

15 August 2025



**Name of Submitter:** SmartGrowth

c/- Mayor James Denyer: SmartGrowth Chair

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#### **Package 4 - Going for Housing Growth - Submission**

Thank you for the opportunity to make a submission on proposed changes to the resource management framework – Package 4 - Going for Housing Growth, Pillar 1.

This submission is made on behalf of the SmartGrowth urban growth partnership. It does not include or reflect the views of SmartGrowth central government partners.

Each of the SmartGrowth partner organisations—Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council are also making their own submissions on the discussion document. These individual submissions reflect the specific roles, statutory responsibilities, and perspectives of each partner. The focus of this joint SmartGrowth submission is on the broader aspects of the proposals relating to regional spatial planning, housing targets, responsive planning and the impact of proposals on Māori.

Overall, SmartGrowth is strongly supportive of the direction outlined in the Going for Housing Growth Discussion document, particularly the goal of significantly increasing housing supply and improving affordability. Notwithstanding this, careful consideration needs to be given to how these proposals are implemented to ensure the right outcomes are achieved efficiently, sustainably, and in a way that reflects local constraints and opportunities.

SmartGrowth is available to discuss our submission and provide any additional information and evidence that would be of assistance in progressing Package 4.

If you have any questions regarding this submission, please contact our SmartGrowth Advisors: Craig Batchelar [craig@cogitoconsulting.nz](mailto:craig@cogitoconsulting.nz) or Nichola Lennard [nichola@gmdconsultants.co.nz](mailto:nichola@gmdconsultants.co.nz)

We look forward to reviewing the outcomes of the consultation process in due course.

**Signed:**

A handwritten signature in black ink that reads "James Denyer". The signature is written in a cursive, flowing style.

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Mayor James Denyer  
Chair - SmartGrowth Leadership Group

## **1.0 Introduction**

This submission is made on behalf of the SmartGrowth Leadership Group (“SmartGrowth”), a joint committee of the Bay of Plenty Regional Council, Tauranga City Council, the Western Bay of Plenty District Council and Tāngata Whenua. The joint committee also includes central government. However, this submission does not include nor reflect the views of central government.

SmartGrowth is responsible for overseeing the implementation of the SmartGrowth Strategy, a spatial plan and future development strategy for the western Bay of Plenty sub-region.<sup>1</sup>

## **2.0 The SmartGrowth Strategy**

### **2.1 Overview of the Strategy**

The SmartGrowth Strategy 2024 – 2074 was adopted by the partners in August 2024.<sup>2</sup> The Strategy sets the strategic vision and direction for the growth and development of the sub-region. The Strategy provides a framework to manage growth in an integrated and collaborative way in order to address complex planning issues, especially matters that cross over council boundaries.

The Strategy contains six transformational shifts for change supported by growth directives:

- 1. Homes for Everyone**
- 2. Marae as Centres and Opportunities for Whenua Māori**
- 3. Emissions Reduction through Connected Centres**
- 4. Strong economic corridors linking the East and West to the City and the Port**
- 5. Restore and enhance eco-systems for future generations**
- 6. Radical change to the delivery, funding and financing model for growth**

SmartGrowth is based on an envisioned population scenario of 400,000 people over the next 50 years with a particular focus on the next 30 years.

The Strategy is underpinned by the “Connected Centres” approach, which has a land use settlement pattern and multimodal transport system that enables people now, and in the future, to continue living, learning, working, playing, and moving in the western Bay of Plenty in a way that is both desirable and sustainable.

Over time, this programme will deliver greater housing and transport choices, improve and enable safe access to the sub-region’s many social and economic opportunities, help reduce transport-related

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<sup>1</sup> The western Bay of Plenty sub-region covers the territorial areas of the Western Bay of Plenty District Council and Tauranga City Council.

<sup>2</sup> The Strategy can be found here: <https://www.smartgrowthbop.org.nz/smartgrowth-strategy-2024>

greenhouse gas emissions, move goods efficiently and reliably, contribute to more social and affordable housing choices, and manage environmental and cultural impacts often associated with unplanned growth.

## **2.2 SmartGrowth's Interest in Going for Housing Growth**

SmartGrowth seeks to enable growth and development in the subregion, while also recognising environmental constraints and protecting environmental values.

SmartGrowth prepares and coordinates delivery of the subregion's spatial plan and future development strategy and therefore has a strong interest in any changes to the resource management system that could affect the planning and provision of infrastructure, housing and business supply, meeting of tāngata whenua aspirations and goals, responses to climate change and the creation of well-functioning urban environments.

The sub-region has experienced sustained growth over many years. It is one of the only areas in the country to have an identified housing and business land shortfall over a 30 year period. Addressing housing delivery is a critical issue for the sub-region. At present there are not enough houses being built to support the population and cater for demand which is pushing up house prices.

This demand is set within a context of a constrained and sensitive environment. Accommodating growth is an ongoing challenge given the identified constraints and areas that need to be protected. The subregion is a major horticultural area, hosts New Zealand's largest export port, and is vulnerable to multiple natural hazards, including flooding, coastal erosion and inundation, tsunamis, liquefaction, and landslides.

Providing sufficient development capacity is dependent on the provision of infrastructure and being able to zone land. To unlock greenfield urban growth areas and support the redevelopment and intensification of existing urban areas, significant investment is required in infrastructure. The funding and financing of infrastructure to support growth is one of the biggest challenges facing the subregion.

Barriers to land supply include policy and planning hurdles, geotechnical and other land constraints, infrastructure provision and feasibility.

The partners, including Central Government, are all working hard on solutions to these challenges, but a fundamental shift in how development is delivered and funded is required. The Going for Housing Growth proposals are a significant step towards achieving this.

