



Supporting the Economy
**Economic
Development**
Whanake
Taiōhanga



Economic Development Whanake Taiōhanga

This activity focuses on Council’s role in supporting economic development, tourism, promotions, events and town centre development.

What we provide

- Town Centre Promotion
- *Te Puke, Katikati, Waihi Beach*
- support for external organisations, focused on strengthening our local economics
- supporting economic development and tourism

Why we provide this activity

Our community outcome

To encourage the sustainable use of local resources in a way which strengthens economic opportunities and improves social outcomes.

- Foster partnerships between organisations, including local and Central Government and businesses to support economic, social, cultural and environmental development.
- Council services are committed to being business-friendly to encourage and enable businesses to flourish and contribute to building vibrant communities.
- Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities.



Economic Development

Overview

Council still sees its role as supporting and promoting economic development with an emphasis on:

- The interconnections between social, cultural and economic outcomes (e.g. adequate affordable housing for the workforce).
- Facilitating businesses and community organisations to learn from each other to improve economic, social and environmental outcomes.
- Continuing to support local organisations to promote vibrant town centres that service their communities, visitors and businesses.
- Encouraging innovation.
- Working with partner organisations in the government and business sectors to implement our sub-regional international strategy.

COVID-19 has had a significant negative impact on our economy particularly on tourism and the hospitality industries, although we have also seen a boom in the horticulture industry during this time.



Shovel ready projects

Crown Infrastructure Partners (CIP) Projects

- Ōmokoroa Urbanisation (Western Avenue to Tralee Street)
- Ōmokoroa Southern Industrial Road
- Prole Road Urbanisation (Ōmokoroa to Waipapa River)
- Western Avenue Urbanisation (Ōmokoroa to North of Gane Place)
- Ōmokoroa Road Urbanisation (Prole Road to Railway Line)

Three Waters Funded Projects

- Water - Western Water - SH2 Watermain Replacement
- Water - Treatment Plant Monitoring Equipment (CIP)
- Water - Supply Improvements to Marae (CIP) - Contingency Project
- Wastewater - Ōmokoroa - Extension to Cooneys Reserve
- Waihi Beach - Extension of Reticulation to Anzac Bay
- Wastewater - CIP Te Puna Village
- Wastewater - Te Puna Marae Reticulation (CIP)
- Wastewater - Te Puke Makahe Marae (CIP)
- Wastewater - Waihi Beach - Otawhiwhi Marae
- Wastewater - Katikati - Te Rereatukahia Marae
- Wastewater - Te Puna - Waitui Reserve Rising Main Relocation (CIP)
- Waihi Beach Wastewater Treatment Plant
- Wastewater Reticulation Extensions - Contingency Projects - does not need to have an individual project
- Wastewater - Marae Onsite Wastewater (CIP) - ALOS Project
- Stormwater - Ōmokoroa stormwater Bund and Flap Gates.
- Stormwater - Waihi Beach - 2 Mile Creek
- Staff/implementation Resource
- Regional Three Waters Project
- Technical support for the combined three waters contract
- Asset Management Specialist
- Three Waters Maintenance Software - Contingency Project

Provincial Growth Fund (PGF)

- PGF Fund to Quayside for Rangiora Business Park and enabled Stage 1 to proceed.

Tourism Bay of Plenty

Council helps to fund Tourism Bay of Plenty, which was instrumental in increasing the number of tourists to the District prior to the COVID-19 pandemic.

Te Moananui ā Toi | The Coastal Bay of Plenty was in a strong position prior to the pandemic, experiencing both domestic and international growth. Visitor spend in our subregion reached \$1,017m in the year ending June 2020.

Visitor spend goals (total, domestic, international and cruise) were unable to be met due to the imposed travel restrictions. Total visitor spend was \$91m (7.1%) short of the June 2020 target.

However, Te Moananui ā Toi | the Coastal Bay of Plenty has experienced less impact than the national average loss of 12.3% thus far, due to having less reliance on the international visitor market than some other key New Zealand destinations. The limited potential travel market and the effects of COVID-19 on tourism will continue to have an impact on Tourism Bay of Plenty's activities in the short term. As a result, Tourism Bay of Plenty's immediate focus is on the domestic and local markets.

Council will have a role in supporting the implementation of the new Statement of Intent (2020-2023) after the recent Whakaari (White Island) eruption and COVID-19 impact on international tourism. As part of that, Tourism Bay of Plenty has developed a new campaign to encourage the region to feel proud of our place and appreciate all that it has to offer.

Bay of Connections

Council participates in regional and sub-regional economic development initiatives in recognition of our close relationship with Tauranga and the rest of the region. At a regional level, Bay of Connections takes an inclusive approach to advance local priorities and regional opportunities, while progressing development of a transitions plan focused on priority areas such as workforce development, infrastructure, Māori economic development and the transition to a low carbon economy.

