Cyclone Vaianu in April and isolated wind event in April have added complexity and stretched resources further	Staff will continue to respond to weather events as required. Resourcing requirements will be assessed following any events if recovery needs increase.
Community feeling uninformed on progress	Increased communications and engagement – both in person and online, to ensure information is available to those that want it. Regular council reporting will also increase transparency.
Recovery team risk matrix	The recovery team is developing a risk matrix to identify key risks and mitigation actions associated with the recovery plan, with a high-level version to be included in future reporting.

**Financial Table**

<b>January Weather Event Expenditure</b>	<b>31-May-26</b>
<b>Response</b>	
Physical Works & Equipment Hire	446,144
Security	192,919
Professional/Expert Advice	88,589
Travel/Accommodation/Welfare and misc	76,818
Signage/Information	23,706
EOC TOIL & Overtime	24,707
Trauma Support Services	17,515
<b>Total response expenditure to date</b>	<b>870,399</b>
<b>Recovery</b>	
Security	511,840
Professional/Expert Advice	430,546
Physical Works & Equipment Hire	220,673
Recovery Staff Expense	53,593
Travel/Accommodation/Welfare and misc	33,072
Trauma Support Services	23,350
Signage/Information	10,015
<b>Total recovery expenditure to date</b>	<b>1,283,090</b>
<b>Reviews</b>	
Professional/Expert Advice	1,148,358
<b>Total review expenditure to date</b>	<b>1,148,358</b>
<b>Total expenditure incurred to date</b>	<b>3,301,846</b>
<b>Committed / expected expenditure to June 2026</b>	
Professional/Expert Advice (Legal)	266,868
Professional/Expert Advice (Other)	13,067
Physical Works & Equipment Hire	134,758
Security	138,603
Other	6,338
<b>Total committed/expected</b>	<b>559,634</b>
<b>Total actual and committed spend to June 2026</b>	<b>3,861,480</b>

## 11.6 Long-term Plan 2027-2037 - Issues List

**File Number:** A20391332

**Author:** Jeremy Boase, Head of Strategy, Governance & Climate Resilience

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

### PURPOSE OF THE REPORT

1. To confirm the current list of issues to be addressed through the long-term plan 2027-2037 preparation process.

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### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Long-term Plan 2027-2037 - Issues List".
- (b) Endorses the list of issues included as Attachment 1 to this report, including the noted requirements for workshops to precede formal Council consideration of specific matters, with the following amendments:
  - (i) Add a new topic related to closed landfills
  - (ii) .... (other amendments to be identified by elected members)
- (c) Notes that staff will seek to arrange additional Council workshops to meet the needs noted above.
- (d) Notes that, where possible, formal consideration of the matters on the list will be undertaken at Council meetings specifically dedicated to long-term plan matters.

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### EXECUTIVE SUMMARY

2. This report considers an updated list of issues to be considered as part of the development of Council's long-term plan for the period 1 July 2027 to 30 June 2037.
3. This list is an update of a version considered and endorsed by Council at its meeting on 21 April 2026 and then considered at an open workshop on 4 June 2026. The list seeks to describe broadly the topic and then to identify the next step for that topic, typically a workshop or a formal report. The list also includes recommendations that a small number of topics be removed from the list for reasons that are provided.
4. Feedback from elected members following that workshop has informed the preparation of this report, including the identification of several matters on the list that Council may wish to consider further before endorsing the list.
5. One new item has been identified by staff that was not previously included in the list. That item is reflected in the recommended resolutions above.
6. The only direct financial considerations relating to this report involve staff cost and similar resources needed to prepare for future workshops or reports on the various topics. The relevant financial considerations for those specific topics will be included in those reports which are produced for Council to consider.
7. Likewise, the risks, legal implications, and Te Ao Māori implications for specific topics will be reported separately when those topics are brought back to Council.

## BACKGROUND

8. The long-term plan (“LTP”) is Council’s plan and budget for a ten-year period. The next LTP will cover the period from 1 July 2027 to 30 June 2037.
9. Preparing the LTP involves a large number of workstreams. A project plan outlining these workstreams was received by Council at its meeting on 21 April 2026<sup>1</sup>. An attachment to that report identified a schedule of issues to be considered through the LTP 2027-2037 development process. The report noted that:

*The issues identified in the attached lists are topic specific matters that are likely to progress to issues and options papers over the course of the development of the LTP. **The intent is that these lists are also a live document that gets updated as issues are identified.** Where appropriate, workshops will be scheduled to address specific issues.* (emphasis added)
10. That schedule was formally endorsed by Council at the 21 April 2026 meeting.
11. Since that time, and consistent with the ‘live document’ nature identified above, there have been a number of updates to the list including new issues being added.
12. The revised list was shared at a public Council workshop on 4 June 2026<sup>2</sup>. At that workshop it was noted that the full list would be brought back for formal endorsement at this 23 June 2026 Council meeting. The up-to-date version of the list is included as **Attachment 1** to this report.
13. The key to the annotations on the list is included as **Attachment 2** to this report.
14. Between the workshop and the preparation of this report, the mayor and councillors were invited to provide feedback on the list as it stood at the time of the workshop. The themes of that feedback are reported below.
15. Once endorsed, the list effectively sets an organisation-wide work programme of LTP issues to seek direction from Council on. Note that the endorsed list may still be subject to change as the wider LTP project proceeds. As and when this occurs, the mayor and councillors will be updated.
16. For completeness, a schedule of standard LTP process matters is also included as **Attachment 3** to this report.

### Informal feedback themes

17. In general, the Executive’s assessment of whether the topics on the list should proceed, whether the next step should be a paper or a workshop, and the broad timing for topics was supported.
18. Having said that, there were a number of differing views on many topics. The key areas of feedback that may prompt further discussion at this meeting prior to endorsing this list (with or without amendment) are concentrated under three themes:
  - Topics where a large minority or a majority of elected members<sup>3</sup> had the same view on an element of the list but which was different to the Executive’s view
  - Topics where a large minority or a majority of elected members had views which were different to the Executive’s views, but where those views were also different to each other
  - New topics proposed by elected members (and one new topic that has emerged from staff).

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<sup>1</sup> [Agenda of Ordinary Council meeting - Tuesday, 21 April 2026](#) – see item 11.6

<sup>2</sup> [Agenda of Council Workshop meeting - Thursday, 4 June 2026](#) – see pages 22-27

<sup>3</sup> In short, four or more elected members expressing such an opinion

19. Direction is sought through this report regarding any changes to be made to the list before it is endorsed by Council. Attention is drawn to the specific items highlighted below.

**Theme 1: Topics where a large minority or a majority of elected members had the same view on an element of the list but which was different to the Executive's view**

20. Item 30 – Strategic use of IFF levies / targeted rates etc
- Four elected members indicated that this issue could be dealt with directly through a paper to Council.
  - The Executive had proposed a workshop session to precede this.
21. Item 41 – Commercial / Industrial rates approach
- Four elected members indicated that this issue could be dealt with directly through a paper to Council.
  - The Executive had proposed a workshop session to precede this.

**Theme 2: Topics where a large minority or a majority of elected members had views which were different to the Executive's views, but where those views were different to each other**

22. Item 10A – Incentivising development in the city centre and Item 10B City Centre Development Incentive Fund
- These were presented as a single topic in the list presented to the 4 June 2026 workshop but have since been split into two separate, but related, topics by staff. Feedback received from elected members was on the original single topic.
  - The Executive proposed a workshop on this topic.
  - Three elected members felt a briefing was more appropriate than a workshop.
  - Two elected members felt that the topic could proceed straight to a paper to Council.
23. Item 12 – Sub-regional parks
- Three elected members indicated this was a low priority and could potentially be delayed or deleted.
  - Two elected members felt a briefing was more appropriate than a workshop.
  - One elected member felt that the topic could proceed straight to a paper to Council while also noting that there was less urgency than for some other topics.
24. Item 14 – Future of Baycourt – maintain, upgrade or replace, and timing
- The Executive proposed a workshop on this topic.
  - Three elected members felt that the topic could proceed straight to a paper to Council.
  - One elected member felt a briefing was more appropriate than a workshop.

**Theme 3: New topics proposed**

25. Elected member feedback identified five potential new topics. Some topics were identified after other elected members had already provided feedback, so the breadth of support for these topics is unknown. The five potential topics are:
- a. Review of how overheads need to reduce if capital spend reduces
  - b. Operating costs of \$603m are unsustainable
  - c. Use of 90 Devonport Road building
  - d. Work with LGFA to review financial covenants
  - e. Overall look at how we can support marae in Tauranga, and specific solution for Whareroa

26. Note that it is expected that items 'a' and 'b' will be addressed through the activity planning process and the zero-based budgeting approach. These processes will result in activity-by-activity workshop sessions with elected members to consider what each activity expects to deliver, and the resources needed to do that.
27. Staff have also identified one further issue and recommend that it be included in the live schedule of issues. It is:
  - Capital programme for closed landfills
    - Consideration of approach to meeting new and existing regulatory and environmental responsibilities for closed landfills
    - Propose workshop in late Tranche 2 (August to October) or early Tranche 3 (November to February)
    - Scale of effort is 'medium'.

**STATUTORY CONTEXT**

28. Council is required to prepare an LTP every three years. The purpose<sup>4</sup> of the LTP is to:
  - a) *describe the activities of the local authority; and*
  - b) *describe the community outcomes of the local authority's district or region; and*
  - c) *provide integrated decision-making and co-ordination of the resources of the local authority; and*
  - d) *provide a long-term focus for the decisions and activities of the local authority; and*
  - e) *provide a basis for accountability of the local authority to the community.*
29. Council is required to adopt the LTP 2027-2037 by 30 June 2027.

**STRATEGIC ALIGNMENT**

30. Taken together, the topics on the issues list contribute to the promotion or achievement of all the strategic community outcomes:

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

31. However, this report is procedural in nature and as such has no direct bearing on the community outcomes.

**OPTIONS ANALYSIS**

32. Council has the option to confirm, delete or amend any or all of the topics on the list.
33. For those items that remain on the list, topic-specific options will be explored through subsequent workshops and formal reports to Council.

**FINANCIAL CONSIDERATIONS**

34. This report is procedural in nature. At this stage of the process the key financial consideration relates to the potential scale of staff time to be used in preparing for workshops or formal reports.

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<sup>4</sup> Per section 93(6) of the Local Government Act 2002

## RISKS AND LEGAL IMPLICATIONS

35. There are no risks or legal implications in considering the contents of the issues list. As individual topics from the list are brought to Council for detailed consideration, any risks and legal implications will be set out for consideration as appropriate.

## TE AO MĀORI APPROACH

36. This report is procedural in nature and is not directly impacted by Council's Te Ao Māori approach. The list has been established over time by staff and considered by Council formally (at the Council meeting of 21 April) and informally (at the open workshop of 4 June). It has not been formally shared with Te Rangapū Mana Whenua o Tauranga Moana.
37. Individual topics on the list may be impacted by Council's Te Ao Māori approach to a greater or lesser extent. That will be reflected in the preparation of workshops or reports on those topics in coming months.

## CLIMATE IMPACT

38. This report is procedural in nature and does not directly impact Council's climate approach. Individual topics on the list may be impacted by climate issues to a greater or lesser extent. That will be reflected in the preparation of workshops or reports on those topics in coming months.

## CONSULTATION / ENGAGEMENT

39. While some topics on the issues list have a genesis in previous engagement with the community, there has been no engagement or consultation on the preparation of the list.

## 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, the decision.
  - (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 the decision to endorse the issues list is of low significance. This is because the establishment of the list is a procedural step designed to guide staff effort. Individual items on the list will vary between low and high significance. This will be considered as topics are explored and reported.




## ENGAGEMENT

43. 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**

44. Once the list is endorsed, staff will start or continue work on the various topics, bringing information to elected member workshops (or briefings) and formal meetings on each of the topics.

**ATTACHMENTS**

1. **List of emerging issues for the LTP 2027-37 for 23 June 2026 Council report - PDF - A20461355** [↓](#) 
2. **Key to list of emerging issues for the LTP 2027-37 for 23 June 2026 Council report - PDF - A20461855** [↓](#) 
3. **List of process issues for the LTP 2027-37 for 23 June 2026 Council report - PDF - A20461357** [↓](#) 

