

14 September 2022

Anne Tolley
Commission Chair
Tauranga City Council

cc.
Stephen Selwood, Commissioner

Marty Grenfell, Chief Executive

Kia ora Anne

Decision on whether to select the Tauranga Western Corridor for assessment as a potential Specified Development Project under s 29(a) of the Urban Development Act 2020

This letter is to inform you that Kāinga Ora has decided to select the Tauranga Western Corridor for assessment as a potential Specified Development Project (SDP) under s 29(a) of the Urban Development Act (Act).

Kāinga Ora has based this decision on the **attached** recommendation report (including the information referred to in that report) prepared by the Director Strategic Urban Partnerships dated 9 September 2022. As the report shows, the area selected for assessment comprises those parts of the Western Corridor currently identified as planned urban growth areas or priority development areas rather than the entire Western Corridor area. The report explains the reasons for choosing this specific area for assessment, while noting that other areas may be able to be included later in the process.

The Act empowers Kāinga Ora to initiate, facilitate and undertake transformational, complex urban development that contributes to sustainable, inclusive, and thriving communities. SDPs established under the Act provide a new way for Kāinga Ora to work with councils, iwi/Māori, and private developers to deliver such transformational, complex urban developments.

It is considered the use of the SDP toolkit for the Tauranga Western Corridor offers a significant opportunity to reshape how this development can come forward to deliver on Crown, council, mana whenua and developer objectives relating to housing (including affordable housing) delivery, transport mode shift, and environmental enhancement and protection.

In making its decision, Kāinga Ora has taken into account matters that it considers relevant when exercising functions and powers under both the Act and the Kāinga Ora - Homes and Communities Act 2019. The recommendation report considers a range of information relating to the considerations listed in our selection framework outlined in our policy prepared to support decisions on whether or not to select projects for assessment as a potential SDP under the Act.

Having a clear understanding of the views of Tauranga City Council, as set out in your letter to me on 22 July, has been very helpful. With reference to that letter, I also acknowledge that the

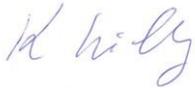
Tauranga Western Corridor has evolved through the SmartGrowth partnership with the city council playing a key role as the territorial authority.

As you know, the decision to select the Tauranga Western Corridor for assessment by Kāinga Ora as a potential SDP is the first formal stage of the SDP process. A significant amount of information has already been exchanged between our organisations and the assessment process will now proceed in accordance with an assessment plan that the council will have input into. The outcome of the assessment by Kāinga Ora will then determine whether Kāinga Ora recommends establishment of this project as an SDP.

We look forward to continuing to work with you to progress the assessment in the coming months.

Should you have any questions regarding this decision, please contact me on [REDACTED] or via email katja.lietz@kaingaora.govt.nz

Ngā mihi nui



Katja Lietz
General Manager Urban Planning and Design
Kāinga Ora—Homes and Communities

**Recommendation on whether or not
to select a Proposed Project for
assessment as a potential SDP under
S29 of the Urban Development Act –
Tauranga Western Corridor**

Executive Summary

The Urban Development Act 2020 (“UDA”) empowers Kāinga Ora - Homes and Communities’ (“Kāinga Ora”) to initiate, facilitate and undertake transformational, complex urban development that contributes to sustainable, inclusive and thriving communities. Specified Development Projects (“SDPs”), established under the Act, provide a new way for Kāinga Ora to work with councils, iwi and private developers to deliver such transformational, complex urban developments.

This report sets out Kāinga Ora - Homes and Communities’ officer’s assessment and recommendation regarding whether or not the Tauranga Western Corridor (the “Proposed Project”), should be selected as a potential SDP pursuant to s 29 of the UDA. This report has been prepared in accordance with the Kāinga Ora *Policy for Decision Making under s 29 of the UDA (POL-364)*, dated 28 June 2022.

Tauranga Western Corridor is a regionally significant location for employment and services with a growing residential population. The Corridor includes two major inter-regional State Highways and important public transport and cycling connections to the Te Papa peninsular and Tauranga City Centre. There are several short, medium and longer term opportunities within the Corridor for further complementary residential, employment and services developments, and plans for substantial future network and social infrastructure investments.

Tauranga City Council has requested that parts the Western Corridor be considered for selection as an SDP under the UDA. This request followed a period of engagement between Kāinga Ora, the Council and other SmartGrowth partners, including mana whenua and key landowners and developers.

This report focuses on specific parts of the Tauranga Western Corridor that are within the Tauranga City boundary and that have been formally identified as planned urban growth areas, as a distinct project area for consideration as a potential Specified Development Project (SDP). If selected under section 29 (a) of the UDA then a full assessment would be carried out by Kāinga Ora to determine whether it is recommended this project is established as an SDP, or not.

The Proposed Project Area includes the three planned and interlinked urban growth areas within the Corridor: Tauriko West, the Tauriko Business Estate Belk Road Extension, and the Keenan Road area. Conversations with the major landowners within the Proposed Project Area indicate they are open to exploring the merits of an SDP.

The Proposed Project presents a significant opportunity for the SmartGrowth Partnership, tangata whenua, private developers, businesses and landowners to work together to secure the delivery of a sustainable, inclusive and thriving community. It is considered that the SDP process offers a vehicle to continue the collaboration that the above-mentioned parties have undertaken to date, with the prospect of the creation of a Development Plan that carries statutory weight and that aligns land-use planning, infrastructure planning and funding.

To ensure the Western Corridor can be serviced effectively and efficiently to meet the ultimate land

use occupancy objectives, the delivery of a well-functioning multi-modal transport network needs to be considered alongside land-use planning. The Western Corridor has some challenges from a transport system perspective given its position on the key inter-regional freight corridor to the Port of Tauranga. Balancing competing demands will be important to ensure provision of access to residential and business growth areas, while improving efficient freight access to the Port. Balancing growth against maintaining the functionality of a key piece of nationally significant transport infrastructure highlights why a different approach to planning and development of the Western Corridor through the use of a fully integrated process is necessary.

After carefully considering the Proposed Project against the selection framework set out in this report, along with the work undertaken to date to bring the proposed project area forward for development, Kāinga Ora officers consider that the Proposed Project is suitable for assessment as a potential SDP.

It is therefore recommended that the General Manager Urban Planning and Design **selects** the Proposed Project for assessment as a potential SDP under s 29(a) of the UDA.

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Purpose

1. This report sets out Kāinga Ora - Homes and Communities officers' assessment and recommendation regarding whether or not the Proposed Project in the Tauranga-Western Bay of Plenty (referred to as the Western Corridor) should be selected as a potential SDP pursuant to section 29 (a) of the UDA.
2. Section 29 of the UDA provides that a potential urban development project, or an urban development project that is already being carried out, may be selected for assessment as a potential SDP in one of two ways: either Kāinga Ora selects the project for assessment; or the joint Ministers direct Kāinga Ora, in writing, to assess the project as a potential SDP. At the time of writing this report, Kāinga Ora had not received direction from the joint Ministers to assess the Proposed Project as a potential SDP.
3. The decision by Kāinga Ora on whether to select a proposal for assessment as a potential Specified Development Project under Section 29(a) of the Act has been delegated by the Board of Kāinga Ora to the General Manager of Urban Planning and Design.
4. This recommendation report is for the General Manager – Urban Planning and Design to assist them to make a decision as to whether or not the Proposed Project should be selected by Kāinga Ora pursuant to s 29(a) of the UDA.
5. This report has been prepared in accordance with the *Policy for Decision Making under s 29 (a) of the UDA (POL-364)*, dated 28 June 2022.

Background

SmartGrowth Tauranga-Western Bay of Plenty partnership

6. Strategic leadership on urban growth management in the Tauranga-Western Bay of Plenty sub-region is provided by the SmartGrowth partnership, a collaboration between the Crown, tangata whenua, Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council and Priority One, working with businesses, education groups, industry and the community.

Tauranga-Western Bay of Plenty's urban growth and housing context

7. The Tauranga-Western Bay of Plenty sub-region has been one of New Zealand's fastest growing urban areas in recent years. As the population has increased, the demand for housing has exceeded supply and there is a need to enable new areas for urban development (through both intensification and greenfield development). SmartGrowth estimates that an additional 43,000 homes are needed in the next 30 years.¹
8. Since its inception SmartGrowth has prepared a number of spatial plans that set out where and how the sub-region could accommodate future growth². These plans are also reflected in the various policies and objectives of the Bay of Plenty Regional Policy Statement (RPS).
9. In 2004 an agreed settlement pattern anchored by the identification of urban limits, development sequencing and target densities expected over time was set out within the Bay of Plenty Regional Policy Statement (RPS). This was updated in 2016 following a review informed by the Western Corridor Strategic Study³. This has been implemented through the RPS, Tauranga City Plan, the Western Bay of Plenty District Plan, and the Regional Land Transport Plan (RLTP).
10. The Settlement Pattern included four integrated urban growth projects: progression of a Compact City within Tauranga (i.e. urban intensification), Te Tumu, Keenan Road and Tauriko West. These growth areas were re-confirmed as shorter term (2018-2021) priority projects in the 2018 Draft Future Development Strategy (FDS) which aimed to ensure timely development capacity over the next 30 years⁴.

