

## Western Bay of Plenty Deal Schedule 1 – Summary of Commitments

<p><b>1. Partnership for Growth:</b> A long-term partnership focused on unlocking Western Bay of Plenty’s full growth potential via a coordinated approach to investment across the Western Bay of Plenty Sub Region.</p>	
<p>The Deal will utilise the existing established forums such as SmartGrowth to coordinate and advise the Oversight Board.</p>	
<p><b>2. Transport Infrastructure:</b> Commitments to enable a coordinated approach to transport investment that assist in unlocking the Western Bay of Plenty Sub Region’s urban growth potential.</p>	
<p><b>Joint Commitments</b></p> <p><b>Roads of National Significance (RoNS)</b>            Western Bay of Plenty Councils, alongside the Crown, have identified the following two RoNS projects to support unlocking growth in the Western Bay of Plenty Sub Region:</p> <ol style="list-style-type: none"> <li>1. Takitimu North Link Stage 2 (TNL2)</li> <li>2. Tauriko West (Widening of 29A) - <i>the regional preference is that the widening of existing SH29A is prioritised for completion within the Tauriko West project. This stage increases current capacity from 2,400 to 3,000-3,200 new homes and unlocks the remainder of the Tauriko Business Estate extension, an additional 43ha of industrial land. It also helps enable the Keenan Road growth housing area (estimated 3,000 homes) and Lower Belk Road industrial land development, both of which are critical for the Western Bay of Plenty Sub Region.</i></li> </ol> <p>The Crown will identify the two transport projects referred to above as priority projects in the Government Policy Statement on land transport 2027 (GPS 2027) and will reflect the agreements made in the Deal.</p> <p><b>Exploring further Tolling</b>            The Crown, NZTA, and the Western Bay of Plenty Sub Region will explore tolling to form part of the funding for the regional roading priorities. The Western Bay of Plenty Sub Region will support community consultation requirements on tolling options as needed.</p> <p>Tolling options may include tolling of the three main highway entrances to Tauranga with consideration given to a differentiated tolling rates for Heavy Commercial Vehicles (HCV).</p>	
<p><b>WBOP Commitments</b></p> <p>The Western Bay of Plenty Sub Region will partner with the Crown on funding for transport through funding sources including rates, IFFA (subject to ministerial and Cabinet decisions), targeted rates, and development levies.</p>	<p><b>Central Government Commitments</b></p> <p>NZTA will continue to work directly with the Western Bay of Plenty Sub Region enabling an effective information flow for planning and delivery purposes and in collaboration with the Deal governance arrangements.</p>

<p>The Western Bay of Plenty Sub Region will support any community consultation required on tolling.</p> <p>The Western Bay of Plenty Sub Region will coordinate the release of land or capacity for redevelopment of sites for housing and commercial development - across both greenfield areas and existing urban locations - to ensure timely growth opportunities are available and supported by enabling infrastructure, including waters and local roads.</p>	<p>The Crown will consider tolling options (which may include consideration of a possible tolling concession).</p> <p>In GPS 2027 the Crown will reflect the agreements in the Deal including the priority transport projects. The NZTA Board will be responsible for the prioritisation of these activities in the NLTP and for approving any funding from the National Land Transport Fund (NLTF).</p>
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<p><b>3. Land and Housing Development:</b> Enable quality urban growth through intensification, sustainable greenfield expansion, supported by sequencing, funding, and infrastructure investment.</p>
<p><b>Joint Commitments</b></p> <p><b><i>Spatial plan and Greenfield housing</i></b></p> <p>A refreshed Western Bay of Plenty Sub Regional spatial plan will be developed (as part of the regional combined plan for Bay of Plenty) under the new resource management system, outlining the location, quantum, timing and staging of the residential growth areas to support the deal and the estimated capacity of 12,000 greenfield and 3,000 infill/intensification dwellings over the next 10 years. These greenfield opportunities will be unlocked alongside continuing to enable and promote growth in existing urban areas, for example the Te Papa Peninsular. This plan will help support and underpin future transport, education and health investment in the Western Bay of Plenty Sub Region.</p> <p>The SmartGrowth strategy supports intensification within existing urban areas alongside sustainable greenfield growth, underpinned by the SmartGrowth 'Connected Centres' approach. The deal will consider this approach, including opportunities for intensification alongside unlocking greenfield housing opportunities across Western Bay of Plenty Sub Region.</p> <p>The three initial focus areas for growth are:</p> <ol style="list-style-type: none"> <li><b>1. Eastern Corridor:</b> Maximise housing growth around the Tauranga Eastern Link including the developments in Wairakei, Papamoa East, Te Tumu, Bell Road, and Te Kainga.</li> <li><b>2. Northern Corridor:</b> Unlock housing growth opportunities in the Northern Corridor including the developments in Omokoroa, and Katikati.</li> <li><b>3. Tauriko West:</b> Unlock housing and business growth opportunities to the Western Corridor including the developments in Tauriko West, Tauriko Business Estate, Lower Belk Road, and Keenan Road.</li> </ol>