The following submission is based on a working knowledge of a wide range of issues. SmartGrowth has been in place for over 25 years and is an established urban growth partnership. The partnership is responsible for the subregion's HBA and FDS. On this basis, we are happy for you to contact us should you require any further information, evidence or assistance in progressing Package 4. SmartGrowth is

committed to the growth and development of the subregion and sees value in working with central government to get the right policy and regulatory changes needed.

## 3.0 Submission

### 3.1 Overview

Detailed comments and changes sought are outlined in **Table 1** attached to the submission, with a summary following below.

### 3.2 Submission Summary

This submission is supportive of the overall direction of the *Going for Housing Growth* (GfHG) proposals, particularly the intention to enable more strategic, infrastructure-aligned, and efficient urban growth.

SmartGrowth supports the move towards a spatial planning-led system with regulatory weight and better integration across central and local government, funding tools, and urban development policies. At the same time, implementation design will be critical to achieving the desired outcomes.

This submission highlights the following key points:

- **Support for spatial planning as the backbone of the new system**, with strong regulatory status, long-term horizons (30–50 years), and alignment with investment tools and infrastructure sequencing. Existing spatial plans and Future Development Strategies should be able to transition smoothly into the new system.
- **Caution regarding the blanket application of 30 year housing growth targets** based on high projections plus a 20% margin. In constrained subregions like the western Bay of Plenty, this risks creating unrealistic targets and undermining infrastructure efficiency. A more evidence-based and negotiated approach is preferred, similar to what occurs in the UK and Australia.
- **Endorsement of a staged zoning approach through the Regional / Subregional Spatial Plan using indicative or deferred zones, coupled with a streamlined activation process.** This allows for a balance between flexibility and certainty, and minimises overexposure to debt, land price escalation, and fragmented development patterns.
- **Recognition of the feasibility and infrastructure readiness challenges that vary between regions.** The system must allow for local context, changing economic conditions, and the realities of servicing land in high demand but geographically and geotechnically constrained environments.
- **Concern about potential undermining of spatial plans through unrestricted leapfrogging or unanticipated development.** If responsiveness mechanisms are retained, robust criteria and “growth pays for growth” principles must apply.
- **Support for enabling small scale, low impact mixed use and intensification in the right places,** especially around public transport corridors, while maintaining coherent centres-based urban form.

- **Acknowledgement of both opportunities and limitations for Māori housing and whenua Māori development.** System-level barriers must be addressed alongside planning rule reform.

SmartGrowth welcomes the opportunity to remain engaged through future phases of the resource management reform process, particularly to ensure implementation settings support realistic, efficient, and community-aligned urban growth across New Zealand.

Table 1 SmartGrowth Submission on Going for Housing Growth

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
<b>Providing for urban development in the new resource management system</b>			
1	What does the new resource management system need to do to enable good housing and urban development outcomes?	<p>The discussion document sets out the high-level elements of the new resource management system, including the principle of managing effects based on externalities, and a more critical role for spatial planning.</p> <p>SmartGrowth <b>strongly supports</b> the greater role for spatial planning in the new system, including providing spatial plans with regulatory weight and requiring vertical and horizontal integration across other plans, strategies and funding mechanisms. Integration across other plans ensures that the objectives, constraints, infrastructure and development locations in spatial plans are adequately considered in other strategic and regulatory processes. There should be streamlined implementation through regulatory plans and approvals for growth areas identified in a regional /subregional spatial plan. Strategic long-term planning should be prioritised over incremental ad-hoc change.</p> <p>SmartGrowth considers that <b>further consideration should be given</b> to ensuring that best practice spatial principles are incorporated</p>	<ul style="list-style-type: none"> <li>▪ Strong support for spatial plans having regulatory weight</li> <li>▪ Ensure a streamlined approach for growth areas identified in a regional /subregional spatial plan.</li> <li>▪ The value of strategic long-term planning should be prioritised over incremental ad-hoc change.</li> <li>▪ Further consideration should be given to ensuring that best practice spatial principles are incorporated into the new system, to include “well-functioning urban environments”.</li> <li>▪ Efficient infrastructure should be a key consideration in the new system.</li> <li>▪ Strong partnerships are critical to enabling good outcomes.</li> <li>▪ Consider rolling over existing spatial plans and future</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>into the new system, and that long-term strategic planning is given due weight.</p> <p>SmartGrowth supports development in the right location, at the right time, with the appropriate checks and balances in place to ensure that infrastructure investment is assured, and that development contributes to a well-functioning urban environment and thriving rural areas.</p> <p>This becomes increasingly important where there are expectations around live-zoning additional land for residential and business use. There is a risk that strategic planning and investment is undermined by incremental development. This is discussed in further detail in this submission.</p> <p>It is noted that the principle of a 'well-functioning urban environment' is currently embedded in the NPS-UD and flows through to planning decisions. This principle provides a strong direction for urban planning outcomes.</p> <p><b>SmartGrowth seeks clarification</b> on the core principle(s) that will form the basis of RM decisions in the new system. It is not clear from the information provided whether the objective of a well-functioning urban environment will be retained. Feedback in this submission assumes</p>	<p>development strategies into the new system.</p> <ul style="list-style-type: none"> <li>▪ Clarification on how Pillar 1 will interact with Pillars 2 and 3.</li> </ul>



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		<p>that the same or similar principle will underpin the new system. Additional feedback will be provided during Phase 3 of the RM reform programme.</p> <p>Promoting efficient infrastructure is a key consideration in enabling good housing and urban development outcomes.</p> <p>Strong partnerships are central to ensuring that the new system enables good outcomes. Regional / subregional spatial plans in particular should build on existing Urban Growth Partnerships which include tāngata whenua, local government and central government.</p> <p>Consideration should be given to existing spatial plans and future development strategies , especially those completed by urban growth partnerships and that have been through a formal consultative process. These should be being rolled over into the new system without needing to be relitigated.</p> <p>SmartGrowth <b>seeks clarification</b> on how Pillar 1 will interact with and integrate with Pillar 2 – Improving infrastructure funding and financing to support urban growth. Alignment between spatial plans and funding and financing</p>	