Tauranga Western Corridor

11. The Tauranga Western Corridor is generally described as the area extending from Greerton on the Te Papa peninsular along SH29 to the east, with the Wairoa River to the north and SH36 to the south. It includes various existing, planned and possible future urban areas, and already has significant business, retail and residential uses.
12. The Corridor has been identified in both the RPS and various SmartGrowth documents as a key corridor for housing and urban development to support the growth of the city over the next 50 years. The ongoing development of the Western Corridor will contribute to addressing demand

¹ [fds-26-9-2018-notification-final-for-print-9mb.pdf \(smartgrowthbop.org.nz\)](#).

² <https://www.smartgrowthbop.org.nz/about-us/about-smartgrowth/>

³ https://infocouncil.tauranga.govt.nz/Open/2022/02/CO_20220228_AGN_2422_AT_files/CO_20220228_AGN_2422_AT_Attachment_11607_1.PDF

⁴ *ibid*

for housing and business land in an integrated manner across the Western Bay of Plenty sub-region⁵.

13. More recently, the SmartGrowth partnership developed the Urban Form and Transport Initiative (UFTI). UFTI builds on the works of previous plans such as the Tauranga Transport Plan, Tauranga Urban Strategy and the Future Development Strategy and aligns with both the Government Policy Statement and the Government's Urban Growth Agenda. UFTI has set the boundaries of the Western Corridor and the key transport planning and land use approaches needed to deliver this corridor over the short and long term.
14. The Western Corridor will benefit from existing planned investment in public transport infrastructure and priority on the Te Papa peninsular via the Cameron Road multimodal corridor, which will be extended into the Western Corridor. The Corridor area has multiple east/west and north/south connections (including State Highways 29, 29A and 36 along with existing and planned local roads) enabling resilience and allocation of different functions for different corridors to be realised as growth comes forward.
15. Waka Kotahi is currently developing the preferred option for the long term improvements to State Highway 29 (including public transport, walking and cycling) to be undertaken to facilitate growth in the Western Corridor, improve safety and provide for freight movements through the development of the Tauriko Network Plan. Waka Kotahi, through the development of the Tauriko Network Plan, has also engaged directly with stakeholders and potentially affected landowners on the preferred future alignment for State Highway 29.

Tauriko Business Estate, Tauranga Crossing and The Lakes

16. The Tauriko Business Estate (TBE), Tauranga Crossing shopping area and The Lakes residential area are all completed or under construction developments, and effectively form the first tranche of greenfield growth along the Western Corridor. Planning and rezoning of this area took effect between 2014 and 2017⁶ and unlocked 268ha of industrial land, 22ha of commercial land (in the form of a regional shopping centre) and 2,081 new homes⁷.
17. There is an extension planned for the Tauriko Business Estate, which is referred to the 'Lower Belk Road' area. It is currently planned for this area to unlock a further 70ha of industrial land over the next 30 years⁸. It is understood that the main landowner and developer is seeking to progress a private plan change for this area.

Tauriko West

18. Tauriko West was identified by SmartGrowth as one of five priority development areas in the Tauranga-Western Bay of Plenty sub-region. A draft structure plan for the Tauriko West urban growth area has been developed by TCC, which is based on the established vision and framework planning undertaken. Whilst the structure plan has yet to be formally adopted into planning

⁵ ibid

⁶ http://econtent.tauranga.govt.nz/data/city_plan/city_plan_table_dates.pdf

⁷ https://infocouncil.tauranga.govt.nz/Open/2022/02/CO_20220228_AGN_2422_AT_files/CO_20220228_AGN_2422_AT_Attachment_11607_1.PDF

⁸ <http://www.smartgrowthbop.org.nz/media/2079/fds-26-9-2018-notification-final-for-print-9mb.pdf>

documents the wider planning for the Tauriko West Urban Growth Area has informed a number of statutory decisions to date, including a change to the urban limits line within the Bay of Plenty Regional Policy Statement (completed October 2018) and boundary alteration (reorganisation scheme) to transfer all of the Tauriko West urban growth area from the jurisdiction of Western Bay of Plenty District Council (in part) to TCC (completed Jan 2021)⁹.

19. Alongside the long term work, Tauranga City Council and Waka Kotahi are working to deliver earlier improvements in State Highway 29 to support the delivery of housing within Tauriko West and continued development and expansion of the adjacent Tauriko Business Estate. These enabling works will facilitate access to the new community and result in upgrades and improvements. It is expected the works will unlock 2,000 of the anticipated 3,500- 4,000 homes in Tauriko West, along with additional industrial land development (approx. 50ha of a potential 100ha). These works have been subject to a single stated business case, which has been endorsed by TCC, and approved by Waka Kotahi.
20. On 19 November 2021, Kāinga Ora purchased the 95ha Ferncliffe Farm which sits within Tauriko West using funds from the Kāinga Ora Land Programme¹⁰. Development planning and design work for the Ferncliffe Farm site is now underway, with preliminary plans indicating approximately 1,000 homes can be built on the site. There is also an opportunity to provide for education and community facilities. The remainder of Ferncliffe Farms consists of low-lying wetland areas and steep sections which are proposed to be protected and enhanced, creating wetland, amenity and recreation areas for the community.

Keenan Road area

21. The area to the northwest Pyes Pa and adjacent to SH36 has been identified as a future urban growth area for some time, including in the 2013 SmartGrowth Settlement Strategy and in the 2020 UFTI report. Commonly referred to as the 'Keenan Road' area it has not been formally defined or structure planned, and is currently zoned 'rural'. However, early investigations have indicated that around 2,000 additional new homes could be located here in the medium to long term – subject to a successful rezoning, consenting and the required infrastructure provision¹¹.

Areas further south and east in the Western Bay of Plenty District

22. In addition to Keenan Road, the 2020 UFTI report identified further possible longer term (30+ year) growth areas that may also eventually form part of the Western Corridor. These are referred to in the UFTI report as 'Upper Belk Road', 'Joyce Road' and 'Merrick Road' areas and are all within the Western Bay of Plenty District. The areas are currently all zoned 'rural' and no formal planning and consultation has yet been undertaken to assess suitability and feasibility for urban development.

Specified Development Project consideration request

23. On 22 July 2022, Kāinga Ora received a letter (**Attachment 1**) from Tauranga City Council (TCC)

⁹ https://infocouncil.tauranga.govt.nz/Open/2022/02/CO_20220228_AGN_2422_AT_files/CO_20220228_AGN_2422_AT_Attachment_11607_1.PDF

¹⁰ this programme enables Kāinga Ora to undertake strategic land acquisitions to enable housing and thriving communities in areas of need (<https://kaingaora.govt.nz/working-with-us/housing-acceleration-fund/>)

¹¹ <http://www.smartgrowthbop.org.nz/media/2079/fds-26-9-2018-notification-final-for-print-9mb.pdf>

requesting that it considers selecting the Western Corridor for assessment as a potential Specified Development Project (SDP).

24. TCC requested that in addition to the three planned urban growth areas within the City (Tauriko West, Lower Belk Road and Keenan Road) four other areas also be considered for possible inclusion: the three areas in the Western Bay of Plenty District (described as Upper Belk Road, Merrick Road and Joyce Road) that have been signaled in the 2020 UFTI report as possible long-term (30+ year) options for urban development, as well as parts of Greerton Maarawaewae at the other end of the Western Corridor on the Te Papa Peninsular (refer **Attachment 1**).
25. The request and general SDP opportunity was included in a SmartGrowth partnership's Options to Accelerate Growth work programme that was discussed and agreed by its Chief Executive forum on at its X meeting and subsequently presented at the 17 August governance meeting of Ministers, Chairs, Commissioners, Councillors and tangata whenua representatives.

