AGENDA

Council Workshop
Thursday, 19 November 2026

I hereby give notice that a Council Workshop will be held on:

Date: **Thursday, 19 November 2026**

Time: **10:00 am - LTP**

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

Gareth Green

Interim Chief Executive

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1 BUSINESS

1.1 Community Grants and Funding Stocktake Review

File Number: **A21422882**

Author: **Sachiko Williams, Team Leader: Community Funding Services**
Richard Butler, Funding Specialist

Authoriser: **Sarah Omundsen, General Manager: Regulatory and Community Services**

Paula Naude, Head of Community Outcomes & Emergency Management

Presenter(s):	**External presenter(s):**
Sachiko Williams and Richard Butler	Nil

Workshop information

Purpose of workshop

1. To provide Elected Members with an organisation-wide overview of funding and other support that Tauranga City Council provides to external organisations, and to seek feedback on any areas requiring further analysis through the Long-term Plan process. No decisions on individual funding streams or recipients are sought.

Executive summary

2. This workshop presents an organisation-wide stocktake of funding and other support that Tauranga City Council provides to external organisations. The work responds to the Deputy Mayor's request of 16 June 2026, which was incorporated into the Long-term Plan as Issue 47 on 23 June 2026. During scoping, the review broadened beyond traditional community grants to include sponsorships, partnership and service agreements, community leases, rates remissions, and externally funded schemes administered by Council.

3. The stocktake shows that Council uses a range of mechanisms to support external organisations to deliver services, activities, events, facilities and projects that contribute to Council priorities. These arrangements vary in purpose, funding source, ownership, administration, decision-making and accountability. In some cases, the distinction between a grant, sponsorship, subsidy or contractual payment is not clear-cut. The Funding Summary Spreadsheet and PowerPoint attached to this report provide the detailed figures for each identified funding stream, together with information on its funding source, ownership and administration.

4. The workshop is intended to establish a shared baseline for the Long-term Plan process rather than assess individual recipients or determine whether any particular fund should continue, change or cease. Elected Members are invited to identify any funding streams, mechanisms or themes that warrant more detailed analysis. Staff will record the feedback

and use the stocktake as the basis for any targeted follow-up work, including possible consideration of the future mix of partnership agreements and proposed multi-year grants.

Background information

5. The stocktake responds to the Deputy Mayor's request of 16 June 2026 for a review of the grants Tauranga City Council provides through all policies. The request was incorporated into the Long-term Plan as Issue 47 on 23 June 2026. As scoping progressed, the review widened beyond traditional community grants to give a more complete picture of the support Council provides to external organisations.

6. A cross-Council process was used to identify funding streams and confirm information with internal fund owners. The attached workshop presentation and the Funding Summary Spreadsheet bring the information together in a consistent format. The stocktake is an overview rather than an evaluation of individual recipients or a recommendation to continue, change or cease any particular fund.

7. Council funding enables external organisations and partners to deliver services, activities, events, facilities and projects that contribute to Council priorities. Applications and agreements connect to one or more of the five community outcomes and to actions in Council action and investment plans.

8. Council is frequently one of several contributors to an initiative, so its investment can help attract or complement funding from other funders, businesses and the community.

Issues

9. Tauranga City Council provides funding and other support to external organisations through a range of mechanisms across multiple activities. The distinctions between grants, sponsorship, contracts, subsidies and other forms of support are not always clear-cut, and some payments coded as grants have service or contractual characteristics.

Outcomes sought

10. Elected Members have a clear organisation-wide overview of the funding and support Council provides to external organisations.

11. There is a shared understanding of the different purposes and mechanisms used, and the distinction between community-initiated funding and Council-initiated delivery.

12. Elected Members can identify any areas requiring deeper analysis through the Long-term Plan process.

13. Direction is provided on whether further work or a follow-up workshop is required. No decisions on individual funds are sought at this workshop.

Next steps

14. Staff propose recording Elected Member feedback and using the stocktake as the baseline for any targeted Long-term Plan analysis. Further work could also consider the future mix of partnership agreements and the proposed multi-year grants.

Attachments

1. **Funding Stocktake Presentation - A21422804**
2. **Funding Summary Spreadsheet - A21422806**



Community Funding Stocktake

19/11/2026

Strategic purpose of funding

Funding supports the delivery of a wide variety of outcomes under the Council's strategic vision.

Funding applications are assessed against their contribution to one or more of the five outcomes:

Tauranga Mataraunui – An inclusive city
Tauranga Taurikura – A city that values, protects and enhances our environment
Tauranga Tātai Whenua – A well planned city that is easy to move around
Tauranga a te kura – A city that supports business and education
Tauranga a te ihi- A vibrant city that embraces events

Funding is a way of delivering on specific actions in Council's AIPs

Value for Money

Multiplier Effect:

Tauranga City Council is usually a part funder of projects and organisations with other funding being sourced from philanthropics, Lotteries, corporate sponsorship and government (e.g. Manawa Trust, TWBOP Community Event Fund)

Cost Effectiveness:

Much of the funding goes to community organisations that have low overheads (eg. Socialink)

Volunteering:

Community organisations are able to generate significant volunteering effort (e.g. Citizens Advice Bureau)

Glossary

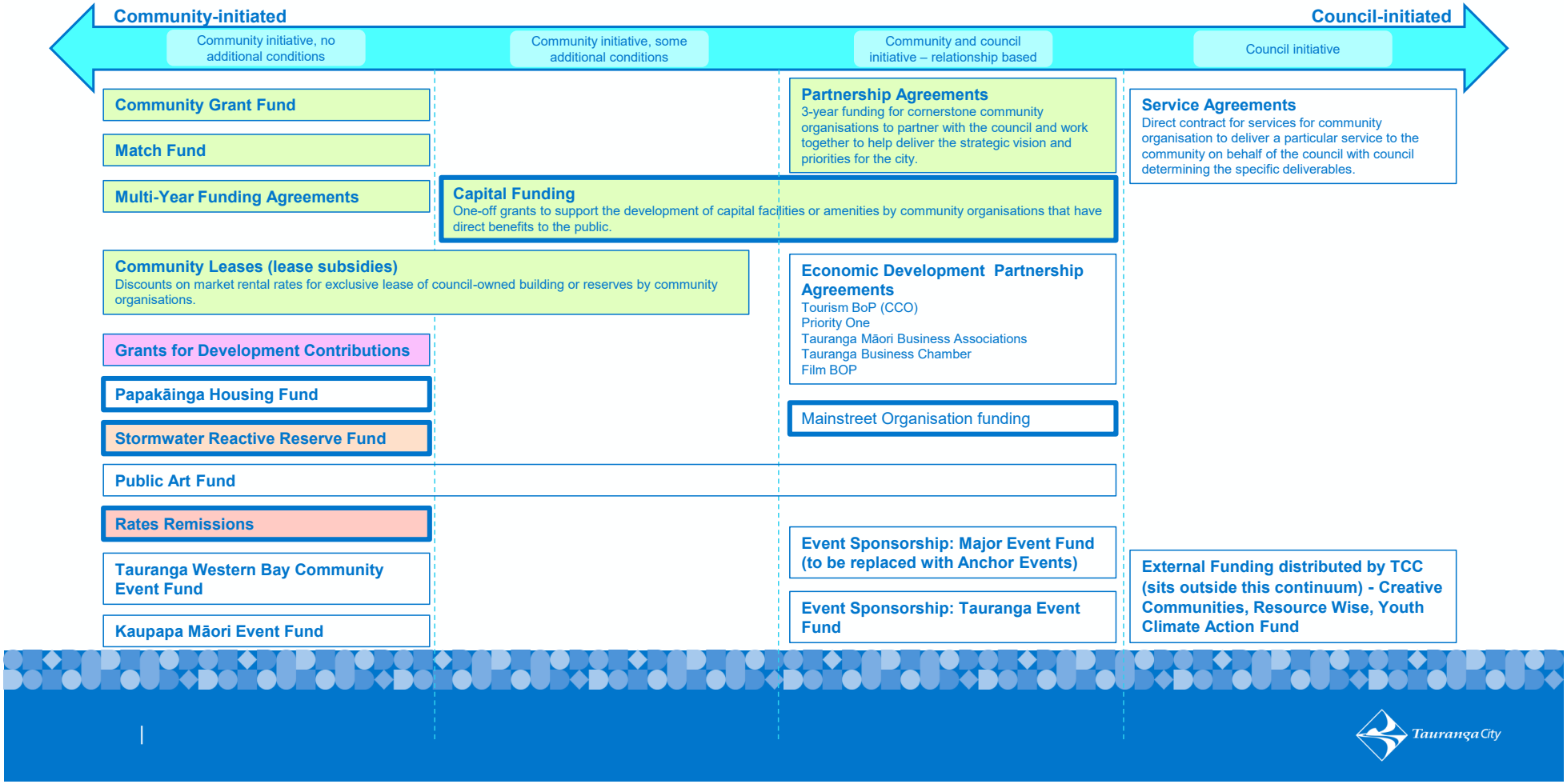
Community Funding: Any source of funding (monetary/cash or in-kind) that council provides to community organisations to support them in delivering their service, activity, event or project to the community.

Partnership Agreement: Funding arrangements with select cornerstone community organisations that are relationship based, where both the council and partner organisation are committed to working together, to deliver outcomes that help achieve the strategic vision for the city.

Service Agreement: a formal contract outlining how one party will provide services to another.