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		<p>plans/tools is critical in ensuring positive long-term planning outcomes.</p> <p>Clarification is also sought on how these Pillars interact with Pillar 3 - Providing incentives for communities and councils to support growth.</p>	
<b>Future development strategies and spatial planning</b>			
2	How should spatial planning requirements be designed to promote good housing and urban outcomes in the new resource management system?	<p>It is envisioned that spatial plans will improve upon current spatial planning practice and Future Development Strategy requirements, including by introducing a longer planning horizon and requiring better use of information and evidence.</p> <p>As above, SmartGrowth <b>supports</b> greater regulatory weight for spatial planning. It also <b>supports</b> the use of evidence and standardised methods across the country.</p> <p>There should be alignment between the regional / subregional spatial plan and the timeframes for plans that focus on delivery. An RSP should be completed in time to inform long-term plans, regional land transport plans and other documents, including through future reviews.</p> <p>Government agencies should be required to prioritise investment in line with approved</p>	<ul style="list-style-type: none"> <li>▪ Support for spatial planning – including the use of robust evidence and standardised methods.</li> <li>▪ Ensure that timing between plans is aligned (the RSP should be completed before LTPs and RLTPs).</li> <li>▪ Aim to align investment across various government organisations (central and local).</li> <li>▪ Support for a 50-year time horizon, noting that the 30-50 year period will largely be indicative.</li> <li>▪ Support for subregional spatial planning that feeds into a regional spatial plan.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>spatial plan priorities when making funding decisions.</p> <p>SmartGrowth <b>supports</b> the proposal for spatial planning to have a timeframe of at least 30 years and would <b>support</b> a 50-year time horizon, particularly with respect to strategic land use and infrastructure which has a long lead-in time.</p> <p>In practice, for a-50 year horizon, the specificity gets less the longer the timeframe. There is a reasonably high level of certainty for the first ten years, 10-30 is more high level and 30-50 will be largely indicative. This changing level of certainty over time must be recognised and built into the new system.</p> <p>SmartGrowth <b>supports</b> the flexibility for spatial plans to be at subregional level (feeding into a regional spatial plan) where a subregional approach would be more beneficial. In some regions, including the Bay of Plenty, the drivers of growth and delivery challenges vary significantly.</p> <p>SmartGrowth <b>supports</b> the use of Priority Development Areas in the new system. This practice is already well established in the SmartGrowth partnership, providing visibility to</p>	<ul style="list-style-type: none"> <li>▪ Support for Priority Development Areas.</li> <li>▪ Require inter-regional spatial planning where land use, transport, and infrastructure networks cross boundaries and it is necessary to ensure coordinated investment, avoid duplication, and deliver consistent growth outcomes across connected economic and social catchments.</li> </ul>

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		<p>partners across a range of delivery actions, and a mechanism for escalation of barriers to delivery.</p> <p>SmartGrowth <b>supports</b> targeted inter-regional spatial planning where there are strong functional linkages in land use, transport, and other infrastructure networks. Growth patterns, freight and commuter flows, and shared infrastructure often span regional boundaries, meaning that strategic alignment across neighbouring regions is essential to avoid inefficiencies, duplication, and conflicting priorities.</p> <p>Coordinated strategies and delivery frameworks ensure that investment decisions are mutually reinforcing, that infrastructure is planned and sequenced at the right scale, and that growth outcomes are consistent across connected economic and social catchments.</p>	
<b>Housing growth targets</b>			
3	Do you support the proposed high-level design of the housing growth targets? Why or why not?	The discussion document sets out that under the new system, councils are to enable enough feasible and realistic development capacity to meet 30 years of demand based on high household projections, plus a 20 percent	<ul style="list-style-type: none"> <li>Further clarification on how 'high' household projections will be calculated to fully understand the impact this may have on the housing growth targets.</li> </ul>

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		<p>contingency margin, in their regulatory plan. This is different to the current staggered approach.</p> <p><b>Housing Targets</b></p> <p>Our preliminary calculations are that the high projection plus margin will require the SmartGrowth subregion to provide for 22,000 (50%) more homes than are currently included in the SmartGrowth FDS where 43,000 homes are to be provided over 30 years.<sup>3</sup> The subregion already faces significant land suitability and infrastructure challenges in delivering 43,000 homes.</p> <p>SmartGrowth requests clarification on how “high” household projections will be calculated to fully understand the impact this may have on the housing growth targets.</p> <p>Other countries, such as the UK and Australia, use housing targets as does NZ under the current NPS-UD “housing bottom lines”. SmartGrowth <b>supports</b> the general intent of this approach, however we <b>seek changes to the proposal</b> to recognise delivery challenges that some subregions and/or districts may face.</p>	<ul style="list-style-type: none"> <li>▪ Agree evidence-based housing targets that factor in population growth drivers and capacity constraints.</li> <li>▪ Taking a bespoke approach to how concepts such as ‘feasible’ and ‘realistic’ are implemented based on district or subregion specific factors</li> <li>▪ Apply a subregional approach to housing targets, especially for Urban Growth Partnership areas.</li> <li>▪ Support for the direction that not all capacity needs to be immediately serviced by infrastructure.</li> <li>▪ Make use of ‘indicative’ or ‘future urban’ zones when applying the 30 years of live zoning requirement.</li> </ul>