Provincial Growth Fund

We enable economic growth in our District through good land use planning, and support the utilisation of these areas. For example, Council has recently received funding through the Provincial Growth Fund to help unlock commercial and industrial development opportunities at Rangioru.

Priority One

At a sub-regional level, Council is a co-funder of Priority One, the Western Bay of Plenty sub-regional economic development agency focused on attracting businesses to the sub-region. Priority One was instrumental in securing \$400,000 funding for the Regional Digital Hub at Katikati over five years, through the Provincial Growth Fund. Priority One is funded by businesses as well as the two councils. The councils' priorities are reflected in a joint service delivery contract with Priority One.

The Urban Form and Transport Initiative

The Urban Form and Transport Initiative (UFTI) will help with economic development as it identifies how the sub-region may grow in the future in relation to land use planning and transportation planning. This growth will stimulate the economy and efficient travel options such as the Takitimu North Link will increase the efficiency of vehicle movements between Western Bay of Plenty and Tauranga City.

Key stakeholder relationships

We will continue to develop our relationship with stakeholders in key economic sectors such as kiwifruit, avocado, dairy production and logistics.

Town centre development

Town centre development continues across the District, with a review of the Ōmokoroa Structure Plan underway and actions to implement Town Centre Plans when opportunities arise. Promotions and events organised by Council-funded Katch Katikati, EPIC Te Puke and Waihi Beach Events and Promotions also help attract locals and visitors. Katch Katikati and the Te Puke Economic Development Group continue to support businesses by providing networking and training opportunities, as well as advocating on their behalf.

Did you know?

The District produces approximately 164 million trays per year of kiwifruit (as at 10 June 2020), up from 123 million in 2017; this trend is expected to continue. Our District is also a significant contributor to the avocado industry, with 1.6 million 5.5kg trays being produced in the Bay of Plenty out of 2.9 million trays. On average this industry has been growing in production since 2009, although the number of hectares of avocado orchard in the Bay of Plenty region has been relatively static for the past four years.

Coastal Bay of Plenty's annual visitor spend, in 2018/19, reached \$1,082 million, showing growth of 5.3% year-on-year, while the national average growth rate was 3.2% over the same period. Domestic annual visitor spend grew 3.9% year-on-year to reach \$849 million, exceeding the national growth rate for the same period of 2.3%. International visitor spend grew 10.8% year-on-year to reach \$233 million and considerably higher than the national growth rate of 4.6%. Cruise activity spend in the coastal Bay of Plenty for the year ending 30 June 2019 was \$90 million. This represents growth of 34.8% compared to the 2017/18 results, which is in line with the 35% increase in cruise ship visits.

How we will achieve our community outcomes

Goal	Our approach
<p>Foster partnerships between organisations, including local and Central Government and businesses to support economic, social, cultural and environmental development.</p>	<ul style="list-style-type: none"> • Participate in existing networks (e.g. Smart Economy, Bay of Connections, Māori Business Network, SmartGrowth, and Sustainable Business Network) and encourage the inclusion of social, cultural and environmental perspectives to advance the sustainable economic development of our communities. • Improve the linkages between organisations that advance the economic development of the District. • Work closely with primary industries (e.g. kiwifruit) and where necessary advocate to Central Government to accommodate the projected growth of these industries. • Work with educational institutions and relevant agencies to ensure all residents in the District, especially young people, have meaningful education, employment and training opportunities and are able to effectively participate in the workforce and community. • Recognise the importance of having sufficient affordable, healthy and safe housing to accommodate the workforce. • Recognise the increasing cultural diversity of our communities, workforce and employers and support their contribution to a sustainable District economy. • Work with iwi and hapū to support their economic development aspirations in line with the Māori Economic Development Strategy – He Mauri Ohooho. • Investigate initiatives that recognise and support the cultural diversity of the Western Bay of Plenty District economy.
<p>Council services are committed to being business-friendly to encourage and enable businesses to flourish and contribute to building vibrant communities.</p>	<ul style="list-style-type: none"> • Strengthen the ‘business friendliness’ of Council services. • Continue to automate and digitise Council services for a more efficient processing and interaction with businesses. • Provide cost-effective, sustainable and productive infrastructure to enable the District to function and prosper such as water, wastewater, stormwater, wi-fi and transportation. • Take an active role in growing healthy, thriving and vibrant town centres that service their communities, visitors and businesses with a quality experience that encourages them to keep coming back: <ul style="list-style-type: none"> - Work with the community, landowners, stakeholders and potential sponsors to develop and implement town centre plans. - Provide community and visitor information facilities in Katikati and Te Puke town centres. - Provide town centre promotion, support events and festivals and work with organisers to ensure successful event management within our towns and communities. - Develop the western Bay of Plenty as a leading domestic and international tourist destination.