Community Lease: Discounts on market rents for the exclusive, on-going use of council owned land or buildings

TCC Funding to External Organisations



Match Fund

Policy: Community Funding Policy

26/27 Budget: $127,724. Grants are up to $2,500

Source of Funding: Rates

Who owns it: Community Funding Services

Who administers it: Community Funding Services

Decision making: Community Outcomes and Emergency Management

Accountability: Short written report and photos

Community Grants

Policy: Community Funding Policy

26/27 Budget: $933,275. Grants are up to $50,000

Source of Funding: Rates

Who owns it: Community Funding Services

Who administers it: Community Funding Services

Decision making: Panel comprising TCC managers, Te Rangapū representative, Philanthropic representative

Accountability: Report on the objectives, measures and targets in the letter of agreement

Community Partnership Agreements

Policy: Community Funding Policy

26/27 Budget: $1,418,988. Values range from $45,000 to $450,000

Source of Funding: rates

Who owns it: Relationship Managers / Community Funding Services

Who administers it: Community Funding Services

Decision making: Elected Members

Accountability: Six-monthly reports on progress towards objectives

Multi Year Grants (proposed)

Policy: Community Funding Policy

26/27 Budget: Not relevant (to be funded from partnership agreement budget)

Source of Funding: Rates

Who owns it: Community Funding Services

Who administers it: Community Funding Services

Decision making: Elected Members

Spaces and Places Grants

Policy: Reserves & Open Spaces Action and Investment Plans

26/27 Budget: $3,815,224. Examples include: Bay Oval, Surf Lifesaving NZ, Merivale and Gate Pā Community Centres

Source of Funding: Rates

Who owns it: Spaces and Places

Who administers it: Spaces & Places

Decision making: Elected members through the AP/LTP

Community Leases: Community Centres

Policy: Community Funding Policy

26/27 Budget: Not Relevant

Source of Funding: Not Relevant

Who owns it: Spaces and Places

Who administers it: Spaces and Places

Decision making: Not relevant

Accountability: Annual report on use of the facilities

Grants for Development Contributions on Community Housing

Policy: Grants for Development Contributions on Community Housing Policy

26/27 Budget: $500,000 (fully expended)

Source of Funding: Sale of Elder Housing

Who owns it: Policy

Who administers it: Community Funding Services

Decision making: Not relevant

Accountability: None

Grants for Development Contributions on Papakāinga Housing

Policy: Grants for Development Contributions on Papakāinga Housing Policy

26/27 Budget: $500,000

Source of Funding: Sale of Elder Housing

Who owns it: Takawaenga Unit

Who administers it: Takawaenga Unit

Decision making: Not relevant

Accountability: None

Papakāinga Housing Fund

Policy: Approach adopted by Council on 12 May 2026.

Budget: Transferred from Grants for Development Contributions on Papakāinga Housing Budget

Source of Funding: Transferred from grant fund for Papakāinga Housing (sale of Elder Housing)

Who owns it: Takawaenga Unit

Who administers it: Takawaenga Unit / Community Funding Services

Decision making: Staff assessment panel and GM

Accountability: Being developed

Iwi/Hapū Management Plans Contribution

Policy:

Budget: $80,000

Source of Funding: Rates

Who owns it: Takawaenga Unit (Other contributing partners Western Bay of Plenty District Council and Bay of Plenty Regional Council)

Who administers it: Takawaenga Unit

Decision making: Takawaenga Unit

Accountability: Stage reports, draft report and final report

Public Art Fund

Policy: Public Art Framework

26/27 Budget: $500,000

Source of Funding: Rates

Who owns it: Community Hubs, Arts, Heritage and Events

Who administers it: Community Funding Services

Decision making: External Panel and GM

Accountability: Written report based on objectives

Tauranga Western Bay Community Event Fund

Policy: Events Action and Investment Plan

26/27 Budget: $180,000* (other contributing partners Manawa Trust, BayTrust, Acorn, Western Bay of Plenty District Council)

Source of Funding: Rates (TCC investment)

Who owns it: Event Development Team

Who administers it: Manawa Trust

Decision making: Representatives of the five organisations.

Accountability: Post Event written report

Kaupapa Māori Event Fund

Policy: Events Action and Investment Plan

26/27 Budget: $50,000 (other contributing partners Manawa Trust, BayTrust, Acorn Foundation, Western Bay of Plenty District Council)

Source of Funding: Rates (TCC investment)

Who owns it: Event Development Team

Who administers it: Events Team

Decision making: Representatives of the five organisations, guided by Takawaenga

Accountability: Post Event written report

Tauranga Event Fund

Policy: Events Action and Investment Plan

26/27 Budget: $600,000

Source of Funding: Rates

Who owns it: Event Development Team

Who administers it: Event Development Team

Decision making: Event Funding Panel including TCC, TBOP, Priority One

Accountability: Post-Event reports on participation metrics, financial acquittals and event summaries aligned with purpose of sponsorship

Major Event Fund

Policy: Events Action and Investment Plan

26/27 Budget: $250,000

Source of Funding: Rates

Who owns it: Event Development Team

Who administers it: Event Development Team

Decision making: Event Funding Panel including TCC, TBOP, Priority One

Accountability: Post-Event reports on participation metrics, financial acquittals, and event summaries aligned with purpose of sponsorship

Mainstreets Funding

Policy: None

26/27 Budget: $855,761

Source of Funding: Targeted rate on commercial property within each of the Mainstreet zoned areas

Who owns it: Community Outcomes and Emergency Management

Who administers it: Community Outcomes & Emergency Management

Decision making: Total amount requested is set by each Mainstreet at its AGM. Council sets the targeted rate.

Accountability: Subject to the conditions in their funding agreements including six-monthly reporting.

City Centre Development Investment Fund

Policy: Not applicable

26/27 Budget: $225,000

Source of Funding: 50% general and 50% commercial rate

Who owns it: Community Hubs, Arts, Heritage & Events

Who administers it: Community Hubs, Arts, Heritage & Events

Decision making: The specific use of the fund has recently been directed by Elected Members. This financial year, all funds were directed to be used for a city centre activation programme in conjunction with Downtown Tauranga.

Accountability: Annual reporting

Economic Development Partnership Agreements

Policy: Western Bay Economic Strategy

26/27 Budget: $3,162,563

Source of Funding: Commercial Rates

Who owns it: Community Outcomes and Emergency Management

Who administers it: Community Funding Services

Decision making: Elected Members

Accountability: Annual Reporting

Stormwater Reactive Reserve Fund*

Policy: Stormwater Reactive Reserve Fund Policy

Budget: $2,000,000 each year. Unspent funds roll over.

Source of Funding: Rates

Who owns it: City Waters

Who administers it: City Waters

Decision making: City Waters. Property purchase decisions are made by the CE.

*A report to consider the fund was considered on 20/10/2026

Rates Remissions

Policy: Rates Remissions Policy

Budget: No set budget. For FY 2025/26:

$290,300 was remitted for church, marae and not-for-profit childcare.

$1,861,000 was remitted for sport, art, health, recreation and education.

Source of Funding: Not applicable

Who owns it: Not applicable

Who administers it: Rating Policy & Revenue Team

Decision making: Senior Rating Specialist

Climate Action Fund

Policy: Climate Action and Investment Plan

26/27 Budget: $75,000

Source of Funding: Rates

Who owns it: Climate and Resilience Team

Who administers it: Community Funding Services

Decision making: Staff Panel

Accountability: Payment instalments based on milestones and final report

Community Led Adaptation Fund

Policy: Climate Activity and Investment Plan

26/27 Budget: $50,000

Source of Funding: Rates

Who owns it: Climate and Resilience Team

Who administers it: Bay of Plenty Regional Council

Decision making: Combined Council Staff Panel

Accountability: Managed by Bay of Plenty Regional Council

School Sustainability Fund

Policy: Climate Activity and Investment Plan

26/27 Budget: $10,000

Source of Funding: Rates

Who owns it: Climate and Resilience Team

Who administers it: Bay of Plenty Regional Council

Decision making: Combined Council Staff Panel

Accountability: Managed by Bay of Plenty Regional Council

Funding administered by TCC

Creative Communities Grants (Creative New Zealand)

26/27 Budget $106,000. Applications assessed by an external panel

Resource Wise Community Fund (MCERT Waste Levy)

26/27 Budget $100,000. Applications assessed by Waste Solutions

Youth Climate Action Fund (Bloomberg Philanthropies)

TCC successfully applied for US $50,000 for youth led projects in 26/27. Applications assessed by a panel comprising TCC Staff and a young person.

Mayoral Relief Fund (NEMA and donations)

TCC received funding for people, businesses and organisations impacted by the January 2026 severe weather event. Applications assessed by a panel comprising Mayor and Councillors

Community Funding Stocktake Summary Spreadsheet

Fund	2023/24	2024/25	2025/26	Budget 2026/27
Match Fund	$154,000	$158,000	$151,548	$127,724
Community Grants	$1,008,000	$1,020,000	$1,033,000	$933,275
Community Partnership Agreements	$1,741,000	$1,858,000	1,715,065	$1,418,988
Multi Year Grants (proposed)				-
Spaces and Places Grants*	$2,444,000	$5,704,000	$3,751, 697	$3,815,224
Community Leases: Community Centres				Not Relevant
Grants for DCs on Community Housing	$500,000	$500,000	$500,000	$500,000
Grants for DCs on Papakāinga Housing	$500,000	$500,000	$500,000	$500,000
Papakāinga Housing Fund**	-	-	-	-
Iwi/Hapū Management Plans Contributions	$80,000	$80,000	$80,000	$80,000
Public Art Fund	-	$98,039	$89,461	$500,000
Tauranga Western Bay Community Event Fund	$200,000	$220,000	$180,000	$180,000
Kaupapa Māori Event Fund	$40,000	$40,000	$50,000	$50,000
Tauranga Event Fund	$200,000	$220,000	$600,000	$600,000
Major Event Fund	$460,000	$430,000	$371,000	$250,000
Mainstreets Funding	$834,014	$806,631	$834,731	$855,761
Economic Development Partnership Agreements	$2,388,484	$2,720,845	$2,719,602	$3,162,563
University of Waikato Partnership Agreement	-	-	$500,000	$1,000,000
Stormwater Reactive Reserve Fund	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Rates Remissions	-	-	-	No set budget
Climate Action Fund	-	$200,000	$150,000	$75,000
Community Led Adaptation Fund	-	$100,000	$100,000	$50,000
School Sustainability Fund	-	$10,000	$10,000	$10,000