<sup>3</sup> SmartGrowth Strategy 2024-2074, at page 152

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		<p>The setting of housing targets for regional / subregional spatial planning is a critical policy lever for government. SmartGrowth recommends an approach where housing targets are transparent and evidence based, taking into account the particular issues for each region or subregion, and agreed upon rather than taking a “one size fits all” approach. This might include having higher targets in some regions than others, including taking into account national direction for economic development.</p> <p>Alternatively, the legislation could provide a pathway for the Minister to agree to an alternative housing target on a case specific basis.</p> <p>SmartGrowth is of the view that the housing targets should be on a subregional basis, especially for Urban Growth Partnership areas.</p> <p>The SmartGrowth subregion takes a proactive approach in providing sufficient development capacity. The Tauranga City Plan currently enables 350,000 dwellings through intensification under the MDRS, however the vast majority of these are not currently feasible or realistic.</p>	

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		<p>The subregion has a number of challenges in meeting land supply requirements due to geographical and natural hazard constraints, as well as Māori-owned land and its associated challenges. Map 1 and Map 2 (attached to this submission) shows the Future Development Strategy staging map for the SmartGrowth subregion and the constraints.</p> <p>For Councils like Tauranga City Council (TCC), which has high housing demand but limited land area within current jurisdictional boundaries, the targets set out would be impracticable to meet if they are required to be feasible and realistic. If the housing targets are designed as proposed, the majority of land zoned for housing would be within the surrounding Western Bay of Plenty (WBOP) district. This is also the same for business land.</p> <p>The SmartGrowth partnership has a strong, proven track record of working collaboratively to enable cross-boundary growth, including through boundary adjustments. The partnership is functioning well in terms of ongoing discussions for potential boundary adjustments. The discussion document does not specify how this collaboration (currently managed through the SmartGrowth UGP) would be enabled and</p>	

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		<p>safeguarded through the new spatial planning system. There is a need for future legislation to adequately account for this.</p> <p>The same issues exist for business land supply, as discussed later in this submission.</p> <p><b>Infrastructure Servicing</b></p> <p>SmartGrowth <b>supports</b> the direction that not all capacity needs to be immediately serviced by infrastructure and <b>supports</b> a staged approach in this respect.</p> <p><b>Live Zoning</b></p> <p>SmartGrowth considers that the approach to 30 year zoning should allow for 'indicative' or 'future urban' zones to be applied for areas that are not sufficiently understood to allow live zoning. As discussed below, there could then be a streamlined approach to enable live zoning.</p> <p>Live zoning requires detailed structure planning work to be undertaken to provide sufficient certainty for sound public and private sector investment.</p> <p>Opening everything up at the same time risks undermining strategic infrastructure investment. This includes not using up all of the</p>	



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		<p>existing capacity; and developers building their own infrastructure leaving council with 'dead' infrastructure and debt that can't be repaid.</p> <p>Having an 'indicative' urban zone or similar would avoid this issue by allowing the overall land use to be planned, while progressively resolving issues to support live zoning.</p> <p>There is logic in prioritisation of infrastructure, in particular in relation to securing funding and financing.</p> <p><b>Unintended consequences on land prices and rural development</b></p> <p>SmartGrowth also has concerns about the unintended consequences of live zoning 30 years' supply of land including the impact this could have on land prices and therefore the ability to use value capture in the future.</p> <p>This is a significant issue for one of SmartGrowth's new potential growth areas in the east - Te Kāinga, where we are trying to avoid raising land prices further.</p> <p>A further consideration is the impact live zoning could have on rural land development. The western Bay of Plenty has a significant rural economy. When an existing rural land use (for</p>	

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		<p>example, orchards) is zoned for future urban development, landowners and business owners may choose to limit significant upgrades or development of this land. If this land ends up not being developed for urban purposes, and consequently has to be 'down-zoned', SmartGrowth considers that there may be an opportunity cost and effects on the rural economy as a result.</p> <p><b>International Approaches</b></p> <p>SmartGrowth recommends consideration of best practice international approaches to housing targets, and how the principles underpinning these approaches can be considered in the New Zealand context. For example, the UK <sup>4</sup> and Australia <sup>5</sup> utilise methods/approaches that are tailored to specific circumstances in each jurisdiction. This allows for alternative approaches if there are local constraints. These examples demonstrate that local context is a valid consideration when identifying targets or setting out methods in relation to land supply and housing development.</p>	

<sup>4</sup> [Reform of the standard method for assessing local housing need - House of Commons, UK](#)

<sup>5</sup> [Delivering the National Housing Accord | Treasury.gov.au](#)

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
4	How can the new resource management system better enable a streamlined release of land previously identified as suitable for urban development or a greater intensity of development?	<p>The discussion document recommends the development of an agile land release mechanism to enable development areas to be brought online through a streamlined process. It also recommends that where growth areas are identified in a spatial plan and then zoned as an indicative urban zone in the regulatory plan, that land can be released for development without a formal plan change.</p> <p>Having a more streamlined approach to live-zoning land would mean that it isn't necessary to have the full 30-year supply live-zoned.</p> <p>Identification of growth areas in a Spatial Plan should, at a minimum, ensure that:</p> <ul style="list-style-type: none"> <li>• Environmental constraints/limits are recognised and significant natural areas and substantial risks from natural hazards are avoided (i.e. avoiding no-go areas, and understanding go-carefully areas)</li> <li>• The principles of a well-functioning urban environment will be met;</li> <li>• Land use and infrastructure are aligned with the likely availability and capacity to support development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Have a streamlined approach to live-zoning.</li> <li>▪ The Regional / Subregional Spatial Plan should identify triggers or criteria for a future growth area that would need to be addressed to move from an indicative to live zoning activation.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>The Regional / Subregional Spatial Plan should explicitly identify any specific “triggers” or criteria for a future growth area that would need to be addressed to move from an indicative to a live zoning activation.</p> <p>There could be sufficient information available via the RSP process for live zoning activation to occur immediately, with no or very minimal triggers or criteria.</p> <p>The triggers or criteria would serve to limit the scope of assessment and engagement and avoid relitigating the entire future growth area proposal at the live zoning activation stage.</p> <p>Activation would occur through a fast-track style process with a defined scope, supported by high quality technical information, limited notification, and limits on appeal rights.</p>	
5 & 6	<p>Do you agree with the proposed methodology for how housing growth targets are calculated and applied across councils?</p> <p>Are there other methods that might be more</p>	<p>See earlier comments under Question 3.</p> <p>It is suggested that councils would determine their target by using 30-year household projections provided on Te Tūāpapa Kura Kāinga website. These would be based on Statistics NZ Statistical Area 2 (SA2) high growth scenario projections</p>	<ul style="list-style-type: none"> <li>▪ Housing targets are agreed and negotiated between Central and Local Government. This would allow for regional and local context to be properly accounted for.</li> </ul>