Emerging LTP issues

#	# at 7 May workshop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
1	4	City Regional Deal		Any impacts on LTP arising from City Regional Deal. Likely Council report that shows how the LTP aligns and gives effect to the Deal.	Continue	Small	Paper	1	
2	-	Marine Precinct development		Proposals for development of wharf structures per the agreement, procurement etc Upcoming Council report - decisions will be made in advance of LTP and implications will flow into the LTP.	Continue	Small	Paper	1	
3	3	Infrastructure capacity to provide for projected growth		Review of approach and capacity to provide for capex to enable greenfield and intensification growth.	Proceed	Medium	WS	1	26-May
4	27	Review of Depreciation		Review of alignment of asset management, project budgeting and depreciation to those listed for the LTP (Action from 24 April Council Meeting)	Proceed	Medium	WS	1	August
5	28	Zero Base Budget - how will it be scoped & what is the approach		(Action from 24 April Council Meeting)	Proceed	Very Large	WS	1	
6	29	Transport: - Workshop 1 - held - Workshop 2 Investment Approach and Pipeline		Workshop 1 - Transport Forward Planning; held 30 April 2026 Workshop 2: Outlining the Transport Strategic programme aligned with SG, UFTI, TSP and TCC objectives.	Proceed	Medium	WS	1	
7	5	User Fees and Charges Comprehensive Review		Project put on hold at Council meeting 10 February 2026. Will start the project again at the completion of the Revenue and Financing Policy as part of the LTP.	Continue	Small (predominantly done)	Paper	2	
8	9	Waste Network Infrastructure and Services – via a Business Case process		Consider transfer stations, green waste, organics and kerbside.	Continue	Large	WS	2	
9	10	Sport and Recreation Investment Prioritisation, including a potential extension to the Arena at Baypark		Completed. Funding decisions still required for Badminton.	Continue	Small	WS	2	30-Apr
10A	22	Incentivising development in the city centre		Review of incentive opportunities (excluding the City Centre Development Incentive fund, now treated as a separate but linked issue - see item below)	Continue	Small	WS	2	
10B	22	City Centre Development Incentive Fund		Review of the level and purpose of the CCDIF fund (Resolution 31 March City Future meeting). Paper already provided to Elected Members - further direction required.	Continue	Small	WS	3	
11	2	Natural Hazard Management and Council's future approach		Consider fresh information over recent years on wider suite of natural hazards. Include consideration of existing stormwater reactive reserve fund. <input type="checkbox"/> Seek direction on prioritisation of future response approach.	Proceed	Large	WS	2	
12	-	Sub-regional Parks		What is the future ownership and funding of sub-regional parks	Proceed	Small	WS	2	
13	1	Strategic review of potential for shared services and consolidated back-office functions. As well as a review of organisation form and operating model in the context of the establishment of the Water Organisation and other reforms. Includes approach to 'stranded costs' post the establishment of the WO. Also links to CCO strategic review.		To be considered as further clarity on future local government reforms becomes available. Includes shared service centre for multiple councils and consolidate back offices with CCO's. Understand the business needs, opportunities, costs and arrangements in a post-waters world and recognising other local government reforms underway. Cross link to separate issue topic - strategic review of the operations of BVL, asset ownership, and options for future service delivery.	Proceed	Very Large	WS	2	
14	11	Future of Baycourt - Maintain, upgrade or replace and timing		Baycourt needs some work done, and there is currently some budget in the TMoTP project for this. The bigger question is how long the life of Baycourt is in its current form and whether a replacement gets planned for in 10-15-20 years.	Proceed	Medium	WS	2	
15	12, 13, 14	Network of Community Centres including: - Future Papamoa Community Centre - Cruise ship welcoming centre at Coronation Park & community centre combined facility		Information on priority areas in the city (other than Papamoa) with needs for community centre facilities. Options for a Papamoa Community Centre (Resolution 31 March City Future meeting).	Proceed	Medium	Paper	2	
16	24	Review public education programmes		Review with a view to ensuring they remain an appropriate service.	Proceed	Small	Paper	2	
17	30	Activites with accumulated deficits (e.g. building services and others)		Linked to user fees review (item 8). Need to consider transferring accumulated debts to ratepayer-funded loans (in the same way as unrecoverable DCs under-collection)	Proceed	Small	Paper	2	
18	16	Events Venues Network Plan - includes Adams Centre upgrades		LTP discussion about the quality and quantity of indoor and outdoor event "venues" across the city	Proceed	Large	WS	2	

Emerging LTP issues

#	# at 7 May work shop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
19	-	Tsunami Evacuation Pathways capex		Resolution May 2025 - bring back recommendations for capex as part of LTP process	Proceed	Small	Paper	2	
20	-	Targeted rate for stormwater operations		To charge stormwater operational costs as a targeted rate to fund WO will require a targeted rate to be consulted on	Proceed	Large - legal issues	WS	2	
21	-	Stormwater reactive reserve (note the use of current reactive reserve - part of decisions for transition but may affect LTP)		A decision on the reactive reserve currently held in stormwater and future annual funding for flood/ and related weather event/risk response related to stormwater.	Proceed	Medium	WS	2	
22	-	Airport Structure and Financing		A number of airport issues to be canvassed	Proceed	Large	WS	2	
23	-	SH2 Bethlehem - revocation from NZTA to TCC		Revocation of SH29 will have significant financial implications for TCC in terms of maintenance costs and depreciation	Proceed	Medium	Paper	2	
24	-	Appetite for investment in Tauranga Mataranui - Inclusive city strategy elements		Strategy stocktake has identified that staff are seeking 'extent of appetite' direction for a number of matters in the Mataranui area e.g. accessibility, safety, welcoming communities, homelessness, historic village.	Proceed	Medium	Paper	2	
25	-	Strategic Cohesiveness Review - CCO options and structures		Looking at opportunities for improvement in delivery and/or cost efficiencies areas from a Council group, Council organisation and CCO lens.	Proceed	Large	WS	2	
26	-	Cycling and walking gap analysis		Council request to understand current level of service gaps for the Cycling and pedestrian network - Linked to TSP but asset based assessment.	Proceed	Medium	WS	2	
27	-	Affordable housing		EMs have indicated this is a focus area for them but not specifically what they have in mind. May link to the use of Elder Housing sale proceeds	Proceed	?	WS	2	
28	-	Time of use charging / road pricing		To determine whether council plans to budget to investigate this topic as per recent legislation to enable this	Proceed	Small	Paper	2	
29	-	Future of DC remission funds for papakainga and social housing		Does council intend to continue these schemes (current funding confirmed to the end of the 2026/27 year only - was to be revisited through LTP)? How will they be funded? Potential link to use of elder housing funds.	Proceed	Small	Paper	2	
30	-	Strategic use of IFF levies / targeted rates etc		Could be used to fund DC under-collection or to address funding gaps for growth related infrastructure	Proceed	Small	WS	2	
31	-	Review DC under-collection		Review DC under-collection and decide how to fund	Proceed	Medium	Paper	2	
32	-	Maungatapu marae (and potentially other sites) - infrastructure support		Consideration of infrastructure support on private land. See Ngati Hei 'submission' to 2026/27 Annual Plan, and Public Forum presentation by Anthony Rinui at Council meeting of 12 May 2026.	Proceed	Small	Paper	2	
33	6	Reviewing the financial arrangements with Western Bay of Plenty District Council		Linked to the user fees conversation. Broader issue subseeded 'Simplifying Local Government' and Cross Boundary good faith discussions for growth adjoining or close to boundaries	Do not proceed				
34	15	Cross-harbour ferry		Issue has been looked at a number of times previously and required substantial investment. NZTA FAR subsidy unlikely, and BOPRC has not supported. Relative to other public transport investments, this is likely to be of lower priority. Executive recommendation : Conscious decision to not include in 2027 - 2037 LTP. Put on a list of investments not proceeding due to funding constraints	Do not proceed				
35	19	Roading Reseals Policy		Requested at City Futures 25 November 2025. Keep as is (fit for purpose) but with an option that communities could get asphalt if they pay the difference ahead of the works. Executive Recommend - Do not proceed. Recently reviewed and given fiscal constraints decision is unlikely to be different from decision recently made	Do not proceed				
36	8	Community Stadium on the Domain		In the last LTP council approved the community stadium Stage 1, commencing construction in 2033/34 at a total cost of \$90 million. Executive recommendation : Conscious decision to not include in 2027 - 2037 LTP. Put on a list of investments not proceeding due to funding constraints	Do not proceed.				
37	-	Possible new Ohauti link road connection to Pukemapu Rd/Oropi Rd		Staff investigation underway as per EM direction through last AP process.	Continue	Small	Paper	3	
38	-	Cross-boundary growth pays for growth		Council resolution for good faith discussions with WBOPDC on cross boundary growth issues. Assess implications for LTP and Financial Strategy	Continue	Medium	Paper	3	

Emerging LTP issues

#	# at 7 May work shop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
39	18	Papamoa Targeted Rates to fund growth costs – Issues and Options Paper (DC debt)	●	Request from the Council meeting 24 February 2025.	Proceed	Small	Paper	3	
40	20	Elder housing sale proceeds	●	Balance and future use of funds.	Proceed	Small	Part of Financial Strategy	3	
41	21	Commercial / Industrial rates approach	●	Review of approach to charging rates to commercial and industrial properties.	Proceed	Medium	WS	3	
42	25	Ongoing funding for 'city brand' implementation	● ●	What is the level of investment for the first 3 years of the LTP. How is this project going to be managed - TBOP?	Proceed	Small	Paper	3	
43	-	Western Corridor ring road	● ● ●	Limited work underway, some EM interest in the project, especially the TBE to SH36 section being delivered sooner rather than later	Proceed	Small	Paper	3	
44	-	PEI surplus land / TK14 negotiations	● ●	Determine use or divestment approach and cost / revenue budgets to include in LTP. Linked to TK14 negotiations and potential for some of the land to be acquired by TK14 as part of compensation for active reserve and road corridors	Proceed	Medium	WS	3	
45	-	DC Policy methodology - city wide and local	● ●	Especially issues to do with citywide v local contributions and timing of payment, reserve and community infrastructure DCs and city centre DC charges. and bedroom vs gross floor area charging methodology. (City centre incentive item dealt with separately) Staff level discussions underway with DIA as to how the TCC citywide and local DC's transition provision in new legislations could work.	Do not proceed - await legislation				

#	Issue - Recommend to be deleted or merged with another action	Category	Comment	Delete.
26	AI and Automation and new technology		Removed - this should flow through the zero based budget approach and activity area plans development. Incorporated in the LTP development - not a stand alone paper	Delete
7	Review of services to third parties including assessment of full cost recovery (including fair share of overheads)	● ● ●	Identify services provided to external parties which currently are or should be charged for. Do charges provide full cost recovery (including fair share of overheads)? Are increases to charges required? (examples include TTOC and call centre.) Removed from list as this should be part of zero based budgeting approach. Any matters arising will be reported to EMs through budget / activity plan. Stand alone issues paper not required.	Delete
23	Review current approach to natural vegetation management	●	Various ideas, each of which involve significant establishment costs or other risks and impacts. Removed from list - will be addressed through zero based budget and activity area plan. Any issues arising reported to EM's. Stand alone issue paper not required.	Delete
17	Stormwater quality management and the roading network	● ●	Quality impacts of water-sensitive solutions versus cost impact on roading projects (capex and ongoing opex). TCC position on quality of stormwater from roads This matter needs to be addressed at a staff level between the Water Organisation and TCC. Remove from the list for now.	Delete
-	Appetite for investment in localised spatial planning	● ●	Raised through strategy stocktake that direction on 'extent of appetite' is desired. Address through Activity Area Plan	Delete
-	Strategic review of Mainstreets	●	To form a view on whether a review of TCC's current Mainstreet model should proceed. To provide direction for scoping and delivery of a review of TCC's current Mainstreet model. Four-person elected member working group undertook an initial review and decided to put that review on hold because the timing (in regard to potential local government reform) was not ideal.	Deferred (assess post 'Head Start')

### Key to Attachment 1

Strategic Reviews	Growth Related Issues	Funding and Financing	LOS and Options	Major Projects	LTP Mechanics & Systems

Tranche 1	Tranche 2	Tranche 3
May - July	August - October	Nov - Feb

LTP process and non-issue-specific matters

#	Issue	Comment	Exec Assessment	Scale effort for LTP development	Workshop or Paper	Tranche	WS dates
	Capex Prioritisation Process	EM's have requested to review and refine the capex prioritisation process. Includes definitions for renewal and committed.	Proceed	Small	WS	One	4-Jun
	Capex cost estimation method	Methodology for risk based estimations of capex projects (including contingency and risk)	Proceed	Medium	Paper	One	
	Asset Management Plans - Transport - Community Facilities	Present AMPs, renewal programme, approach to managing network assets	Proceed	Medium	WS	One	
	Forecasting assumptions	EM's ao approve assumptions as these underpin elements of the LTP	Proceed	Small	Paper	One	
	Revenue and funding policy (linked, but precursor to user fees)	Setting the expected 'bands' for different funding types - high interest from elected members	Proceed	Medium	WS	Two	
	Activity plans, incl KPIs	Activity-by-activity show-and-tell. Likely that many may include 'zero based budgeting' type questions of elected members about what is in and out of scope for the activity	Proceed	Large	WS	Two	
	Infrastructure strategy	30-year outline budgets for Transport, Spaces & Places, others (Libraries,etc)	Proceed	Large	WS	Two	
	Financial strategy	Pulling all the strands together into one coherent whole	Proceed	Large	WS	Two	
	Consultation document	The earlier we get their guidance on acceptable contents the better. Note that it will be audited against the requirements in the Act so a 'six-pager' isn't going to fly	Proceed	Medium	WS	Three	
	Engagement strategy	Also critical to know how EM want to engage with community on	Proceed	Medium	WS	Three	

## 11.7 Long-Term Plan Capital Programme Development Including Major Projects

**File Number:** A20381306

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**Authoriser:** Craig Rice, Chief Operating and Financial Officer

### PURPOSE OF THE REPORT

1. This report seeks Council direction on rates limits, principles, and working assumptions regarding major projects to guide the development of the capital programme for the 2027-37 Long-term Plan (LTP). The decisions will assist staff to model high-level capital budget envelopes that will be considered alongside the capital project prioritisation process.

### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Long-Term Plan Capital Programme Development Including Major Projects".
- (b) Agrees to limit the maximum rates increase for years 1 and 2 of the LTP to 6% after growth, and an increase for years 3 to 10 not exceeding 4% after growth
- (c) Adopts the following principles to guide development of the base capital programme:
  - (i) Value for money through:
    - (1) Appropriate scope and efficient delivery of projects.
    - (2) Utilisation of available subsidies and the existing commitment to transportation project financing through the TSP Infrastructure funding and Financing agreement (TSP IFF).
    - (3) Maintaining a relatively consistent annual budget for key outcome areas to support efficient procurement and resourcing.
  - (ii) Look after what we have through maintenance and renewals.
  - (iii) Support economic and population growth by:
    - (1) Ensuring growth is aligned with infrastructure delivery and prioritise closing the infrastructure deficit.
    - (2) Focusing on intensification and operative greenfield areas.
- (d) Agrees that the following programmes are included in the early years of the draft 2027-37 LTP base capital programme:
  - (i) Mauao Restoration Placeholder
  - (ii) Turret Road / Welcome Bay / Fifteenth Avenue
  - (iii) Cameron Road Stage 2
  - (iv) Te Manawataki o Te Papa
  - (v) City Centre Waterfront Development
  - (vi) Baypark Masterplan
  - (vii) Memorial Park Aquatics & Associated Works

- 
- (e) Agrees that the following programmes are included in the mid-years of the draft 2027-37 LTP base capital programme:
    - (i) Waste Facilities Redevelopment
    - (ii) Connecting Mount Maunganui
    - (iii) Transport Growth in the Eastern Corridor
    - (iv) Spaces & Places Growth in the Western Corridor
  - (f) Agrees that the following programmes are included in the late years of the draft 2027-37 LTP base capital programme:
    - (i) Transport Intensification (Te Papa, Otumoetai, Mt Maunganui)
  - (g) Agrees that the following programmes are rephased from early years into the mid-years of the draft 2027-37 LTP base capital programme:
    - (i) Transport Growth in the Western Corridor
    - (ii) Baypark Arena Expansion
  - (h) Agrees that the following programmes are rephased in the later years of the draft 2027-37 LTP base capital programme:
    - (i) Spaces & Places Growth in the Eastern Corridor
    - (ii) Spaces & Places Intensification (Te Papa, Otumoetai, Mt Maunganui)
    - (iii) Community Stadium
  - (i) Agrees that for the following projects further reporting should be provided to Council regarding options and implications for reducing project scope:
    - (i) Spaces & Places Intensification (Te Papa, Otumoetai, Mt Maunganui)
    - (ii) Memorial Park Aquatics & Associated Works
    - (iii) Community Stadium
  - (j) Notes that based on assumed capital expenditure capacity the annual capital programme for spaces and places and transport projects would be in the order of \$10m-\$15m per annum for each area.
  - (k) Agrees the remaining capital projects should be reviewed by Council supported by the prioritisation framework.
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## EXECUTIVE SUMMARY

2. This report seeks Council direction on rates limits, principles, and timing of major projects to guide the capital programme development for the 2027-37 Long-term Plan (LTP). It follows a Council workshop on these matters held on 4 June 2026.
3. Restrictions on rates increases including the potential timing of a government-regulated rates cap at 4% would be a major constraining factor on Council's capacity to deliver capital infrastructure.
4. Principles relating to value for money, looking after what we have and the areas of growth infrastructure that are prioritised also helpful to determine priority projects and their timing.
5. Major projects make up a significant proportion of the ten-year capital programme, and some of those projects have external subsidies associated with them which mean more capital can be delivered for a given level of debt. Most of these subsidies are based on delivery of

projects in the early years of the LTP. Clarification of the timing of major projects through the ten years is helpful to developing a draft base capital programme.

**Major Programmes following EM Priority, Timing and Scope Feedback**

Major Programmes	Early (FY28-FY30) (\$m)	Mid (FY31-FY34) (\$m)	Late (FY35-FY37) (\$m)
Turret Road, Welcome Bay, Fifteenth Avenue (excl Waters)	127		
Cameron Road Stage 2 (excl Waters)	94	1	
Memorial Park Aquatics & Associated Works	93		
Te Manawataki o Te Papa	67		
Connecting Mount Maunganui	50	158	
Baypark Masterplan	29		
Mauao Restoration Placeholder	25		
City Centre Waterfront Development	22		
Waste Facilities Redevelopment	20	40	10
Transport Growth in Eastern Corridor	10	11	9
S&P Growth in Western Corridor	5	31	
S&P Intensification (Te Papa, Otumoetai, Mt Maunganui)	3	4	21
Transport Intensification (Te Papa, Otumoetai, Mt Maunganui)	2	7	111
Transport Growth in Western Corridor		32	105
Community Stadium			90
Baypark Arena Expansion		28	
S&P Growth in Eastern Corridor			16
<b>Total Major Programmes</b>	<b>546</b>	<b>310</b>	<b>360</b>
Total Renewals	176	227	193
Total Other Programmes*	84	295	196
<b>Grand Total</b>	<b>806</b>	<b>832</b>	<b>748</b>

\*includes Marine Precinct; Tauriko West; City Centre Transportation Hub & other Transport initiatives; other Spaces & Places initiatives (incl Indoor Courts & Active Reserves); Digital Services; and other projects across the business.

- The decisions sought in this report will support development of a draft base capital programme. The detail of projects and prioritisation and trade-offs between projects will continue to be made by Council over the next few months as the LTP is developed.

**BACKGROUND**

- The Council workshop on 4 June 2026 discussed the development of the LTP capital programme including the options that arise from using available capital subsidies and drawing down on the already contracted transport Infrastructure Funding and Financing arrangements (TSP IFF).
- A list of major projects that provide the base of the capital programme through the ten years was circulated to elected members to individually indicate priorities and views on timing and scope of these projects in the LTP. The responses along with workshop discussion have helped inform the summary of major project timing and the recommendations in this report.

**STATUTORY CONTEXT**

- The requirement to produce a long-term plan every three years is set out in the Local Government Act 2002.
- In December 2025 Government announced a policy intention to introduce rates capping in a range of 2% to 4%. Detail of the proposal is still be developed and legislation is scheduled to be in place during 2027. The indication is that the rates cap legislation would apply from 2029/30 which is year 3 of the LTP. However, the extent to which rates regulation would apply for the first two years of the LTP is not clear.

**STRATEGIC ALIGNMENT**

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

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

12. The LTP will identify the areas of capital and operational expenditure and revenue for the ten years to deliver on community outcomes as set out above. These outcomes will be reviewed as part of the process to develop a long-term plan and the outcomes may be amended through the process.

**OPTIONS ANALYSIS**

13. The analysis of options covers two decision areas:
- (a) The first decisions are related to financial framing including:
    - a) Guidance on the range of rates increases over the ten years
    - b) Guidance on principles to support development of the capital programme.
  - (b) The second decisions are in relation to major projects which because of their costs and multi-year timeframes will provide a significant structure for the wider capital programme capacity. Decisions include:
    - a) the relative priority and supported timing of the listed major projects (which were identified and consulted on in the 2024-34 LTP)
    - b) whether any of the major projects should be further reviewed in terms of scope prior to inclusion in the LTP, in which case specific issues and options papers would be prepared.

**Financial Framing – Assumed per annum rates increase**

14. Government’s announcement of a policy intention to set a rates cap of a 4% increase “per capita” to apply from 2029/30 provides an option for framing the financial envelope for capital expenditure. Because of the lack of further guidance and legislation a relatively constrained rates increase in the first two years of the LTP would also be prudent with an expectation there would be scrutiny around, but acceptance of, justified increases above 4% after growth.
15. Operating cost increases arise from new capital expenditure including:
- (a) depreciation of new assets
  - (b) interest on increased levels of borrowing to fund the capital expenditure
  - (c) additional operating costs associated with new assets (eg, repairs and maintenance, electricity).

Recommendation of assumed increase in rates after growth per capita

16. The recommended option for assumed rates increase is an assumption of an annual rates increase up to 6% after growth in each of the first two years of the LTP and 4% after growth per annum thereafter. Alternative options include holding the rates increase limit at 4% after growth for all years or planning for a higher rates increase in all years.

Option	Rates Increase Guidance	Advantages	Disadvantages
Option A (Recommended)	A rates increase for years 1 and 2 of the LTP not exceeding 6% after growth, and an increase for years 3 to 10 not exceeding 4% after growth	<p>Meets direction of Government policy on rates caps.</p> <p>Enables Council to undertake the proposed major project expenditure with available subsidies while maintaining a base level of other capital expenditure across community, transport, waste and other activities.</p>	<p>The higher rates increase in the first two years may not be supported by Government.</p> <p>The overall revenue proposed for the ten years at these constrained interest rates will constrain capital and may mean some priority projects may not be delivered in preferred timeframes.</p> <p>There is likely to be ongoing pressure to reduce expenditure to remain within rates increase limits because of the large increases in interest costs and depreciation associated with new capital.</p> <p>There is a risk that the rates limits cannot be met and a lower value of capital expenditure will be required.</p>
Option B	A limit on rates increases at 4% after growth for all years	<p>Meets direction of Government policy on rates caps.</p> <p>Ratepayers will pay lower rates than in Option A.</p>	<p>More priority projects would not be delivered in preferred timeframes or within the LTP. May restrict ability to undertake subsidised projects in the early years of the LTP.</p> <p>There is likely to be ongoing pressure to reduce expenditure across the Council to remain within rates increase limits because of the large increases in interest costs and depreciation associated with new capital.</p>
Option C	Agree alternative higher rates increase assumption	<p>More capital projects could be delivered within debt constraints and the rates limits set.</p> <p>Higher rates would reduce financial stress on the organisation because it</p>	<p>Assumption would not meet the Government's intent regarding rates capping policy.</p> <p>Ratepayers will pay more rates than under options A or</p>

		<p>provides sufficient revenue to cover annual inflation-based cost increases along with additional interest, depreciation and operating costs of new capital assets.</p>	<p>B.</p>
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17. Even if Council chooses Option A or B as the baseline capital programme, a higher rates increase limit could be used as a comparator.

**Financial Framing decision – principles to support capital programme development**

18. Principles were discussed at the 4 June workshop that would help guide preparation of the LTP capital programme.
19. The following principles would inform development of the capital programme and activity managers’ development of their plans and draft budgets through the early stages of the LTP process:
20. **Principles:**
- (a) Value for Money through:
    - a) Appropriate scope and efficient delivery of projects. This matter will be worked through in future Council workshops during the LTP process regarding specific projects as well as through a workshop on project costing, scoping and budgeting for contingencies.
    - b) Utilisation of available subsidies and the existing commitment to transport major project financing through the TSP Infrastructure Funding and Financing Agreement (TSP IFF). The existing TSP IFF enables a further \$70m of project funding to be drawn down. The major projects which have agreed subsidy funding are identified in **Attachment 1**.
    - c) Maintaining a relatively consistent annual budget for key outcome areas to support efficient procurement and resourcing. A consistent level of expenditure each year allows a stable internal resource requirement and an ongoing consistent flow of work for suppliers.
  - (b) Look after what we have. Ongoing renewal of assets should be based on asset management information, particularly updated condition assessment. A further workshop on how renewals budgets are being developed is scheduled for August.
  - (c) Support economic and population growth by:
    - a) Ensuring growth is aligned with infrastructure delivery and prioritise closing the infrastructure deficit.
    - b) Focussing on intensification and operative greenfield areas.
21. **Recommendation to adopt the above principles to guide development of the base capital programme.** The advantage of endorsing the principles is that it can guide staff input to the corporate planning system on the projects and areas of expenditure to be included across the ten years and provide a rationale for project phasing in modelling of scenarios.
22. Council has the option of not endorsing the above principles. Not endorsing these guidelines means that each project will be considered through the prioritisation process. There may not be strong rationale to guide staff when updating the corporate planning system and presenting options to Councillors. The value for money considerations, growth priorities and

allowance for appropriately timed renewals would not be a formal focus of the prioritisation process.

**Major projects timing and scope assumptions for the capital programme**

- 23. At the workshop on 4 June a list of major projects was presented that are currently in the early stages of design or delivery, with some including significant subsidies. There was discussion at that workshop from Councillors about priority projects and timing. In addition to this discussion, Councillors requested an opportunity to individually assess the priority ranking of the listed projects, preferred timing and whether scope review was required. Seven councillors provided feedback on these matters and the results of this feedback are included in **Attachment 2**. This feedback is combined with the discussions at the workshop and recommended principles regarding growth project prioritisation to produce an ‘illustrative base scenario’ for the LTP capital programme.
- 24. The advantage of Council providing guidance on timing and priority of major projects is that it provides a base level of expenditure each year and therefore indicates the amount of other capital projects that could realistically be budgeted in each of those years. This will guide staff in entering the timing of projects across the ten years and will work alongside the prioritisation process.
- 25. As a result of the workshop discussion and the feedback summarised in **Attachment 2**, recommendations are made regarding which projects to prioritise into the early, mid or later years of the LTP respectively for the early base draft.
- 26. The feedback and workshop discussion identified some major projects where Councillors were interested in further consideration of project scope. A recommendation is included that these projects be subject to further scope review to be reported back to Council.

**Option 1 – Agree to the proposed major projects timing, and projects to be subject to further review of scope (recommended)**

- 27. Under this option, Council would agree to use the workshop discussion and feedback received to date to inform a structured draft LTP base capital programme, including:
  - (a) confirming a set of programmes to be included in the early years of the draft LTP;
  - (b) confirming a set of programmes to be included in the mid-years of the draft LTP;
  - (c) rephasing selected programmes into later years;
  - (d) and directing staff to report back on the scope of selected major projects.
- 28. This option will be subject to further work through the LTP process on specific projects.

Advantages	Disadvantages
<p>Provides a clear starting point for the draft LTP model and enables staff to immediately test affordability, debt, and rates impacts.</p> <p>Incorporates elected member feedback with respect to both priority rankings and timing preferences.</p> <p>Balances certainty with flexibility, ensuring high-priority/early programmes are progressed; lower-priority or later programmes are deferred or rephased; scope-refinement programmes remain</p>	<p>May embed early assumptions into the base programme which may create a degree of perceived commitment.</p> <p>Requires further refinement as further work is undertaken to address the scope and detail of some of these major project areas.</p>

<p>flexible pending further work.</p> <p>Supports efficient decision-making and enables iterative refinement through workshops.</p>	
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**Option 2 – Do not include any programmes in the base draft LTP and assess all through the prioritisation tool.**

29. Under this option, Council would not agree to include any programmes in the draft LTP base capital programme at this stage. Instead, all programmes would be:
- (a) assessed through the formal prioritisation framework/tool, and
  - (b) considered collectively alongside funding constraints before determining inclusion or timing.