This figure includes Tauranga Hockey Association's contribution

***Funded from Grants for DCs on Papakainga Housing*

1.2 Tsunami Evacuation Pathways Programme

File Number: **A21444267**

Author: **Kate Akers, Advisor: Community Engagement and Resilience**
Ashok Harridaw, Senior Transport Engineer
Parth Sheshodia, Team Leader: Transport Planning
Karen Hay, Manager: Transport Strategy & Assurance

Authoriser: **Sarah Omundsen, General Manager: Regulatory and Community Services**

Presenter(s):

Sarah Omundsen

Parth Sheshodia

Ashok Harridaw

Kate Akers

Workshop information

Purpose of workshop

1. Seek Council's endorsement of a programme of ten tsunami evacuation interventions for Pāpāmoa, estimated at $36.8 M (including at least $5M for Bruce Road land) capital and $0.51M operational expenditure.
2. Confirm the preferred approach to staging, funding and delivering the programme. Apart from Domain Road, no funding is in the draft Long-term Plan. Council has deferred the citywide resilience fund beyond ten years, so there is no confirmed funding source for other work.

Executive summary

3. Tauranga's coastline is at risk from tsunami. Modelling shows how far and how likely flooding could be, based on a one in 2500-year event. Updated tsunami hazard maps have been released to the public. The major evacuation routes in Mount Maunganui and Pāpāmoa have also been modelled.
4. Following Council direction, staff have developed ten projects to help residents evacuate faster and more safely along the Pāpāmoa coastline. They include new and upgraded walking and cycling routes, bridges over drainage swales, and supporting studies.
5. Capital projects total about $36.8M. Most of this is Domain Road ($24M, already in the Long-term Plan). The Bruce Road land project is at least $5M. The other capital projects total about $7.8M.
6. Operational projects (modelling, assessments, marking safe assembly areas and traffic management planning) total $0.51M. They are subject to Council's operating budget reviews and are unlikely to be delivered within one to three years.
7. The NZ Transport Agency (NZTA) has advised there is no funding pathway for evacuation routes. Its resilience funding covers network hazards such as slope stability. No NZTA contribution is assumed, so the programme is costed as fully Council funded, except where projects may be eligible.

8. Capital and operating budgets are severely constrained, with no capacity in existing budgets. On 11 November, Council deferred the citywide resilience fund beyond ten years.

9. No funding source is confirmed for the rest of the work at this stage. That is the minor improvements ($1.805M, apart from Parton Road, which is in the Minor Safety and Accessibility programme), the larger capital projects ($11.0M+) and the operating costs ($0.51M).

10. If Council endorses the Programme, the unfunded work could be brought forward when another funding source is secured or reprioritisation of projects occurs the future annual and long term plans. Council is asked for its views on the programme, its priority ranking, the funding options for minor improvements and any Long-term Plan consultation questions.

Background information

11. **2024:** staff engaged consultants WSP to review Tauranga's major tsunami evacuation routes in Mount Maunganui and Pāpāmoa. WSP worked with the community to find areas for improvement. Its September 2024 report, "Tauranga tsunami evacuation review of current evacuation routes", found a large evacuation network that could be improved. It made recommendations and gave cost estimates. The community also asked for visual cues, such as blue lines on roads and footpaths, to guide people during an evacuation.

12. **August 2024:** GNS produced the report "People-based tsunami evacuation modelling of Papamoa". It showed evacuation bottlenecks in several locations. These became the focus for the projects now proposed.

13. **March 2025:** GNS produced the report "Comprehensive tsunami inundation modelling and evacuation zone mapping: final report" for Bay of Plenty Regional Council and Emergency Management Bay of Plenty. The modelling produced updated tsunami hazard maps. These were used for evacuation planning and for the new "Blue Zone" evacuation maps, which were released to the public in April 2026.

14. **26 May 2025:** at the Annual Plan 2025/26 deliberations, staff presented Council with an Issues and Options paper on a shared tsunami pathway and tsunami evacuation pathways. Council directed staff to make targeted interim improvements and to recommend capital spending for the 2027–2037 Long-term Plan.

15. At the same meeting, staff presented an Issues and Options paper on the Domain Road upgrade. It identified Domain Road as an evacuation corridor, with the surrounding area in a tsunami danger area. On 11 November 2026, Council deferred the project beyond the first three years during Long-term Plan deliberations.

16. **November 2025:** staff engaged WSP to check whether the 2025 GNS modelling matched the assumptions, method and recommendations in WSP's 2024 reports. The review found that the updated modelling shows flooding reaching further inland in several areas. There is also new flooding along Bell Road and in the Te Manawa o Pāpāmoa 'dry island'. The biggest increase inland is in Pāpāmoa, from Parton Road east to Stevenson Drive.

17. **21 May 2026:** staff updated Elected Members on the tsunami evacuation planning project. Staff were directed to continue work on a cost-benefit analysis of the options, a prioritisation and ranking process for the recommended improvements, and confirming the high-level cost estimates. They were also directed to keep talking with the community and partners.

18. **30 July 2026:** staff updated Elected Members again. This included the options for capital projects, the results of the prioritisation process, and a suggested set of works for Council to direct through the Long-term Plan process.

19. This workshop presents the programme of works for Council's views.

Recommended programme

20. The programme has ten projects: six capital and four operational. Together they improve routes to high ground, mark where the safe zone begins, and confirm how people and vehicles will move in an evacuation. Table 1 sets out the capital costs.

Project	Description	Rank	Estimate $M	Timing
Domain Road	Full urban upgrade of the 600m section between The Gardens Drive and Tara Road	Capex 1	$24M	3+ years (2027–2037 Long-term Plan)
Bruce Road cornfields	Buy land to develop a 5m wide shared path in the cornfield, south to the Tauranga Eastern Link (TEL) from the gate at Palm Beach Boulevard, next to the neighbouring residential area.	Capex 5	$5M+	10+ years
TEL Shared Path	Asphalt path from the south end of Te Maunga Lane to Domain Road. Note: this is NZTA land. That is not an obstacle, but Council will need to fund the path fully.	Capex 2	$3.8M	10+ years
Parton Road footpath minor improvements	Asphalt path between Tara Road and the Parton Road overbridge - included in Minor Safety and Accessibility	Capex 3	$0.305M	3+ years
Tara Road Shared Path	Widen the northern footpath to 3m, plus a signalised crossing on Domain Road Council deferred this project on 11 November.	Capex 4	$2.2M	10+ years
Swale bridges and reserve paths minor improvements	Two pedestrian and cycle bridges over drainage swales (~$525K each) and three asphalt paths in reserves near Arabian Drive, Pacific View Road and Tuihana Drive	Capex 6–7	$1.5M	Reconsider in 3+ years as part of LTP
Total Capex			**$36.805M**	

Table 1: Total Capital expenditure estimate for Tsunami Evacuation routes

21. Table 2 summarises the operational costs.

Project	Description	Rank	Estimate $M	Timing
Evacuation modelling	Pedestrian and vehicle movement modelling	Opex 1	$0.15M	Reconsider in 3+ years as part of LTP
Safe assembly areas and delineation	Confirm safe locations, then mark them with blue poles, bollards, signs and pavement markings	Opex 2–3	$0.11M	Reconsider in 3+ years as part of LTP
Overbridge resilience assessment	Tsunami resilience assessment of the Sandhurst and Parton overbridges on SH2	Opex 4	$0.15M	Reconsider in 3+ years as part of LTP
Traffic management plan	Updated traffic management plan for mass evacuation	Opex 5	$0.1M	Reconsider in 3+ years as part of LTP
Total OPEX			**$0.51M**	

Table 2: Total OPEX expenditure estimate for Tsunami Evacuation routes

22. For the safe assembly areas delineation, marking costs about $400–$600 per blue pole, $500–$2,000 per bollard location, $500–$1,000 per pavement marking location and $150 per sign.

23. For the Overbridge Resilience Assessment, Council's structural engineer advises that bridges are designed for earthquake loads, but older ones probably do not meet current standards. No Tauranga bridges are expected to be designed for tsunami loads. NZTA has no budget for these assessments, so Council will need to outsource and fund this work.

24. For the Traffic Management Plan, staff are working with the Group and Local civil defence groups on a formal standard operating procedure. Budget remains available for the current approach in the meantime.

Issues

25. The tsunami evacuation maps now use the 2025 GNS inundation modelling. Residents in newly identified inundation areas, particularly Pāpāmoa east of Parton Road, face a higher risk to life until routes, safe areas and markings are updated.

26. NZTA does not fund evacuation routes, and the draft 2027–2030 Minor Improvements programmes do not provide for them. The unfunded work is the minor improvements ($1.805M, apart from Parton Road), the larger projects ($11.0M+) and the operating costs ($0.51M). These would be considered through the citywide resilience fund, which Council has deferred beyond ten years.

27. Until capital and operational works are funded and delivered, action on known evacuation needs will be delayed. Future costs and risk may also increase

Costs and funding

28. The programme is estimated at $37.3M in total across the ten projects. Domain Road ($24M) is already in the Long-term Plan. The other projects are unfunded, except Parton Road, which is in the Minor Safety and Accessibility programme. The table below has the details.