A refreshed spatial plan will also further define and clarify priority areas for urban intensification, focusing on transport corridors and existing serviced land. The Western Bay of Plenty Sub Region and Crown will collaborate on funding and financing solutions for infrastructure to support brownfield redevelopment, including waters and transport networks, and explore mechanisms such as Infrastructure Funding and Financing (IFF) models and targeted rates. These measures will support economic development and deliver quality urban living alongside greenfield expansion.

### ***Local Road Improvements through Funding***

The Western Bay of Plenty Sub Region and Central Government will work together to support housing growth in the Eastern, Northern and Western corridors through agreed local road improvements, which may qualify for Funding Assistance Rate (FAR) scheme that is funded within the NLTF processes.

The specific roading projects in each corridor over the 10-year term of the Deal are:

Northern Corridor:

- Omokoroa
  - Francis Road
  - Francis Link Road
  - Francis Link Road to Bridge

Eastern Corridor:

- Te Tumu
  - Te Okuroa Drive
  - The Boulevard
- Te Puke/Bell Road
  - Seddon Street
- Rangioru
- Young Road

Western Corridor:

- Keenan Road (incl intersection with SH36)
- Belk Road
- Kaweroa Dr extension to SH36

The Western Bay of Plenty Sub Region will work to ensure all prospective projects are prioritised within the RLTP to support the three areas of focus for housing. The Councils will consider the provision of local share when developing their 2027 Long Term Plans. Any NLTF funding approved by the NZTA Board, will be provided through the Local Road Improvements Activity Class. The prioritisation of funding for these projects will still occur through standard Regional Land Transport Plan (RLTP) and NLTP processes. In GPS 2027 the Crown will reflect the agreements in the Deal.

### ***Eastern Growth Area – Funding Waters Infrastructure***

The Tauranga Eastern Link (TEL) has unlocked housing capacity within the eastern corridor. The critical hurdle in the east is now the waters infrastructure. Addressing this will require a coordinated approach to funding and financing from both the Western Bay of Plenty Sub Region and the Crown.

The Western Bay of Plenty Sub Region, with Crown support, will explore methods of funding and financing waters infrastructure requirements in the east that can operate within the intended Local Water Done Well framework.

This may include:

1. Infrastructure Funding and Financing Act (IFFA) levies; and/or
2. Private Infrastructure Investment & Delivery

<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
<p>To support the Crown’s investment in transport infrastructure and ensure urban growth is facilitated, the sub region will coordinate the release of land and sites for housing and commercial development - across both greenfield areas and existing urban locations - to ensure timely growth opportunities are available and supported by enabling infrastructure, including waters and local roads.</p> <p>The Western Bay of Plenty Sub Region will make local share contributions for agreed priority arterial roads to enable land for housing to be unlocked in a timely way as part of developing 2027 Long Term Plans.</p> <p>The Western Bay of Plenty Sub Region will ensure that the specified projects are prioritised in the Regional Land Transport Plan.</p> <p>The Western Bay of Plenty Sub Region commits to exploring a range of current and future funding and financing tools, including targeted IFFA levies, to ensure growth enabling infrastructure (including water) is funded in a timely way.</p> <p>The Sub Region may deliver the capacity for an estimated 12,000 greenfield dwellings within a 10-year period in addition to an estimated 3,000 infill and intensification dwellings.</p> <p>Achieving delivery on this additional capacity will be reliant on supporting water and transport infrastructure also being provided.</p>	<p>The NZTA Board is responsible for the prioritisation of activities in the NLTP and for approving funding from the NLTF.</p> <p>To better support growth, the new planning system will introduce a legislated regional spatial planning framework to set strategic direction for growth and public investment, alongside a flexible land release mechanism to respond appropriately to market-driven demand.</p> <p>Central Government (NIFFCO) will work with Western Bay of Plenty Sub Region and developers to explore the use of alternative funding and financing tools (e.g. IFFA levies), including for unanticipated or out-of-sequence developments.</p>