<b>Advantages</b>	<b>Disadvantages</b>
<p>Ensures all programmes are assessed against the same criteria together.</p> <p>Avoids pre-empting decisions before full information is available.</p> <p>No early commitment signals are created in advance of affordability modelling.</p>	<p>Delays development of the draft LTP model:</p> <ul style="list-style-type: none"> <li>• staff would not have clear guidance on available funding each year for their projects.</li> <li>• No defined base programme to develop scenarios and test trade-offs.</li> </ul> <p>More complex and time-consuming for Councillors and staff. Relying solely on the prioritisation process may require additional workshops, criteria agreement, and scoring before modelling can commence.</p> <p>Risks ad hoc direction affecting the capital programme later in the LTP process.</p> <p>Creates uncertainty for external parties who have proposed to subsidise projects.</p>

30. To support consideration of the options outlined above, an illustrative scenario has been developed (refer to **Attachment 3**). The scenario is based on current budgets for all major projects noting that if Council reduced the scope of some of these major projects it would assist Council to remain within rates increase limits, which are currently challenging as shown in **Table 1** in the Financial Implications section.
31. The scenario proposes phasing of major projects (based on the recommendations in this report). It includes other non-growth transport projects of about \$13m per annum (\$22m including city centre transport developments) and for spaces and places expenditure including active reserves, indoor courts, and other upgrades \$10.5m per annum (\$12.5m including city centre waterfront).
32. Based on the rates revenue limits, principles for development of the capital programme and workshop discussion and feedback on major projects, the likely maximum level of other transport and spaces and places expenditure is in the region of \$10m to \$12m per annum for each area (including city centre and waterfront projects).

**FINANCIAL CONSIDERATIONS**

33. Based on the Illustrative Scenario in **Attachment 3**, a capital programme of \$2.4b over the ten years could be budgeted with slightly higher expenditure in the first 3 years when subsidy revenue and available TSP IFF drawdown is high. **Attachment 3** includes the high-level calculation of expected rates and debt impacts based on the assumptions in the scenario presented. The key financials from this scenario are summarised in **Table 1** below.

**Table 1 Illustrative Capital Programme Key Financials**

<b>Illustrative Scenario Key Financials</b>		
<b>Capex</b>	<b>Total 10 Years</b>	\$2.4b
	<b>Years 1-3</b>	\$806m
<b>Subsidy Revenue</b>	<b>Total 10 Years</b>	\$673m
	<b>Years 1-3</b>	\$310m
<b>Debt</b>	<b>2027/28 FY (\$)</b>	\$1.2b
	<b>2027/28 FY (D:R)</b>	222%
	<b>3036/37 FY (\$)</b>	\$1.6b
	<b>3036/37 FY (D:R)</b>	255%
<b>Rates</b>	<b>Years 1-2 Interest &amp; Depreciation Increase (average)</b>	4.8%
	<b>Years 1-2 Rates Increase Limit</b>	6.0%
	<b>Years 3-10 Interest &amp; Depreciation Increase (average)</b>	3.5%
	<b>Years 3-10 Rates Increase Limit</b>	4.0%

34. Council’s debt to revenue ratio will increase over the ten years. However, if the level of subsidy is maintained and the capital programme limited by the 4% rates increase limits, then the bespoke covenant may not be required.
35. The debt to revenue ratio and whether Council requires a bespoke borrowing covenant with Local Government Funding Agency (LGFA) during the LTP will be considered further as the LTP is developed.
36. The key financials presented in this section are subject to various risks as outlined in the following section.

**LEGAL IMPLICATIONS / RISKS**

37. This report seeks high level guidance in the development of the draft base capital programme. Project costing has yet to be updated and there is a risk that the costs and available subsidies may vary from what has been presented in this report. Higher costs and lower subsidies would reduce the value of capital projects that could be delivered.
38. Rates are modelled to increase due to depreciation and interest costs that directly result from building new assets. At the level of capital proposed in the scenarios presented in this report, the rates increase from these two cost categories alone come close to the total rates increase limits. This means there will need to be work undertaken to review the total cost of the capital programme as well as operational costs (e.g., to verify the actual amount of depreciation) along with ongoing review of Council’s costs to ensure that Council remains within its rates limits. If costs cannot be managed within the agreed rates limits then the capital programme will need to be reduced further from the levels indicated in the scenarios.

39. There is a risk that Government's approach to rates capping and flexibility in the early years may be different to what is assumed in the recommended rates limits in this report. Stricter rates limits in early years would reduce the value of capital projects that could be delivered.

### TE AO MĀORI APPROACH

40. The LTP represents resourcing to include the outcomes agreed by Council. The outcomes are addressed through decisions on activities, capital expenditure and services. The level of resourcing for the annual plan and prioritisation of projects, project scoping and delivery methodology should have regard to the agreed outcomes and deliverables the expenditure aims to achieve. The process of prioritisation and the project proposals should align with Council's Te Ao Māori approach.

### CLIMATE IMPACT

41. The LTP includes both operating and capital expenditure to adapt to a changing climate, reduce emissions and enhance nature and biodiversity. These initiatives are included in the Groups of Activity information and will also be included through the capital prioritisation process and the review of operating activities and costs.

### CONSULTATION / ENGAGEMENT

42. The Long-term plan is consulted on in accordance with the requirements of the local Government Act 2002. The consultation is expected to be undertaken in March/April 2027. Consideration of various matters in the development of the LTP during 2026 is generally not directly consulted on.

### SIGNIFICANCE

43. 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.
44. 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.
45. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance.

### ENGAGEMENT




46. Taking into consideration the above assessment, that the matter is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision.
47. At this early stage of the LTP process consultation is not required, but as options develop Councillors and staff may engage with relevant stakeholders.

### NEXT STEPS

48. Guidance based on decisions in this report will form the basis of project input into the corporate planning system.

49. Further workshops will be scheduled with Council to provide direction on project costing and prioritisation and on scope and timing of projects as directed by Council.
50. Asset management renewals and depreciation will be covered in a Council workshop in August.
51. Specific projects will be considered by Council through the next few months to support development of the LTP.
52. The updated draft capital programme will be provided to Council for review and further consideration in November 2026.
53. The first draft operational and capital budgets will be presented to Council for consideration in December 2026.

## ATTACHMENTS

1. **Attachment 1 - Major Project Subsidies - A20462810** [↓](#) 
2. **Attachment 2 - Draft 2027-37 Long-term Plan Capex - Summary of Feedback from Elected Members - A20462813** [↓](#) 
3. **Attachment 3 - Illustrative Scenario for Draft 2027-37 Long-term Plan Capex Programme incl Debt - A20463775** [↓](#) 

Attachment 1

## Impact of Subsidies on our Financials – Major Projects

Transportation projects with significant subsidy over 10 Years:

- **Cameron Rd Stage 2**
  - Total cost \$94m
  - Subsidy – IFF \$19m
  - IAF \$54m
- **Turret Rd -15th Ave**
  - Total cost \$127m
  - NZTA \$68m
  - IFF \$48m
- **Connecting Mount Maunganui**
  - Total cost \$207m
  - NZTA \$tbc (\$105m assumed in LTP)

Subsidies for Community Facilities

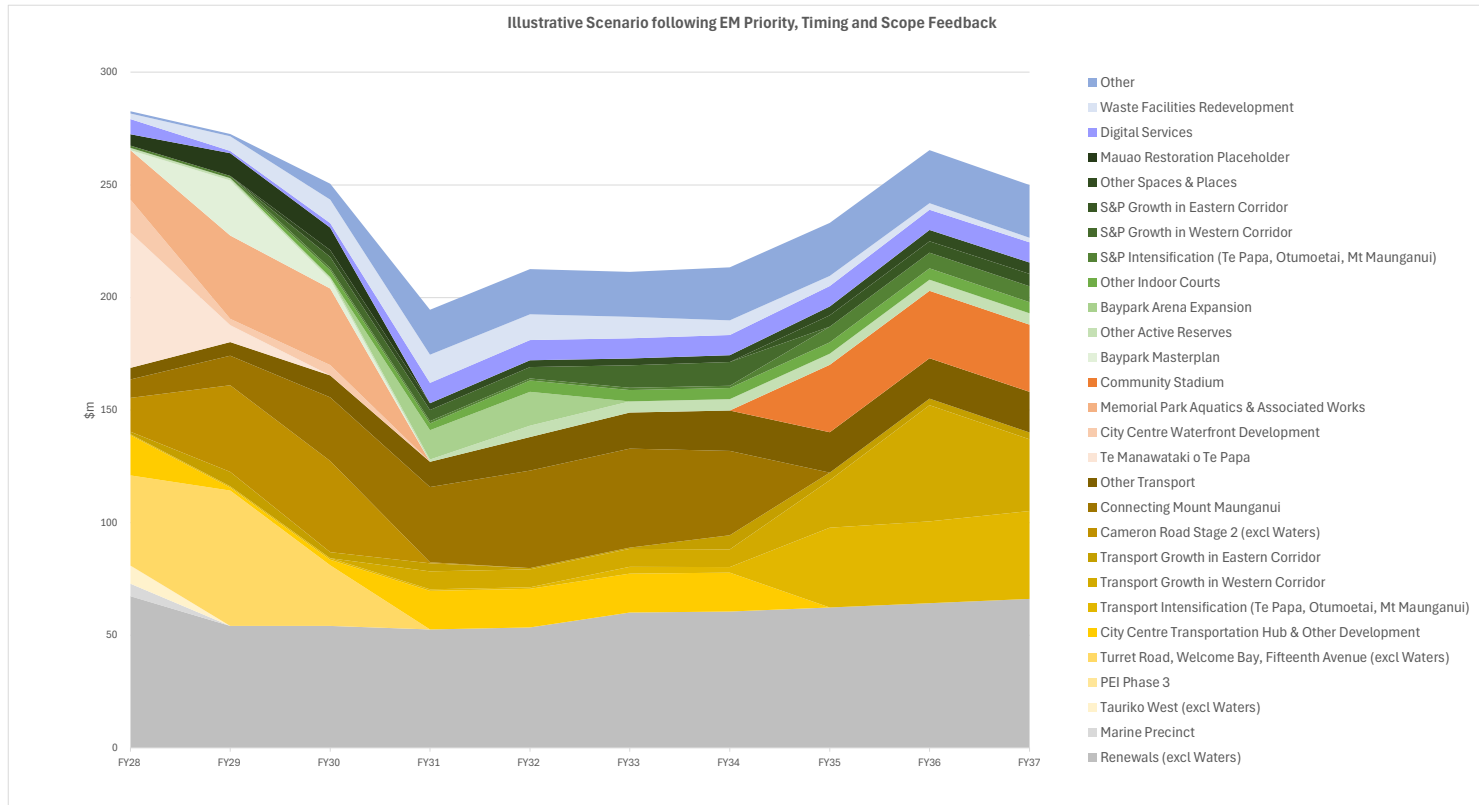
- **Memorial Park Pool**
  - Total Cost \$93m
  - TECT \$16m
- **Civic Whare Exhibition Centre and Museum (CWEM)**
  - Total Cost \$35m
  - TECT \$8m
- **Arena Expansion**
  - Total Cost \$28m
  - TECT \$13m
- **Community Stadium**
  - Total Cost \$90m
  - Assumed subsidy \$45m

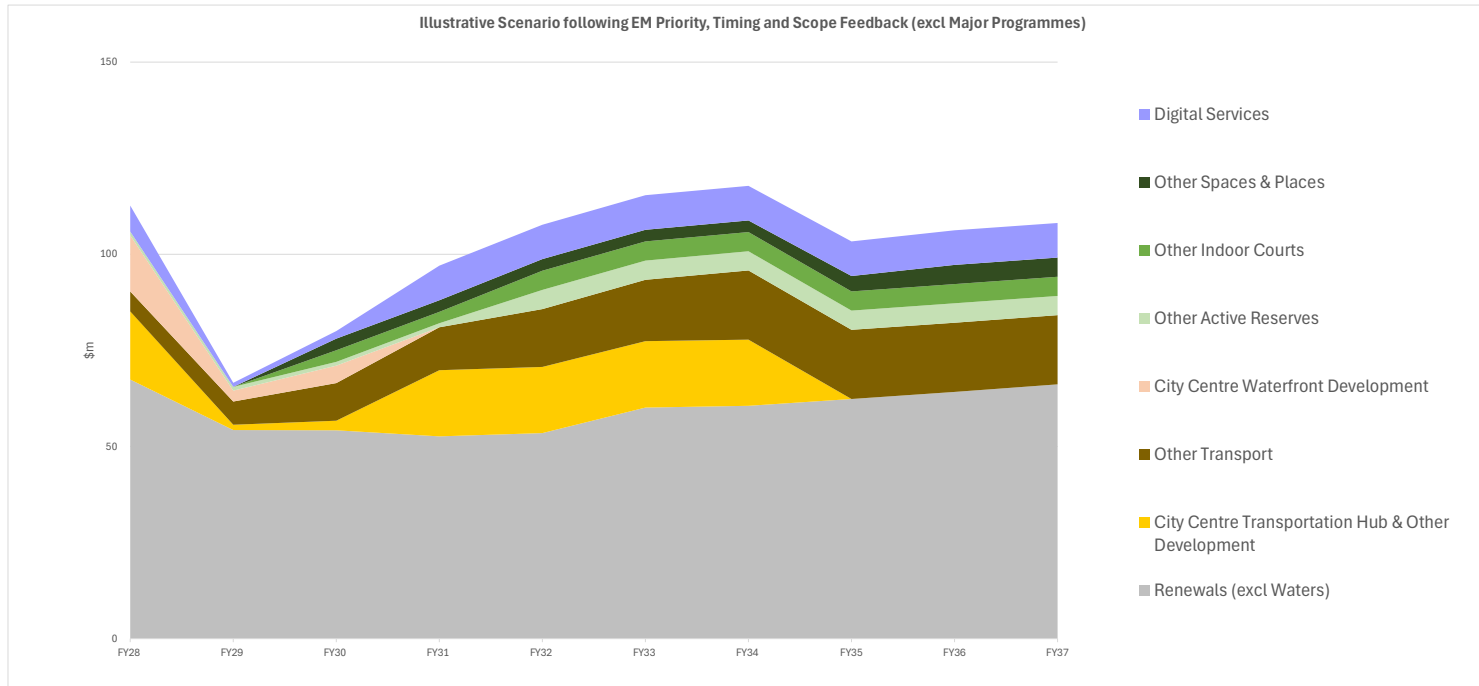


Attachment 2: Draft 2027-37 Long-term Plan Capex - Summary of Elected Member Feedback