Category	Projects	Estimate	Funding status
Capital – in Long-term Plan	1 (Domain Road)	$24,000,000	In the 2027–2037 Long-term Plan, deferred beyond the first three years
Capital – land acquisition	2 (Bruce Road cornfields)	$5,000,000+	Unfunded; may be subject to Public Works Act process. No NZTA contribution assumed. Citywide resilience fund deferred beyond ten years.
Capital – walking and cycling	3–6	$7,805,000	Unfunded, except Parton Road ($0.305M), which is in the Minor Safety and Accessibility programme. No NZTA contribution assumed (fully Council funded). Citywide resilience fund deferred beyond ten years.
Operational	7–10	$510,000	Unfunded. Operating budgets are severely constrained.
Total		**$37,315,000**	

29. Estimates are early and will be refined through design. NZTA does not fund evacuation routes, so no NZTA contribution is assumed. A walking and cycling project may get NZTA co-funding only if it meets the walking and cycling criteria. This funding is not guaranteed.

Options for funding the minor improvements

30. Minor improvements (each under $2M) total $1.805M. They are the Parton Road footpath ($0.305M) and the swale bridges and reserve paths ($1.5M). Parton Road footpath extension is already in the Minor Safety and Accessibility programme but is maintained here for visibility. The rest is unfunded.

31. The Whareroa Marae proposed evacuation bridge, which supports larger evacuation matters, is not included in this assessment. It is being considered as part of the Marae report, which recommends a separate options paper to Council.

32. Walking and cycling improvements can support tsunami evacuation by removing barriers and shortening journeys.

33. With no capacity in existing budgets, there are three options for the unfunded minor improvements:

Option	Description	Advantages	Disadvantages
Option 1 – Reallocate and set up a separate fund	Reallocate $1,805M from the Minor Safety and Accessibility programme and set up a separate tsunami evacuation fund.	Work can progress sooner.	Will not attract NZTA funding. Displaces other safety and accessibility projects. The backlog is already about $20M.
Option 2 – Review in the next Long-term Plan round	Consider funding for this work in the next Long-term Plan round.	No change to existing programmes. Funding can be weighed against other priorities.	No funding until the next round. Known evacuation needs stay unresolved in the meantime.
Option 3 – Defer beyond 10 years	Defer beyond 10 years as part of the wider citywide resilience fund, subject to those priorities being finalised.	Considered with other citywide resilience priorities. No impact on existing programmes.	Longest delay. No confirmed funding or timeframe.

34. The operational projects are low cost and sit outside the Minor Improvements programmes. They would reduce risk until capital works are delivered. Operating budgets are constrained, so a funding source needs to be confirmed before they can go ahead.

Key risks and mitigation

35. The key risks and proposed mitigations are set out below.

Risk	Mitigation
Bruce Road land acquisition is delayed or costs more than $5M	Treat as a separate decision; continue engagement with landowners.
There is no NZTA funding pathway for evacuation routes, so the capital projects must be fully Council funded	Cost all projects as fully Council funded. Check each walking and cycling project against NZTA's walking and cycling criteria and seek co-funding where it qualifies.
Older SH2 overbridges may not withstand a tsunami, cutting key evacuation routes	Complete the Project 9 assessment; work with NZTA on future plans
Early cost estimates prove too low	Refine through design; report back before committing capital
Unfunded work delays action on known evacuation needs and may increase future cost and risk	Seek a funding source for the operational projects to reduce risk in the meantime. Consider the minor and larger projects through the citywide resilience fund, which is deferred beyond ten years. Bring work forward if another funding source becomes available.

Direction sought from Council

36. Staff are seeking Council's views on:

    (a) the programme of ten projects and their priority ranking as set out in this report

    (b) the current budget and phasing constraints for those projects

    (c) whether there should be specific tsunami evacuation questions included for consultation in the Long-term Plan

    (d) the preferred option for funding the minor improvements

Next steps

37. Staff will use Council's direction from this workshop to confirm the next step and timetable

Attachments

Nil

1.3 City Centre Development Incentive Fund - future post 2026/27

File Number:	**A21197542**
Author:	**Emily McLean, Recovery Business & Community Manager** **Anne Payne, Principal Strategic Advisor**
Authoriser:	**Reneke van Soest, General Manager: Operations & Infrastructure**

Presenter(s):	**External presenter(s):**
Emily McLean, Reneke van Soest	---

Workshop information

Purpose of workshop

1. As directed by the City Future Committee on 31 March 2026, this workshop seeks Council's direction on whether the City Centre Development Incentive Fund, or a broader urban centres fund, should be included in the Draft Long-term Plan 2027-2037.
2. To enable this discussion, the workshop will first canvas broader questions about council's role in supporting urban centres, and the range of tools and delivery models available for each.

Executive summary

3. Funding for the City Centre Development Incentive (CCDIF or the Fund) ceases after 2026/27. There is currently no CCDIF funding included in the 2027-2037 Long-term Plan (LTP) budgets.
4. CCDIF budgets were previously approved in three-year tranches in the 2021-2031 and 2024-2034 Long-term plans (LTPs), reducing from $500k in 2021/22 to $233,250 in 2026/27 to achieve successive annual plan opex savings.
5. The Fund was introduced in 2021 with the aim of supporting development in the city center, particularly student residential development. Its purpose was broadened in 2023 to also support city center businesses and the community during the significant disruption caused by the city center redevelopment. Since then, use of the Fund has been narrowed as the budget was reduced. In 2026/27 it has been solely focused on supporting increased activation and vibrancy in the city center.
6. Staff have consciously focused the Fund on things that are smaller in scale, easy to deploy and are cost effective, which has allowed initiatives and ideas to be trialed in flexible and low-cost ways before undertaking significant investment. This has generally worked well.
7. The discretionary nature of the fund can also enable the council to respond nimbly with support when the city center encounters unexpected challenges and its flow on impacts to the local business area.

8. Challenges remain in the city center, including a high number of vacant shops, disruption from development works and sluggish development[1]. The current Fund on its own is not able to move the dial on these major challenges, but it can contribute to mitigating some of the negative impacts.

9. Council's direction is sought firstly on whether the Fund should continue in some form past 2026/27 and, if so, whether it should be extended to other urban centers in Tauranga. If the Fund is to continue, direction is also sought on its purpose and scope (minimal e.g. activations only, through to the original purpose of stimulating development in the city center).

10. Direction from this workshop will be incorporated into the Draft LTP or, if preferred, reported back to Council for a formal decision on 15 December.

Background information

11. On 31 March 2026 (item 9.8), the City Future Committee directed staff to allocate the $233,250 Fund entirely to supporting increased activation and vibrancy in the city center. This year's activation program is managed by the council events team through a part-time fixed-term resource. The Committee also directed staff to provide options for the Fund as part of LTP development, including whether to extend support to some or all other urban centers.

12. The 31 March report provided a thorough background to the Fund, including the guiding Framework and how the Fund has been applied to date, and are included for information as **Attachments 2 and 3** to this report.

13. In August 2025, a small urban centres development team of two full-time equivalent staff (FTEs), one being fixed-term, was established within the Spaces and Places department. The team's role was to continue delivery of the City Centre Action and Investment Plan while beginning to develop a broader place-based approach to supporting opportunities and challenges across Tauranga's urban centres. With the team leader having been seconded to the Recovery team since January, progress to date has been more limited than initially envisaged.

14. The following current initiatives and discussions have relevant interdependencies with the Fund, but are not specifically addressed within this paper:

    - Priority One CBD Blueprint stock take completed and awaiting direction.
    - The Bloomberg Harvard City Leadership Initiative (BHCLI) commenced in July 2026 to undertake work focused on bringing together people, partnerships and investment to unlock growth in residents, businesses and amenities, creating a city center where people choose to live, work, learn, play and belong. Insights and recommendations from the program are expected to become available over the course of 2027.
    - Te Manawataki o Te Papa city center development project (Museum & Civic House, Library, Baycourt, Art Gallery, Waterfront, and supporting activations / urban space enhancements).
    - City Centre Action and Investment Plan goals, actions and stock take findings.

[1] Which can arise from any combination of lack of momentum for residential development; elongated development timeframes (often related to the effects of disruption), being slow to start and/or slow to be occupied

- Related LTP discussions: approach to intensification, city center DC incentives (also to this workshop), economic development support/approach, and expectations of Mainstreet organizations.

15. While a lot has happened in the CBD, today our city center still faces many of the challenges the 2021 Fund aspired to help address. Staff's view is that, on its own, the current Fund would be unable to help address these types of challenges in any meaningful way. Any role in doing so primarily depends on this Council's view of its role in this space.

16. Tauranga's other urban centers are also facing their own challenges, which may or may not require different solutions. For example, the impacts of Chadwick water works and potentially Cameron Road Stage Two works on Greerton, as well as the ongoing impacts from the Mauao landslides in January.

Issues

17. Council's role in city/urban centre revitalisation is currently unclear. Recent changes to the Local Government Act have excluded economic development (support) from councils' core services[2]. This is balanced against research and other cities' experiences finding that good outcomes in urban centres and cities must be curated or brokered, they don't just happen.

18. From a resourcing perspective, the incoming 4% rates cap will put further pressure on council's already tight financial situation, and last year's organisational restructure and secondments into Recovery work has left too little resource to effectively manage the Fund.

19. The Fund is too small to make a meaningful difference to overall city/urban center development, particularly once halved from the initial $500k p.a. If retained at this level, it would need to be appropriately targeted for each center.

20. Who is best to manage the Fund would largely depend on the purpose and scale of the Fund itself. For example, Downtown Tauranga is willing to deliver an activation program if funded but does not currently view this as a core organizational priority. There are also some coherence benefits to council delivering such a program through its events or event facilitation teams.

21. And finally, while the connected centres approach recognises the key role of the city centre, other urban centres could benefit from a similar discretionary fund, particularly for support when faced with unexpected or long-term challenges.