Proposed Project

26. The information regarding the Proposed Project within this document has been provided by Kāinga Ora officers (from the Regional Director (Bay of Plenty), Te Kurutao, Urban Planning and Design, and Urban Development and Delivery) and officers from TCC and Waka Kotahi.
27. The Proposed Project Area includes three selected future urban growth areas as shown in **Figure 1** and described below:
 - a) **Tauriko West** as generally defined in the 2013 SmartGrowth Settlement Strategy, the 2018 Urban Limits in the Bay of Plenty Regional Policy Statement, the 2020 UFTI report, the 2021 Local Government boundary alteration, the 2021 draft Tauriko West Structure Plan and the 2022 Waka Kotahi Enabling Works Business Case.
 - b) **Tauriko Business Estate (Lower Belk Road) extension** as generally defined in the 2018 Urban Limits in the Bay of Plenty Regional Policy Statement, the 2020 UFTI report, the 2021 Local Government boundary alteration, and 2022 Waka Kotahi Enabling Works Business Case.
 - c) **Keenan Road** as generally defined in the 2020 UFTI report, 2021 Local Government boundary alteration, and the 2022 Waka Kotahi Enabling Works Business Case
28. The above areas are all within the territorial boundary of Tauranga City Council, and form part of the wider Tauranga Western Corridor which extends from Greerton on the Te Papa peninsular across existing and future urban areas into the eastern foothills of the Kaimai Ranges as shown in **Figure 1** and **Attachment 1**
29. Key Features within the Corridor include the Wairoa River in the north and Kopurererua Stream in the south; the SH29 and SH29A corridors between Hamilton and the Ports of Tauranga, and the SH36 corridor to Rotorua; the Tauriko Business Estate and Tauranga Crossing shopping area; The Lakes residential area; and Te Papa peninsular.
30. The Tauriko West, Tauriko Business Estate Lower Belk Road extension and Keenan Road areas are included in the Proposed Project Area for these reasons:
 - a) Taken together these areas represent the major new urban development opportunities within the Tauranga Western Corridor in the short and medium to long term. Future urban development in these locations have been signaled for many years and been formally consulted on through various processes.
 - b) There are several interdependencies and synergies in the development of these three areas that would make a more integrated and shared growth management approach beneficial, including shared approaches to transport, water and wastewater networks, community and social infrastructure and services provision and staging.
31. Other parts of the Tauranga Western Corridor are not included in the Proposed Project Area for these reasons:
 - a) The Tauranga Crossing shopping area, The Lakes residential area and existing Tauriko

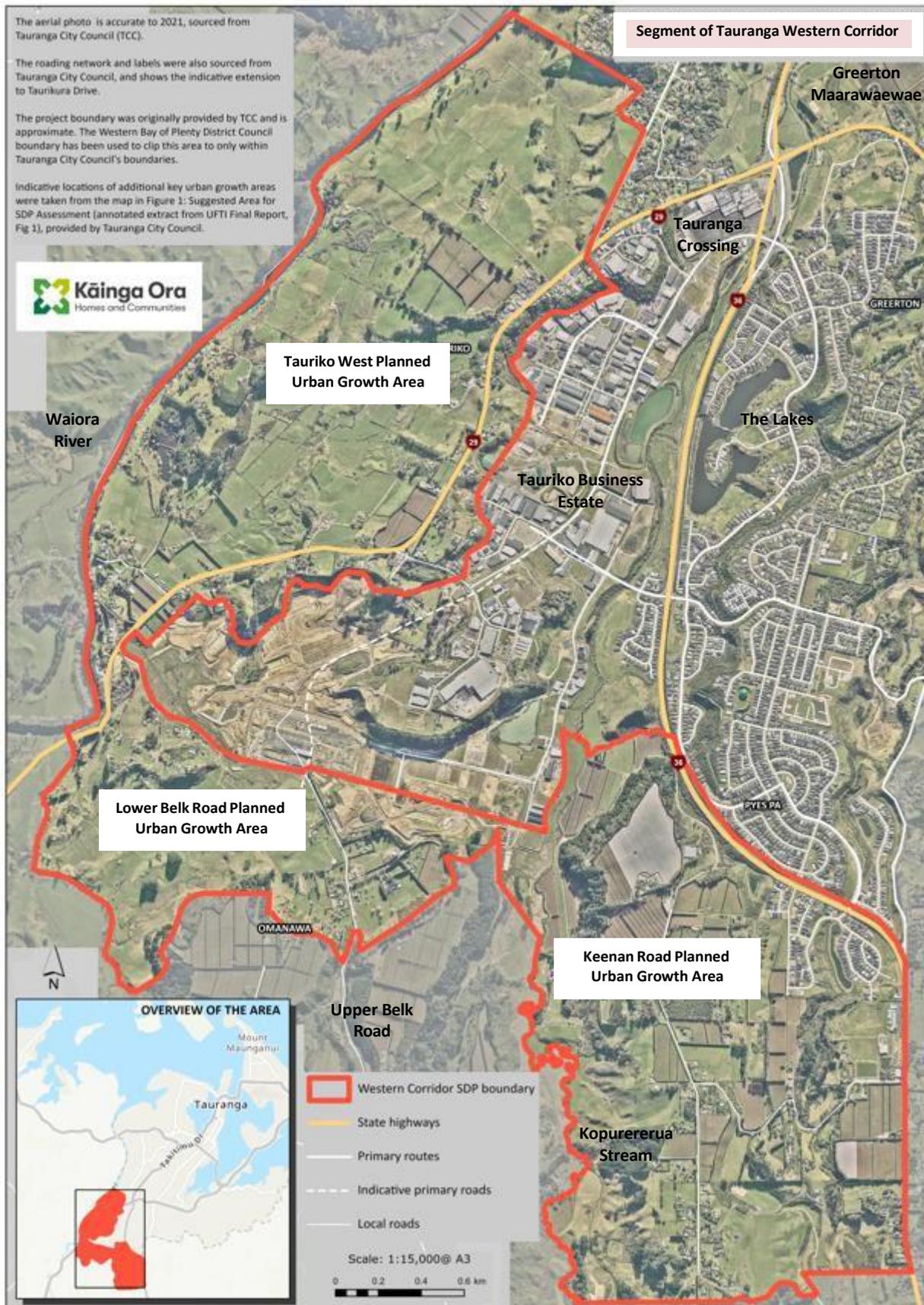
Business Estate are either already completed or in development, which limits the benefits of inclusion in an SDP area.

- b) No feasibility assessments, planning, community or landowner consultation has yet been undertaken for any of the longer term (30+ year) urban growth options further to the east (and within the Western Bay of Plenty District) that were signalled in the 2020 UFTI report. There is however potential to include these areas, or parts thereof, within a SDP at a later stage.
 - c) TCC has proposed (refer Attachment 1) that a potential SDP could include the area referred to as the 'Greerton Maarawaewae study area', being 85ha of reserve land including the Tauranga Racecourse and Golf Course¹². Given that the future of this area is the subject of a current study it is not included in the Proposed Project Area at this stage, but could be considered for inclusion at a later stage following completion of the study.
32. The Proposed Project Area has the capacity to accommodate a large proportion of the sub-region's assumed future growth and is expected to come forward for a number of uses including residential, employment, social/community and education. As set out above, the specific growth areas across the Western Corridor are in different stages of planning and development.
33. It should be noted that the SH 29 corridor upgrades are crucial to enabling growth along this corridor including widening of the state highway and creating safe access points. Further upgrades to SH29A, SH36 and local road investment are also required to enable the medium to long term growth of the corridor
34. Taken together, across Tauriko West, Keenan Road and Lower Belk Road the following development is proposed or possible:
- New residential housing of various typologies and tenures, assumed roughly to be between 3,500 and 4,000 in Tauriko West, and 2,000 for Keenan Road. Densities are expected to be between 20-30 dwellings/ha¹³
 - An extension to the Tauriko Business Estate (approx. 100ha) to provide additional employment land uses
 - Associated three-waters infrastructure
 - The relocation and expansion of Tauriko Primary School and provision for a new high school
 - Sports fields, and further social infrastructure to meet community needs (proposed in Tauriko West)
 - Proposed new (small) local commercial uses
 - Investments in SH29 and SH 36, including walking/cycling and public transport
 - Environmental enhancement, including riverside reserve creation along the Wairoa River.

¹² https://infocouncil.tauranga.govt.nz/Open/2022/06/CO_20220613_ATT_2429_EXCLUDED.PDF

¹³ <https://nzta.govt.nz/assets/projects/tauriko-network-plan/tauriko-network-plan-information-boards.pdf>

Figure 1. Proposed Project Area



Section 29 assessment

35. Under the UDA, an urban development project may be selected for assessment as a potential SDP through a decision by Kāinga Ora under section 29(a) or pursuant to a direction from the joint Ministers under s 29(b) to carry out an assessment. No direction from the joint Ministers has been received.
36. Section 29(a) does not identify any specific statutory criteria to which Kāinga Ora must have regard when exercising its discretion as to whether or not to select a project to take through the assessment process. Any such, discretion must not be exercised arbitrarily or capriciously, rather it should be exercised in a consistent and rational manner. In exercising a discretion, all relevant facts and factors should be considered, with due regard given to the breadth of any discretion conferred and any mandatory considerations and in furtherance of the statutory objectives. When considering whether to select a proposed project to be assessed as a potential SDP Kāinga Ora must act consistently with the purpose of the UDA and take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).
37. The Kāinga Ora *Policy: Decision making under Section 29 of the UDA (POL-364)* reflects this, and has been developed to guide selection under section 29(a) of the UDA. The following framework¹⁵ has been used to consider the Proposed Project and inform the recommendation at the end of this report as to whether or not it should be selected for assessment under s 29(a) UDA:
- Is sufficient information available to suggest that the proposed project will achieve the purpose of the Act contained in s 3 and the principles for SDPs contained in s 5 of the UDA, namely:
 - (a) providing, or enabling, —
 - (i) integrated and effective use of land and buildings; and
 - (ii) quality infrastructure and amenities that support community needs; and
 - (iii) efficient, effective, and safe transport systems; and
 - (iv) access to open space for public use and enjoyment; and
 - (v) low-emission urban environments; and
 - (b) promote the sustainable management of natural and physical resources and, in doing so, —
 - (i) recognise and provide for the matters in section 6 of the Resource Management Act 1991; and

¹⁵ The Framework sits within the Policy for Decision Making under s 29 of the UDA dated 28 June 2022.