Outcome Area	Programme	Feedback Summary	Priority					Timing					Scope				
			Rank 1-5 Count	Rank 6-10 Count	Rank 11-17 Count	Avg Priority Rank	Priority Signal	Current Timing	Early Count	Mid Count	Late Count	Timing Signal	Recommended Timing Action	Scope Reduce - Yes	Scope Reduce - No	Scope Signal	Current Budget FY26-FY34 (\$m)
Spaces & Places	Mauao Restoration Placeholder	Higher priority; Clear early preference; Scope views mixed	7	0	0	3.0	Higher priority	Early (FY28-FY30 profile)	7	0	0	Clear early preference	Keep as currently phased	4	3	Scope views mixed	25.0
Transport	Turret Road, Welcome Bay, Fifteenth Avenue (excl Waters)	Higher priority; Clear early preference; Retain current scope	5	2	0	3.4	Higher priority	Early (FY28-FY30 profile)	6	1	0	Clear early preference	Keep as currently phased	1	6	Retain current scope	126.9
Waste	Waste Facilities Redevelopment	Higher priority; Mixed timing; Scope views mixed	4	2	1	5.0	Higher priority	Mid (FY31-FY34 profile)	3	3	1	Mixed timing	Keep as currently phased	3	4	Scope views mixed	59.5
City Centre	Te Manawataki o Te Papa	Mid-pack; Clear early preference; Scope views mixed	3	2	2	6.4	Mid-pack	Early (FY28-FY30 profile)	7	0	0	Clear early preference	Keep as currently phased	3	4	Scope views mixed	32.7
City Centre	City Centre Waterfront Development	Mid-pack; Clear early preference; Scope views mixed	2	3	2	7.6	Mid-pack	Early (FY28-FY30 profile)	5	2	0	Clear early preference	Keep as currently phased	3	4	Scope views mixed	22.0
Transport	Cameron Road Stage 2 (excl Waters)	Mid-pack; Leans early; Retain current scope	2	4	1	8.0	Mid-pack	Early (FY28-FY30 profile)	4	3	0	Leans early	Keep as currently phased	1	6	Retain current scope	94.4
Transport	Connecting Mount Maunganui*	Mid-pack; Clear mid preference; Retain current scope	3	2	2	8.3	Mid-pack	Mid (FY31-FY34 profile)	1	5	1	Clear mid preference	Keep as currently phased	0	7	Retain current scope	207.4
Transport	Growth in Eastern Corridor	Mid-pack; Clear mid preference; Scope views mixed	3	2	2	8.6	Mid-pack	Mid (FY31-FY34 profile)	0	5	2	Clear mid preference	Keep as currently phased	3	4	Scope views mixed	21.4
Transport	Growth in Western Corridor	Mid-pack; Leans mid; Scope views mixed	2	1	4	9.6	Mid-pack	Early (FY28-FY30 profile)	3	4	0	Leans mid	Rephrase to mid	3	4	Scope views mixed	31.6
Transport	Intensification (Te Papa, Otumoetai, Mt Maunganui)	Mid-pack; Leans mid; Scope views mixed	1	2	4	10.0	Mid-pack	Mid (FY31-FY34 profile)	1	4	2	Leans mid	Keep as currently phased	3	4	Scope views mixed	8.5
Spaces & Places	Baypark Masterplan	Mid-pack; Leans early; Scope views mixed	1	2	4	10.3	Mid-pack	Early (FY28-FY30 profile)	4	2	1	Leans early	Keep as currently phased	3	4	Scope views mixed	28.5
Spaces & Places	Baypark Arena Expansion	Lower priority; Leans mid; Scope views mixed	0	4	3	10.6	Lower priority	Early (FY28-FY30 profile)	3	4	0	Leans mid	Rephrase to mid	3	4	Scope views mixed	28.0
City Centre	Memorial Park Aquatics & Associated Works	Lower priority; Mixed timing; Consider scope refinement	0	4	3	10.6	Lower priority	Early (FY28-FY30 profile)	3	3	1	Mixed timing	Keep as currently phased	5	2	Consider scope refinement	93.0
Spaces & Places	Growth in Western Corridor	Lower priority; Clear mid preference; Scope views mixed	1	2	4	11.6	Lower priority	Mid (FY31-FY34 profile)	0	5	2	Clear mid preference	Keep as currently phased	4	3	Scope views mixed	35.5
Spaces & Places	Growth in Eastern Corridor	Lower priority; Leans late; Scope views mixed	1	1	5	12.1	Lower priority	Mid (FY31-FY34 profile)	0	3	4	Leans late	Rephrase to late	4	3	Scope views mixed	15.5
Spaces & Places	Intensification (Te Papa, Otumoetai, Mt Maunganui)	Lower priority; Leans late; Strong support for scope reduction	0	1	6	13.0	Lower priority	Mid (FY31-FY34 profile)	1	2	4	Leans late	Rephrase to late	6	1	Strong support for scope reduction	28.0
City Centre	Community Stadium	Lower priority; Leans late; Consider scope refinement	0	1	6	15.0	Lower priority	Mid (FY31-FY34 profile)	1	2	4	Leans late	Rephrase to late	5	2	Consider scope refinement	89.6

Attachment 3: Illustrative Scenario following EM Priority, Timing and Scope Feedback												
Programmes	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	Total FY28-37	Comments
Marine Precinct	5,511,099	0	0	0	0	0	0	0	0	0	5,511,099	
Te Manawataki o Te Papa	34,817,793	0	0	0	0	0	0	0	0	0	34,817,793	
Tauriko West (excl Waters)	8,000,000	0	0	0	0	0	0	0	0	0	8,000,000	To reflect -\$25m likely contingency savings
PEI Phase 3	150,000	0	0	0	0	0	0	0	0	0	150,000	To reflect -\$550k likely contingency savings
Other Transport	154,106	1,038,833	1,759,834	1,195,953	0	0	0	0	0	0	4,152,727	
Renewals (excl Waters)	67,398,592	54,298,016	54,204,926	52,610,640	53,468,909	60,128,584	60,547,619	62,364,047	64,234,969	66,162,018	595,379,318	
<b>TOTAL COMMITTED &amp; RENEWALS</b>	<b>116,031,589</b>	<b>55,326,349</b>	<b>55,968,320</b>	<b>53,797,594</b>	<b>53,468,909</b>	<b>60,128,584</b>	<b>60,547,619</b>	<b>62,364,047</b>	<b>64,234,969</b>	<b>66,162,018</b>	<b>648,019,997</b>	
Turret Road, Welcome Bay, Fifteenth Avenue (excl Waters)	40,000,000	60,000,000	26,875,899	0	0	0	0	0	0	0	126,875,899	No change to timing or scope
City Centre Transportation Hub & Other Development	17,802,237	1,382,571	2,497,293	17,250,000	17,250,000	17,250,000	17,250,000	0	0	0	90,682,101	
Transport Intensification (Te Papa, Otumoetai, Mt Maunganui)	447,320	587,470	620,103	642,668	668,819	3,084,019	2,490,205	35,415,669	36,386,864	39,034,015	119,377,151	No change to timing or scope
Transport Growth in Western Corridor	0	0	0	7,908,524	7,908,524	7,908,524	7,908,524	21,166,947	51,586,620	31,853,765	136,241,428	Deferred to middle years; no change to scope
Transport Growth in Eastern Corridor	1,107,537	6,338,478	2,816,752	3,611,680	604,716	646,430	6,252,574	3,265,237	2,864,394	3,072,779	30,580,578	No change to timing or scope
Cameron Road Stage 2 (excl Waters)	15,000,000	36,485,750	40,450,000	500,000	0	0	0	0	0	0	94,435,750	No change to timing or scope
Connecting Mount Maunganui	8,246,670	13,107,500	28,197,330	33,372,000	43,194,600	43,878,600	37,397,806	0	0	0	207,394,506	No change to timing or scope
Other Transport	5,000,000	5,000,000	8,000,000	10,000,000	15,000,000	16,000,000	18,000,000	18,000,000	18,000,000	18,000,000	131,000,000	
Te Manawataki o Te Papa	25,210,874	7,471,287	0	0	0	0	0	0	0	0	32,682,161	No change to timing or scope
City Centre Waterfront Development	14,571,346	2,817,512	4,576,795	0	0	0	0	0	0	0	21,965,653	No change to timing or scope
Memorial Park Aquatics & Associated Works	22,000,000	37,000,000	34,000,000	0	0	0	0	0	0	0	93,000,000	No change to timing or scope
Community Stadium	0	0	0	0	0	0	29,862,702	29,862,702	29,862,702	29,862,702	89,588,106	Deferred to later years; no change to scope
Baypark Masterplan	0	24,500,000	4,000,000	0	0	0	0	0	0	0	28,500,000	No change to timing or scope
Other Active Reserves	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	34,000,000	
Baypark Arena Expansion	0	0	0	13,000,000	15,000,000	0	0	0	0	0	28,000,000	Deferred to middle years; no change to scope
Other Indoor Courts	0	0	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	36,000,000	
S&P Intensification (Te Papa, Otumoetai, Mt Maunganui)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,000,000	7,000,000	7,000,000	25,000,000	Deferred to later years; no change to scope
S&P Growth in Western Corridor	0	0	5,000,000	5,000,000	5,000,000	10,000,000	10,500,000	0	0	0	35,500,000	No change to timing or scope
S&P Growth in Eastern Corridor	0	0	0	0	0	0	0	5,000,000	5,000,000	5,500,000	15,500,000	Deferred to later years; no change to scope
Other Spacets & Places	0	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000	29,000,000	
Mauao Restoration Placeholder	5,000,000	10,000,000	10,000,000	0	0	0	0	0	0	0	25,000,000	No change to timing or scope
Digital Services	6,752,494	1,000,000	2,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	72,752,494	
Waste Facilities Redevelopment	2,500,000	6,500,000	10,500,000	12,500,000	11,500,000	9,500,000	6,500,000	4,500,000	3,500,000	2,000,000	69,000,000	No change to timing or scope
Other	1,000,000	1,000,000	7,000,000	20,000,000	20,000,000	20,000,000	23,500,000	23,500,000	23,500,000	23,500,000	163,000,000	
<b>TOTAL COMMITTED, RENEWALS &amp; INCLUDED</b>	<b>282,670,067</b>	<b>272,516,917</b>	<b>250,492,492</b>	<b>194,582,467</b>	<b>212,595,568</b>	<b>211,396,157</b>	<b>213,346,728</b>	<b>233,074,602</b>	<b>265,435,549</b>	<b>249,985,278</b>	<b>2,386,095,824</b>	
<b>External Funding Source</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>FY31</b>	<b>FY32</b>	<b>FY33</b>	<b>FY34</b>	<b>FY35</b>	<b>FY36</b>	<b>FY37</b>	<b>Total FY28-37</b>	
IAF	(13,943,479)	(21,452,317)	(23,090,891)	(285,426)	0	0	0	0	0	0	(58,772,113)	
IFF	(24,717,631)	(25,560,657)	(20,416,312)	(101,215)	0	0	0	(320,959)	(3,918,589)	(1,483,865)	(76,519,228)	
NZTA	(42,003,350)	(63,807,842)	(50,432,660)	(39,272,767)	(45,622,750)	(42,876,806)	(39,882,535)	(42,057,353)	(44,855,238)	(44,584,732)	(455,396,036)	
TCT	(17,999,617)	(6,000,000)	0	(13,000,000)	0	0	0	(14,931,351)	(14,931,351)	(14,931,351)	(81,793,670)	
Lumps sum developer contributions	(671,317)	0	0	0	0	0	0	0	0	0	(671,317)	
<b>TOTAL EXTERNAL FUNDING ASSUMED</b>	<b>(99,335,399)</b>	<b>(116,820,815)</b>	<b>(93,939,862)</b>	<b>(52,659,408)</b>	<b>(45,622,750)</b>	<b>(42,876,806)</b>	<b>(39,882,535)</b>	<b>(57,309,663)</b>	<b>(63,705,170)</b>	<b>(60,999,949)</b>	<b>(673,152,364)</b>	





Illustrative Scenario Key Financials		
<b>Capex</b>	<b>Total 10 Years</b>	\$2.4b
	<b>Years 1-3</b>	\$806m
<b>Subsidy Revenue</b>	<b>Total 10 Years</b>	\$673m
	<b>Years 1-3</b>	\$310m
<b>Debt</b>	<b>2027/28 FY (\$)</b>	\$1.2b
	<b>2027/28 FY (D:R)</b>	222%
	<b>3036/37 FY (\$)</b>	\$1.6b
	<b>3036/37 FY (D:R)</b>	255%
<b>Rates</b>	<b>Years 1-2 Interest &amp; Depreciation Increase (average)</b>	4.8%
	<b>Years 1-2 Rates Increase Limit</b>	6.0%
	<b>Years 3-10 Interest &amp; Depreciation Increase (average)</b>	3.5%
	<b>Years 3-10 Rates Increase Limit</b>	4.0%

input

High level capital, rates and debt relationships \$m

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
<b>Capex</b>	283	273	250	195	213	211	213	233	265	250
<b>Total capex</b>	283	273	250	195	213	211	213	233	265	250
<b>Capital subsidy</b>										
Transport - IAF	14	21	23	0	-	-	-	-	-	-
Transport - IFF	25	26	20	0	-	-	-	0	4	1
Transport - NZTA	42	64	50	39	46	43	40	42	45	45
TECT	18	6	-	13	-	-	-	15	15	15
Central Govt	-	-	-	-	-	-	-	-	-	-
Lump sum developer contributi	1	-	-	-	-	-	-	-	-	-
	99	117	94	53	46	43	40	57	64	61
<b>Debt movement</b>										
Capex	283	273	250	195	213	211	213	233	265	250
less grants	99	117	94	53	46	43	40	57	64	61
less DCs	20	21	21	22	23	23	24	25	25	26
less depreciation	67.1	75	83	92	101	108	116	124	132	141
	108	73	64	41	59	53	50	44	60	37