<p>The Sub Region will enable development-ready land and sites by removing barriers to both greenfield expansion and urban intensification, ensuring sections and redevelopment areas are serviced and ready for housing delivery.</p>	
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**4. Social Infrastructure:** Partnership to support the provision of health and education facilities in the Western Bay of Plenty Sub Region in line with expected urban growth and development

**Joint Commitments**

**Health**

Health NZ and the Western Bay of Plenty Sub Region will work together to support the provision of health facilities in the Western Bay of Plenty Sub Region.

Health NZ and the Western Bay of Plenty Sub Region will form an Independent Joint Planning Group that will agree a plan between the Crown and the Western Bay of Plenty Sub Region that meets the anticipated growth needs.

Health NZ is planning to redevelop Tauranga Hospital to upgrade facilities and meet the future needs of the community. Redevelopment is expected to occur over multiple stages over a 20-year period, with Cabinet decisions to be taken in 2026.-Health NZ is planning a multi-stage redevelopment of Tauranga Hospital to upgrade its facilities and meet the future needs of the community. This redevelopment is expected to take place over a 20-year period, across multiple stages and budgets, with Cabinet decisions for the design and enabling works to be taken in 2026. Funding for the project is dependent on successful budget bids.

Tauranga City Council will be asked to support planning and consenting for the redevelopment, including considering any changes required to the district or city plan. It will also need to progress a stop road process to enable closure and acquisition of part of Twentieth Avenue for the hospital precinct.

The land at Tauranga racecourse is currently being held as a potential site for a new hospital. The Western Bay of Plenty Sub Region has requested that Health NZ release this land from obligation given the preferred option is to redevelop the existing Tauranga Hospital site. This will alleviate public concern about potentially losing the racecourse facility. Health NZ has indicated that it needs to await Cabinet decisions (expected in March 2026) before it can release the racecourse site from potential obligation.

Health NZ has outlined plans in the Health Infrastructure Plan (HIP), which Cabinet agreed to in principle in March 2025, to establish a new urban ambulatory hub in Tauranga between 2025-2029. This hub aims to provide treatment closer to people’s homes and ease congestion at hospital sites. However, the investments proposed in the HIP and the Regional Deal are subject to standard Treasury’s business case processes, successful Budget funding requests, and assessments of value for money and affordability.

**Education**

The Ministry of Education (MoE) and the Western Bay of Plenty Sub Region will form an Independent Joint Planning Group that will agree a plan between the Crown the Western Bay of Plenty Sub Region that meets the anticipated future growth needs of the Western Bay of Plenty Sub Region. This will align housing and development areas with education planning. A Terms of Reference for the group will be agreed during the implementation planning phase.

The group would consider the expansion of schools and / or new schools (the Western Bay of Plenty Sub Region has identified examples such as Omokoroa and Welcome Bay/Ohauti) as possible tools to accommodate growth along with any potential additional capital and funding mechanisms. The Implementation Plan will consider in more detail how the future growth requirements can be addressed.

<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
<p>The Western Bay of Plenty Sub Region and Health NZ will form an Independent Joint Planning Group with an agreement on a plan that meets the anticipated growth needs. The Terms of Reference for this group will be developed and agreed during the implementation planning phase.</p> <p>The Western Bay of Plenty Sub Region will work with the Ministry of Education (MoE) to form an Independent Joint Planning Group, with a Terms of Reference to be agreed during the implementation planning phase.</p> <p>This joint planning Group will then agree on a plan to be presented to decision makers that meets the anticipated growth needs.</p>	<p>The Western Bay of Plenty Sub Region and Health NZ will form an Independent Joint Planning Group with an agreement on a plan that meets the anticipated growth needs. The Terms of Reference for this group will be developed and agreed during the implementation planning phase.</p> <p>The Ministry of Education (MoE) and the Western Bay of Plenty Sub Region will form an Independent Joint Planning Group, with a Terms of Reference to be agreed during the implementation planning phase.</p> <p>This joint planning Group will then agree on a plan to be presented to decision makers that meets the anticipated growth needs. MoE and/or the New Zealand School Property Agency (as applicable) will be responsible for the approval of funding in line with its existing responsibilities and investment prioritisation requirements.</p>