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	appropriate for determining housing growth targets?	<p>The projections used in SmartGrowth align with the Stats NZ medium projection. Over the last several years growth in the subregion has tracked very closely to that projection.</p> <p>The methodology proposed vests significant strategic influence in Stats NZ, meaning their assumptions, inputs, and methodologies will directly shape spatial priorities and investment across the country for decades ahead.</p> <p>Central Government will need to ensure that:</p> <ul style="list-style-type: none"> <li>▪ The Stats NZ model is transparent, tested, and fit for purpose;</li> <li>▪ Regional and local context — including development constraints, infrastructure readiness, and policy priorities — are properly accounted for;</li> <li>▪ The resulting spatial distribution is aligned with national objectives beyond population share alone.</li> </ul> <p>Otherwise, there is a real risk the model becomes a blunt instrument, technically robust but strategically misaligned.</p> <p>As outlined earlier, the methodology proposed would mean that SmartGrowth needs to provide for 22,000 more homes than currently included</p>	

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		<p>in the SmartGrowth Strategy (43,000 homes needed over 30 years).</p> <p>Given the subregion's constraints we would like to see an approach whereby housing targets are evidence based, negotiated and agreed upon rather than a one size fits all approach.</p> <p>We note that the UK and Australia take an approach whereby targets are negotiated (as discussed above). This allows for local constraints to be taken into account.</p>	
7	How should feasibility be defined in the new system?	Feedback is sought on the adjustments that should be allowed when councils calculate feasibility as part of demonstrating compliance with housing growth targets.	<ul style="list-style-type: none"> <li>▪ A flexible approach to feasibility calculations that takes into account changing circumstances.</li> </ul>
8	If the design of feasibility is based on profitability, should feasibility modelling be able to allow for changing costs or prices or both?	<p>SmartGrowth <b>supports</b> a flexible approach to the determination of feasibility, particularly given the constraints to land supply as discussed in question 1 and 2. Enabling a flexible approach in this calculation could assist in addressing part of the supply challenges that the subregion may face if live-zoning of 30 years development capacity is required.</p> <p>Feasibility is subject to change based on a number of factors, including economic conditions, market cycles, advancements in</p>	

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		technology and broader national/international trends. As such, determining feasibility for a 30 year period is unlikely to be accurate.	
9	Do you agree with the proposal to replace the current 'reasonably expected to be realised' test with a higher-level requirement for capacity to be 'realistic'?	<p>The discussion document sets out that it seeks to change the measurement 'reasonably expected to be realised', which is currently embedded in the NPS-UD. Limited further information is provided on the changes proposed.</p> <p>SmartGrowth considers that additional detail is required on the similarities and differences between the two measurements, as it is not clear from the discussion document.</p>	<ul style="list-style-type: none"> <li>Further information and guidance for comment is provided on this proposal.</li> </ul>
10	What aspects of capacity assessments would benefit from greater prescription and consistency?	<p>A range of standards are proposed that must be considered in calculations of plan-enabled capacity, including (but not limited to) assumptions and a mandatory methodology assessment.</p> <p>SmartGrowth <b>supports</b> the proposal to streamline capacity assessments and require a baseline of information/data in their preparation. This will improve the robustness of information in HBAs and allow for comparisons across different districts/regions.</p>	No specific recommendations.
11	Should councils be able to use the growth projection	The discussion document proposes that councils can use the most likely growth scenario for	No specific recommendations.

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
	they consider to be most likely for assessing whether there is sufficient infrastructure-ready capacity?	infrastructure planning and meeting the infrastructure component of development capacity. It also proposes to set new minimum requirements for infrastructure capacity assessments to ensure that capacity assessments are informed by robust information	
12	How can we balance the need to set minimum levels of quality for demonstrating infrastructure capacity with the flexibility required to ensure they are implementable by all applicable councils?	SmartGrowth <b>supports</b> the proposal to improve the robustness and transparency of infrastructure assessment methodologies but considers that there is a need for flexibility for authorities to use the growth projections they consider most likely to eventuate when assessing whether there is sufficient infrastructure-ready capacity. This is necessary to ensure efficient investment decisions in relation to infrastructure provision.	No specific recommendations.
15	Do you agree that councils should be required to provide enough development capacity for business land to meet 30 years of demand?	<p>The discussion document proposes that councils should also be required to enable enough business capacity in their regulatory plans to meet long term (30 years) demand.</p> <p>Provision of sufficient business land is critical to the delivery of a well-functioning urban environment.</p> <p>SmartGrowth <b>supports</b> the proposal to require sufficient development capacity for business land over the 30-year period, however, we note</p>	<ul style="list-style-type: none"> <li>Development capacity for business land needs to give sufficient discretion to accommodate the specific circumstances of different districts/subregions. Requirements are able to be tailored based on these restrictions.</li> </ul>