Goal	Our approach
<p>Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities.</p>	<ul style="list-style-type: none"> • Advocate for and facilitate the establishment of an environment that builds the capacity and capability of community, voluntary and social enterprise sectors to effectively deliver services. • Investigate community ownership of asset models that build the capacity and capability of community, voluntary and social enterprise sectors to effectively deliver services. • Encourage businesses to adopt sustainable business practices to improve community outcomes. • Encourage and facilitate collaboration between the 'for profit' sector and the community, voluntary and social enterprise sectors to create positive social and environmental outcomes. • Foster and recognise business innovation that incorporates economic, cultural, social and environmental benefits: <ul style="list-style-type: none"> - Recognise innovation by supporting awards for businesses that incorporate economic, cultural, social and environmental benefits. - Investigate ways in which Council could incentivise innovation which incorporates economic, cultural, social and environmental benefits. - Advocate to Central Government to fund economic initiatives in the District. • Foster and encourage innovation within Council that incorporates economic, cultural, social and environmental benefits: <ul style="list-style-type: none"> - Investigate ways to encourage innovation internally.

What are we planning to do

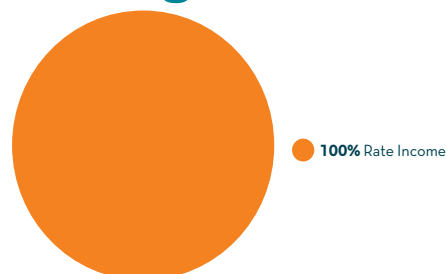
All information from 2023 - 2031 includes an adjustment for inflation.

Project number	Project name	\$'000									
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
298901	Economic Services Contract - Tourism Bay of Plenty	232	238	245	251	258	264	270	277	283	289
299001	Economic Services Contract - Priority One	182	187	192	197	202	207	212	217	222	227
299101	Economic Development - Environmental Capacity Building	20	15	21	16	22	17	23	18	24	19
299301	Te Puke Promotion - Te Puke Economic Development Group	74	76	78	80	82	84	86	88	90	92
299302	Town Centre Promotion - Te Puke Epic	34	35	36	37	38	38	39	40	41	42
299303	Economic - Epic Te Puke Additional Support	10	10	11	11	11	11	12	12	12	12
299401	Town Centre Promotion - Katch Katikati	114	117	120	123	127	130	133	136	139	142
302201	District Town Centre Development	220	226	232	238	245	250	256	262	269	274
313505	Property - Waihi Beach Town Centre Development	200	51	-	-	-	-	-	-	-	-
326804	Property - Katikati Town Centre Development Ward Funded	94	98	103	108	112	114	117	120	123	125
326805	Property - Town Centre Katikati	50	103	528	217	-	228	-	239	-	249
336501	Town Centre Promotion - Waihi Beach	52	53	55	56	58	59	61	62	63	65
357101	Economic - Waihi Beach Events and Promotions	10	10	11	11	11	11	12	12	12	12

Where the money comes from

Please refer to 'Policies, Summaries & Statements' for the Revenue and Financing Policy for economic development.

Funding sources for 2021-22





How we will track progress

What we do	How we track progress	Result 2020	Target				
			2022	2023	2024	2025-27	2028-31
<p>Foster partnerships between organisations, including local and central government and businesses to support economic, social, cultural and environmental development.</p> <p>Council services are committed to being business friendly to encourage and enable businesses to flourish and contribute to building vibrant communities.</p> <p>Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities.</p>	<p>Key Performance Measure Percentage of economic contracts where key contract requirements have been achieved. Key service delivery contracts held with Priority One, Tourism BOP, Te Puke Economic Development Group, EPIC Te Puke, Katch Katikati and Waihi Beach Events and Promotions.</p>	100%	≥90%	≥90%	≥90%	≥90%	≥90%
	<p>Key Resident Measure Level of resident satisfaction with our role in promoting employment and business opportunities within the sub-region.</p>	49%	≥65%	≥65%	≥65%	≥65%	≥65%
<p>Council will support external organisations tasked with developing economic activity in the District.</p>	Total invested in economic support through service delivery contracts.	\$12.95	≥\$12 per resident	≥\$11 per resident	≥\$11 per resident	≥\$11 per resident	≥\$11 per resident
	Level of resident satisfaction with the promotion of town centres and events in Katikati, Te Puke and Waihi Beach.	49%	≥65%	≥65%	≥65%	≥65%	≥65%