(ii) have particular regard to the matters in section 7 of that Act; but

(iii) recognise that amenity values may change.

- Is the proposed project likely to support the principles of the Treaty of Waitangi? Have the principles of the Treaty of Waitangi been taken into account?
- Does the proposed project cover any land identified as protected in section 17 (e.g., Māori Customary Land, national parks etc.), or affected by sections 18 (Former Māori Land) or 19 (RFR Land)?
- Does the proposed project contain key outputs and outcomes (“Proposed Objectives”) that the proposed project intends to deliver?
- Are the boundaries of the proposed project area clearly defined and easily identifiable in practice?
- Do the proposed project and the Proposed Objectives appear to be consistent with existing national directions under the Resource Management Act 1991?
- Is the proposed project area in an urban area or on land generally suitable for urban use? Are there any technical constraints on the suitability of the land for urban use (e.g., contamination)?
- Has there been any prior engagement with Iwi/Māori, communities or other stakeholders? What is the nature of that engagement and what feedback was produced? Was the engagement appropriate and commensurate with the nature and likely scale of the proposed project?
- What is the perspective of the relevant territorial authority and key infrastructure operators within the proposed project area?
- Is the SDP process likely to be suitable for the proposed project? Considering this, a relevant question may be:
 - Are there other, more suitable, processes available for the proposed project to be implemented, such as under the Resource Management Act 1991?
- Is the information available to date adequate to determine whether the proposed project should be selected for assessment?
- Are there other relevant factors which should be considered in respect of the particular proposed project? (For instance is the proposed project in the national interest?)

38. In considering the Proposed Project below, Kāinga Ora officers have identified operating principles of particular relevance to the circumstances of the Western Corridor, noting that a decision to select for assessment would be the first step in a more detailed assessment process.

Information considered

39. In preparing this report, Kāinga Ora officers have reviewed and considered the following information¹⁶ along with information held by Kāinga Ora and provided in the context of hui and meetings with TCC, Bay of Plenty Regional Council, Waka Kotahi and tangata whenua:

- Letter from Tauranga City Council to Kāinga Ora, dated 22 July 2022
- SmartGrowth Website Content including meeting agendas and minutes, Future development strategy and technical documents
- Urban Form and Transport Initiative, and website content
- Western Corridor Strategic Study
- Tauriko for Tomorrow Website Content (including Waka Kotahi State Highway 29 roading alignments)
- TCC website including Council meeting agendas and minutes,
- Tauranga City Plan 2018
- Tauriko Network Connections Programme Business Case
- Tauriko West UGA Enabling Works – Single Stage Detailed Business Case
- Housing Development Capacity Assessment for Tauranga and Western Bay of Plenty July 2021
- Plan Change 4 to the Bay of Plenty Regional Policy Statement
- Government Policy Statement for Urban Development 2021

¹⁶ Website content was accessed between 1 May and 1 August 2022. Specific references are set out in the body of the report.

Assessment under section 29(a)

Is there sufficient information available to suggest that the Proposed Project will achieve the purpose of the Act contained in s 3 and the principles for SDPs contained in s 5 of the UDA?

40. The purpose and principles of the UDA, as set out in ss 3 and 5, apply directly to any decision made by Kāinga Ora under s 29(a) to select a project for further assessment, and they also apply indirectly pursuant to an assessment of project objectives under the criterion described in s 28(b)(i).
41. Section 3 of the UDA describes its purpose as being to facilitate urban development that contributes to sustainable, inclusive, and thriving communities.
42. Section 5 of the UDA sets out the following principles that, as a person performing functions or exercising powers under it in relation to an SDP, Kāinga Ora must have particular regard to. Specifically, s 5(1) requires that Kāinga Ora, in selecting a proposed project for an SDP under s 29(a), must have particular regard to providing or enabling:
 - i. integrated and effective use of land and buildings; and
 - ii. quality infrastructure and amenities that support community needs; and
 - iii. efficient, effective, and safe transport systems; and
 - iv. access to open space for public use and enjoyment; and
 - v. low-emission urban environments.
43. Kāinga Ora officers have reviewed available information including the Future Development Strategy, UFTI Final report, Tauranga City Plan, and the Tauriko West Urban Growth Area Enabling Works Detailed Business Case and other sources, as referenced. Kāinga Ora officers consider that this information is sufficient to suggest that the Proposed Project will achieve the purpose of the UDA and the principles for SDPs as set out in s 3 and s 5 of the UDA (noting that s 5(1) (ii) is also consistent with the operating principle of ensuring urban development contains quality infrastructure and amenities to support community needs). The key parties (predominantly TCC, Waka Kotahi, the Bay of Plenty Regional Council and mana whenua) have committed to working together and will be able to work up the details of the Proposed Project in a manner which meets sections 3 and 5(1) if it is selected for assessment. It is noted a decision to select a proposed project to be assessed as a potential development project relates to the commencement of a process and should not pre-empt the assessment process, where these matters will be considered in more detail.

44. Section 5 further requires that all persons performing functions or exercising powers under the UDA in relation to potential SDPs, must promote the sustainable management of natural and physical resources and, in doing so, —
- (i) recognise and provide for the matters in s 6 of the RMA; and
 - (ii) have particular regard to the matters in s 7 of the RMA; but
 - (iii) recognise that amenity values may change.
45. The work undertaken to date by TCC, Waka Kotahi, and SmartGrowth partnership demonstrate that the Proposed Project could promote the sustainable management of natural and physical resources as defined by the RMA. The challenges relating to implementation give rise to the potential use of the SDP to ensure that all growth within the corridor promotes the sustainable management of natural and physical resources including providing for the matters set out in s 6 of the RMA and having regard to s 7 of the RMA.
46. By way of example, the Wairoa River runs adjacent to the Western Corridor and the Kopurererua River through the corridor. These rivers are of high cultural significance to hapū¹⁷ and development in the western corridor (while being carefully managed to avoid any adverse effects from urban development) offers opportunity for ecological enhancement and the creation of greater connections to the river¹⁸. The use of an integrated planning tool such as an SDP enables greater co-ordination between development and infrastructure tools which may present an opportunity for improved stormwater management prioritising the health of the river corridors. This opportunity would recognise and provide for a number of the section 6 matters (including (a), (b), (c), (d), (e) and (h)) and have regard to kaitiakitanga (s7(a)), efficient use and development of natural and physical resources (s7(b)), enhancement of amenity values (c), intrinsic values of ecosystems (d) and s7(f) maintenance and enhancement of the quality of the environment.
47. For the reasons stated above, at this time it is considered that an SDP in the Western Corridor could recognise and provide for the matters at s 6 of the RMA, and have particular regard to the matters at s 7 of the RMA, noting that a selection decision relates to the commencement of a process and should not pre-empt the assessment where these matters will be considered in more detail.

Is the Proposed Project likely to support the principles of the Treaty of Waitangi (Te Tiriti o Waitangi)? Have the principles of the Treaty of Waitangi been taken into account?

48. Section 4 of the UDA states that in achieving the purpose of the Act, all persons performing functions or exercising powers under the Act must take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). The Kāinga Ora Board has adopted the principles identified by the

¹⁷ Ngāti Pangō and Ngāti Rangi who are associated as two of three hapū of the Wairoa Marae, known collectively with Ngāti Kahu as the Wairoa hapū are located in their own mana whenua areas on the other side of the river. The Wairoa hapū and Pīrākāu maintain the river's kaitiaki (guardians) role

¹⁸ Note the relevance of the operating principles - 14(1)(i) and 14(1)(j) of the Kāinga Ora Act.

New Zealand Court of Appeal in *New Zealand Māori Council v Attorney General* [1987] 1 NZLR 641 (Lands Case), namely partnership, active protection, and redress. When Kāinga Ora interprets the principles it reflects comments that other people have made about the principles, including the Courts, the Government and the Waitangi Tribunal.