Outcomes sought

22. Clear direction from Council to staff on whether the council has a role in supporting urban centers and, if so, the extent of that role and how it should be delivered during the LTP timeframe.

Options

23. A range of options as listed below are suggested for discussion at this workshop and are addressed in greater detail in the accompanying presentation (**Attachment 1** to this report). Staff have not made any recommendations at this stage.

[2] Enacted 18 September 2026, the Local Government (System Improvements) Amendment Act 2026 amends the purpose of local government (section 10) and inserts a core services clause (section 11A) into the Local Government Act 2002, alongside other changes.

Options (Council's role)	Description (potential delivery mechanisms)
Option1: Minimal approach (existing resources only)	• Status quo organisational approach • Existing staff • No Fund *(no budget currently included in draft LTP)*
Option 2: Enable others approach	• Organizational approach to include: partnerships, community-led activations, Mainstreet support, project mitigation planning • Existing staff • Optional small fund of $0 - $50k
Option 3: Dedicated coordination approach	• Organizational approach to include: a dedicated coordinator, urban centers taskforce, place-based project planning, cross-functional alignment • Existing staff + 1 FTE (dedicated coordinator) • No Fund
Option 4: Coordination plus intervention approach	• Organizational approach to include: as outlined in Option 3 plus place-based leadership, urban centers coordination, place management, activations program • Existing staff + 2-3 FTEs (dedicated coordinator + 1-2 FTEs to lead/enable the organizational approach) • Fund of $225k - $500k +

Next steps

24. Depending on Council's direction from this workshop:

    a) Either a report will be provided to the 15 December 2026 Council meeting for a formal decision, or

    b) Council's direction from this workshop will be reflected in the Draft LTP.

Attachments

1. **LTP workshop 19 Nov 2026 - CCDIF presentation - A21411854**
2. **LTP workshop 19 Nov 2026 - CCDIF 2026/27 report to City Future Committee 31 March 2026 - A21408972**
3. **LTP workshop 19 Nov 2026 - CCDIF Framework 2023 - A21408974**

City Centre Development Incentive Fund (CCDIF) post-2026/27

LTP 2027-2037 workshop, 19 November 2026

Workshop purpose

- At the City Future Committee on 31 March 2026 Council requested options on the future of the CCDIF.
- Staff identified that the discussion extends beyond funding and raises broader questions about Council's role in supporting urban centres.
- This workshop seeks strategic direction before considering specific funding or delivery options.

Purpose:

To seek direction on:

1. Council's future role in supporting city and urban centres.
2. The tools and resources required to deliver that role.

Direction is required for input to the Draft LTP 2027-2037.

Workshop Agenda

1. Context
   - CCDIF to date – recap
   - LTP environment and related initiatives
2. Part 1: Council's role in supporting urban centres
   - Why this matters
   - Role options discussion
3. Part 2: Tools and delivery models
   - Potential tools
   - Funding and Resourcing
4. Next steps

Context – CCDIF to date

Why the CCDIF was established

Introduced July 2021 – to support development in the city centre, particularly student residential development, by funding feasibility assessments

Scope broadened April 2023 – wider range of initiatives to support:

- ongoing growth, development, prosperity of city centre, and
- businesses and community through an extended period of disruption and change in the city centre

Focus has shifted since then – to initiatives supporting increased activation and vibrancy in the city centre, from 30% of fund in 2022/23 to 80% in 2024/25, then 100% in 2026/27*

(*per CFC 31/3/26 decision)

- Initially $500k p.a. for 3 years from 2021/22.
- Reduced year on year since 2024/25 for annual plan opex savings, to 2026/27 funding of $233,250 (final year, no LTP budget at this stage).
- Funded from 50% general & 50% commercial rate, both city-wide.

Key lessons from CCDIF – Achievements

- Enabled us to fill gaps – both financial/funding and activities/needs (e.g. Winter Lights Festival, activations to draw people in during winter when quiet)
- Flexibility was a significant attraction / advantage – enables nimble responses to immediate issues (e.g. Bike Boxes)
- Allowed initiatives and ideas to be trialled in flexible and low-cost ways before scaling up (e.g. Bike Stop, Children's Day, Manu Champs)
- Unique, no other council funding set up this way
- Funding was important but not the only factor





Key lessons from CCDIF - Challenges

- Not really able to incentivise development
- Flexibility has led to funding initiatives that can and should be funded elsewhere e.g. parking plan, public art fund (sometimes before funds set up)
- No longer resourced staff-wise – can't take the place of relationship-based functions (regular "finger on the pulse")
- Not a fund that public can apply to, runs differently, not well communicated
- Couldn't use fund for other urban centres when needed

What has changed since the CCDIF was established?

- Significant private investment has been delivered or is now well advanced
- Major city-shaping initiatives, including Te Manawataki o Te Papa, waterfront improvements and transport upgrades, have been delivered or are now well advanced
- The level of disruption associated with transformation of the city centre is expected to continue to reduce
- Focus has shifted from enabling change to embedding the benefits of investment already made and supporting the city centre through its next phase
- This provides an opportunity to consider the future role of CCDIF and whether alternative approaches may better support Council's objectives

LTP environment & direction

- Increasingly challenging financial constraints and rising community expectations
- Significant government legislation change (specifying core services, rates capping, potential structural reform)
- *Council's LTP principles – accountable and transparent, value for money, growth pays for growth, everyone pays a fair share, bold and innovative*

CCDIF Related initiatives

Related LTP discussions

- Intensification workshop - more focus on ‘brownfields’ less on ‘greenfields’ (September)
- DC Incentives in the city centre (19 November)
- Economic Development workshop (3 November) and upcoming report (1 December)

Other related initiatives

- P1 Stocktake of CBD Blueprint completed and waiting for direction
- Bloomberg Harvard City Leadership Initiative
- Te Manawataki o Te Papa delivery and impact
- City Centre AIP goals, actions and stocktake findings
- City Centre Revitalisation Strategy

Where to from here with a CCDIF? Two key questions...

Should Council still play a role in supporting the city centre, and other urban centres?

And if so, how best to deliver on that role?

Part 1: Council's role in supporting urban centres

Urban Centres beyond funding

Urban centres matter because:

- Residents, businesses and visitors experience Council through their local places and centres
- They enable strong partnership with businesses and community organisations
- Enable better coordination and leveraging of existing investment
- Their specific opportunities and challenges require coordinated responses

Council context:

- Current LTP financial constraints
- Impacts of government legislation change (specifying core services, signalled rates capping and structural change)
- Issues affecting urban centres rarely sit with one team
- Council is largely organised around functions and services. There is no clear organisational approach to our city and urban centres

Before discussing funding, Council's direction is needed on whether supporting urban centre outcomes is a role it wishes council to continue playing.

Potential roles council could take in supporting urban centres

(increasing level of involvement L->R)

Minimal	Enable	Coordinate	Intervene
Deliver core services	Support others to lead	Align council activity around places	Direct investment and intervention
Regulatory functions	Partnerships	Place-based coordination	Activations
Infrastructure delivery	Mainstreet support	Major project mitigation	Discretionary funding
No dedicated urban centre focus	Community-led initiatives	Cross-functional planning	Active place management

Which role best reflects Council's expectations moving forward?

Part 2: Potential tools and delivery models

Delivery mechanisms available to Council

Ways of working
- Existing teams working differently
- Urban centres taskforce
- Place-based project planning
- Partnership and brokerage

People
- Existing staff
- Dedicated urban centres coordinator (1 FTE)
- Project-funded place resource
- Urban centres programme team (1-2 FTE)

Funding
- No discretionary funding
- Small response fund (<$50k)
- Activation funding
- Discretionary urban centres fund

Partnerships
- Economic development orgs
- Business associations
- Community organisations
- Developer and Investors

Options for council's role and how it could be delivered

Role: / Delivery model:	1.: Minimal (existing resources only)	2: Enable others	3: Dedicated coordination	4: Coordination plus intervention i.e. Option 3 plus:
Staff/resource	Existing staff	Existing staff	+ 1 FTE	+ 1-2 FTE
Organisational Approach	Status quo	• Partnerships • Community-led activations • Mainstreet support • Project mitigation planning • Optional small fund	• Dedicated coordinator • Urban centres taskforce • Place-based project planning • Cross-functional alignment	• Place-based leadership • Urban centres coordination • Place management • Activations • Discretionary funding
$ Fund	$0	$0 - <$50k	Staff resource only	$225k - $500k +

Direction sought

Staff seek feedback on:

- Whether Council sees an ongoing role in supporting urban centres beyond core service delivery
- Whether that role should focus on:
  - enabling
  - coordinating
  - investing
  - or a combination of these
- Whether future consideration should focus on:
  - organisational approaches
  - funding tools
  - or both
- The level of resource Council would be willing to consider through the LTP

Next steps

Confirming preferred next step

- Report to 15 Dec Council meeting for a formal decision on option for inclusion in Draft LTP (which may be to discontinue the Fund)

OR

- No further report required, sufficient direction required from this workshop for Draft LTP purposes

Questions?

Wrap up of what we've heard today


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9.8 City Centre Development Incentive Fund 2026/27

File Number: **A19856446**

Author: **Anne Payne, Principal Strategic Advisor**
Emily McLean, Manager: Urban Centres Development

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

PURPOSE OF THE REPORT

1. This report seeks direction on preferred apportionment of the 2026/27 City Centre Development Fund across the four currently approved initiative streams or more broadly, and proposes a wider Long-term Plan discussion on the purpose and future of this fund.

RECOMMENDATIONS

That the City Future Committee:

(a) Receives the report "City Centre Development Incentive Fund 2026/27".

(b) Directs staff to allocate the 2026/27 City Centre Development Incentive Fund of $233,250 to:

(i) Option 4 from this report, being to use the Fund only to finalise and coordinate implementation of the city centre revitalisation strategy, delivering – with partners – some quick wins.