#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>that there are similar, if not greater, constraints on land supply for business land as those for residential land.</p> <p>Business land supply for industry requires at least the same lead time for planning as residential urban growth areas and a 50 year outlook is entirely appropriate.</p> <p>The location of business land has a very significant impact on the transport network with movements for both freight and employment.</p> <p>SmartGrowth <b>supports</b> the approach that councils have discretion over the projections they use and agreed targets, taking into account the nature of economic drivers for business and land requirements. There are very significant differences in land area needed for activities such as freight logistics for an international port vs land for technology innovation.</p> <p>The transition from rural to industrial use is often more difficult with land use conflicts particularly where rural residential uses have been allowed to occur in peri urban areas, with high expectations of amenity protection. Incremental development is challenging with the infrastructure needs requiring a comprehensive</p>	<ul style="list-style-type: none"> <li>▪ Mechanisms to enable cross-boundary collaboration will also be critical.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>area wide approach to local road network and stormwater management.</p> <p>As outlined above, development capacity for business land needs to give sufficient discretion to accommodate the specific circumstances of different districts/subregions, and that requirements are able to be tailored based on these factors. Mechanisms to enable cross-boundary collaboration will also be critical.</p>	
<b>Responsive planning</b>			
16	Are mechanisms needed in the new resource management system to ensure councils are responsive to unanticipated or out-of-sequence developments? If so, how should these be designed?	<p>The discussion document sets out proposed changes to provide strengthened requirements for councils to be responsive to unanticipated or out-of-sequence development proposals, with less discretion for councils about what constitutes 'significant' development capacity and greater clarity.</p> <p>If 30 years of capacity is required to be live zoned there should be less need for unanticipated and out-of-sequence developments.</p> <p>If a Responsiveness process is still needed, then SmartGrowth <b>supports</b> provision of additional guidance and criteria to councils to assess unanticipated and out-of-sequence developments.</p>	<ul style="list-style-type: none"> <li>▪ Areas that sit outside of growth areas should be required to meet criteria that justifies a movement away from growth areas that are planned for and enabled through the new system under an RSP.</li> <li>▪ Current RPS out-of-sequence and unanticipated development policies provide a sound starting point for any criteria.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>It is acknowledged that the current criteria can be subject to interpretation, which may contribute to uncertainty. Notwithstanding this, the discussion document sets out a system which will enable a significant amount of urban growth beyond that currently required under the NPS-UD. As such, areas that sit outside growth areas should be required to meet criteria that not only illustrates their own merit but also justifies a movement away from growth areas that are planned for and enabled through the new system.</p> <p>The out-of-sequence and unanticipated development in the SmartGrowth subregion are currently required to meet the criteria in Policy UG5A of the Bay of Plenty Regional Policy Statement. This policy strikes the appropriate balance between being responsive and agile with respect to unanticipated developments, while ensuring an integrated approach to land use and infrastructure planning, and that planning decisions consider natural hazards and environmental limits.</p> <p>This Policy also sets minimums of at least 50 dwelling units to be considered 'significant'. This policy provides a strong starting point for</p>	

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		consideration of any changes to the current requirements.	
17	How should any responsiveness requirements in the new system incorporate the direction for 'growth to pay for growth'?	<p>The discussion document also considers how the responsiveness policy should interact with the principle that 'growth pays for growth'.</p> <p>SmartGrowth <b>supports</b> the principle of 'growth pays for growth' and considers it critical that the cost of infrastructure and development falls on those who drive the demand for it. This element should be included in any responsiveness requirements. This should include the possible financial impact of alternative proposals that may divert demand away from areas where infrastructure has already been provided and funded. Resultant shortfalls in development contributions recovery will invariably fall on ratepayers.</p> <p>It is also important that councils are able to utilise the full suite of available funding and financing tools to support development in areas identified for growth. To this end, SmartGrowth seeks clarification on how Pillar 1 will interact with and integrate with Pillar 2 – Improving infrastructure funding and financing to support urban growth.</p>	<ul style="list-style-type: none"> <li>▪ Responsiveness requirements should include growth paying for growth.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
<b>Rural-urban boundaries</b>			
18/19/20	<p>Do you agree with the proposal that the new resource management system is clear that councils are not able to include a policy, objective or rule that sets an urban limit or a rural-urban boundary line in their planning documents for the purposes of urban containment? If not, how should the system best give effect to Cabinet direction to not have rural-urban boundary lines in plans?</p> <p>Do you agree that the future resource management system should prohibit any provisions in spatial or regulatory plans that would prevent leapfrogging? If not, why not?</p> <p>What role could spatial planning play in better enabling urban expansion?</p>	<p>Feedback is sought on the removal of councils' ability to impose rural-urban boundary lines and/or any limiting objectives, policies and rules in their planning documents.</p> <p>The western Bay of Plenty subregion does not currently impose any rural-urban boundaries or limits in plans.</p> <p>Notwithstanding this, successful integrated planning requires appropriate mechanisms to ensure that incremental development proposals do not undermine the creation of well-functioning urban and rural environments and/or strategic infrastructure planning decisions. This includes (but is not limited to), robust assessment criteria for assessing out-of-sequence development proposals, as discussed above.</p> <p>SmartGrowth further considers that 'leapfrogging' can potentially have significant negative implications on well-functioning urban and rural environments, as well as compromising strategic infrastructure investment. If leapfrogging is to be enabled, then there needs to be robust assessment criteria in place.</p>	<ul style="list-style-type: none"> <li>▪ If leapfrogging is to be enabled, then there needs to be robust assessment criteria in place.</li> <li>▪ Leapfrogging can have significant negative implications on well-functioning urban and rural environments, as well as compromising strategic infrastructure investment.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>Spatial planning will play a critical role in enabling urban expansion by identifying where growth should occur in a way that is strategic, coordinated, and supported by infrastructure.</p> <p>Spatial planning can enable urban expansion by providing a clear vision and objectives for growth, ensuring development occurs in the right locations that contribute to well-functioning urban environments, identifying the infrastructure needed to support growth and supporting a responsive approach while avoiding costly ad hoc developments. Spatial planning allows for a more coordinated and boundary-less approach.</p>	
<b>Enabling a mix of uses across urban environments</b>			
32	What areas should be required to use zones that enable a wide mix of uses?	<p>The discussion document sets out an approach to enable a greater mix of uses between residential, commercial and community activities in standardised zones than is typical at present. Where a zone does not provide for specific types of uses, or includes specific controls on activities, this will be based on avoiding or managing the externalities associated with that use.</p> <p>SmartGrowth <b>supports</b> enabling a wide mix of compatible small scale uses within zones, as this</p>	<ul style="list-style-type: none"> <li>Core commercial, social and community activities should be focussed and provided for in identified centres. This provides certainty for investment in infrastructure, particularly transportation and public transport infrastructure.</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>improves accessibility for residents and contributes to a well-functioning environment.</p> <p>However, SmartGrowth also considers that it is important that core commercial, social and community activities should be focussed and provided for in identified centres. Connected Centres is the concept underpinning the UGP's spatial plan and FDS. This achieves agglomeration benefits and also provides certainty for investment in infrastructure, particularly transportation and public transport infrastructure.</p> <p>Allowing for large scale and intensive commercial activities in dispersed locations has the potential to undermine strategic investment and may ultimately reduce accessibility and liveability for residents.</p>	
<b>Targeting of proposals</b>			
34	Do you consider changes should be made to the current approach on how requirements are targeted? If so, what changes do you consider should be made?	<p>SmartGrowth <b>supports</b> retaining the existing approach in the NPS-UD of setting the same requirements for all councils within the same urban environment.</p> <p>Most New Zealand cities, particularly those with high growth, have well established relationships with neighbouring district councils. It is</p>	No specific recommendations.