**5. Export Growth:** Focusing on the Western Bay of Plenty Sub Region’s export potential, including unlocking Kiwifruit industry employment and recycling assets to support partnership projects that drive export growth along State Highway 2.

**Joint Commitments**

***Asset Recycling Incentive***

The Crown, in partnership with the Western Bay of Plenty Sub Region, will work to deliver a set of agreed projects. These partnership projects will be funded conjointly through ‘Asset Recycling’ from the Western Bay of Plenty Sub Region and a Crown uplift. The uplift rate and total amount of Crown funding will be considered on a case-by-case basis for specific project and funding proposals. Projects will be subject to standard government business case processes and approvals.

The proceeds of the asset sales alongside the Crown uplift would be invested into partnership projects which would support export growth along State Highway 2.

The Crown and the Western Bay of Plenty Sub Region will work through a defined partnership process around both asset sales and the Crown uplift to fund the partnership projects.

These projects that improve productivity along State Highway 2 are initially agreed as follows:

1. Connecting Mount Maunganui (Hull, Hewletts, and Totara Upgrades) – including State Highway and local roading upgrades.
2. Katikati Bypass – an existing proposed bypass of the Katikati township.

***Supporting the Kiwifruit industry***

There can be challenges where different rules apply for Recognised Seasonal Employer (RSE) workers housing at local and central government levels. The Ministry of Business, Innovation and Employment is undertaking a review of the RSE scheme and will consult with regions to consider where better alignment between local rules with national policy would support the sustainability of the seasonal workforce in the region.

<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
<p>The Western Bay of Plenty Sub Region will investigate asset recycling to attract an uplift in funding from the Crown.</p> <p>The Western Bay of Plenty Sub Region will work with Central Government to consider how to improve and align local rules and national policy to support the growth of the seasonal work force.</p>	<p>For specific projects, Central Government will consider, on a case-by-case basis, contributing funding where the council raises new funding for the project significantly above the current LTP and BAU funding levels (for example from asset recycling or new revenue streams such as targeted rates).</p>

	<p>The uplift rate and total amount of Crown funding will be considered on a case-by-case basis for specific project and funding proposals. Specific projects that will be considered include those focuses on development, accelerating transport projects and application to major innovation projects.</p> <p>The Ministry of Business, Innovation, and Employment will work with the Western Bay of Plenty Sub Region to consider how to improve and align local rules and national policy to support the growth of the seasonal work force.</p>
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**6. Economic Diversification:** Enable growth by driving economic diversification and unlocking opportunities in the Māori economy.

**Background:**  
The Western Bay ranks as a diverse regional economy when compared against other Territorial Authorities (TA). In addition to freeing up greenfield industrial land, the region’s focus is to strengthen areas of regional specialisation defined which have been defined to include Horticultural Technology, Marine environments/industries, Niche and high value manufacturing, Coastal Urban Development and Decarbonising industry value chains.

**Joint Commitments**  
The Western Bay of Plenty Sub Region and KiwiRail will continue to work together to strengthen the sub region’s freight and logistics network; building on, and leveraging, the existing Waikato & Bay of Plenty Freight Action Plan, which outlines shared regional priorities for enhancing capacity, resilience, and long--term industry growth.

The Western Bay of Plenty Sub Region and the Crown agree to work together around ‘Economic Diversification’ opportunities which will contribute to unlocking Sub Region’s potential and lifting economic growth for both the Sub Region and national economy.

**Activating the Māori Economy**  
The Māori Economy is emerging and significant for the Western Bay of Plenty Sub Region constituting 20% of the Population with a young demographic. Tangata whenua have identified four key areas that will unlock the most impact for Māori:

- 1. Social procurement** – Position Māori providers to take advantage of the pipeline of work created by the regional deal.
- 2. Housing and papakāinga** – Unlock Māori housing and papakāinga development opportunities.