(c) Directs staff to provide options for the City Centre Development Incentive Fund post-2026/27 to be considered during development of the 2027-2037 Long-term Plan, including consideration of whether to extend support to some or all other urban centres in Tauranga.

EXECUTIVE SUMMARY

2. The City Centre Development Incentive Fund (the Fund) was introduced in July 2021 with the primary aim of supporting development, particularly student residential development, in the city centre. Supporting feasibility assessments for potential residential developments was initially seen as the best way to do this.

3. In April 2023, the Fund's purpose was broadened to supporting a wider range of initiatives considered to contribute to successful redevelopment and prosperity of the city centre in the longer term, and to support businesses and the community during the current period of significant disruption. This broader focus remains in place to the current day and includes:

(a) Attracting and incentivising the development of residential, in particular student, accommodation

(b) Supporting short- to medium-term tactical parking interventions that will increase the availability of carparking

(c) Generating initiatives that will support city centre businesses that are severely impacted by the current period of construction disruption, and

(d) Supporting increased activation and vibrancy in the city centre.

4. The Fund was initially allocated $500,000 per annum (for three years) as part of the 2021-2031 Long-term Plan, with further years' funding approved by the 2024/2034 Long-term Plan.

The budget was subsequently reduced to $470,000 for 2024/25, to $375,000 for 2025/26, then to $233,250 from 2026/27 to contribute to annual cost savings.

5. The Fund is an operating expense, funded 50% each from the general and commercial rate, both of which apply city-wide.

6. The Fund has supported a range of initiatives that are contributing to a responsive and aligned effort to ensure the city centre is a great place to be now, not just in the future – helping to attract necessary foot traffic and retail spend to support existing city centre businesses while showcasing what is possible for investors in the future.

7. Over the past three years, the Fund has increasingly been used to support activation and vibrancy in the city centre, with less being funded for the other streams. This is in part due to limited opportunities, particularly to support residential accommodation feasibility studies, and in part a conscious decision to use the Fund most effectively to bring life to the city centre during this time of development-based disruption overlaid by a challenging economic climate.

8. The current year budget for 2025/26 is mostly committed with a number of key initiatives underway that continue the major focus on activation and vibrancy, while supporting initiatives for residential accommodation, and the city centre development overall.

9. Staff are now seeking direction on the Committee's preferred allocation of the 2026/27 budget across the four streams of the Fund, or more broadly, to enable planning for the 2026/27 programme. This will be particularly helpful to ensure the reduced budget of $233,250 can be applied most effectively. Options for consideration include:

   Option 1: Status quo – continue with needs-based assessment of requests.

   Option 2: Apply the Fund only to support development of residential accommodation.

   Option 3: Apply the Fund only to support activation and vibrancy in the city centre.

   Option 4 (Recommended): Use the Fund only to finalise and coordinate implementation of the city centre revitalisation strategy, delivering – with partners – some quick wins.

   Option 5: The City Future Committee to agree apportionment across the four streams for 2026/27.

   Option 6: Divert the full Fund to support Mauao / Mount North recovery initiatives.

   Option 7: Discontinue the Fund for 2026/27.

   NB: Under all options, except option 3, the 2026/27 Fund would not provide for any council-led activation programme.

10. A broader discussion on any longer-term future of the Fund after 2026/27 is recommended for later this year, as part of developing the 2027-2037 Long-term Plan. Consideration of support to other Tauranga urban centres, including options for the form this could take, might most appropriately be included in this broader Long-term Plan discussion.

BACKGROUND

11. The City Centre Development Incentive Fund (the Fund) was originally approved by the previous Council as $500,000 per annum for years one to three of the 2021-2031 Long-term Plan, to be funded 50% each from the commercial and general rate.

12. Resolution CO12/21/6 further specified that the Fund should have a range of criteria that could target the cost of development *"especially promoting affordable residential development, covering the likes of development contributions, consenting fees, parking fees during development, and public amenity in the vicinity of developments".*

13. This was in response to submissions from Priority One, the Urban Task Force and some in the development community that Council should reduce the cost burden on city centre development as a way of incentivising development in the city centre. Refer Council 24 June 2025, Agenda item 11.8.

14. On 4 October 2021, as a result of subsequent discussions between Priority One, council staff, Kāinga Ora and the development community, the Fund was refocused to support feasibility assessments of possible residential accommodation developments in the city centre. This was viewed as the best way for council to support an increase in the supply of residential accommodation in the city centre, enabling the envisaged transition from being a 'central business district' to a fully functioning city centre.
15. On 3 April 2023, recognising that the decline in prosperity of the city centre was unlikely to be rectified by focusing on one particular solution of increasing residential accommodation, the previous Council resolved to broaden the scope of the Fund to enable a wider range of initiatives to support the ongoing growth, development, and prosperity of the city centre (Resolution CO4/23/3).
16. The broader scope of the fund also allowed for opportunities to support the community as the city centre goes through an extended period of significant disruption. The framework guiding utilisation of the Fund was updated accordingly and remains in place to the current day.
17. The 'City Centre Development Incentive Fund Framework' (Attachment 1 to this report) specifies that the Fund can be allocated to:
    (a) Feasibility studies that investigate the viability and encourage the development of residential and student accommodation in the city centre
    (b) Short- to medium-term tactical parking interventions that will increase the availability of car parking in the city centre
    (c) Feasibility studies that investigate the viability and encourage the development of car parking buildings in the city centre*

        ** staff note that this 'stream' was a point-in-time consideration by the previous Council, and was made redundant by the 2024-2034 Long-term Plan decision to retain ownership of the city centre parking buildings. The Framework will be updated to remove this 'stream'.*

    (d) Initiatives that will support city centre businesses that are severely impacted by the current period of construction disruption, and
    (e) Initiatives that support increased activation and vibrancy in the city centre.
18. The Fund allows initiatives and ideas to be trialled in flexible and low-cost ways before undertaking significant investment with a focus on things that are smaller in scale, easy to deploy and are cost effective.
19. With further reduction of the Fund to $233,250 for the next financial year, staff are now seeking guidance on preferred apportionment of the fund across the four current streams (a,b,d and e above) for the 2026/27 year.

FUND APPORTIONMENT TO DATE

20. Initiatives funded to date have been reported in detail to Council on 16 October 2023 and 13 May 2024, and to the City Delivery Committee on 4 November 2025. No allocations were made from the first year of the Fund, 2021/22, and the balance was carried forward to 2022/23.
21. To date, the Fund has supported a range of initiatives that are contributing to a responsive and aligned effort to ensure the city centre is a great place to be now, not just in the future – helping to attract necessary foot traffic and retail spend to support existing city centre businesses while showcasing what is possible for investors in the future.
22. The Fund Framework does not specify how the Fund should be allocated across the types of initiatives ('streams') to which the Fund can be applied. Staff have taken a needs-based approach to approving initiatives for funding, prioritising those with the greatest potential to support the prosperity of the city centre with urgency. While this approach ensures the most

effective use of the limited annual budget, staff acknowledge that it may give rise to perceived inequity in the allocation of funding across the four streams of the Fund.

23. Initiatives funded to June 2024/25 fall largely into the streams as identified in the table below, noting that there are some initiatives, such as the revitalisation strategy, that are not stream-specific and are included in the "general" column:

Year	Total funded	Incentivise residential	Parking interventions	Support impacted businesses	Activation & vibrancy	General (all streams)
2022/23	$ 610,796	101,437	-	311,952	187,408	10,000
	proportion of total:	*17%*	*0%*	*51%*	*31%*	*2%*
2023/24	$ 701,362	-	59,724	113,625	422,353	105,660
	proportion of total:	*0%*	*9%*	*16%*	*60%*	*15%*
2024/25	$ 477,918	50,000	-	50,957	376,961	-
	proportion of total:	*10%*	*0%*	*11%*	*79%*	*0%*
Total 3 years	**$ 1,790,076**	**151,437**	**59,724**	**476,534**	**986,721**	**115,660**
	proportion of total:	***8%***	***3%***	***27%***	***55%***	***6%***

24. The table above shows that the Fund has increasingly been used to support activation and vibrancy in the city centre, with less being funded for the other streams. This is in part due to limited opportunities, particularly to support residential accommodation feasibility studies, and in part a conscious decision to use the Fund most effectively to bring life to the city centre during this time of development-based disruption.

25. This trend is continuing in the current year, with key initiatives underway being reported on 4 November 2025 as:

    (a) Continuing the activation programme (currently being run by a fixed-term role within the city events team) to deliver on the City Centre AIP strategic outcome of *'An engaging city centre that is vibrant and inclusive with exciting things to do for people of all ages, stages and abilities'*

    (b) Continued engagement with Downtown Tauranga and other partners to determine right-sized opportunities for activation, vibrancy and business support

    (c) Investigation into a catalyst development in the 'early Avenues' mixed-use precinct to encourage greater residential density (refer City Centre AIP chapter 6: Precincts)

    (d) Further engagement on the city centre revitalisation strategy, including subsequent next steps including investigating options for supporting businesses and development in the city centre. If led well, this initiative has the potential to make real inroads into delivering on the goals of the City Centre AIP.

LONGER-TERM FUTURE OF THE FUND

26. Looking beyond 2026/27, the Fund is expected to evolve in response to the changing needs of the city centre. As new destinations and anchor institutions open, such as the opening of Te Manawataki o Te Papa, and/or if Mainstreet-led initiatives increase, the Fund could possibly be phased out and its role transitioned to support these emerging programmes.

27. There is also an option to expand the Fund's scope to other urban centres within Tauranga if similar needs are identified, which would ensure equitable support across the city's centres. Several urban centres have already signalled strong interest in this possibility.