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		important that there is a coordinated approach to planning across these boundaries.	
<b>Impacts of proposals on Māori</b>			
35	Do you have any feedback on how the Going for Housing Growth proposals could impact on Māori?	<p>The discussion document sets out how it will support tāngata whenua by increasing housing and business land supply on whenua Māori, enabling mixed-use developments for marae and cultural activities; easing rezoning of whenua Māori; strengthening partnership through tailored hapū and iwi engagement that recognises decision-making rights and cultural needs; and ensuring proposals feed into ongoing Treaty partner engagement to shape the new resource management system.</p> <p>While SmartGrowth supports the intent of Package 4, it presents both opportunities and disadvantages for tāngata whenua. It is therefore critical that Package 4 be considered alongside the proposed changes in Packages 1–3, including the National Environmental Standard for Papakāinga. A summary of these considerations follows below.</p> <p><b>Opportunities</b></p> <p>Tāngata whenua will benefit from increased housing supply —especially through papakāinga</p>	<ul style="list-style-type: none"> <li>▪ The new system needs to provide for early and meaningful engagement with tāngata whenua and an effective, equitable, and integrative spatial planning approach.</li> </ul>



#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>and intergenerational housing on ancestral lands—by gaining affordable homes that enable whānau to return home, live on their whenua, and see themselves reflected in the built environment (a key value for tāngata whenua in this sub-region).</p> <p>By incorporating infrastructure provision within integrated spatial planning—aligning iwi/hapū aspirations for affordable housing, papakāinga, and development of whenua Māori—long-term economic, social, environmental, and cultural benefits and value-for-money can be realised for all communities, including tāngata whenua.</p> <p>Increased emphasis on spatial planning could enable opportunities for partnership and meaningful engagement with tāngata whenua. Tāngata whenua participation allows for the embedding of cultural values, growth and development aspirations and perspectives, and the identification and protection of sites and areas of cultural significance. It also allows for greater development of tāngata whenua spatial planning capacity.</p> <p>Enabling mixed-use neighbourhoods could enhance the wellbeing of Māori communities by improving access to services and providing the</p>	

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>flexibility to establish uses that reflect tāngata whenua growth and development aspirations.</p> <p>Similarly, intensification policies will support the SmartGrowth Strategy's Connected Centres programme—allowing tāngata whenua now, and in the future, to live, learn, work, play, and move throughout the sub-region in ways that are both desirable and sustainable.</p> <p><b>Disadvantages</b></p> <p>The proposed changes do not address system-level or legacy barriers to the development of whenua Māori. Standardisation of the system could further exacerbate these inequalities. For example, historic fragmentation of whenua Māori under the Te Ture Whenua Māori Act 1993 has resulted in Māori land trusts with hundreds of shareholders, requiring collective consent for development. This consent process is time-consuming and costly, freezing land and deterring investment. Banks regard fragmented ownership and statutory thresholds as high-risk, preventing whenua Māori from securing capital. Without system-level reforms, standardised planning rules cannot overcome</p>	

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
		<p>these legacy barriers to increasing the supply of Māori housing solutions.</p> <p>The success of the proposed changes relies on early and meaningful engagement with tāngata whenua and an effective, equitable, and integrative spatial planning approach. The consequences of an exclusive approach will further marginalise tāngata whenua from participating in the articulation and embedding of mātauranga Māori and cultural values within spatial planning, in realising tāngata whenua growth and development aspirations—such as intergenerational Māori housing solutions or marae as connected centres—and in identifying, mapping and statutorily protecting wāhi tapu.</p> <p>While the proposed changes may result in an increase in housing supply, there are limited mechanisms proposed to ensure that some of this housing supply is affordable.</p>	
<b>Transitioning to Phase Three</b>			
37	Should Tier 1 and 2 councils be required to prepare or review their HBA and FDS in accordance with current NPS-UD requirements ahead	SmartGrowth is of the view that an HBA should be completed. This is a key part of the evidence base and will be required to inform the Regional / Subregional Spatial Plan, the Regional Regulatory Plan that sits under this as well as other key documents such as long-term plans.	<ul style="list-style-type: none"> <li>Provide early guidance and information to Councils on the requirements of the HBA, and/or amend the NPS-UD once the housing targets and other matters</li> </ul>