49. While Kāinga Ora is not a Treaty partner, it must recognise and respect the Crown's responsibility to consider and provide for Māori interests. In addition, the partnership and active protection principles of the Treaty are reflected in the operating principles of Kāinga Ora (set out in the Kāinga Ora Act):
- a) s 14(1)(k) requiring Kāinga Ora to partner and have early and meaningful engagement with Māori, and offering Māori opportunities to participate in urban development; and
 - b) s 14(1)(i) requiring Kāinga Ora to identify and protect Māori interests in land, and recognise and provide for the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, wāhi tapu and other taonga (this operating principle is consistent with the obligation at s 5 of the UDA).
50. The Proposed Project spans the rohe of multiple hapū who whakapapa to Ngāti Raninui iwi. The three hapū with specific known interests in the land within the proposed project area are:
- Ngāti Kahu
 - Ngāti Hangarau
 - Ngai Tamarāwaho
51. Ngāti Ruahine and Piriakau have not been engaged with, as it is understood the boundaries of the Western Corridor and the Proposed Project are not within the rohe of these hapū. However, future engagement with these hapū may be warranted should an assessment be progressed (i.e. based upon potential stormwater or roading considerations).
52. Kāinga Ora officers have begun engaging with Ngāti Kahu, Ngāi Tamarāwaho, and Ngāti Hangarau. Hui were held on 13 April 2022 with representatives from Ngāti Kahu, Ngāi Tamarāwaho and Ngāti Hangarau to introduce the SDP process. The first engagement covered the process of an SDP and its applicability to Tauriko West and planning for SH29. Since this time, and the receipt of the TCC letter requesting the wider Western Corridor be considered, additional engagement has been undertaken. Additional hui with these hapū were held in July 2022 to discuss the consideration of the Proposed Project for selection for assessment as a potential SDP.
53. Representatives from Ngāti Kahu, Ngāi Tamarāwaho and Ngāti Hangarau support the selection of the Proposed Project for assessment. The interests of and opportunity to partner with Ngāti Kahu and Ngāti Hangarau in particular are acknowledged by Kāinga Ora officers and represent an

opportunity for participation in an SDP including opportunities to incorporate hapū land holdings and participation in project governance and objective setting and implementation¹⁹.

54. Kāinga Ora officers advised those at the Hui that should the Proposed Project be selected for assessment, Kāinga Ora will continue to engage with tangata whenua to work through the assessment process in accordance with s 33 of the UDA and the operating principles of Kāinga Ora.
55. Tangata whenua are key partners in SmartGrowth and participate in a tangata whenua forum²⁰ as well as being represented on SmartGrowth's leadership group. As set out above, SmartGrowth have identified the Western Corridor as an area appropriate to cater for growth within the Bay of Plenty. Whilst consideration of establishing an SDP was initially raised with Kāinga Ora by TCC, there has been a commitment by all SmartGrowth partners to explore whether or not the SDP process is the best process to achieve the outcomes all parties are seeking in this area.
56. TCC have engaged directly with Ngāi Tamarāwaho on the Greerton/Maarawaewae study. Feedback received by TCC officers as outlined in the Council report dated 11 April 2022 states that Ngāi Tamarāwaho support the ongoing recreation reserve status of the land and would seek to have land ownership discussions should an alternative or revised use be proposed. This is an important consideration with regards to the specific inclusion of this area within any SDP boundary and the position of Ngāi Tamarāwaho and should be given significant weight when discussing how this area is incorporated into any potential SDP²¹. While this area is not included in the Proposed Project under consideration, there is potential to include it in the future.
57. There are a number of iwi and hapū Resources including management plans that apply to the Western Corridor. These documents include the Tauranga Moana Iwi Management Plan, Te Awanui: Tauranga Harbour Iwi Management Plan, Ngāti Hangarau Hapū Management Plan, Te Mana Taiao o Ngāi Tamarāwaho Hapū Management Plan and the Ngāti Kahu Hapū Environmental Management Plan²². These documents further clarify the cultural values, historical accounts, interests of iwi and each hapū.
58. As set out in s 32 of the UDA the assessment process includes identification of Māori cultural archaeological and historic heritage values of land within a proposed project area. It is expected that should the Proposed Project be selected for assessment Kāinga Ora will work with tangata whenua to ensure these are identified across the whole of the Western Corridor building on the work undertaken to date.

¹⁹ This is reflective of the function of Kāinga Ora as set out in s13(1)(i) of the Kāinga Ora Act to 'understand, support and enable the aspirations of Māori in relation to urban development'

²⁰ <https://www.smartgrowthbop.org.nz/about-us/forums/combined-tangata-whenua-forum#:~:text=Tangata%20Whenua%20are%20key%20partners,operational%20levels%20of%20the%20partnership.>

²¹ https://infocouncil.tauranga.govt.nz/Open/2022/04/CO_20220411_AGN_2424_AT_EMBEDDED.PDF

²² <https://www.tauranga.govt.nz/community/tangata-whenua/resource-management-processes/iwi-and-hap%C5%AB-resource-management-plans>

59. It is on the basis of the above that Kāinga Ora officers are confident that the Proposed Project would be likely to support the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) and that these have been and will continue to be taken into account through the development of the Western Corridor as a potential SDP.

Does the Proposed Project include any land identified as protected in s17, or affected by s18 or s19?

60. Under the UDA, consideration needs to be given to whether or not the Proposed Project involves protected, former Māori and/or RFR (right of first refusal) land²³.

61. A preliminary search has been undertaken by Te Arawhiti to identify Māori land including (a) treaty settlement redress land, (b) RFR land (c) land that may be needed for Treaty Settlements and (d) Māori customary land. Information regarding Māori interests in the area has been provided by hapū during hui. In addition, the district and regional plans and Western Corridor Strategic Study have been reviewed in light of the requirements of these sections of the UDA.

62. Based on information considered during the preparation of this report, it is understood that no part of the proposed project area falls within the scope of land protected from acquisition and development²⁴, and does not consist of former Māori land.

63. The proposed project area does however adjoin three identified parcels of Māori land²⁵. In addition there are two known sites which are subject to right of first refusal within and two that adjoin the proposed project area that therefore could only be included in an urban development project in accordance with the requirements of s 19. These are listed below:

- Tauriko School (Part Allot 87 Te Papa PSH) is subject to a Right of First Refusal in favour of Ngāti Ranginui.
- Lot 9 DP 12853 and Allot 757 Te Papa PSH (Nga Hapū o Ngāti Ranginui Right of First Refusal)
- Adjacent to Belk Road and Williams Road North, Tauranga (Nga Hapū o Ngāti Ranginui Right of first refusal) – *This site adjoins the proposed project area*

²³ RFR refers to land subject to right of first refusal or a second right of refusal as defined in s 9 of the Urban Development Act

²⁴ It is noted however that, the proposed boundary put forward by TCC abuts what is referred to as the Te Papa site (Tauranga Moana Iwi Vested Fee Simple as scenic Reserve) which is defined by s 17(4)(c) and protected from use of certain powers without agreement under s 17(3).

²⁵ As per the check undertaken by Te Arawhiti, Māori land is identified using Māori land Online which records all Māori land including Māori Customary Land (defined as land which is still held in accordance with tikanga Māori the ownership for which has not been determined by the Māori Land Court as described in sections 129(1)(a) and 129(2)(a) of Te Ture Whenua Māori Act 1993)

Does the Proposed Project contain key outputs and outcomes (‘Proposed Objectives’) that the project intends to deliver?

64. For an SDP, project objectives are defined by the UDA as the project objectives set out in an establishment order (i.e. an Order in Council) for an SDP. Under s 27(1) of the UDA, the project objectives for an SDP ‘must set out the key outcomes and outputs that the project aims to deliver’. Because an establishment order can only be made following an assessment process, and an assumption that a proposed project has first been selected, then assessed, and then established as an SDP, Kāinga Ora officers have applied this consideration as though it refers to the aspirations of the SmartGrowth partnership, UFTI and includes Tauriko West as described by Tauriko for Tomorrow as there are specific plans that relate to these areas that can be drawn upon.
65. As set out above, significant spatial planning has been undertaken by the SmartGrowth partnership. The aspirations/outcomes for growth within the Tauranga/Western Bay area are clearly articulated in both the SmartGrowth Joint Spatial Plan Working Draft December 2021²⁶, the proposed Future Development Strategy 2018²⁷ and the Urban Form and Transport Initiative²⁸. The aspirations of these documents can be summarised as:
- To enable and shape a sustainable, vibrant, efficient and liveable urban form;
 - To enable sufficient housing supply to meet current and future demand in both existing and new urban areas. This includes supporting the delivery of a variety of housing densities, tenures and typologies;
 - To enable sufficient employment land and support growth in the western Bay of Plenty economy;
 - To enable sufficient social, community and recreational uses to increase enjoyment of the city;
 - To safeguard and protect areas from inappropriate development;
 - To improve sustainable transport options;
 - To protect and acknowledge the relationship of tangata whenua to their ancestral lands, water, sites, wāhi tapu and other taonga;
 - To enable Māori development aspirations; and

²⁶ <https://www.smartgrowthbop.org.nz/media/2368/smartgrowth-joint-spatial-plan-final-dec-2021.pdf>

²⁷ <https://www.smartgrowthbop.org.nz/strategy/future-development-strategy/>

²⁸ <https://ufti.org.nz/>

- To ensure long-lasting economic, social, environmental, and cultural benefits and value for money from the agreed strategic plan for growth.