28. The longer-term future of the Fund could be considered via an issues and options paper during the 2027-2037 Long-term Plan development process, including consideration of whether to extend support to some or all other urban centres in Tauranga.

STRATEGIC ALIGNMENT

29. The Fund 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	✓

30. Smartgrowth's consolidated connected centre's programme identifies the Tauranga city centre as the cultural and economic hub for the western bay of plenty sub-region, and wider region. The SmartGrowth Strategy 2024 acknowledges that "a coordinated approach between partners is required within the city centre to improve access, social and cultural identity, and safety, as well as providing amenities to attract more people to live, work and visit in the centre" (chapter 6, urban form and centres, page 111). The Fund is one small contributor to achieving this aim.

31. The Fund supports implementation of:

(a) the City Centre Action and Investment Plan 2022, particularly the actions under strategic outcome 5: an engaging city centre,

(b) the Events Action and Investment Plan 2022, particularly through goal 3: supporting events that reflect and celebrate our people and places, and specifically action 3d 'Identify programmes to activate centres and spaces and places. Initial focus is on the city centre in line with strategic direction', and

(c) the Safer Communities Action and Investment Plan 2023, through goal b: safe central city, including initial funding for the City Safety and Engagement Advisor role.

OPTIONS ANALYSIS

32. Options for apportioning the 2026/27 budget of $233,250 across the four streams for the Fund are included as Options 1 – 7 below.

33. Under all options, except Option 3, the 2026/27 Fund would not provide for any council-led city centre activation programme. Should the Committee prefer any of these options, outcomes for the city centre would be most successful overall if Downtown Tauranga were to assume responsibility for funding, leading and delivering activations in the city centre through its 2026/27 Annual Plan. Staff are seeking feedback from Downtown Tauranga on this approach.

34. **Option 1: Status Quo**, i.e. continue with needs-based assessment of requests for funding received, with no pre-determined apportionment across the Fund's streams.

Advantages	Disadvantages
• No change to current practice, staff continue to use existing networks to identify potential opportunities.	• Initiatives funded may not reflect Elected Members' shared preferences for apportionment across the streams. • Reduced budget more difficult to allocate effectively across all streams.

35. **Option 2: Apply the Fund only to initiatives that support development of residential accommodation in the city centre.**

Advantages	Disadvantages
• Refocuses on the earlier purpose of the Fund, which some Elected Members have signalled is their preferred direction. • Able to focus the reduced Fund on a single priority, which also assists with where and how best to promote the Fund.	• Unable to continue with current successful activation programme (allocated $200k from the Fund in 2025/26) during final stages of civic precinct construction. • Limited numbers of feasibility studies for student/residential accommodation, may not use the entire Fund during the course of the year. • The reduced budget may not be substantial enough to deliver what this stream aims to achieve.

36. **Option 3: Apply the Fund only to initiatives that support activation and vibrancy in the city centre.**

Advantages	Disadvantages
• More consistent with current allocations, which seem to be working well. • Able to continue with the current activation programme during final stages of the civic precinct construction. • Able to focus the reduced Fund on a single priority, which also assists with where and how best to promote the Fund.	• Would not take focus back to the earlier purpose of the Fund, so would go against some elected members' preferred direction. • The reduced budget may not be able to deliver the activations programme to the same level, as it would need to fund both staff time (as the current year fixed term role will have ended) as well as activations / events themselves.

37. **Option 4 (RECOMMENDED): Use the Fund only to finalise and coordinate implementation of the city centre revitalisation strategy, delivering – with partners – some quick wins.**

Advantages	Disadvantages
• Provides clarity that the council is taking leadership responsibility for driving implementation of this strategy (and the City Centre AIP that it underpins) while enabling shared responsibility with city centre partners for delivery of specific actions. • Provides clarity for where this leadership responsibility lies within the organisation, and to determine any ongoing resourcing needs. • Retains momentum from 2025 'task force' discussions. • Delivery of some quick wins provides tangible, visible benefit to our city centre and those that work, study, and	• Loss of funding for activation initiatives (unless Downtown Tauranga picks up funding, leading and delivering the activation programme as part of its 2026/27 annual plan). • Loss of funding for other initiatives across the remaining streams: residential feasibility studies; tactical parking interventions; and supporting negatively impacted city centre businesses.

live in it. • The reduced 2026/27 budget could make a real difference in achieving this aim.	

38. **Option 5: The City Future Committee to determine apportionment across the four streams for 2026/27.**

Advantages	Disadvantages
• Clarity for staff on where the focus lies, enabling more proactive promotion to potential applicants in those focus areas. • Clarity for potential fund recipients on where the focus lies.	• No guarantee that opportunities meeting the Fund criteria arise during the course of the year (e.g. limited requirement for residential feasibility studies). • Reduces flexibility for application of the Fund across the streams to meet demand.

39. **Option 6: Divert the full 2026/27 Fund to support Mauao / Mount North recovery initiatives.**

Advantages	Disadvantages
• Responds to current needs arising from the January 2026 landslides at Mauao by repurposing this funding for one year.	• Loss of discretionary Fund support to the city centre while it continues to be affected by ongoing construction disruption – particularly support to city centre businesses, tactical parking interventions, and supporting activation & vibrancy. • Does not support the purpose of the Fund, being *'to meaningfully contribute to the future prosperity of the city centre and/or support businesses and the community while the city centre undergoes the current period of significant disruption'* (Fund Framework purpose statement).

40. **Option 7: Discontinue the Fund for 2026/27.**

Advantages	Disadvantages
• Budget saving for 2026/27.	• Loss of discretionary Fund support to the city centre while it continues to be affected by ongoing construction disruption – particularly support to city centre businesses, tactical parking interventions, and supporting activation & vibrancy. • Does not support the purpose of the Fund, being *'to meaningfully contribute to the future prosperity of the city centre and/or support businesses and*

	the community while the city centre undergoes the current period of significant disruption' (Fund Framework purpose statement).

FINANCIAL CONSIDERATIONS

41. The Fund was allocated $500,000 per annum (for three years) as part of the 2021-2031 Long-term Plan. The funding was continued for a further three years as part of the 2024-2034 Long-term Plan process. Reductions during subsequent annual plan processes resulted in funding being reduced to $470,000 in 2024/25 and to $375,000 in 2025/26.

42. Following organisational savings initiatives during 2025, the future year budgets were reduced to $233,250 for each of 2026/27, 2027/28 and 2028/29.

43. No further funding is currently allocated for years beyond 2028/29, however the 2027-2037 Long-term Plan process will determine the level and focus of the Fund post-2026/27.

44. No allocations were made from the first year of the Fund, 2021/22. The year-end balance was carried forward to 2022/23, and again the following year.

45. Funding and allocations to date are summarised in the table below:

Year	Annual budget	*Funding available for year*	Less: initiatives funded	*Year end Fund balance*	
2021/22	500,000		nil	500,000	c/fwd
2022/23	500,000	*1,000,000*	(610,796)	389,204	c/fwd
2023/24	500,000	*889,204*	(701,362)	187,842	
2024/25	475,000	*475,000*	(477,918)	(2,918)	
2025/26	375,000	*375,000*	TBC		
2026/27 (provisional)	233,250	*233,250*			

LEGAL IMPLICATIONS / RISKS

46. There are several strategic and operational risks that are monitored through the implementation and distribution of the Fund. These include reputational, equity, and geographic distribution risks, amongst others:

47. There is a reputational risk associated with perceived inequity in the allocation of funding across the various streams of the Fund. While the Fund was not designed to ensure equal distribution across all streams, allocations have been guided by a needs-based approach, prioritising initiatives with the greatest potential to support the prosperity of the city centre with urgency. This may lead to stakeholder concerns regarding fairness or transparency, however the Fund is expected to evolve in response to the changing needs of the city centre over time.

48. A reputational risk exists due to the perception that the Fund disproportionately supports city centre initiatives, potentially overlooking other urban centres within Tauranga. However, the Fund was purposefully established to catalyse residential development in the city centre in response to significant transformation and disruption. Its targeted scope reflects strategic priorities rather than a lack of commitment to broader urban development. There is potential to expand the Fund's scope to other urban centres within Tauranga if similar revitalisation needs are identified, ensuring equitable support across the city's growth areas. This matter is recommended for consideration as part of developing the 2027-2037 Long-term Plan.

TE AO MĀORI APPROACH

49. Staff have engaged internally with the Takawaenga Māori Unit to ensure the activations/events programme considers Te Ao Māori opportunities and perspectives. Feedback provided has enabled further consideration of how we could integrate an improved approach moving forward resulting in new initiatives and activations such as the Whanau Fun on the Waterfront, a two-day Matariki festival that attracted 1500 attendees.

50. Following a request from the City Delivery Committee on 4 November 2025, staff have contacted the Tauranga Māori Business Association, Toi Kai Rawa and the Pacific Business Hub to ascertain potential interest in occupying space in the city centre through the vacant shopfront strategy. Awaiting feedback and will continue to follow up.

CLIMATE IMPACT

51. This is an administrative report, the recommendations in this report do not have implications for our climate impact. Staff will continue to work with suppliers and partners to ensure that all initiates and activations are considered through the lens of our climate impact.

CONSULTATION / ENGAGEMENT

52. Key city centre stakeholders and partners are engaged with on a regular basis and help to inform how the Fund can best be utilised.

53. Staff continue to gather community feedback to understand any concerns, listen to any ideas, and measure community support for a wide variety of issues and opportunities. The engagement team monthly calendar drop, featuring the upcoming activations and events in the city centre, provides a valuable opportunity to engage directly with city centre businesses and gather evidence that the ongoing activations have been successful in supporting businesses and driving foot traffic.

54. We also hold monthly activations and city centre taskforce meetings. This internal collaboration structure enables a cross-functional and cohesive approach to ensure that initiatives undertaken through this funding are supported and aligned with other projects and activations in the city centre, providing great outcomes and value for money for the community.