Rates increase

	2026/27 Draft AP	2026/27 Draft AP	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
Rates	401	249	259	269	280	291	303	315	328	341	355
Other operational revenue included in ratio	156	156	161	165	170	175	181	186	192	197	203
Capital grants	44	41	99	117	94	53	46	43	40	57	64
<b>Total Revenue included in ratio</b>	600	446	519	552	544	519	529	544	559	596	622
Capital programme	450	309	283	273	250	195	213	211	213	233	265
<b>Net Debt (net of borrower notes)</b>	1,678	1,040	1,152	1,225	1,289	1,329	1,388	1,441	1,491	1,535	1,595
<b>Debt to Revenue Ratio</b>	279%	233%	222%	222%	237%	256%	262%	265%	267%	258%	257%
Limit	330%	330%	330%	330%	330%	330%	330%	330%	330%	330%	330%
Debt Capacity at 330% D.R	304	432	560	596	508	365	359	355	355	431	456
280%	280%	280%	280%	280%	280%	280%	280%	280%	280%	280%	280%
Debt capacity at 280% D.R	3	209	301	320	236	125	94	82	75	133	145

The following grey table shows the rates increase per annum impact of capital investment through interest and depreciation. Rates increase restrictions are the main driver of capital expenditure limits not debt capacity

	2026/27 Draft AP	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
<b>Average cost of new borrowing</b>											
Of the rates increase allowed how much does interest use?											
additional interest growth in yr of capex above 50% of capex	4%	2	2	1	1	1	1	1	1	1	1
for following year add remaining 50% of previous year capex			5	4	3	2	2	2	2	2	2
			2%	1%	1%	1%	1%	1%	1%	1%	1%
<b>Average depreciation rate</b>											
Depreciation additional depreciation at assumed funded life of new assets	4%	10	6	5	7	6	4	5	4	5	5
5% assumes 20 year life reducing \$100m from capex in deprn calc		4%	2%	2%	2%	2%	1%	1%	1%	1%	2%
plus 2% increase in existing depreciation per annum			3%	3%	3%	3%	2%	3%	3%	3%	3%
<b>Total rates increase from interest &amp; depreciation</b>		5.2%	4.3%	4.5%	3.9%	3.0%	3.3%	3.2%	3.1%	3.3%	3.6%

## 11.8 Appointment of Directors to Council Organisations Policy - Amending reappointment of board members provisions

**File Number:** A20244837

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Jeremy Boase, Head of Strategy, Governance & Climate Resilience

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

### PURPOSE OF THE REPORT

1. To seek amendment of the Appointment of Directors to Council Organisations Policy, with regards to reappointments of council-controlled organisation board members.

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### RECOMMENDATIONS

That the Council:

- (a) Receives the report "Appointment of Directors to Council Organisations Policy - Amending reappointment of board members provisions".
- (b) Amends the Appointment of Directors to Council Organisations Policy, as marked up in the draft Appointment of Directors to Council Organisations Policy 2026 (**Attachment One**), to provide for a competitive process for all future board appointments.

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### EXECUTIVE SUMMARY

2. At the Council meeting on 3 March 2026, the Council requested an amendment to the Appointment of Directors to Council Organisations Policy (Appointment Policy) so that board members of council-controlled organisations (CCOs) will not be directly reappointed, instead all expiring board member roles for CCOs will be publicly advertised and contestable at the end of each board member's term.
3. This report presents the resulting amendments to the Appointment Policy for consideration and adoption.
4. The drafted amendments reflect the Council's earlier direction so adoption of the amended Appointment Policy will:
  - (a) Remove the old reappointment approach, which relied on the Council consulting the Chair and Deputy Chair of the relevant CCO and then deciding on reappointment based on a listed set of criteria, and
  - (b) Replace it with the requirement to fill any CCO board vacancy, regardless of how it has arisen, through the full appointment process under clause 4.4, and allow a board member whose term has expired to apply through that process for reappointment up to a maximum of a nine years in total on the same CCO board.
5. Staff recommend adoption of the draft Appointment Policy to implement the Council's direction and provide a clear, consistent and transparent process for board member appointments to CCOs.
6. The only financial implications of this decision relate to the potential for additional recruitment processes.

**BACKGROUND**

7. The Appointment Policy sets out how Tauranga City Council appoints board members to Bay Venues Limited, Tauranga Art Gallery Trust, and Te Manawataki o Te Papa Limited, and jointly appoints Tourism Bay of Plenty board members with Western Bay of Plenty District Council.
8. Under the current policy, when a board member’s term has expired and the board member is seeking reappointment, the Council will consult with the Chair and Deputy Chair and then decide to reappoint or replace that board member based on a set of criteria stated in clause 4.5 of the Appointment Policy.
9. The current Appointment Policy also specifies that after an initial three-year term and a performance review, board members may serve a second term of three years and a further three-years (three terms total) if the reappointment of a current board member offers more benefit than appointing a new candidate. This is restricted to a maximum total of serving nine years on the same board.
10. When considering the appointment of board members to certain CCOs during the Council meeting on 3 March 2026, the Council requested an amendment to the Appointment Policy so that all expiring board member roles for CCOs will be publicly advertised and contestable at the end of each board member’s term.
11. Internal engagement has been undertaken with relevant Tauranga City Council teams to ensure the proposed amendment to the Appointment Policy aligns with operational practice and statutory requirements. Feedback on the proposed amendment to the policy was also provided by the current Chairs of the CCO boards.
12. This report now seeks adoption of the resulting amended policy. The amended Appointment Policy states that any CCO board vacancy, regardless of how it has arisen, will be filled through the full appointment process under clause 4.4. It allows a board member whose term has expired to apply through that process for reappointment up to a maximum of a nine years on the same CCO board.

**STATUTORY CONTEXT**

13. Whether or not the proposed amendments are adopted, the Appointment Policy will continue to meet section 57(1)(b) of the Local Government Act 2002 requirements, that Tauranga City Council to have a policy for the appointment of board members to CCOs.

**STRATEGIC ALIGNMENT**

14. The CCOs actively work in partnership with the Council, tangata whenua and our community to contribute towards great outcomes, value for money, and delivering more with less resources. Ensuring strong effective governance through a consistent and transparent Appointment Policy is fundamental to ensuring the CCOs can continue to deliver these outcomes.
15. Through the work done by the CCOs impacted by this policy, this contributes to the promotion or achievement of the following strategic community outcomes:

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

**OPTIONS ANALYSIS**

16. Option one, adopt the draft amendments to the Appointment Policy, is recommended. It gives effect to the Council’s prior direction and improves the transparency of the board member appointment process for CCOs.

Option	Advantages	Disadvantages
<p><b>Option one:</b></p> <p>Adopt the draft amendments to the Appointment Policy.</p> <p><b>Recommended.</b></p>	<p>Stronger appointment process</p> <ul style="list-style-type: none"> <li>Reinforces a merit-based approach by requiring existing board members to demonstrate their ongoing value and capability through a competitive process.</li> <li>Helps ensure the strongest candidate is appointed to each role, even when the incumbent is performing well and has support from the Council and the board.</li> </ul> <p>Transparency</p> <ul style="list-style-type: none"> <li>Open recruitment for every vacancy promotes fairness, accountability, and transparency.</li> <li>Builds confidence among the community, stakeholders, and ratepayers that appointments are robust and defensible.</li> </ul> <p>Board capability and diversity</p> <ul style="list-style-type: none"> <li>Creates opportunities to bring in new skills, perspectives, and lived experience, adding fresh thinking to the board table.</li> <li>Encourages applications from a broader and more diverse candidate pool, including emerging governance leaders.</li> <li>Reduces the risk of groupthink developing on long-standing boards.</li> </ul> <p>Succession planning</p> <ul style="list-style-type: none"> <li>Creates clear and predictable vacancies, supporting structured annual recruitment cycles, more proactive succession planning, and better alignment with skills matrices.</li> </ul>	<p>Potential for loss of continuity and more frequent onboarding</p> <ul style="list-style-type: none"> <li>New board members may need significant time to understand past decisions, board dynamics, key relationships, and organisational context.</li> <li>More frequent appointments would increase induction and onboarding demands on board chairs and management.</li> <li>This may shift time and attention away from governance and into education and integration.</li> </ul> <p>Potential loss of knowledge and cohesion</p> <ul style="list-style-type: none"> <li>More frequent turnover could result in the loss of institutional knowledge, historical context, and established relationships.</li> <li>It may also slow the development of trust and cohesive board dynamics, reducing the effectiveness of collective decision-making.</li> </ul> <p>Cost and administrative effort</p> <ul style="list-style-type: none"> <li>Annual open recruitment processes are likely to increase the time and cost involved in advertising, assessment, and interviews.</li> </ul>
<p><b>Option two:</b></p>	<p>Existing policy framework</p>	<p>Transparency and perception</p>

<p>Status quo, retain the Appointment Policy without amendment.</p>	<ul style="list-style-type: none"> <li>• Provides a robust framework for CCO board recruitment, with all appointments, including reappointments, subject to the Council’s approval.</li> <li>• Makes clear that reappointments are not automatic, with the factors informing the Council’s decisions set out in section 4.5 of the Appointment Policy.</li> <li>• Supports measured, case-by-case decision-making rather than requiring wholesale change.</li> </ul> <p>Continuity and governance stability</p> <ul style="list-style-type: none"> <li>• Preserves experience and institutional knowledge, while supporting continuity in governance practices and minimising disruption to board dynamics and relationships with management.</li> <li>• Recognises that onboarding new board members can be time-intensive, particularly in specialised sectors such as infrastructure, tourism, arts and culture, and facilities and asset management.</li> <li>• Avoids recruiting solely to meet a process requirement when the Council and the board are satisfied with an incumbent’s performance.</li> </ul> <p>Efficiency and oversight</p> <ul style="list-style-type: none"> <li>• Avoids the time, cost, and resource burden associated with frequent recruitment processes.</li> <li>• Retains the Council’s oversight of reappointments, helping ensure underperforming board members can be identified and not reappointed.</li> </ul>	<ul style="list-style-type: none"> <li>• Where reappointments are common, the process may be seen as less open or competitive, even when formal approval is required.</li> <li>• This can create perceptions of bias, favouritism, or closed networks, particularly in a local government setting where transparency is highly valued.</li> </ul> <p>Board renewal and strategic fit</p> <ul style="list-style-type: none"> <li>• Boards may gradually become misaligned with changing strategic priorities, such as digital capability, climate response, or regulatory expertise, if opportunities to appoint new members are limited.</li> <li>• Extended tenure may reduce constructive challenge and independent thinking at the board table.</li> <li>• In comparison with option one, it may also limit demographic diversity, cognitive diversity, professional backgrounds, and community representation.</li> </ul> <p>Opportunity cost and responsiveness</p> <ul style="list-style-type: none"> <li>• Retaining the status quo may constrain the Council and the board from considering potentially stronger or more complementary candidates, even where the incumbent is performing well.</li> <li>• Over time, this could weaken innovation and reduce responsiveness to changing community needs and expectations.</li> </ul>
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**FINANCIAL CONSIDERATIONS**

17. This amendment to the Appointment Policy will have minimal financial impact.

18. The costs associated with any additional board member recruitments (for example, placement of job adverts) are expected to remain within existing operating budget.

### **LEGAL IMPLICATIONS / RISKS**

19. There are no additional legal implications or risks associated with the proposed amendments to the Appointment Policy.

### **TE AO MĀORI APPROACH**

20. The proposed amendments to the Appointment Policy do not change the policy's alignment with the Council's Te Ao Maori approach.

### **CLIMATE IMPACT**

21. The proposed amendments to the Appointment Policy are administrative and do not have a direct climate impact.

### **CONSULTATION / ENGAGEMENT**

22. As noted in paragraph 10, feedback on the proposed changes to the Appointment Policy was sought from Chairs of the CCO boards on the Appointment Policy.
23. All the Chairs of the CCO boards supported amendments to the policy so that reappointments should not be perceived as 'automatic' and that the reappointment process is improved. They've also said that what's most important is having the right person – regardless of reappointment or replacement.

### **SIGNIFICANCE**

24. 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.
25. 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.
26. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance as this is a policy step with no direct impact on outcomes.

### **ENGAGEMENT**

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

### **NEXT STEPS**

28. If the Council's decision is a new policy position, staff will update the Appointment Policy, distribute it to the CCO boards and start planning the 2027 recruitment process for eight scheduled board member vacancies across three CCOs.

**ATTACHMENTS**

1. **Draft Appointment of Directors to Council Organisations Policy - A20337179** [↓](#) 

# APPOINTMENT OF DIRECTORS TO COUNCIL ORGANISATIONS POLICY



<b>Policy type</b>	City		
<b>Authorised by</b>	Council		
<b>Last adopted</b>	11 February 2020	<b>Minute reference</b>	PO3/20/3
<b>Revisions/amendments</b>	18 November 2025 [23 June 2026]	<b>Minute references</b>	CO/25/27/28 [TBC]
<b>Review date</b>	As required		

## 1. POLICY OBJECTIVE

This policy has been developed to comply with section 57 of the Local Government Act (2002). This requires Council to adopt a policy that sets out an objective and transparent process for

- a) the identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and
- b) the appointment of directors to a council organisation; and
- c) the remuneration of directors of a council organisation.

## 2. PRINCIPLES

Council recognises that:

- The appointment of directors should be based on merit.
- Directors should possess the appropriate level of skills, knowledge and/or experience to guide the council organisation and contribute to the achievement of its objectives.
- Directors of council organisations should be appointed:
  - on the basis of the contribution they can make to the organisation, and not on the basis of representation;
  - through a formal, objective and transparent process.
- While the over-riding principle is to appoint on merit, Council encourages diversity of gender, skills, thought and culture on its Council Organisation (CO) boards. Council may consider the appointment of a director with strong connections to and the support of local iwi, subject to the required skills and experience.