#	Question from Discussion Paper	SmartGrowth's submission	Recommendations
	of 2027 long-term plans? Why or why not?	<p>However, completion of the HBA requires detailed guidance for Councils/Urban Growth Partnerships which set out the housing targets and changes to methodology proposed in this discussion document.</p> <p>SmartGrowth is of the view that an FDS should not be required by 2027 given that the focus will shift to the Regional / Subregional Spatial Plan which is required to be prepared in 2027. The evidence base needed to support the FDS should carry on as this will be needed to inform the Regional / Subregional Spatial Plan.</p> <p>An option that could be considered is amending the NPS-UD once the new "development capacity" housing and business targets/methodology is resolved, rather than waiting for legislation. That would allow the work to get underway and minimise delays in progressing delivery of the RSP.</p> <p>SmartGrowth is of the view that clear and comprehensive guidance documentation on the new resource management framework needs to be provided as soon as possible to inform work programmes.</p>	<p>are resolved to enable work to begin on HBAs.</p> <ul style="list-style-type: none"> <li>▪ HBAs should be required as they provide an important evidence base. However, this can only occur if there is clarity around housing targets and the methodology for HBAs.</li> <li>▪ FDSs should not be required given these will form part of Regional / Subregional Spatial Plans.</li> </ul>

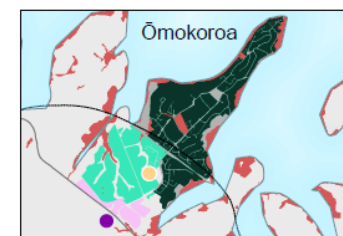
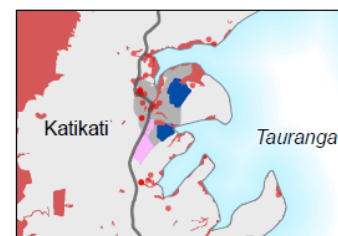
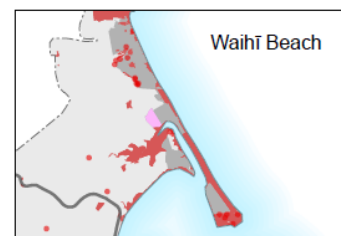
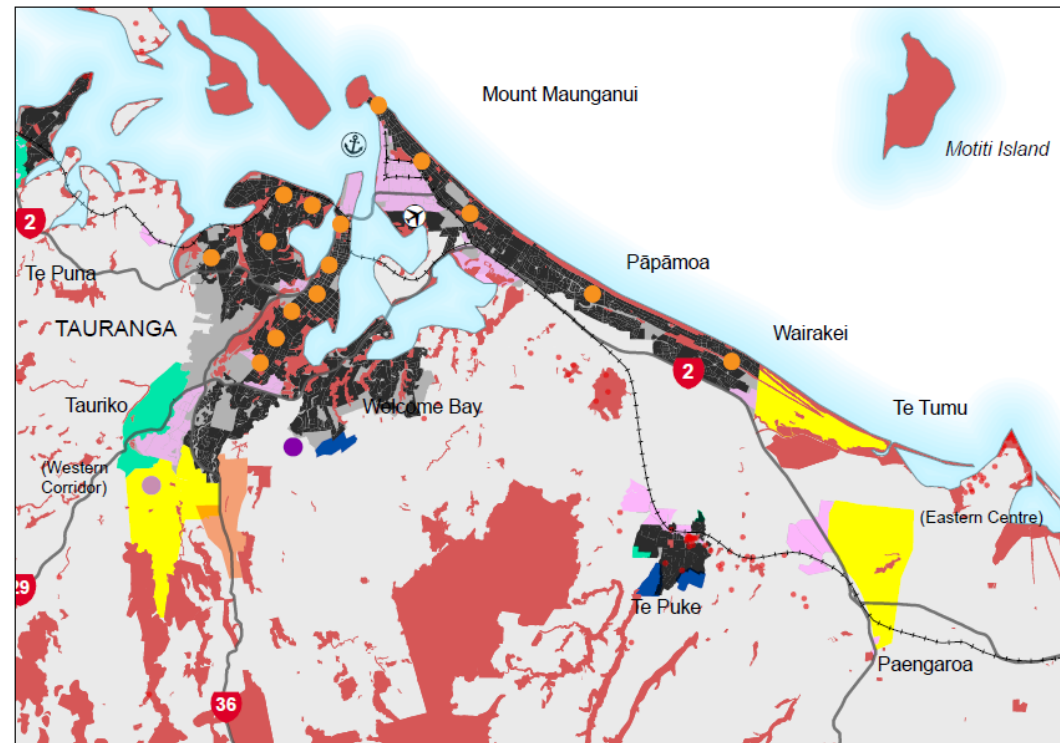
**Map 1: SmartGrowth Future Development Strategy Showing 'No Go' Constraints**

**Map 18: Future Development Strategy – Staging Map**

-  Port of Tauranga
-  Tauranga Airport
-  Existing Urban Area
-  Existing Urban Areas – Increased density and housing choice
-  Industry Zone
-  Potential Long-term Growth Area
-  High Density Residential
-  Medium Density Residential
-  Potential Long-Term Growth Area – Business Land
-  Long-term Growth Area – Business Land
- STAGED GROWTH AREAS\***
-  Short term
-  Medium term
-  Long term
- NO GO AREAS**
-  Important environmental, cultural and heritage values.
-  Areas at risk from coastal or inner harbour erosion.

The staging timeframes shown on this map are based on when development will commence in the area. Detail around development in each greenfield area is available in the tables and text in the Future Development Strategy section.

The future development areas shown are indicative only. Detailed information for individual areas is available in the respective District or City Plan (as applicable) or will be developed through future planning processes.



\*Further work is required to determine staging, spatial extent and mix of land uses for the Eastern Centre and Western Corridor (Upper Belk Road)

Map 2: SmartGrowth 'No Go' and 'Go Carefully' Constraints Map