SIGNIFICANCE

55. 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.

56. 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.

57. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter (being apportionment of the 2026/27 Fund across the four approved initiative streams) is of low significance.

ENGAGEMENT

58. 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

59. Once direction is received from the Committee at this meeting, staff will:

    (a) commence planning for the 2026/27 Fund distribution, including communication to potential applicants and city centre business, organisations and communities, and

    (b) prepare options for the Fund post-2026/27, for direction as part of the upcoming 2027-2037 Long-term Plan development process.

ATTACHMENTS

1. City Centre Development Incentive Fund Framework - updated 3 April 2023 - A14405680

CITY CENTRE DEVELOPMENT INCENTIVE FUND FRAMEWORK

Authorised by	Council		
First adopted	4 October 2021	**Minute reference**	**CO18/21/12**
Updated	3 April 2023		

1. PURPOSE

1.1 The purpose of the City Centre Development Incentive Fund is to enable a broad range of initiatives that will support the ongoing growth and development of the city centre.

1.2 This framework enables identification of initiatives in the Tauranga city centre that would meaningfully contribute to the future prosperity of the city centre, and/or support businesses and the community while the city centre undergoes the current period of significant disruption.

2. SCOPE

2.1 The City Centre Development Incentive Fund only applies to initiatives in the city centre zone and the city living zone.

2.2 Opportunities that can be considered for funding include:

a) feasibility studies that investigate the viability and encourage the development of residential and student accommodation in the city centre;

b) short- to medium-term tactical parking interventions that will increase the availability of car parking in the city centre;

c) feasibility studies that investigate the viability and encourage the development of car parking buildings in the city centre;

d) initiatives that support city centre businesses who are severely impacted by the current period of construction disruption; and

e) initiatives that support increased activation, which leads to increased vibrancy in the city centre.

3. DEFINITIONS

Term	Definition
City centre zone	As defined in the Tauranga City Plan
City living zone	As defined in the Tauranga City Plan, including both city living (mixed use) and city living (residential) zones
Council	Refers to Tauranga City Council
Dwelling unit	As defined in the Tauranga City Plan
Student accommodation	Accommodation options for tertiary students who domicile within the city centre

4. PRINCIPLES

4.1 Council encourages residential development in the city centre and city living zones in order to intensify development in areas with existing amenity and infrastructure.

4.2 Encouraging development in the city centre and city living zones supports Council to implement the Te Papa Spatial Plan and meet the objectives of the Urban Form and Transport Initiative and the National Policy Statement for Urban Development.

4.3 Encouraging development and initiatives in the city centre supports the vision and objectives of Te Rapunga Ora ki Te Papa – City Centre Action and Investment Plan 2022-32.

4.4 Council is required to be financially prudent and undertake commercial transactions with good business practice.

4.5 Council recognises its role in supporting transition to a low carbon and environmentally resilient future by encouraging sustainable development.

5. POLICY STATEMENT

5.1 Strategic outcomes for city centre student and/or residential accommodation

5.1.1 Council acknowledges the following as strategic outcomes for residential accommodation in the city centre;

a) delivery of high-quality urban design;

b) provision of universal access[1];

c) increased public amenity; and

d) incorporation of sustainable design.

5.2 Specific criteria for feasibility studies

5.2.1 To qualify for Council part-funding of a feasibility study, a potential development must be expected to provide more than 40 dwelling units upon completion.

5.2.2 Council will partner with developers on feasibility studies where the following criteria are met:

a) commitment to complete the feasibility work within six months of the study being commissioned;

b) willingness to work in a collaborative manner with Kāinga Ora and/or community housing providers, and/or the University of Waikato or other education providers; and

c) willingness to contribute financially to the feasibility studies.

5.2.3 The feasibility results are non-binding, but information will be shared with all partners and treated with confidence.

5.3 Scope for feasibility studies

5.3.1 Council and those parties potentially involved in a development will agree the scope of each feasibility study prior to proceeding.

5.3.2 Council will look to incorporate assessment of the following in the scope of each feasibility study:

a) provision of housing at a range of price points; and

b) provision of diversity of housing typologies and/or dwelling sizes.

[1] Universal access, or universal design, “refers to buildings, products and environments that are inherently accessible to older people, people without disabilities and people with disabilities” (TCC Disability Strategy)

5.3.3 Consideration of the strategic outcomes listed in 5.1.1 may be incorporated into the scope of any feasibility study where practical.

5.4 Specific criteria for other incentives that encourage the development of student and/or residential accommodation

5.4.1 To qualify for other support, student and/or residential accommodation projects must demonstrate an ability to increase student and/or residential accommodation options in the city centre.

5.4.2 The developer must also demonstrate a willingness to sign a Housing Outcome Agreement for residential developments.

5.4.3 Funding will only be provided in instances where building consent has been issued and construction has commenced.

5.4.4 Funding for student-based accommodation initiatives will need a letter of support from the University of Waikato, or another relevant tertiary education provider.

5.5 Scope for residential and/or student accommodation

5.5.1 Subject to the specific criteria listed in 5.4, Council will consider any of the following to support developers and/or other organisations with initiatives that support the delivery of additional residential and/or student accommodation in the city centre:

a) development contributions deferrals or subsidies;

b) rates deferrals or subsidies;

c) building and/or resource consent support; and

d) short-term revenue shortfall to support student accommodation developments.

5.6 Specific criteria for short- to medium-term tactical parking interventions

5.6.1 Funding will be provided for short- (less than six months) or medium-term (less than two years) car parking initiatives.

5.6.2 Initiatives that deliver additional car parking spaces:

a) must result in the establishment of at least 10 additional car parking spaces; and

b) must result in all car parks being made available for public use (i.e. not leased or private).

5.6.3 Initiatives that don't deliver additional car parks will be considered, as long as they are assessed to be likely to increase the general public's awareness of car parking availability and/or affordability in the city centre.

5.6.4 Council will partner with developers on feasibility studies for new car park buildings where the following criteria are met:

a) commitment to complete the feasibility work within six months of the study being commissioned;

b) willingness to work in a collaborative manner with Council;

c) a commitment that at least 50% of the parking planned for delivery is made available for public use (i.e. not leased or private); and

d) willingness to contribute financially to the feasibility studies.

5.6.5 Parking interventions will align with the general vehicle access areas approach outlined in the City Centre Access and Movement Framework and seek to avoid areas of the city centre impacted by construction.

5.7 Scope for parking interventions

5.7.1 Council and those parties potentially involved in parking interventions, will agree the scope and deliverables of each intervention prior to proceeding.

5.7.2 Council will consider assessment of the following initiatives as part of the scope for tactical car parking interventions in the city centre:

(a) investigation of vacant sites (private and council-owned) for possible short-term, at-grade car parking;

(b) maximising the availability and utilisation of current council parking assets;

(c) improve wayfinding and real-time digital occupancy signage on key transportation routes;

(d) development of a website/app with real-time parking info available for the public;

(e) roll out of apps that support ease of parking; and

(f) investigation of options to reduce the number of trade vehicles in the city centre;

5.7.3 Initiatives that deliver safe and secure e-bike and/or scooter parking for public use will also be considered, with or without end-of-trip facilities, including but not limited to toilets, showers and lockers.

5.8 Specific criteria for initiatives that support businesses that are severely impacted by construction disruption

5.8.1 Impacted businesses must be able to reasonably demonstrate the severe negative effect on their business from current construction in the city centre, over an extended period of time.

5.8.2 Initiatives will be considered that support the sustainability and growth of local businesses during a period of significant disruption, but direct cash support will not be provided to any disrupted business.

5.8.3 The fund cannot be used to apply for the perceived loss of earnings for businesses.

5.9 Scope for business interventions

5.9.1 Council will consider assessment of the following initiatives as part of the scope for supporting businesses in the city centre, including but not limited to:

(a) increased signage to inform the public and create a heightened level of awareness that a business (or businesses) are still trading;

(b) in partnership with Downtown Tauranga, city centre specific marketing, promotion and/or advertising support;

(c) additional safety and security support, including enhanced lighting;

(d) Licence To Occupy support, and

(e) in extreme cases, support to relocate to another part of the city centre.

5.10 Specific criteria for support for increased activation and vibrancy

5.10.1 Initiatives must be temporary in nature i.e. a short-term activation, activity or event.

5.10.2 Initiatives must be different and not a continuation of an existing initiative or a business-as-usual activity.

5.10.3 As much as possible, initiatives should not compete with an existing city centre business.

5.10.4 Preference will be given to initiatives that are assessed to have the most significant impact and likelihood for an increase in vibrancy in the city centre.

5.11 Scope for increase activation and vibrancy

5.11.1 All kinds of activations, activities and initiatives will be considered if they are assessed to have a high likelihood of increasing vibrancy in the city centre, drawing people in and extending their city centre dwell time, and/or leaving a lasting positive impression of their city centre visit.

5.11.2 Initiatives may also be considered that take a place-based approach to activating a space and support increased vibrancy by taking a ‘proof of concept’ approach, informing the design for current and future city centre developments e.g. placemaking initiatives.

5.11.3 Funding will be available to support marketing, advertising and promotion of initiatives, activations and activities taking place in the city centre.

6. RELEVANT DELEGATIONS

6.1 The Chief Executive has delegated authority to implement this framework, including negotiation and agreement on which potential opportunities are supported through feasibility studies.

6.2 The Chief Executive will provide regular updates to the Council on the fund and projects that have been supported and enabled through it.

7. REFERENCES AND RELEVANT LEGISLATION

7.1 National Policy Statement for Urban Development

Urban Form and Transport Initiative

Te Papa Spatial Plan

City Centre Action and Investment Plan

2 PUBLIC EXCLUDED SESSION