## 3. DEFINITIONS

Term	Definition
Candidate	is a person who has submitted a written application for a director’s position or has formally agreed to be considered for such a position.

Council Organisation (CO)	is defined in Section 6 of the Local Government Act 2002. In broad terms, a CO is an organisation in which the Council has a voting interest or the right to appoint a director.
Council Controlled Organisation (CCO)	is defined in Section 6 of the Local Government Act 2002. It is a CO in which one or more local authorities control, directly or indirectly, 50% or more of the votes or has the right, directly or indirectly, to appoint 50% or more of the directors.
Council Controlled Trading Organisation (CCTO)	is defined in Section 6 of the Local Government Act 2002. It is a CCO that operates a trading undertaking for the purposes of making a profit.
Directors	include trustees, managers or office holders (however described in that organisation).

**4. POLICY STATEMENT**

**Part 4A– Council-Controlled Organisations (including Council-Controlled Trading Organisations)**

**4.1 The Role of a Council Controlled Organisation Director**

The role of a council appointed director is to assist the organisation to meet its objectives and any other requirements in its Statement of Intent, in accordance with the requirements of the Tauranga City Council Code of Conduct for Directors Appointed by Council to Council Organisations.

**4.2 Identification of Skills, Knowledge and Experience Required**

The skills, knowledge, experience and any other attributes required of a Council Controlled Organisation (CCO) director will be identified and documented, prior to the appointment process commencing.

The ability to guide the organisation, given the nature and scope of its activities, and the ability to contribute to the achievement of the objectives of the organisation will form the basis of the skills, knowledge, or experience required.

In general terms, the following skills and attributes are sought in CCO directors:

- intellectual ability coupled with common sense
- strategic vision
- an understanding of governance issues
- business and/or other experience that is relevant to the activities of the organisation
- sound judgment
- a high standard of personal integrity
- the ability to work collaboratively and cooperatively within the team
- an understanding of the wider interests of the publicly-accountable shareholder
- the ability to build and maintain relationships within the Tauranga community.

The mix of skills and experience on the CCO board, as well as the board’s diversity will be taken into account. Consideration will be given to complementing and

reinforcing existing skills, reducing known skill gaps and increasing diversity where necessary.

It is required that all appointees to CCO boards will undergo, or already have undergone, formal corporate governance training, or have the requisite experience in this area. It is the role of the CCO Chair to ensure that their boards undertake ongoing professional development throughout their term as director.

#### **4.3 Eligible Candidates**

Appropriately qualified external applicants are eligible as candidates for director positions on CCO boards.

- Elected Members of Tauranga City Council are not eligible to be considered as candidates for director positions on CCO boards, other than in exceptional circumstances.
- Employees of Tauranga City Council are not eligible to be considered as candidates for director positions on CCO boards, unless they are appointed in their capacity as an employee of Tauranga City Council.
- Employees of a Tauranga City Council CCO are not eligible to be considered as candidates for director positions on CCO boards, other than in exceptional circumstances.

##### **4.3.1 Mandatory Disclosures**

As part of an application a candidate is required to disclose whether he or she:

- is an immediate family member of an elected member, the chief executive, or a second-tier manager of Tauranga City Council or a Council Controlled Organisation, or
- has been convicted of an offence for which the maximum available sentence is imprisonment of two years or more (noting that required disclosures are subject to the provisions of the Criminal Records (Clean Slate) Act 2004), or
- has been declared bankrupt at any point in time or been the director of a company at the time it was placed in receivership or involuntary liquidation.

Any disclosures under the above clause will be taken into consideration by the Appointment Panel and Council but will not automatically preclude the candidate's appointment as a director.

Candidates are also required to disclose any actual or potential conflicts of interest that may arise if they are appointed as a CCO director. Council expects that applicants would not be considered for a director's position if it is likely that the applicant would, if successfully appointed, have a significant conflict of interest.

#### **4.4 Director Appointment Process**

Once a vacancy has been established, the Chief Executive has delegated authority to approve the list of skills, knowledge and experience required for the position.

An Appointment Panel will be established and approved by the Chief Executive, subject to consulting with the Mayor.

#### 4.4.1 Appointment Panel Composition

The Appointment Panel will be made up of:

- two elected members ; and
- the existing Chair of the CCO or their nominee; and
- one independent person who brings particular knowledge or skills that can add value to the process.

Appointment of the Trustees of Tourism Bay of Plenty will be made jointly with Western Bay of Plenty District Council.

The Appointment Panel will appoint its own Chair.

An employee of Council or of the CCO may not be appointed as a member of the Appointment Panel.

A Council employee may be appointed as an advisor to the Appointment Panel as and when necessary.

Members of an Appointment Panel who are not elected members or directors of the CCO may be remunerated for their time and skills.

The Chair does not have a casting vote.

Members of the Appointment Panel will not have a conflict of interest relating to their role on the Appointment Panel.

#### 4.4.2 Appointment Panel Composition for Appointments to Tauranga Art Gallery Trust

An appointment panel will be established. The panel will be made up of:

- two elected members ; and
- the existing Chair or Deputy Chair of the CCO, or their nominee; and
- one independent person who brings particular knowledge or skills that can add value to the process.

All other matters relating to the Appointment Panel composition shall be as outlined in section 4.4.1.

#### 4.4.3 Appointment Panel Responsibilities

The appointment panel will be responsible for:

- approving the criteria against which applications will be assessed;
- approving an independent recruitment consultant to assist the Appointment Panel with the selection process, if it decides it is warranted;
- preparing a recommended short-list of candidates to interview;
- interviewing the short-listed candidates and evaluating them against the approved criteria; and
- reporting on its assessment of each candidate against its criteria and recommending appointments of directors to Council.

#### 4.4.4 Advertisement of a Council Appointed Director's Position

In most instances, Council will seek expressions of interest in the position by way of a public advertisement and nominations from elected members, directors of the CCO or Crown agencies such as the Ministry of Women's Affairs and Te Puni Kokiri.

However, Council may decide not to advertise the position if there is urgency (e.g. a council organisation that is without a quorum and cannot hold board meetings) or any other reason it may consider warrants such a course of action.

Where the Council decides not to advertise a particular position, the Appointment Panel will:

- at the first practical opportunity, publicly notify its intention and reasons for doing so
- prepare a shortlist of prospective candidates whom it considers meets the criteria, subject to Council approval
- ascertain if the prospective candidates are interested in being considered
- apply the same selection process to those who are interested as it would to any other candidate

#### 4.4.5 Appointment

Council will make its final decision in a confidential committee (thus protecting the privacy of natural persons). This will be followed by the resolution being re-stated in open meeting. A public announcement of the appointment will be made as soon as practicable after Council has made its decision and received confirmation of acceptance from the candidate/s.

#### 4.5 Appointment Term and Reappointment

A director to a CCO will normally be appointed for a period of three years. The appointment period will expire on 30 June. If a director has been in office for more than 2½ years at 30 June, then their three-year term will be deemed to have expired. If a director has been in office for more than two years but less than 2½ years at 30 June, then they will be deemed to have one further year of the three-year term remaining.

To support effective succession planning, Council will aim to stagger the expiry of directors' terms so that about one third of a board's directors are appointed or reappointed each year. This may require appointments for terms of one, two, or three years.

Where a director's term of appointment has expired:

- a. an Appointment Panel will be established to conduct an appointment process in accordance with clause 4.4, and
- b. subject to clause 4.5.1, the director whose appointment has expired may apply through that process for reappointment.

#### **4.5.1 Maximum Terms**

A director cannot be on the same board after nine years in service.

#### **4.6 Termination of Appointment**

Directors appointed to CCOs by Council are in the role at the pleasure of Council. A director's appointment may be terminated at any time by Council or by the director/trustee by way of written notice. There will be no compensation payable to directors for early termination.

#### **4.7 Appointment of a Chairperson**

Council will appoint the Chair and Deputy Chair of each CCO board, taking into account the experience and skills of the existing board. Council will seek input from the current board members, as appropriate.

Appointment of the Chair and Deputy Chair of Tourism Bay of Plenty will be made jointly with Western Bay of Plenty District Council.

If a suitable Chair cannot be appointed from the current board for any reason, or if there is more than one suitable candidate on the current board, an appointment process and panel will be established as per the Director Appointment Process in section 4.4.

##### **4.7.1 Appointment of a Chairperson to Tauranga Art Gallery Trust**

The Trustees of the Tauranga Art Gallery Trust will elect their own Chair and Deputy Chair, as per their Trust Deed.

All other matters relating to the specific skills and attributes sought in the Appointment of a Chair shall be as outlined in section 4.7.2.

##### **4.7.2 Specific skills and attributes sought**

In general terms, the skills and attributes sought for CCO Chairs are the same as those sought for CCO Directors (see 4.2), but in addition would include the following:

- strong leadership skills, with the ability to work collaboratively with the Board and General Manager to create a sustainable enterprise;
- ability to think in a visionary and strategic manner;
- have a strong understanding of and experience in governance; and
- ability to ensure that the organisation is accountable and delivers high quality products, facilities and services.

#### **4.8 Conflict of Interest**

Council expects that directors appointed under this policy will avoid situations where their actions could give rise to a conflict of interest.

#### **4.9 Directors' Professional Standards**

Directors appointed by Council will be required to follow the provisions of the New Zealand Institute of Directors' Code of Ethics and of Council's Code of Conduct for Directors Appointed by Council to Council Organisations.

Breach of either code may result in dismissal of a Council-appointed director.

#### **4.10 Remuneration of Council Appointed Directors**

##### **4.10.1 Remuneration and Indemnification of Directors**

Tauranga City Council will decide whether directors on CCO boards are to be remunerated. The level of remuneration for directors will be set by Council in accordance with the factors outlined in section 4.10.2 below.

In exceptional circumstances, where elected members and Council employees may have been appointed as directors of a CCO, they will not be remunerated for that role unless provided for by specific Council resolution.

The Council supports the payments by CCOs of directors' liability insurance and the indemnification of directors.

Travel costs for meetings are generally not reimbursed, other than in exceptional circumstances approved by the Chair.

##### **4.10.2 Level of Remuneration**

Where CCO directors are remunerated, the level of remuneration will be set taking into account the following factors:

- the need to attract and retain appropriately qualified directors
- the levels of remuneration paid by comparable organisations in New Zealand
- any changes in the nature of the CCO's business
- any other relevant factors.

Remuneration of directors of all CCOs will be reviewed at least once per triennium, or whenever the performance of the CCO or the role of the CCO and its board changes significantly.

##### **4.11 CCOs and CCTOs in which Council has a minority interest**

Where Council has a minority interest in a CCO or CCTO (i.e. where a CCO or CCTO is controlled by a number of councils and Tauranga City Council does not have a majority stake) then the process for the appointment and remuneration of directors will be agreed with the other shareholders (by whatever name) in the CCO or CCTO.

As far as practicable, Council's involvement in the process will be consistent with this policy as it applies to CCOs or COs, whichever is the more relevant to the circumstances.

**Part 4B – Council Organisations that are not CCOs or CCTOs****4.12 Council Organisations – Non-Controlling Interest**

Council may have non-controlling interests in Council Organisations. Generally, these are not-for-profit bodies.

Appointments to Council Organisations where Council does not have a controlling interest may occur to:

- provide a means of monitoring where the Council has made a grant to that body enable Council involvement where the CO's activity is relevant to Council;
- satisfy a request from the CO that the Council appoint a representative.

Appointments to a CO are generally for a three-year term and made after the triennial elections. Elected members may be appointed to a CO where Council does not have a controlling interest.

Remuneration of CO directors is at the discretion of that organisation, but Council would ordinarily expect no remuneration to be paid to Council-appointed directors.

**Part 4C – CCO Subsidiaries****4.13 CCO Subsidiaries**

This part of the policy applies to any current or future subsidiaries of Tauranga City Council's CCOs.

CCOs are generally responsible for making appointments to boards of their subsidiaries but are expected to keep the council fully informed prior to confirming appointments.

CCOs are required to apply the provisions of this policy to the extent practicable and must use objective and transparent processes. Any reference to the Council in this policy means the CCO board in the case of subsidiary appointments.

CCOs may appoint members of their own board to the board of a subsidiary, if this is in the best interests of both organisations, and the board member has the required knowledge and experience. Prior to making such appointments, CCOs should consider whether this would conflict with their responsibility to monitor subsidiary performance.

Additional fees should not be paid to CCO board members or managers appointed to CCO subsidiary boards.

**Part 4D – General****4.14 Policy Review**

Council will periodically review this policy, in consultation with the CCOs, with a view to continuous improvement.

## 5. RELEVANT DELEGATIONS

The Appointment Panel has delegated authority to:

- decide whether the position needs to be advertised or not
- conduct the selection process
- recommend suitable people to Council to be appointed as directors to council organisations.

The Chief Executive may delegate authority to assist Council and the Appointment Panel in the process of selection / appointment of directors.

## 6. REFERENCES AND RELEVANT LEGISLATION

Local Government Act 2002:

- Section 6 : Meaning of council-controlled organisation and council organisation
- Section 57: Appointment of directors

Auditor-General's guidelines as set out in the report "Governance and accountability of council-controlled organisations" dated 2015 and any subsequent reports on a similar theme.

LGNZ Elected Members' Governance Handbook, 2016 – section 10.  
New Zealand Institute of Directors Manual.