66. TCC sets out similar aspirations to those described above for their city in a number of planning documents guided by the City Vision and Councils Strategic Framework²⁹. The framework consists of five community outcomes:

- an inclusive city – Tauranga Mataraunui
- a city that values and protects the environment – Tauranga Taurikura
- a well-planned city – Tauranga – Tātai Whenua
- a city that is easy to move around – Tauranga Ara Rau
- a city that supports business and education – Tauranga a te kura

67. The *Tauriko for Tomorrow* website contains clear objectives for the Urban Growth Area and can be drawn on to determine the key outputs and outcomes of the Proposed Project. These are listed below:

- Local amenities including schooling, neighbourhood shopping, parks, reserves and connections to the Wairoa River
- A healthy community - walkable neighbourhoods with green links, cycleways and walkways
- A connected community with transport choice - cycling, walking and public transport links to neighbouring employment and retail areas and the Tauranga CBD
- Integrated transport solutions, reducing the effect on the strategic transport network
- Located in a growing employment area, catering to local job opportunities, i.e. the Tauriko Business Estate and Tauranga Crossing
- A variety of housing densities and typologies to provide for all ages facilities within the wider Western Corridor
- A community which recognises the cultural importance of the Wairoa River.

68. Based on the above, the following key outcomes and outputs relate to delivery of urban development in the proposed project area:

- Sustainable and resilient growth that balances economic growth, social and cultural inclusion and environmental protection.

²⁹ https://www.tauranga.govt.nz/Portals/0/data/future/strategic_planning/strategic_focus/files/strategic-framework-consultation.pdf

- Connected community with transport choice - cycling, walking and public transport links to neighbouring areas and the Tauranga CBD and beyond
- A variety of housing densities, tenures and typologies to provide for people of all mobility's, abilities, ages and backgrounds
- Unlocking additional employment land
- Local amenities including schooling, neighbourhood shopping, parks, reserves
- Water sensitive design. Wetland and river protection and restoration. Recognising the significance of the Wairoa River and Te Whakakotahi o te awa
- Protection of certain areas from inappropriate development as well as protection of areas of cultural and historical significance.

69. Based on the above, Kāinga Ora officers are satisfied they understand the key outcomes and outputs that the Proposed Project aims to deliver. These outcomes and outputs are generic. Kāinga Ora officers would expect that if the Proposed Project was selected, assessed and established as an SDP, then these objectives would be described with greater specificity in any establishment order. For the purposes of a recommendation regarding selection for assessment, Kāinga Ora officers conclude that the outcomes and outputs sought of the Proposed Project are well understood and that given the nature of a s 29(a) assessment that may follow, they are a sufficient starting point.

Are the boundaries of the Proposed Project area clearly defined and identifiable?

70. The boundaries of the Proposed Project area are generally defined and are identifiable in practice (see **Figure 1** above).
71. It should be noted that boundaries of a Proposed Project Area can be adjusted during the assessment process. Stakeholders may propose an alternate boundary as part of the drafting of Key Features³⁰.
72. For example, from an urban integration point of view there may be benefits in exploring the inclusion of existing urban areas within the Corridor such as parts of Greerton Maarawaewae, The Lakes, Tauranga Crossing and Tauriko Business Estate, and/or any other possible future development areas such as those within the Western Bay of Plenty. In addition, there may also be opportunity to explore opportunities with Hapū to include their landholdings or maximise development opportunities for tangata whenua through the process.

³⁰ Defined in s 26 of the UDA as the Project Objectives, Project Area (defined by geographical boundaries) and a project governance body

73. It is considered that the boundary of the Proposed Project Area is considered sufficient as a tangible starting point for progression of this project through to assessment under ss 31-37 of the UDA.

Do the proposed objectives appear to be consistent with existing national directions under the Resource Management Act 1991?

74. Whilst the project objectives are not established at this stage, the basis for the development of the objectives as set out in paragraphs 65-70 should be generally consistent with existing national directions under the RMA. The Proposed Project is likely to be consistent with Part 2 of the RMA and the work undertaken to date on the growth area has identified where and how the Proposed Project would be consistent with existing national directions.
75. The purpose of Plan Change 4 to the Bay of Plenty Regional Policy Statement³¹ was to give effect to the draft National Policy Statement on Urban Development Capacity 2016 by increasing development capacity in Tauranga/the Western Bay of Plenty. It is noted that this has been superseded by the National Policy Statement on Urban Development 2020 (NPS-UD). Policy 3.2 and 3.3 of the NPS-UD states that tier 1 Councils (such as Tauranga and Western Bay of Plenty) must enable sufficient development capacity for housing and business land. This land must be plan-enabled, infrastructure ready and feasible and reasonably expected to be realised. TCC is working to ensure the Urban Growth Area meets the policies of the NPS, and the Bay of Plenty Regional Council are working through changes to the Regional Policy Statement to amend the current urban limits line requirements that do not align with the NPS-UD responsiveness policies.
76. Establishing an SDP is considered an appropriate avenue for resolving the challenges of infrastructure (specifically the long term transport investments required) as well as unlocking land within the growth corridor in a coherent manner. This could ensure growth within the Western Corridor contributes toward well-functioning urban environments³² as set by the NPS-UD.
77. It is understood that parts of the Urban Growth Area would be subject to the National Policy Statement for Freshwater Management (NPS-FM) and National Environmental Standards for Freshwater (NES-FM) particularly with regards to the protections for wetlands. The Ministry for the Environment have released an exposure draft of proposed changes to the NPS-FM and the NES-FM.³³ It is understood that should these changes be adopted that any urban development within the Western Corridor may be able to follow the new consent pathway for activities necessary for urban development however the impact of this is not yet known. In a general sense the requirements of these documents are well understood by all parties.
78. Given the existing land uses within the Western Corridor, it is likely that the National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human

³¹ <https://atlas.boprc.govt.nz/api/v1/edms/document/A2944543/content>

³² This is also consistent with the Kāinga Ora operating principles relating to well-functioning urban environments as set out s14(1)(g) and s14(1)(h) of the Kāinga Ora Homes and Communities Act 2019

Health will apply. All parties involved in the Proposed Project are aware of the requirements of the National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health and progress their developments in accordance with it, which is now considered normal practice in land development processes. It is expected that proposed project objectives could be drafted that would be consistent with existing National Directions under the RMA.

Is the project area in an urban area or on land generally suitable for urban use?

79. As set out in paragraphs 6 -29 of this report, the Western Corridor consists of land in variety of land uses including rural (the identified greenfield growth areas) uses. The area has been identified through various different strategic planning documents, specific study area analysis and infrastructure assessments as appropriate to accommodate Tauranga's growth (and therefore appropriate for urban use).
80. Further to this Tauriko West is identified as priority development area as set out in the SmartGrowth Housing Action Plan³⁴.
81. Based on the work undertaken to date by SmartGrowth partners as well as TCC set out throughout this report, Kāinga Ora Officers are satisfied that the land in the Proposed Project Area is generally suitable for urban use (noting future master planning will determine the optimal mix of green corridors, recreational spaces, public space, housing and commercial uses within each of the panned urban growth areas).

Has there been any prior engagement with Iwi/Māori, communities or other stakeholders? What is the nature of the engagement and what feedback was produced? Was the engagement appropriate and commensurate with the nature and likely scale of the proposed project?

82. Engagement is required directly by s 22, UDA (along with a duty under s 23 to cooperate with relevant local authorities and infrastructure providers), and indirectly through the Operating Principles contained within the Kāinga Ora Act Homes and at ss 14(1)(k) and 14(1)(l).

Engagement with Iwi/ Māori

83. As set out in paragraphs 52-56 above, Kāinga Ora officers have begun engaging with Ngāti Kahu, Ngāi Tamarāwaho, and Ngāti Hangarau. Hui were held on 13 April 2022 with representatives from Ngāti Kahu, Ngāi Tamarāwaho and Ngāti Hangarau to introduce the SDP process and discuss opportunities for participation.

³⁴

<http://www.smartgrowthbop.org.nz/media/2350/smartgrowth-housing-action-plan-final-july-2021.pdf>

84. It should be noted that these hui were held early on and related to Tauriko West specifically. Since then Kāinga Ora officers have worked with TCC to identify a proposed project area that is much wider.
85. Since the hui in April, further discussions have been had between Kāinga Ora and Ngāti Kahu, Ngāi Tamarāwaho and Ngāti Hangarau who are comfortable with the wider proposed project area and are keen to participate in any assessment process.

Engagement with communities and other stakeholders

86. Engagement has been undertaken to date on a range of projects lead by SmartGrowth, TCC, Western Bay of Plenty and the Bay of Plenty Regional Council that fall within the boundary of the proposed project area. This includes:
- The Tauriko for Tomorrow website³⁵ which is the main vehicle for engagement on Tauriko West and the transport proposals for SH29 by Waka Kotahi;
 - Specific engagement on the proposal to amend the boundaries between TCC and the WBoPDC for Tauriko West, Keenan Road and Lower Belk.
 - Engagement by SmartGrowth on various strategic document;
 - Engagement undertaken by UFTI including project updates; and
 - Councils Long Term Plans.
87. Kāinga Ora undertook engagement with key stakeholders to understand their aspirations for Ferncliffe Farm, in Tauriko West and the wider area³⁶ during the acquisition process.
88. Whilst this engagement has not been directly related to use of the UDA to facilitate the development, most stakeholders and the wider community are familiar with the intention to develop the masterplan for a residential-led mixed use urban development, supported by wider roading and three waters delivery. Engagement through an assessment process could build on this engagement.
89. Officers have also had conversations with major landowners within the Proposed Project Area who have indicated an openness to exploring the merits of an SDP in the Western Corridor.
90. It is considered that the early engagement undertaken to date with iwi/Māori, landowners and stakeholders is appropriate and commensurate with the Proposed Project, noting substantial engagement would be undertaken during an assessment.