Key assumptions

Assumption	Description	Risks
Economic sub-regional partner: Priority One	Priority One remains an effective organisation and the joint service delivery agreement between Tauranga City Council, Western Bay of Plenty District Council and Priority One continues on a three-year rolling basis.	If an effective sub-regional economic development organisation no longer existed our strategies would be less effective and may cost more to implement.
Economic sub-regional partner: Tourism Bay of Plenty	Tourism Bay of Plenty remains an effective organisation and the joint service delivery agreement between Tauranga City Council, Western Bay of Plenty District Council and Tourism Bay of Plenty continues on a three-year rolling basis.	If an effective regional tourism organisation no longer existed our strategies would be less effective and may cost more to implement.
Local economic development organisations	Town centre promotion and local economic development organisations in our District remain viable, effective and able to take part in joint projects with us.	If effective town centre and local economic development organisations did not exist we would need to consider alternative service delivery models, which may have higher operational costs.
Growth in visitor numbers	International visitor spend is forecast to grow by 5.3% per annum, and domestic visitor spend growth by 3.7% per annum. Overall, tourism is expected to grow by 60% over 10 years to \$1.45 billion. The impact of visitors will be concentrated on our District's coastal communities.	If visitor numbers grow faster than expected there would be pressure on infrastructure and visitor facilities.

Significant effects of providing this activity

Wellbeing	Positive	Negative	How are we addressing these effects
 <p>Social</p>	<ul style="list-style-type: none"> • A strong, sustainable local economy is essential for our communities and the District as a whole. A vibrant and viable town centre provides a focus for the community and provides jobs and services along with a destination for socialising and leisure. • The social wellbeing of communities is affected by its residents' ability to access employment and a range of goods and services. • Economic growth can stimulate provision of additional services and facilities so improving the social infrastructure on offer to our communities. • Social outcomes are inextricably linked to the economy which is recognised in the Economic Strategy. • Community organisations/non-government organisations provide a large number of jobs and significantly contribute to the gross domestic product of the economy. Assisting these organisations in their day-to-day operations and management will improve their ability to contribute to the economy and communities. 	<ul style="list-style-type: none"> • Our role is relatively limited and, while we can support provision of the 'right conditions' for economic development, we cannot control all aspects. 	<ul style="list-style-type: none"> • Maximising what influence Council does have to support economic development.
 <p>Cultural</p>	<ul style="list-style-type: none"> • Our cultural and historic heritage is a considerable asset and adds to the high quality landscape and built heritage our District offers, all part of a favourable location for economic development. • We support protection and enhancement of this asset and are also aware of the economic opportunities available from cultural and historic tourism. • The Māori economy is significant in the District and has potential to grow and positively impact on the overall economy, particularly as Treaty settlements are concluded. 	<ul style="list-style-type: none"> • There is often tension between the protection of our cultural heritage and economic progress. 	<ul style="list-style-type: none"> • We are aware of the sensitive cultural and historic heritage within our District and seek to work with Tangata Whenua and historic protection agencies to ensure that economic development positively impacts our cultural and historic assets. • Where possible we will work to enhance and support opportunities for our communities to learn more about our cultural and historic heritage. • Council will support, as appropriate, the development of the Māori economy.

Significant effects of providing this activity

Wellbeing	Positive	Negative	How are we addressing these effects
 <p>Environmental</p>	<p>Sustainable economic development considers its potential impact on all four of the wellbeings, including the environment.</p> <ul style="list-style-type: none"> • Supports innovation which maximises the use of local resources and minimises waste that occurs in the production of goods. • Minimising the impact of economic growth on the environment while considering the benefits and need for such growth are important. 	<ul style="list-style-type: none"> • There is often a tension between environmental protection and economic progress. 	<ul style="list-style-type: none"> • We consider the impact of economic development on the environment. Our approach to sustainable development and our legislative framework and guidelines indicate our mechanisms for regulating the impacts of this growth, where this is possible. • We resource community development staff to work with environmental care groups to enhance and improve the environment, particularly in areas where growth has had negative impacts on the natural environment. • Our District Plan has introduced incentives such as Environmental Protection lots to offset some of the impacts of growth on the environment. • We provide educational literature (leaflets, signage) to help our communities appreciate the impacts of growth/ human disturbance on the environment.
 <p>Economic</p>	<ul style="list-style-type: none"> • A strong local economy is a key part of a robust, attractive, sustainable community. • Supporting the provision of the right conditions for economic development, including employment land, accessible town centres, supporting infrastructure and a quality lifestyle, is vital. • We provide visitor information facilities which encourage more visitors and more spending within the local economy. 	<ul style="list-style-type: none"> • The local economy is driven by many external factors. Our role is therefore limited and while we can seek to create desirable conditions for economic growth we cannot control the direct creation of employment opportunities and continuation of local economic development. 	<ul style="list-style-type: none"> • We understand the need to support economic development and are keen to improve those processes which have an impact on those delivering economic development, for example building and consent processes and our planning framework. • We encourage businesses, landowners, developers and communities to have input our planning and policy development frameworks. We encourage feedback from our communities.



Children taking part in TECT Park's 10th Birthday Celebrations 2020