**TAURANGA CITY COUNCIL CODE OF CONDUCT FOR DIRECTORS  
APPOINTED BY COUNCIL TO COUNCIL ORGANISATIONS****INTRODUCTION AND PRINCIPLES**

- The purpose of the Code is to provide guidance to persons appointed by Tauranga City Council as Directors to Council Organisations and to assist them to carry out their duties and responsibilities effectively and in accordance with the highest professional standards. Since Council Organisations include a diverse range of legal structures, the word “Director” where used in this code, refers not only to company Directors, but also to trustees, managers or office holders (however described) in the particular Council Organisation.
- The Code is not intended to be an exhaustive statement of a Director’s obligations. It should be read in conjunction with the law applying to Directors, the provisions contained in the constitution or trust deed of the Council Organisation and in the Local Government Act 2002.
- The office of Director carries with it both legal and moral responsibilities. The Code offers guidance more on moral and ethical responsibilities than on those imposed by law. It applies equally to non-executive and executive directors.
- The principles upon which the Code is based include integrity and accountability. These qualities are prerequisites to maintaining confidence and trust in directors.
- The reasons for adhering to the Code are twofold:
  - *First, a clear understanding of moral and ethical responsibilities, and strict observance of obligations will assist Directors in forming and winning support for their strategies. It will also assist to increase public confidence in how public entities are governed and managed.*
  - *Second, if high standards of business conduct are not maintained, a greater degree of imposed regulation may result.*
- The Code has been approved and adopted by the Tauranga City Council.
- It is the intention of Council to regularly review the applicability of the Code and as necessary, to amend or add to it to reflect changes to practice and law.
- In accordance with the provisions of the Tauranga City Council’s Appointment of Directors to Council Organisations policy, the Code is binding on all Directors of Council Organisations appointed by the Tauranga City Council. Directors must make themselves familiar with the content of the Code and observe not only its letter, but also its spirit.
- Directors must also make themselves familiar with the content of the Enduring Statement of Expectations and Letter of Expectations for their particular Council Organisation (if applicable).

## DEFINITIONS

**Accountability** means having a duty to answer to another for what is done or not done within an area of responsibility.

**Director** includes all Directors whether executive directors or non-executive directors, however so named, as defined in Section 6 of the Local Government Act 2002.

**Enduring Statement of Expectations** refers to a document agreed between the Council as shareholder and the organisation (in the case of Bay Venues Limited, Tauranga Art Gallery Trust and Tourism Bay of Plenty). It is an enduring document that outlines general operating principles and ongoing expectations of the organisation's board.

**Executive Director** means a Director who is also an employee of the organisation and includes a Managing Director.

**Independent** is used in the sense of being self-reliant and with objectivity unimpaired by outside interests.

**Integrity** means consistent honesty, sincerity and uprightness in all dealings.

**Letter of Expectations** refers to a document agreed on an annual basis between the Council as shareholder and the organisation (in the case of Bay Venues Limited, Tauranga Art Gallery Trust and Tourism Bay of Plenty). It is intended to provide direction on issues that are important to Tauranga City Council, with the expectation that the focus areas and deliverables contained in the Letter of Expectation are reflected and incorporated into the Statement of Intent.

**Non-executive Director** means a Director who is not an executive director.

**Organisation** refers to Council Organisations, including Council Controlled Organisations and Council Controlled Trading Organisations, as defined in Section 6 of the Local Government Act 2002.

## FUNDAMENTAL OBLIGATIONS

- Directors must act honestly and in good faith in what the Director believes to be in the best interest of the Organisation.
- Directors must ensure that all shareholders, stakeholders or classes of shareholder or stakeholder are treated fairly according to their different rights.
- Directors must carry out their duties in a lawful manner and use all reasonable endeavours to ensure that the Organisation conducts its business in accordance with the law and with a high standard of commercial morality. Directors should refer to the Institute of Directors' statements of best practice as part of their decision-making process.
- Directors must avoid conflicts of interest. Where a conflict or potential conflict arises, as a minimum, they must adhere scrupulously to the procedures provided by law and/or the constitution / trust deed of the Organisation for dealing with conflicts and with the position of Directors having an interest in a particular contract or issue. A Director who has a continuing conflict of interest of a material nature should consider resigning as a Director of the Organisation and should also consider the effects of that resignation on the remaining Directors and on shareholders or other stakeholders.

- Directors must be diligent, attend Directors' meetings and devote sufficient time to make and keep themselves familiar with the nature of the Organisation's business and environments (including political, legal and social environments) in which it operates. Directors should be aware of all statutory and regulatory requirements affecting their organisation including the content of its constitution and see that such requirements are observed.
- Directors must observe the confidentiality of non-public information acquired by them as Directors and not disclose it to any other person without the authority of the Organisation.
- A Director who is nominated by, or has a special allegiance to, a particular shareholder or group of shareholders or other stakeholder, may only disclose confidential information to the nominated shareholder or other stakeholder with the authority of the Organisation and in strict compliance with any procedures prescribed by law of the constitution / trust deed of the Organisation.
- Directors must act in accordance with their fiduciary duties. They must comply with the spirit as well as the letter of the law and remember that in addition to purely legal requirements, the proper discharge of the duties of a Director requires high ethical and moral standards of behaviour.
- Directors must be mindful that Council is accountable to a wider audience and that the affairs of Council Organisations, positive and negative, can impact on Council.
- Directors should ensure the Organisation acts consistently with the "no surprises" approach outlined in the Enduring Statement of Expectations.
- Directors considering retirement outside their term expiry date should discuss it with the Board Chair as soon as possible. A resignation date suitable for both the retiring Director and the Board should be agreed with the Chair and approved by Council. Consideration to the number of remaining Directors (in case of quorum issues) and the time required to recruit a replacement Director.
- The Chair is expected to advise Council of the impending resignation of a Director as soon as possible. This will allow the process for appointing a replacement Director to be undertaken in a timeframe that minimises disruption to the Board.

## MEETINGS OF DIRECTORS

- The Directors must meet regularly to monitor and control the performance of management, to measure achievement of budget, policy and strategic objectives. Appropriate reporting systems must be put in place, and maintained, to provide adequate and timely information to the Directors.
- There must be clearly accepted divisions of responsibility to ensure a balance of power and authority so that no one individual has unfettered powers of decision.
- The Directors must ensure that the views of independent Directors are given full and proper consideration and weight.
- The Directors must have a formal schedule of matters and authorities reserved to them for decision making to ensure that the direction and control of the Organisation is in their hands and in alignment with the Organisation's Statement of Intent or equivalent document.

## REPORTING

- The Directors must present to shareholders or other stakeholders, a balanced and understandable assessment of the Organisation's performance and position. Often this will involve the provision of information in addition to the minimum required by law. In case of doubt, substance and content should prevail over legal form. The need for reports and accounts to be understood readily means that a coherent narrative is necessary as well as figures.

## CHAIRPERSON

- The Chairperson is responsible for the efficient functioning of the Directors as a Board. The Chairperson must ensure that all Directors are able, and encouraged, to play their full part at meetings of Directors and have adequate opportunities to express their views.
- The Chairperson has primary responsibility for ensuring that all Directors receive enough timely information to enable them to discharge their duties effectively.
- The Chairperson is the link between the Directors and the management of the Organisation. The Chairperson must, however, maintain a proper balance between any executive and independent views among the Directors.

## NON-EXECUTIVE DIRECTORS

- Non-executive Directors must provide independent judgement and outside experience and objectivity, not subordinated to operational considerations, on all issues which come before them.
- Non-executive Directors must acquire and maintain a sufficiently detailed knowledge of the Organisation's activities and ongoing performance to enable them to make informed decisions on the issues before them. At the same time, they should recognise the division between the Directors and management and ordinarily not become involved in management issues or in managing the implementation of policy.

## EXECUTIVE DIRECTORS (WHERE APPOINTED)

Executive Directors have a dual role as employees of the organisation and as Directors. As Directors they have responsibilities additional to, and must retain a degree of independence from, their executive position to enable them to carry out those responsibilities effectively. Executive Directors should be appointed as individuals and not because of any position they hold. They must always be alert to the potential for conflicts between their management interests and the fiduciary duties of a Director.

## COMMITTEES

- In appropriate circumstances, Council Organisations may have an Audit Committee, or other committees of Directors to assist with such issues as remuneration. When a committee is established by the Directors of that Organisation, its terms of reference and its powers, duties, reporting procedures, membership and duration of office must be clearly recorded. Committee service must be rotational.
- Any non-executive Director may attend meetings of any committee of Directors provided the Director is not specifically excluded for reasons of conflicts of interest, even if the Director is not an appointed member of the committee. An Executive Director must attend a committee meeting when requested to do so by the committee.

## 11.9 International Air Travel - Sister City Delegation

**File Number:** A20465405

**Author:** Sarah Holmes, Team Leader: Governance & CCO Support Services

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

### PURPOSE OF THE REPORT

1. To seek Council approval for international air travel for the Mayor and elected members attending the Tauranga delegation to China for the 40th Sister City anniversary with Yantai.

### RECOMMENDATIONS

That the Council:

- (a) Receives the report "International Air Travel - Sister City Delegation".
- (b) Authorises international air travel for Mayor Mahe Drysdale, Deputy Mayor Jen Scoular, and Cr Rod Taylor as part of Tauranga's official Sister City delegation to China from 10–14 August 2026 (with travel being 8–15 August 2026).
- (c) Notes the following estimated costs: airfares: \$13,574, and accommodation (Shanghai): \$2,592.
- (d) Notes the Mayor has approved funding of \$1,500 per student (five students) from the Mayoral Fund to support Tauranga Intermediate School students participating in the delegation.

### EXECUTIVE SUMMARY

2. The Mayor, accompanied by elected members and a wider delegation, is expected to travel to China in August 2026 to commemorate the 40th anniversary of the Tauranga-Yantai Sister City relationship.
3. This visit supports Tauranga's long-standing international relationships and provides opportunities to strengthen connections across:
  - trade and economic development
  - education and youth exchange
  - culture and community partnerships
4. A Council resolution is required under the Elected Members Expenses and Resources Policy to approve international air travel paid for by Council.

### BACKGROUND

5. Tauranga and Yantai have maintained a sister city relationship for 40 years, with strong links across education, business, and culture.
6. The August 2026 delegation will mark the anniversary milestone through formal and community events, as well as support engagement with Chinese partners across key sectors.
7. Alongside elected members, other delegates include:
  - Priority One – General Manager (delegation organiser)
  - Creative Bay of Plenty – Ngā toi Māori Navigator

- Zespri – Head of Corporate Affairs China
- University of Waikato – Senior Manager International
- BeeNZ – General Manager and China Sales Manager
- Tauranga Intermediate School – Director Māori and Director of International (accompanied by six students)

**STATUTORY CONTEXT**

8. Clause 5.1.2 of the [Elected Members Expenses and Resources Policy](#) requires that all international air travel funded by Council is authorised by resolution of Council.

**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 type="checkbox"/>
We are a well-planned city that is easy to move around	<input type="checkbox"/>
We are a city that supports business and education	<input checked="" type="checkbox"/>
We are a vibrant city that embraces events	<input type="checkbox"/>

10. Sister City exchanges enhance co-operation in fields such as the economy and trade, tourism, education, culture and urban governance that may be of long-term benefit to Tauranga.

**OPTIONS ANALYSIS**

11. The Council has the option of authorising the international travel or not authorising the international travel.
12. Advantages of authorising the travel includes strengthening trade, education, and cultural connections, and enables participation in a significant milestone event.
13. Disadvantages of the international travel being authorised are the costs of travel and emissions from air travel.

**FINANCIAL CONSIDERATIONS**

14. The estimated costs to Council include:
- (a) Return airfares – Mayor: \$4,466.00, Cr Rod Taylor: \$4,554.00, Cr Jen Scoular: \$4,554.00 = \$13,574 total cost of airfares.
  - (b) Accommodation (Shanghai) – \$864 per person = \$2,592 total cost of accommodation.
15. Some costs during the visit may be covered by hosts or partner organisations. The cost of airfares, accommodation, and any other expenses that may be incurred are within existing budgets.

**Mayoral Fund Contribution**

16. Tauranga Intermediate School (TIS) has a longstanding sister school relationship with Yantai No. 2 Middle School, spanning more than 20 years. This partnership has supported regular two-way exchanges and played an important role in strengthening Tauranga’s sister city connections.
17. Six TIS students and two teachers will join the delegation. The students will perform kapa haka and songs at events marking the 40th anniversary, alongside cultural performances from Yantai.

18. The Mayoral Fund will contribute \$1,500 towards the airfares of five students, with Priority One supporting one additional student. All other costs, including those for the two teachers, will be met by the school.

### **RISKS AND LEGAL IMPLICATIONS**

19. There are no risks or legal implications associated with the decision to approve international travel.

### **TE AO MĀORI APPROACH**

20. Cultural exchange is a key component of the visit, with participants sharing Māori culture alongside other Tauranga representations to promote mutual understanding and strengthen international relationships.

### **CLIMATE IMPACT**

21. International air travel associated with this delegation will result in greenhouse gas emissions. While these emissions are unavoidable for international engagement of this nature, travel has been limited to essential participants and aligned with a single multi-purpose delegation to maximise value from the trip.
22. The travel supports long-standing sister city relationships and enables outcomes across economic development, education, and cultural exchange that are not readily achievable through remote engagement.

### **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 matter.
  - (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 matter is of low significance.

### **ENGAGEMENT**

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

### **NEXT STEPS**

27. If approved, international travel will occur in August 2026.

### **ATTACHMENTS**

**Nil**

**11.10 Simplifying local government - Head Start pathway**

**File Number:** A20510170

**Author:** Caroline Irvin, Governance Advisor

**Authoriser:** Sarah Holmes, Team Leader: Governance & CCO Support Services

**BACKGROUND**

1. The report accompanying this agenda item, 'Simplifying local government - Head Start pathway', will be circulated separately prior to the meeting.

**12 DISCUSSION OF LATE ITEMS**

### 13 PUBLIC EXCLUDED SESSION

#### Resolution to exclude the public

#### RECOMMENDATIONS

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<p><b>13.1 - Public Excluded Minutes of the Council meeting held on 26 May 2026</b></p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(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</p> <p>s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public</p> <p>s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege</p> <p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p><b>13.2 - Bay Venues Limited and Tourism Bay of Plenty - Tangata Whenua and Staff Representative Appointments</b></p>	<p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

<p><b>13.3 - Counter-offer/Submission Ngā Pōtiki - Kairua Road Properties</b></p>	<p>s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
<p><b>13.4 - Major Event Opportunity</b></p>	<p>s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities  s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>

**14 CLOSING KARAKIA**