³⁵ <https://www.westernbay.govt.nz/council/projects/tauriko-for-tomorrow>

³⁶ <https://www.hud.govt.nz/assets/News-and-Resources/Proactive-Releases/Cabinet-Paper-Acquisition-of-Ferncliffe-Farms-under-the-Kainga-Ora-Land-Programme.pdf>

What is the perspective of the relevant territorial authority and any infrastructure operators within the project area?

91. As set out above, Kāinga Ora have been working with TCC and other SmartGrowth partners to explore whether or not there would be any benefit in exploring the SDP to bring forward urban development within the proposed project area. These discussions began in 2021 and culminated in the receipt of a request from TCC for Kāinga Ora to consider whether or not to select the Western Corridor which includes the Proposed Project for assessment (**Attachment 1**).
92. The attached letter sets out a level of commitment from TCC to work with Kāinga Ora, tangata whenua and partners through an assessment phase to develop key features and provide the information required for Kāinga Ora to assess the Proposed Project as a potential SDP.
93. Officers understand that Waka Kotahi support the Proposed Project being selected for assessment as a potential SDP and are prepared to work to explore whether establishing an SDP would offer any additional certainty, including in respect of long term state highway funding solutions.
94. Engagement has also been undertaken with officers of the Bay of Plenty Regional Council and Western Bay of Plenty District Council who have verbally confirmed they are comfortable with a selection decision being made and prepared to work in partnership during the assessment phase.
95. It is expected that should the Proposed Project be selected for assessment, then engagement undertaken in accordance with s 33 of the UDA would identify and ensure all relevant infrastructure providers are aware of and have the opportunity to participate in the SDP process.

Is the SDP process likely to be suitable for the Proposed Project? Are there other, more suitable, processes available for the Proposed Project to be implemented, such as under the Resource Management Act 1991?

96. The UDA provides a comprehensive planning and delivery process for complex, transformational projects that would have difficulty coming forward in their optimal form under existing processes.
97. The UDA sets out a rigorous assessment process that must be completed before an SDP can be established and the delivery of an SDP can begin. This enables proposed urban development projects to be shaped by local needs and aspirations, and the benefits of urban development to be balanced against environmental, cultural and heritage considerations. The UDA provides for a project to be delivered under a single governance structure through the life of the project and for a shared project, this relies on a high degree of collaboration and trust between the parties to achieve the project objectives. This is different from the traditional model where the regulatory process under the RMA is legally separate from project delivery and completion.

98. The substantive assessment phase that occurs after a project is selected, as set out in the UDA, includes a detailed assessment of constraints and opportunities (including identification of any protected land, alignment with strategy documents, infrastructure constraints and funding options, and risk of natural hazards), engagement with Māori and key stakeholders, along with public notification of the proposed key features. The amount of time needed for an assessment will vary between projects, as it would be dependent on factors such as the amount of technical information required, as well as the level of stakeholder and/or public interest in a project.
99. It should be noted that, even if a project was selected to be assessed, there is no guarantee that the Proposed Project would be established as an SDP through an establishment order. Should a project be established as an SDP, a development plan would need to be drafted, be publicly notified, then considered and supported by an independent hearings panel and subsequently approved by the responsible Minister. Kāinga Ora officers estimate that the complete process from selection to approval of a development plan could take more than two years, assuming that the independent hearing panel's recommendation is to approve the draft development plan in full and the responsible Minister approves the panel's recommendation.
100. It is therefore important for Kāinga Ora to consider at this early stage: (a) whether or not there are other processes available for progressing the Proposed Project and if so, whether or not they may be more suitable; and (b) whether or not there are any other reasons why the SDP process might be suitable for the Proposed Project.
101. As set out above, there are multiple parties and processes required to bring forward the growth areas within the Western Corridor. Kāinga Ora officers consider that the development of shared objectives and governance could have significant benefit for the project and achieve greater control and co-ordination of all development in the collective interest of all parties involved. An SDP would offer a fully integrated process as it enables planning, infrastructure and funding arrangements to be agreed all at once rather than consecutively, which in turn provides greater certainty for funding options. In addition, it is considered that a funding plan could be used to secure and co-ordinate all public funding required to implement the infrastructure delivery including the longer term transport interventions and social infrastructure.
102. The transport outcomes for the Western Corridor need to be considered alongside the land use planning to ensure the area can be serviced effectively and efficiently to meet the ultimate land use occupancy objectives and delivery of a well-functioning multi modal transport network. The Western Corridor has some challenges from a transport system perspective given its position on the key inter-regional freight corridor to the Port of Tauranga. Balancing these demands will be important to ensure provision of access to residential and business growth areas, while improving efficient freight access to the Port³⁷. This need to balance growth with maintaining the functionality

³⁷ [Council meeting held on 28/02/2022 - Item 11.5 Tauriko West - Enabling Works Business Case - Attachment Tauriko West Enabling Works Detailed Business Case \(tauranga.govt.nz\)](#)

of a key piece of nationally significant transport infrastructure highlights why a different approach to planning and development of the western corridor is necessary.

103. The western corridor is a sub-regionally significant growth area noting its emphasis in spatial planning undertaken by SmartGrowth. The risk or counterfactual to resolving an integrated approach to urban development and transport network upgrades is that the currently unfunded infrastructure packages required to unlock the full development potential of the Corridor are not secured and the area falls short of being able to sufficiently accommodate the predicted growth. Given the high growth projections for Tauranga/Western Bay there is real risk the existing housing pressures faced by the area are further exacerbated and/or that alternative greenfield sites come forward further away from the City and without access to a viable public transport network.
104. The creation of an overarching development plan could assist with the planning of the Western Corridor and specifically could:
 - Streamline the delivery of the vision for the Corridor;
 - Create an integrated multi-stakeholder masterplan covering multiple growth areas;
 - Coordinate and align planning processes under multiple Acts, including the RMA, Reserves Act and Local Government Act;
 - Enable zoning changes needed within the Proposed Project while not precluding other approaches such as the Streamlined Planning Process (SPP) within part of the project area;
 - Allow for potential regional policy changes to better enable urban development delivery;
 - Better support Māori policy outcomes and Māori aspirations;
 - Better enable environmental enhancements;
 - Better enable sustainable transport solutions
 - Better enable the delivery of a range of housing types
 - Ensure coordinated delivery (through agreed staging and sequencing of delivery) of both housing, industrial, commercial and community uses;
 - Enable integrated infrastructure planning, funding and implementation to support the intended pace and scale of housing delivery
 - Ensure a continued and consistent funding supply to infrastructure investment over the development period from stakeholders;
 - Bring together a cross agency, (including iwi/hapū) governance body to coordinate project planning and delivery for the life of the project.

If selected, the assessment would provide greater certainty in understating if these potential benefits will actually be achieved in an SDP.

105. It is considered that the SDP could provide a fully integrated process using all the required tools to bring forward development of the Proposed Project, with greater certainty of delivery compared to the other processes which have separate decision makers and present greater risk of an uncoordinated approach. In addition, the use of these tools would enable Kāinga Ora to partner with iwi/hapū, the relevant councils, crown agencies and the private sector to bring forward an optimised form of urban development which would include the delivery of a wider range of housing types and tenures to meet the needs of the community. It is for these reasons Kāinga Ora officers consider that the SDP process could be well suited for the Proposed Project. Engagement to date and the prospect of partnering and engaging meaningfully with other persons and organisations through an SDP process align (or would align) with the operating principle set out in section 14(1)(l) of the Kāinga Ora Act.

Is the information available to date adequate to determine whether the Proposed Project should be selected for assessment?

106. The collaborative process undertaken thus far with TCC, mana whenua, SmartGrowth partners, Waka Kotahi and Te Arawhiti has assisted in ensuring that adequate information on the Proposed Project has been available for Kāinga Ora officers to consider when preparing this report.
107. It is therefore considered that there is sufficient information available to make a recommendation as to whether to select the Proposed Project for assessment, which would be undertaken in accordance with s 31 of the UDA.

Any other matters

Government Policy Statement on Housing and Urban Development (GPS HUD)

108. Section 26 of the Kāinga Ora Act requires Kāinga Ora to give effect to the GPS-HUD when performing its functions.
109. GPS-HUD emphasises Tauranga-Western Bay of Plenty as an area where both the Ministry of Housing and Urban Development and Kāinga Ora will prioritise effort and investment. It is considered that the selection of the Proposed Project for assessment as a potential SDP could enable Kāinga Ora to give effect to this strategic direction.
110. It is further considered that the Proposed Project could meet the broad objectives of the GPS-HUD and noting this would be confirmed through an assessment process.