<p>3. <b>Land leasing</b> – Identify and contract current and future opportunities for Māori entities to lease whenua back to Government entities for public infrastructure.</p> <p>4. <b>Public infrastructure</b> – Identify opportunities for Māori entities to invest into public infrastructure and consider funding and financing structures.</p>	
<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
<p>The Western Bay of Plenty Sub Region agrees to work together with Central Government through quarterly meetings to discuss the Sub Region’s economic diversification aspiration and identify areas where the Crown and Sub Region may be able to work together, aligned with existing government priorities and initiatives.</p> <p>The Western Bay of Plenty Sub Region will ensure that Māori are appropriately connected to the Deal and have opportunities to contribute to the Deal where possible.</p>	<p>MBIE and the Western Bay of Plenty Sub Region commit to regular meetings to discuss the Sub Region’s economic diversification aspirations, with the aim of identifying areas where the Crown and the Sub Region may be able to work together, aligned with existing government priorities and initiatives.</p> <p>Te Puni Kōkiri (TPK) will continue to engage where appropriate to support iwi initiatives in the sub-region through its established regional team. TPK could also consider an application by iwi to co-invest through the Māori Development Fund (consistent with the funding and eligibility criteria) that aligns with the Deal’s broader initiatives. An application would support the Government’s Going for Growth for Māori policy by focusing on infrastructure investment, unlocking the growth potential of Māori assets and accelerating exports.</p>

<b>7. Governance</b>
<p><b>Joint Commitments</b></p> <p>The Crown and Western Bay of Plenty Sub Region will work together to establish the proposed governance structure which is outlined in the agreement this schedule is a part of.</p> <p>The Western Bay of Plenty Sub Region and the Crown agree to explore the range of governance, regulatory and other options to address any residual barriers to urban development that might remain following implementation of the Government’s Going for Housing Growth policies, RM reform and other related reforms.</p> <p>If required the Crown will work with the sub region to investigate whether an ‘Urban Development Authority’ is required should the planned Going for Housing Growth policies, Resource Management reform and related reforms not provide adequate improvements in housing delivery.</p>

<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
Explore the range of governance, regulatory and other options to address any residual barriers to urban development that might remain following implementation of the Government’s Going for Housing Growth policies, RMA reform and other related reforms.	The Western Bay of Plenty Sub Region and the Crown agree to explore the range of governance, regulatory and other options to address any residual barriers to urban development that might remain following implementation of the Government’s Going for Housing Growth policies, RM reform and other related reforms.

**8. Other enablers of Growth: Additional Financing and Funding Mechanisms for priority projects**

<b>Joint Commitments</b>
<p><b>Other tools</b></p> <p>The Western Bay of Plenty Sub Region will explore the use of current and future funding and financing tools available to ensure growth enabling infrastructure (including water) is funded in a timely way.</p> <p><b>NIFF tools and IFF</b></p> <p>Central Government (NIFF) will support the Western Bay of Plenty Sub Region to consider the use of a wider range of funding tools, including the IFFA, to ensure further housing development including the existing Eastern link as well as the Northern and Western link areas.</p> <p>Under the IFFA, levies can be applied to developments to fund critical enabling infrastructure such as water, stormwater and local roads.</p> <p>The parties will investigate the potential application of the IFFA (with NIFFCO) to:</p> <ul style="list-style-type: none"> <li>• bulk water supply and wastewater networks to unlock new development areas;</li> <li>• stormwater and flood management systems to ensure resilience, and</li> <li>• transport improvements such as arterial roads, local connections, and multi-modal facilities (public transport, cycling, and walking) to support growth and housing delivery across the Western Bay of Plenty.</li> </ul>

<b>WBOP Commitments</b>	<b>Central Government Commitments</b>
The Western Bay of Plenty Sub Region will explore the use of current and future funding and financing tools available to ensure growth enabling infrastructure (including water) is funded in a timely way.	Central Government (NIFF) will support the Western Bay of Plenty Sub Region to consider the use of a wider range of funding tools, including the IFFA.