Overall assessment

111. After considering the above matters individually, it is appropriate for Kāinga Ora to consider whether, overall, it should exercise its discretion under s 29(a) of the UDA to select the Proposed Project for assessment as a potential SDP.
112. The Western Corridor presents a significant opportunity for the SmartGrowth partners to work together with private developers and businesses to secure the delivery of a sustainable, inclusive and thriving community in this part of the emerging metropolitan area. Kāinga Ora officers consider that the SDP process offers a vehicle to continue the collaboration that the above-mentioned parties have undertaken to date, and that if established, the added benefit of the creation of an establishment order which sets out clear objectives and a development plan that carries statutory weight.
113. Through usual processes there is currently no obvious mechanism to explore alternate planning and funding regimes for the delivery of required long term infrastructure solutions which raises uncertainties around delivering an ongoing pipeline of housing delivery, additional employment areas, supported social infrastructure (such as schooling) as well as an efficient and effective long term transport solution that encourages a shift toward walking, cycling and public transport. Whilst it is not certain whether the SDP would offer a solution to this, it is considered that there are sufficient reasons to select the Proposed Project for assessment to explore whether or not this could be achieved.
114. Based on the above and the information available, it is considered that the Proposed Project is well suited to be selected for assessment as a potential SDP.

Recommendation

115. For the reasons set out above, the Manager Specified Development Projects recommends that the General Manager Urban Planning and Design **selects** the Proposed Project for assessment as a potential SDP under s 29(a) of the UDA.

Report prepared by: Ernst Zollner (Director Strategic Urban Partnership) under delegations to prepare the Recommendation.

22 July 2022



Katja Lietz
Kāinga Ora – Homes and Communities
PO Box 74598
Greenlane
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By email to: katja.lietz@kaingaora.govt.nz

Dear Katja

Specified Development Project (SDP) for Tauranga's Western Corridor

Tauranga is New Zealand's fifth-largest city and subject to significant and rapid growth. As a Tier 1 urban environment under the National Policy Statement for Urban Development (NPS-UD), Tauranga City Council (TCC) is required to provide for a greater amount of land for housing and urban development to meet the growing housing and business land demand.

Tauranga's growth opportunities are significantly constrained by the topography and coastal setting, which effectively spread the city out along northern, western and eastern corridors. Through the SmartGrowth partnership¹, these corridors have been the focus for spatial planning and urban growth management in the western Bay of Plenty sub-region.

The recently adopted Urban Form and Transport Initiative (UFTI) Connected Centres Programme² confirmed planned urban growth areas (UGAs) in the western corridor at Tauriko West, Lower Belk Road Industrial, and Keenan Road, as well as envisaged growth areas at Upper Belk Road, Joyce Road, and Merrick Road.

Despite this, TCC has found it difficult to make substantive progress on delivering the planned UGAs in the western corridor. The reasons for this include the size and scale of planned growth, securing the necessary investment in infrastructure from central government and private developers, and conflicting national direction under the Resource Management Act 1991 (RMA) holding back the structure planning and rezoning processes.

To deliver housing and urban development at the pace and scale required to meet the needs of our community, it is critical that the planning, infrastructure, and funding for urban development are agreed up front, providing greater certainty and coordination for implementation and delivery.

TCC therefore requests that Kāinga Ora consider the western corridor for selection as a Specified Development Project (SDP) under Part 2 of the Urban Development Act 2020. This

¹ The SmartGrowth partnership is a collaboration between Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council and tangata whenua working with central Government (particularly Waka Kotahi), businesses, education groups, industry and the community.

² UFTI is a collaborative project led by SmartGrowth and Waka Kotahi and involves Western Bay of Plenty District Council, Tauranga City Council, Bay of Plenty Regional Council, central government (including Ministry of Housing and Urban Development, and Kāinga Ora), iwi, and the community.

would allow us to bring together the multiple, complex, and otherwise separate processes required to deliver housing and urban development and enable them to be accessed through a single, integrated process - without losing important checks and balances.

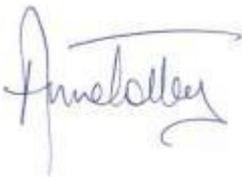
We suggest that the area for assessment as an SDP include the wider western corridor, as shown on Figure 1 attached. This area includes the planned and envisioned growth areas identified under the UFTI connected centres programme, emerging urban development opportunities, and the infrastructure corridors required to support them, as follows:

- Planned UGAs and priority development areas
 - Tauriko West UGA
 - Lower Belk Road Industrial UGA
 - Keenan Road UGA
- Envisaged growth areas
 - Upper Belk Road (Stages 1 and 2)
 - Joyce Road
 - Merrick Road
- Greerton Maarawaewae study area
- Waka Kotahi's Tauriko Network Connections Long Term Business Case

We understand that the boundaries of the suggested area can be amended and refined through the assessment process. We also note that the proposed area above extends into the Western Bay of Plenty District, and we would therefore see Western Bay of Plenty District Council as a key partner in the assessment process.

TCC would be happy to meet with you to discuss this matter further and we look forward to collaborating with you alongside the SmartGrowth partners.

Yours sincerely



Anne Tolley
Commission Chair
Tauranga City Council

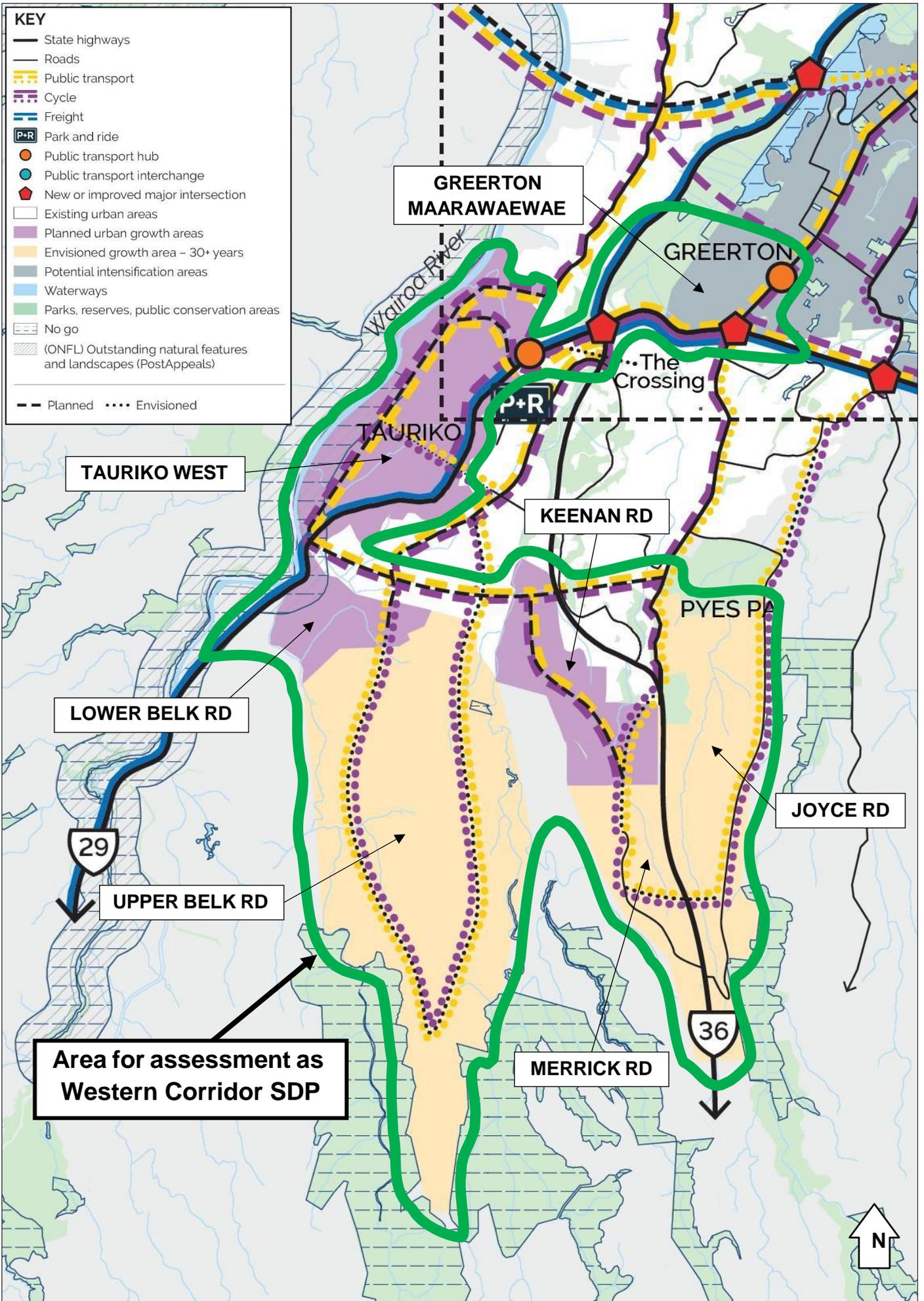


Figure 1: Suggested Area for SDP Assessment (annotated extract from UFTI Final Report, Fig 1)